

Vanguard Bay: A New Hot Spot in the South China Sea?

A Round-Table Discussion at the University of Hamburg

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Room: 232 (*Asien-Afrika-Institut, Edmund-Siemers-Allee 1, Ostflügel*)

Participants:

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Host:

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Vanguard Bank (Vietnamese: Bãi Tư Chính, Chinese: Wan'an Tan) is an agglomeration of rocks in the south-western corner of the Spratly Islands, submerged by water, where currently three Vietnamese military outposts on stilts are stationed. The area is situated 352 kilometres off the south-eastern Vietnamese coast, roughly in the middle of the distance between Vietnam and Brunei.

From July 3-11, 2019, a Chinese navy ship (the Haiyang Dizhi 8) entered the area to conduct exploration operations in search of hydrocarbons. In response to the Chinese move, Hanoi sent four coastguard ships to the area to support its claim to defend the the sovereignty of the SRV's 200 nautical miles' Special Economic Zone. This triggered a confrontation that lasted over ten days, marked by blank shots and water cannon jets. According to the statement of the SRV Foreign Ministry, the waters surrounding Vanguard Bank belong to Vietnam, as an extension of its southern plaque. However, the PRC has started exploration operations in search of oil and gas there, thus turning a peaceful area into a new disputed territory.

Since 2009, the PRC has exerted pressure on Vietnam, so that a British (British Petroleum, BP) and a Spanish company (Repsol) were forced to abandon the sector (2014).

First of all, Vietnam reacted to this new Chinese bullying in a very low-key manner. Surely not accidentally, the PRC move took place when the president of the Vietnamese National Assembly, Mrs. Nguyễn Thị Kim Ngân, payed an official visit to China. For the entire period of her visit, Vietnam's state newspapers and the official media remained silent.

On July 17, 2019, the spokeswoman of the SRV Foreign Ministry, Lê Thị Thu Hằng, called on "related countries and the international community to work together to contribute to peace and order in the South China Sea". She mentioned the "entry" of HD8 into Vietnamese waters. A note of the SRV Foreign Ministry stated that "whoever enters the waters or invades the islands and the continental plate of Vietnam, violates the international law and the 1982 UN Convention on

the Law of the Seas (UNCLOS)”. In October 2019, Vietnam’s Foreign Ministry revealed that forty diplomatic notes on this topic had already been sent to the PRC. A background brief was sent to several countries, with whom the SRV has concluded agreements on strategic relations: the US, Japan, India, Australia, New Zealand, South Korea, France, Germany, the UK and the EU, but not to China and Russia. The US Department of State was the first of the partner countries to condemn China’s actions in strongly worded press statements on July 20, 2019 and August 13, 2019. Australia, Japan and the EU also condemned the PRC actions without calling the country by its name, and reiterated their readiness to contribute positively to a speed up the conclusion of an effective, substantive and legally binding Code of Conduct (CoC) in the South China Sea between ASEAN and the PRC.

The aim of this discussion round is to assess the incident itself, the Chinese and Vietnamese points of views and intentions, and possible developments of this conflict, which is part of a wider spectrum of conflicts between China and Vietnam, China and the Philippines as well as other claimants concerning the South China Sea. It seems to be possible to approach this new hot spot in a multiple way:

1. Is the PRC continuing her long-term policy of “the silkworm is eating the leaf of the mulberry tree” in the SCS? After the Mischief Reef and the Scarborough Shoal have been effectively seized from the Philippines, and President Rodrigo Duterte has been silenced with the promise of Chinese infrastructure investments, has now Vietnam been singled out as the next frontline area?
2. How much can these provocations be regarded as a military mean to enforce Chinese hands at the CoC negotiation table, especially in view of the PRC’s bold demands, that all resources should be shared between the PRC and adjacent countries and foreign companies be banned from exploring and mining in the SCS?
3. How much is Beijing testing the sustainability of US-Vietnam military cooperation? Vietnam has received rhetorical support from the US during the May 2014 oil rig crisis and during the recent Vanguard Bank incident. Is this enough to deter the PRC?
4. What are options of the SRV? Should Vietnam give in on the CoC conference table and renounce to its agreements with foreign companies? Should it defend the area militarily alone by all means, risking defeat against largely superior naval and air forces? Or should it admit defeat and factually leave the territory to the PRC, like in the case of the formerly Philippine held reefs and shoals?
5. What are the chances of the SRV to use the stipulations provided by UNCLOS (Annex VII) to win an international arbitration of this litigant, like in the case of the Philippines versus China (2013-19) of the Permanent Court of Arbitration in The Hague? The PRC boldly rejected both the arbitration and its result, so would a new legal defeat change anything on the ground?

6. Has Vietnam other possibilities to impress China, e.g. to drum up international support? What should and could Japan, India, Europe and other strategic partners do in this regard?