

UNSC - SECURITY COUNCIL



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**Issue: Addressing Disputes in the South China Sea:
de-escalating Tensions and reaffirming Freedom of Navigation**

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Introduction

Over the last few decades, the South China Sea has been plagued by territorial disputes, putting strain on international relations both in the region and globally. On a regional scale, the balance of power between the different countries is determined by territory, and tensions rise when territorial claims disrupt the status quo. Internationally, this region is a chokepoint for trade: one third of all maritime traffic passes through the South China Sea, representing \$5.3 trillion worth of commercial cargo being handled in the region every year. Solutions have to be found that can balance the sovereignty of individual nations, prevent military escalation, and preserve a seamless globalised economy.

Key terms

Exclusive economic zone (EEZ)

A maritime zone 200 nautical miles from a given state's coast, in which they have been granted the right to explore, exploit, conserve, and manage its marine resources.

ASEAN

The Association of South East Asian Nations, with the stated goal of promoting peace, security, economic prosperity and social progress, and that is made up of Indonesia, Malaysia, the Philippines, Singapore, Thailand, Laos, Myanmar, Vietnam, Brunei and Cambodia.

Territorial claim

An assertion made by a given nation stating ownership and jurisdiction over a specific area.

UNCLOS

United Nations Convention on the Law of the Sea. Signed in 1982 and entered into force in 1994, the United States of America most notably is a non-party in relation to the convention.

Nine-Dash Line

An area constituting the entirety of China's territorial claims in the South China Sea.

General Overview

The South China Sea (SCS), covering 3.5 million square kilometres, stretches from the Strait of Malacca to the Strait of Taiwan. The sea borders many South East Asian nations and holds within it numerous clusters of islands and reefs; these are the subjects of the territorial claims that shape the tensions in the regions.

Primary hotspots

The tensions in the South China Sea is determined by territorial claims made by the direct claimants and the indirect consequences that these territorial claims have within the balance of power. The main hotspots are the following:

The Spratly Islands - The Spratly islands are a group of islands, islets, cays and reefs split between many South-East Asian nations. China, Vietnam, the Philippines, Malaysia and Taiwan all have military outposts in the archipelago, militarising a total of 45 features. Both China and Vietnam have invested heavily in island building and dredging to artificially expand their EEZs, creating a cumulative total of 200 hectares of artificial land. It is also known to have vast amounts of hydrocarbons and rich shipping grounds.

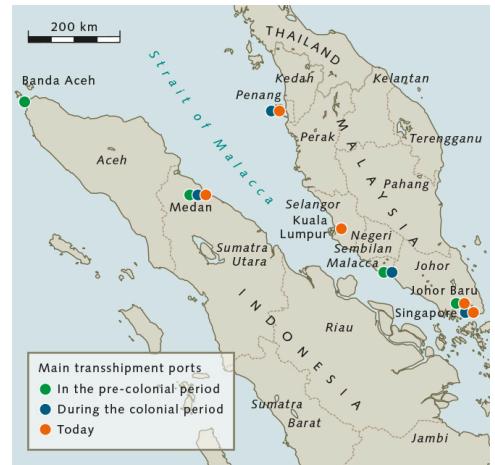
The Paracel Islands - The Paracel Islands is a tropical archipelago of 130 features equidistant from both the People's Republic of China (PRC) and Vietnam, surrounding oil and gas fields and productive fishing grounds. Controlled by the CCP since 1974 holding 20 outposts in the region, Vietnam still lay a historical claim for the entire archipelago.

Scarborough Shoal - The Scarborough Shoal is a triangular chain of rocks and reefs, covering 150 square kilometres, approximately 170 nautical miles away from the Philippine Coast. Under de facto Chinese controls, it represents the main point of tension between the PRC and the Philippines, especially after the recent Chinese expansion.

Second-Thomas Shoal - Controlled by the Philippines since 1999, this submerged reef, believed to have vast reserves of oil and gas, has been another strain on Sino-Philippine relations. Recently, numerous military operations have taken place around the shoal including the disruption of Philippine resupply missions with water-cannon fire, military grade lasers and ramming techniques, until an unstable agreement was reached in July 2024.

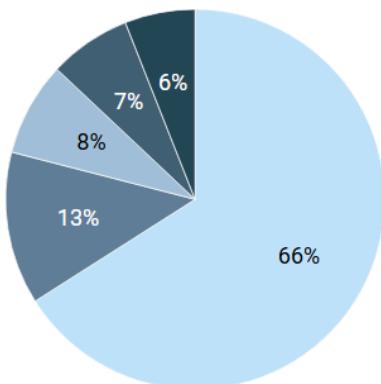
The Strait of Malacca

The Strait of Malacca, sandwiched between Malaysia and Indonesia, is a funnel shaped waterway, 650 kilometres long and 2.8 km wide at its narrowest point, linking the South China Sea with the Indian Ocean. Most of the trade handled in the South China Sea goes through this strait; this route handles 90,000 vessels annually, motivating the United States' focus on freedom of navigation through the waterway. More importantly, 80% of China's imports of crude oil pass through this very narrow stretch of water. It represents a major geopolitical vulnerability for the PRC, what Chinese leader Hu Jintao called the "Malacca dilemma" in 2003. The dependence becomes particularly existential at the prospect of a blockade being put in place. Furthermore, any rapprochement by the states that hold jurisdiction over the strait (these being Malaysia, Indonesia and Singapore) towards the US could threaten Chinese national security. This motivates Beijing to create a strategic buffer using their artificial islands and to develop alternate routes, at great expense and with disputable success, such as the Kra Canal in Thailand.

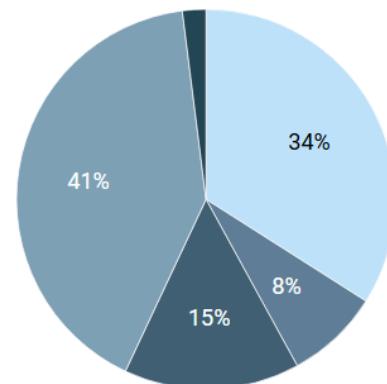


Economic stakes

A total of an estimated \$3.37 trillion worth of global trade, or what accounts for one third of global shipping, passes through this region annually. The goods transported are extremely varied, and each, if disrupted, could have disastrous consequences on the global economy. For instance, 40-64% of Chinese trade, 33% of Indian trade and around 20% of Japanese trade all rely on this trade route, and all three nations have very important economies within the context of globalisation. Furthermore, 10 billion barrels of petroleum and 6.7 trillion cubic feet of liquid natural gas passed through the South China Sea in 2023, making it crucial for the energy imports of countless nations.



Natural Gas Production



Petroleum Production

However the economic stakes go beyond just trade, for there is significant potential for the exploitation of natural resources in the region as well, most notably in beds of hydrocarbons and fisheries. There are approximately 3.6 billion barrels and 40 trillion cubic feet of liquid natural gas unexploited in the region. This explains the economic incentive behind the territorial claims: each actor's territorial claim expands their EEZ, thus giving them access to more valuable resources. Then, the fisheries in the South China Sea represent 8- 12% of global fish catch, valued at \$11.34 billion annually. This industry feeds millions in the region, is heavily relied upon economically, particularly in the case of island nations, and also requires a large uncontested EEZ.

Diplomatic alliances and geopolitical stakes

The geopolitical stakes come in multiple degrees of severity. Unchecked expansionism and militarisation of the region would disrupt the balance of power in the region, worsening diplomatic ties. The consensus in the West is that the PRC wishes to exert dominance over the states in the region, to achieve regional hegemony and increase its territory, through intimidation and coercion. Not only would this subjugate the surrounding developing nations, it would also weaponise the trade routes in the South China Sea, dramatically increasing the PRC's economic influence over the West. From the PRC's perspective however, their military presence is a matter of national security, and therefore necessary and justified.

Tensions, if handled poorly, may give rise to escalation and military skirmishes between claimant states. The Philippines have recently improved and developed military ties with the United States, Australia, South Korea, Japan, Vietnam, and even New Zealand in the wake of recent events in the region. ASEAN deem national sovereignty of their member states as a primary objective, Moreover, South Korea, Australia and Japan all have historic military agreements with the USA. Therefore, due to the web of different alliances between direct claimants, other regional powers, such as South Korea, Japan and Australia, and the United States, as well as the latter's deteriorated relations with the PRC, the risk of a regional war escalating into a 'hot war' between the USA and China is non-negligable.

Timeline

1949: The Chinese communist revolution takes place, creating the People's Republic of China (PRC) and forcing the Chinese Nationalist Party (KMT) to flee to Taiwan, an island which is considered by the Chinese Communist Party to be a Chinese province, and create the state of Taiwan.

1970s - 1980s: Regional powers start making regional claims over islands in the South China Sea such as the Spratly and Paracel islands.

1974: China seizes the Paracel Islands from South Vietnam by force.

2012: A Standoff between China and Philippines over the Scarborough Shoal results in Chinese control of the islands.

2014-2016: China begins island-building on marine elements (reefs, rocks...) and developing military outposts and runways in the Spratly islands.

2016: The Permanent Court of Arbitration rules against China's "Nine Dash Line" claims, which both China and Taiwan reject.

2019 - Present: Many close encounters between Chinese, Vietnamese, and Philippine vessels around the Scarborough and Second Thomas Shoals take place in the South China Sea.

Early 2025: Vietnamese land development begins in the Vietnamese occupied Spratly islands, expanding their territorial claims. By March 2025, they had developed 70% as much artificial land as China had in the region.

February 2025: China runs a live-fire exercise in the Gulf of Tonkin in response to new Vietnamese territorial claims.

May-August 2025: Collisions and water cannon attacks in the region intensify. Military exercises involving China, the Philippines, Japan, Australia and the UK all take place around the Scarborough and the Second Thomas shoals and the Subi Reef, including Chinese deployment of five coastal guard vessels and 11 armed fast boats around Second Thomas in order to intimidate the Philippine navy.

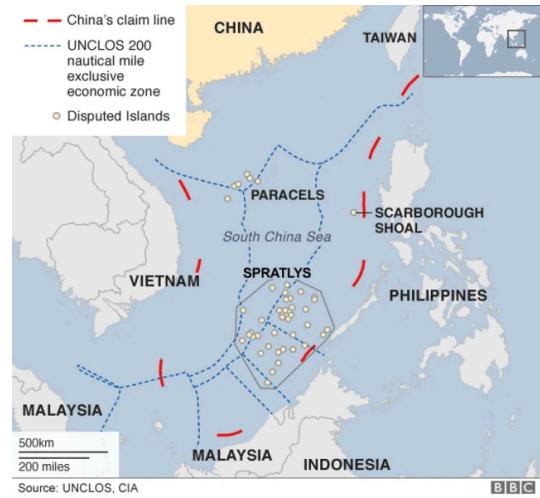
September: China announces a nature reserve at Scarborough shoal, spanning 3524 hectares and encroaching into the Philippine's EEZ, 200km away from their coast. China claims to be motivated by environmental preservation while the Philippines view this designation as unlawful.

Major parties involved

People's Republic of China

China's territorial claims are those within the Nine-Dash Line and the CCP remains committed to these claims despite the lack of international recognition. Both China's economy and military are by far the largest in the region, making them an assertive player in territorial disputes. Their economy is based on exports, meaning they have a vested economic interest in controlling navigation within the region.

Furthermore, around 80% of Chinese energy imports pass through the South China Sea, making dominance in the region a national security concern.



United States of America

The USA is, despite its best efforts, still heavily reliant on the exports of several South-East Asian nations, and thus requires freedom of navigation in the region in order to maintain economic stability. However, the current administration, committed to strategic ties to Japan, South Korea and the Philippines, are worried about unchecked Chinese expansionism threatening the balance of power in the region.

Philippines

The Philippines have been the most vocal advocate against China's territorial claims, because the sovereignty is currently the most threatened by them and, consequently, they have strengthened diplomatic ties with the United States, notably through their Mutual Defense Treaty signed in 1951. The Philippines, like other island nations in the region, is heavily dependent on safe passage of merchant shipping for oil, gas and other essential goods.

Vietnam

Vietnam, a developing, export based economy, is relatively neutral and is prioritising its own growth. However, it has territorial claims in the region, quietly upsetting Chinese dominance in the region, particularly in the Spratly archipelago. While these territorial claims and the actions taken to reinforce these claims come as response to Chinese antagonism, both past and present, it remains non-aligned.

India

India's priorities have been, and still are, the continued steady development of the Indian economy, and diplomatic neutrality, maintaining functional relations with both Western powers and their perceived enemies. The case of the South China Sea is no exception: they support an open Indo-Pacific, and wish to protect their economic interests, most notably, the import of oil and gas.

Possible solutions

The territorial disputes in the South China Sea jeopardize the delicate balance of power and dynamics of trade in South-East Asia. While many countries have solutions in mind, these often aim more at expanding their own power and influence in global trade than at attaining a peaceful deescalation in the region.

A successful solution requires the international community to maintain freedom of navigation and to promote military deescalation between states, which can only be achieved through diplomatic exchange. In this goal, the UNCLOS represents a strong foundation in resolving these tensions. However, the People's Republic of China, having signed and ratified the convention, argues that their jurisdiction over maritime zones in the South China Sea should extend well beyond the 200 Nautical Mile limit due to historical claims.

Negotiations are being carried out to form a framework for the peaceful settlement of the disputed areas in the ASEAN - China Code of Conduct since 2017. The progress on the development of this framework has been slow because of disagreements between the parties involved. For instance, the People's Republic of China will not agree to a Code of Conduct that is legally binding, while most ASEAN countries need it to be legally binding to ensure the protection of their maritime resources from conflict. Until a final draft is achieved, tensions will most probably not cease to grow.

Seeing as any proposal of an ideal final settlement will certainly benefit some nations over others, a pragmatic approach to extinguish the conflict would be to find a way nations can cooperate towards a set of tolerable circumstances, granting the countries involved control over the jurisdiction of part of their desired maritime zones, to preserve the balance of powers and preventing military escalation.

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