Does China have a legitimate claim?

BY ROBERT BECKMAN
FOR THE STRAITS TIMES

AFTER relative calm for the past few months, the dispute between China and the Philippines over the South China Sea has flared up again.

The latest exchanges between the Philippines and China were triggered by Manila’s announcement that it would open new blocks off Palawan for exploration of hydrocarbons and by an announcement from Forum Energy that it will continue exploring for oil in the Reed Bank by conducting seismic surveys and by drilling up to two wells by June 2023. Beijing has objected to the reported actions, arguing that some of the blocks are in areas over which it claims rights and jurisdiction.

The critically important question is whether China has a legitimate claim under international law to rights and jurisdiction in the waters where the blocks are located. If so, it would mean that these blocks are within an “area in dispute”, and the objections of China to unilateral actions by the Philippines are valid.

China has a long-standing historic claim to sovereignty over features in the South China Sea known as the Spratly Islands. China has consistently objected to sovereignty claims of the Philippines, Vietnam, Malaysia and Brunei over some of the islands.

The infamous nine-dashed line found in Chinese maps of the South China Sea has prompted critics to describe its claim as a “territorial waters” claim; they assert that either China is claiming sovereignty over all the waters within the nine-dashed line or it is claiming 80% of the South China Sea as its own.

However, the Chinese Ministry of Foreign Affairs has reiterated that Beijing is not claiming sovereignty over all of the South China Sea. Although China has not completely clarified its nine-dashed line, in official diplomatic notes to the United Nations, it has claimed sovereignty over the Spratlys and their adjacent waters.

It is generally agreed that “adjacent waters” refers to the 12 nautical mile (nm) territorial sea which can be claimed from any land territory, including islands. Further, China has stated in its official diplomatic notes that the Spratlys are entitled to an exclusive economic zone (EEZ) and continental shelf under Chinese law and under the 1982 United Nations Convention on the Law of the Sea (Uncllos).

A state does not have sovereignty in its EEZ or on its continental shelf, but it does have “sovereign rights” and jurisdiction for the purpose of exploring and exploiting the natural resources of the seabed and subsoil in its EEZ and on its continental shelf.

The Philippines claims that it has sovereign rights to explore and exploit the hydrocarbon resources in the blocks in the Reed Bank because it claims a 200nm EEZ measured from straight baselines connecting the outermost points of the outermost islands in its main archipelago.

Manila has not claimed an EEZ or continental shelf from any of the disputed islands in the Spratlys over which it claims sovereignty. Rather, its position seems to be that even if some of the features near Reed Bank are islands because they have naturally formed areas of land above water at high tide, these islands should only be entitled to a 12nm territorial sea, not to an EEZ or continental shelf.

The position of the Philippines is based on the distinction in Uncllos between “islands” and “rocks”. Although islands are in principle entitled to a territorial sea, EEZ and continental shelf, “rocks” which cannot sustain human habitation or economic life of their own are only entitled to a 12nm territorial sea.

The practical effect of the Philippines’ position is to reduce the “areas in dispute” in the Spratlys to the islands themselves and the 12nm territorial sea adjacent to them. Since the blocks in the Reed Bank are more than 12nm from any disputed island, they would not be within an area in dispute, but would fall solely within the EEZ of the Philippines measured from its archipelago.

China could maintain that some of the features in the Spratlys near Reed Bank, such as Nanshan Island (Ma Huan Dao/Dao Vinh Vien/Lawak), are “islands” under Uncllos because they are naturally formed areas of land above water at high tide. Further, China could maintain that some of these islands are entitled to an EEZ and continental shelf because they are capable of sustaining human habitation or economic life of their own.

If China claims that some of the islands near Reed Bank are entitled to an EEZ and continental shelf, it can maintain that it has sovereign rights and jurisdiction under Uncllos to explore and exploit the hydrocarbon resources in these zones. Consequently, the EEZ and continental shelf measured from the disputed islands will overlap with the EEZ of the Philippines measured from its archipelago. The “area in dispute” will then be the disputed islands, their 12nm territorial sea and the areas where the EEZ and continental shelf of the islands overlap with the EEZ of the Philippines.

If the blocks in question near Reed Bank are in an “area in dispute”, this has implications for the activities that can lawfully be undertaken by the Philippines and China. Recent international arbitral decisions have found that unilateral exploration and exploitation activities in “areas in dispute” are contrary to Uncllos, especially if they involve drilling.

For now, the most that can be said is that China has a basis under Uncllos and international law for claiming sovereign rights and jurisdiction to explore and exploit the hydrocarbon resources in the waters surrounding some of the Spratly Islands. Accordingly, its protests to the Philippines can be seen as a legitimate action to preserve its rights.

The best way forward may be for the two countries to side-step the sovereignty disputes and the rock-island disputes and enter into negotiations to define the “areas in dispute” that can be subject to joint development arrangements. In the meantime, they should exercise restraint and refrain from any unilateral activities which would exacerbate the already complex disputes.