

## ASEAN fails to reach consensus

Chair Cambodia rejects compromise wording of joint communique over how to handle disputes in South China Sea

Updated 08:05 AM Jul 13, 2012

PHNOM PENH - The Association of Southeast Asian Nations (ASEAN) failed to reach consensus on handling disputes in the South China Sea, reflecting a rift between China and the United States over rules to keep peace in the trade lane.

Cambodia, which holds the bloc's rotating chairmanship, rejected a compromise on the wording of a joint communique among the other nine members in Phnom Penh, according to Mr Sihesak Phuangketkeow, the top bureaucrat in Thailand's Foreign Ministry. The group's failure to agree after a week of meetings is unprecedented, Indonesian Foreign Minister Marty Natalegawa said.

"This is strange territory for me," he told reporters yesterday. "It's very, very disappointing that at this 11th hour Asean is not able to rally around a certain common language on the South China Sea. We've gone through so many problems in the past, but we've never failed to speak as one."

The squabbling underscores growing unease among the Philippines and Vietnam over China's assertiveness in disputed waters that may contain oil and gas reserves. China this week rebuffed US calls to quickly complete a code of conduct for the seas as Secretary of State Hillary Clinton warned more clashes are likely without a regionwide deal.

"It's a sign of Asean's maturity that they are wrestling with some very hard issues here," Mrs Clinton told reporters yesterday. "They are not ducking them. They are walking right into them."

The region is estimated to have as much as 30 billion metric tons of oil and 16 trillion cubic meters of gas, which would account for about one-third of China's oil and gas resources, according to China's official Xinhua News Agency. China had 2 billion tons of proven oil reserves and 99 trillion cubic feet of natural gas reserves in 2010, according to BP estimates.

The Philippines wanted the meeting's communique to mention a two-month standoff with Chinese vessels over a disputed reef known as Scarborough Shoal in the Philippines and Huangyan Island in China. In the security meeting of 26 Asia-Pacific nations and the European Union yesterday, Philippine Foreign Secretary Albert del Rosario denounced "pressure, duplicity, intimidation" from China and warned that tensions "could further escalate into physical hostilities that no one wants".

"The chair had a problem with mentioning Scarborough Shoal," he said in an interview afterward, referring to Cambodia. "We're looking to report what's factual, so we said if we don't report Scarborough Shoal, what are we talking about? So he took a position and I took a position and we reached an impasse."

Cambodian Foreign Ministry official Kao Kim Hourn rebuffed criticism that his nation was under

pressure from China, calling it an "unfair accusation".

"The process of discussions is still ongoing," Mr Kao Kim Hourn, a spokesman for Cambodia during the meetings, told reporters as most foreign ministers left the venue. "The moment we go into specific issues, we have a hard time to secure the consensus."

China warned nations this week to avoid mentioning the territorial spats during the Asean meetings and repeated calls for joint development. Vice-Foreign Minister Fu Ying yesterday said China would start talks with Asean on a legally binding Code of Conduct in the South China Sea "when conditions are ripe", according to Xinhua.

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Asean's discord over the communique "could enhance the prospects for reaching agreement" on a Code of Conduct because China "is less likely to feel that all the Asean member states are ganging up against it," Associate Professor Robert C Beckman, director of Centre for International Law at the National University of Singapore, wrote in an email. Key issues will be whether Asean can reach consensus "and remain united on those principles during the negotiations with China", he said.

Mrs Clinton downplayed the risk of conflict with one of the US's biggest trading partners and stressed ways to cooperate with China in the region. US-China commerce totalled US\$503 billion (S\$639 billion) in 2011, more than double the combined US\$194 billion traded with Indonesia, Thailand, Philippines, Malaysia, Vietnam and other Asean nations, according to the US Census Bureau.

The US interest in the South China Sea is based on the importance of freedom of navigation in the 1.2 million-square-mile body of water that links the Pacific and Indian oceans, Mrs Clinton said yesterday. China has denied its actions threaten ships passing through the waters.

"We recognise that a zero-sum approach in the Asia-Pacific will lead only to negative-sum results," Mrs Clinton said, noting that her meeting yesterday with Foreign Minister Yang Jiechi touched on science, technology, public health and the environment. "So we are committed to working with China within a framework that fosters cooperation where interests align, and manages differences where they don't."

Vietnam and the Philippines, a US ally, reject China's map of the waters as a basis for joint development and have sought a regional solution to increase their bargaining power with Asia's biggest military spender. Mrs Clinton has urged the countries to define their territory based on the UN Law of the Sea, a move China has resisted because it may lead to a loss of some waters it now claims.

The differences represent a learning experience for Asean, Secretary-General Surin Pitsuwan said in an interview yesterday.

"Asean operates on consensus and if one member holds back, we can't move," he said. "We need to digest the experiences and try to make sure we internalise, we understand and we walk forward."  
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