

SOUTH CHINA SEA NEWS UPDATES No. 65
August 2018

ACTS OF CLAIMANTS

27 August 2018: Taiwan Reassures Over Drills

Taiwan's coast guard said annual live-fire exercises were routine and didn't endanger shipping.

https://www.washingtonpost.com/world/asia_pacific/recent-developments-surrounding-the-south-china-sea/2018/08/27/21de648e-a9b5-11e8-9a7d-cd30504ff902_story.html?noredirect=on&utm_term=.c1d700af21c0

24 August 2018: Vietnam protests Taiwan military drills on Taiping Island in S. China Sea

Vietnamese Foreign Ministry Spokesperson Nguyen Phuong Tra claimed that Taiwan's drills infringed on Vietnam's sovereignty and raised tensions in the South China Sea.

<https://www.taiwannews.com.tw/en/news/3513913>

24 August 2018: Vietnam concerned about possibility of nuclear power plans in troubled waters

Every country is obligated to maintain peace and stability in the East Sea, Vietnam asserted.

<https://e.vnexpress.net/news/news/vietnam-concerned-about-possibility-of-nuclear-power-plans-in-troubled-waters-3797329.html>

23 August 2018: Philippines concerned over possible nuclear weapons in South China Sea

"We are concerned about the possibility that any foreign power may bring nuclear warheads into our territory and into Asean, which is declared as a nuclear-free zone," Roque said.

<https://www.philstar.com/headlines/2018/08/23/1845175/philippines-concerned-over-possible-nuclear-weapons-south-china-sea#85Z3HufXtxzmc32z.99>

23 August 2018: Philippines' Duterte warns China of war if it drills oil in Filipino waters

"If you monopolise it (oil), there will be trouble," Duterte said.

<https://asiancorrespondent.com/2018/08/philippines-duterte-warns-china-of-war-if-beijing-drills-oil-in-filipino-waters/>

20 August 2018: Beijing opposes Washington's military report

"We ask the United States to abandon the Cold War mindset and adopt an objective and rational attitude toward China's defense and military developments," the spokesman said.

<http://usa.chinadaily.com.cn/a/201808/20/WS5b79ff13a310add14f38690f.html>

18 August 2018: China has nuclear plans in South China Sea: US

"China indicated development plans may be under way to power islands and reefs in the typhoon-prone South China Sea with floating nuclear power stations; development reportedly is to begin prior to 2020."

<https://www.straitstimes.com/asia/east-asia/china-has-nuclear-plans-in-s-china-sea-us>

19 August 2018: Taiwan to increase scientific research and investment in SCS

The project aims to improve Taiwan's research into disaster prevention, climate and atmospheric science, and maritime studies, while are increasing cooperative research efforts with Southeast Asian nations.

<https://www.taiwannews.com.tw/en/news/3510046>

18 August 2018: Duterte to China: No need to use 'nasty words' against Filipinos

"You know very well that we will not attack anybody there," he said.

<http://cnnphilippines.com/news/2018/08/18/Rodrigo-Duterte-South-China-Sea-China-Filipinos.html>

18 August 2018: Cayetano: First Draft of Oil, Gas Deal to be completed by September

The first version of the agreement was expected to be completed by September.

<https://learningenglish.voanews.com/a/oil-gas-deal-with-philippines-could-help-china-politically/4531531.html>

18 August 2018: Cayetano: Philippines will pursue rules-based system amid territory dispute

"The Philippines believes in maintaining a rules-based system and in engaging international organisations more actively on issues that concern them," DFA said in a press release.

<http://philippineslifestyle.com/rules-based-system-south-china-sea/>

17 August 2018: China to build satellites to keep eye on S. China Sea

The monitoring network, to be completed by 2021, will cover as far as the Indian Ocean and part of the Strait of Malacca.

<https://www.straitstimes.com/asia/china-to-build-satellites-to-keep-eye-on-s-china-sea>

16 August 2018: China rebuffs Philippines president's South China Sea rebuke

"China has a right to take necessary steps to respond to foreign aircraft and ships that deliberately get close to or make incursions into the air and waters near China's relevant islands, and provocative actions that threaten the security of Chinese personnel stationed there," the statement said.

<https://www.reuters.com/article/us-china-southchinasea-philippines/china-rebuffs-philippines-presidents-south-china-sea-rebuke-idUSKBN1L10M4>

14 August 2018: Duterte hopes Beijing can 'temper' warnings in South China Sea

"You cannot create an island and you say that the air above the artificial island is your own," said Duterte.

<https://www.rappler.com/nation/209572-duterte-hopes-beijing-temper-south-china-sea-warnings>

13 August 2018: Malaysia's Mahathir calls on China to respect passage in South China Sea

"We are all for ships, even warships, passing through, but not stationed here," Mahathir said.

<https://www.philstar.com/headlines/2018/08/13/1842214/malaysias-mahathir-calls-china-respect-passage-south-china-sea#CG2B0o7KYxeWb7bZ.99>

13 August 2018: China flexes its military might with series of naval exercises in local waters

A frigate fleet had recently performed various drills, including live-fire exercises and simulated anti-submarine attacks.

<https://www.scmp.com/news/china/diplomacy-defence/article/2159532/china-flexes-its-military-might-series-naval-exercises>

13 August 2018: Philippines: China threatens ships and planes 'daily'

"It's a daily occurrence and our pilots just [reply]: We are just doing our routine flight on our jurisdiction and territory," Gen. Carlito Galvez Jr. said.

<http://globalnation.inquirer.net/169002/chinas-daily-radio-warnings-afp-patrols-continue-chief#ixzz5Olvw3Znd>

12 August 2018: China threatens Philippines as it flies over South China Sea

An angry voice was heard saying: "Philippine military aircraft! I'm warning you again. Leave immediately or you will bear responsibility for all the consequences!"

<http://philippineslifestyle.com/china-threats-us-philippine-aircraft/>

11 August 2018: China continues military expansion into heavily-contested South China Sea despite opposition

The artificial island appears to now have radar domes, aircraft hangers and possibly somewhere to park missile launchers.

<https://www.tvnz.co.nz/one-news/world/china-continues-military-expansion-into-heavily-contested-south-sea-despite-opposition>

10 August 2018: China issues six warnings to US plane flying over disputed territory

"US military aircraft, this is China ... leave immediately and keep out to avoid any misunderstanding," a representative of the PLA said.

<https://www.dailystar.co.uk/news/world-news/722502/china-six-warnings-us-navy-plane-south-china-sea-cnn>

9 August 2018: Joint development deal may be finalized before Xi visit – Roque

Harry Roque said: "No time frame but, of course, because of the impending visit of President Xi, I would say that it is anytime between now and the visit of President Xi but it was not expressly stated as such."

<https://www.rappler.com/nation/209190-joint-development-deal-xi-jinping-philippines-visit>

9 August 2018: China's State Firms Cementing Lucrative Role in South China Sea

"The Chinese government manages and regulates Chinese companies in accordance with the law," the ministry said.

<https://www.usnews.com/news/world/articles/2018-08-09/chinas-state-firms-cementing-lucrative-role-in-south-china-sea-new-research-shows>

8 August 2018: Chinese President Xi Jinping to visit Philippines as relations between two sides warm

Philippine President Rodrigo Duterte approved a proposal to form a group to study plans for the two countries to conduct a joint exploration in the disputed South China Sea.

<https://www.scmp.com/news/china/diplomacy-defence/article/2158750/chinese-president-xi-jinping-visit-philippines>

7 August 2018: PH against unilateral exploitation of South China Sea: Cayetano

"If any country, including China, is willing to give us in disputed areas the same (share) that we got in Malampaya, how can anyone argue that we lost our sovereign rights?" Cayetano said.

<http://news.abs-cbn.com/news/08/07/18/ph-against-unilateral-exploitation-of-south-china-sea-cayetano>

4 August 2018: Taiwan willing to participate in talks over South China Sea: MOFA

"Taiwan has the capacity and is willing to participate in multilateral negotiations in a joint effort to promote peace and stability in the South China Sea", the Ministry of Foreign Affairs (MOFA) said.

<https://www.taiwannews.com.tw/en/news/3498843>

4 August 2018: China's militarisation of South China Sea done in self-defence: Foreign Minister Wang Yi

"Certain non-regional countries, mainly the United States, have been sending massive strategic weaponry into this region. I'm afraid that is the biggest force behind China's push for militarisation," he said.

<https://www.straitstimes.com/politics/chinas-militarisation-of-south-china-sea-done-in-self-defence-foreign-minister-wang-yi>

2 August 2018: Philippines discussed 60-40 sharing scheme with China

When asked if the 60-40 sharing plan announced by Foreign Affairs Secretary Alan Peter Cayetano is acceptable, Senate President Vicente Sotto 3rd said, "Yes it is."

<http://www.manilatimes.net/3-senators-back-60-40-sharing-in-ph-china-sea-exploration/425773/>

1 August 2018: PetroVietnam, Japanese firms sign South China Sea gas deal

Sao Vang-Dai Nguyet, located at blocks 05-1b & 05-1c 300 kms (186 miles) southeast of Vietnam's coast, is 43.08 percent owned by Japan's Idemitsu Kosan, 36.92 percent by Teikoku Oil (Con Son) Co. and 20 percent by PetroVietnam, the state oil firm said in a statement.

<https://www.reuters.com/article/us-vietnam-japan-southchinasea/petrovietnam-japanese-firms-sign-south-china-sea-gas-deal-amid-tensions-with-beijing-idUSKBN1KM3SO>

1 August 2018: China and Philippines near agreement on South China Sea

"This August, latest September, we'll be at that stage that we can exchange draft," China is open to the Philippines receiving 60% of any resources jointly discovered, Cayetano added.

<http://interfaxenergy.com/gasdaily/article/31981/china-and-philippines-near-agreement-on-south-china-sea>

31 July 2018: China donates warships Philippines in drive to expand regional influence

Zata said China would also give the Philippines 200 rocket propelled grenade launchers and ammunition.

<https://www.scmp.com/news/china/diplomacy-defence/article/2157563/china-donates-warships-sri-lanka-and-philippines-drive>

31 July 2018: Philippines enjoying economic rights gained from arbitration — Cayetano

"Last is oil and gas which we are, as I said, working on. We're looking for a framework," Cayetano said, referring to a possible joint exploration with China in the South China Sea.

<https://www.philstar.com/headlines/2018/07/31/1838438/philippines-enjoying-economic-rights-gained-arbitration-cayetano#49hfASZpqw5xi0Jw.99>

31 July 2018: Cayetano hits back at Aquino's call for transparency on South China Sea issue

"There are no secret deals. We're working out the issues," he said.

<http://www.bworldonline.com/cayetano-hits-back-at-aquinos-call-for-transparency-on-south-china-sea-issue/>

29 July 2018: China permanently stations search-and-rescue vessel in South China Sea's Spratly chain

The deployment is the first time that China's rescue force had been stationed to the Spratlys, after massive dredging operations began there in 2013.

<https://www.japantimes.co.jp/news/2018/07/29/asia-pacific/first-china-permanently-stations-search-rescue-vessel-south-china-seas-spratly-chain#.W2AV79UzaUk>

ASEAN AND THE SOUTH CHINA SEA

27 August 2018: Asean and China can cope with global challenges: DPM Teo Chee Hean

"All parties must strive to enhance mutual trust and confidence, strengthen practical cooperation, and refrain from actions that could undermine the process as well as peace and stability in our region," he said.

<https://www.straitstimes.com/singapore/asean-and-china-can-cope-with-global-challenges-by-sticking-to-three-core-principles-dpm>

9 August 2018: Unrealistic to set timetable for South China Sea code, says Chinese official

"There are voices from the outside, who are trying to set a timetable for the talks on the code. I think this is unrealistic," he said.

<https://www.channelnewsasia.com/news/asia/unrealistic-to-set-timetable-for-south-china-sea-code--says-chinese-official-10603196>

7 August 2018: ASEAN, China joint maritime drill "important": Philippine FM

The plan of China and ASEAN to conduct a joint maritime exercise in the South China Sea "is very important" to the region, Philippine Foreign Secretary Alan Peter Cayetano said.

http://www.xinhuanet.com/english/2018-08/07/c_137374092.htm

7 August 2018: Philippine FM lauds single draft negotiating text of COC as breakthrough

"Having a single draft is already a breakthrough. The ASEAN member states and China see eye to eye in the need for an effective code of conduct," Cayetano said.

http://www.xinhuanet.com/english/2018-08/07/c_137374156.htm

6 August 2018: Asean, China must quickly conclude Code of Conduct: Ng Eng Hen

Asean and China must push and quickly conclude the Code of Conduct for maritime stability so that the regional grouping can maintain its centrality, said Defence Minister Ng Eng Hen.

<https://www.straitstimes.com/asia/se-asia/asean-china-must-quickly-conclude-code-of-conduct-in-south-china-sea-for-stability-ng>

3 August 2018: ASEAN-China Single Draft South China Sea Code of Conduct reveals positions of parties

China's proposal states that cooperation is to be carried out by the littoral states "and shall not be conducted in cooperation with companies from countries outside the region." In contrast, Malaysia proposed that nothing in the COC "shall affect... rights or ability of the Parties to conduct activities with foreign countries or private entities of their own choosing."

<https://thediplomat.com/2018/08/a-closer-look-at-the-asean-china-single-draft-south-china-sea-code-of-conduct/>

2 August 2018: ASEAN, China agree on draft text that will form basis of negotiations on code of conduct

Calling it "yet another milestone", the minister said the single draft negotiating text will be a "living document and the basis of future code of conduct negotiations". Both sides also agreed on the key modalities for future rounds of negotiations.

<https://www.channelnewsasia.com/news/asia/south-china-sea-code-of-conduct-asean-draft-text-negotiations-10583318>

2 August 2018: Southeast Asia, Beijing hail milestone in South China Sea talks

"I am pleased to announce yet another milestone in the COC (code of conduct) process," said Vivian Balakrishnan, the foreign minister of Singapore.

<http://www.euronews.com/2018/08/02/southeast-asia-seeks-russia-cybersecurity-pact-south-china-sea-code-of-conduct>

31 July 2018: Philippines vows to advance ASEAN-China ties as coordinator: FM

"We will play bridging or intermediary role (in pushing for the common interest to advance the dialogue partnership)," Cayetano said.

http://www.xinhuanet.com/english/2018-07/31/c_137359711.htm

31 July 2018: ASEAN statement takes note of 'concerns' over S. China Sea

We took note of some concerns on the land reclamations and activities in the area, which have eroded trust and confidence, increased tensions and may undermine peace, security and stability in the region.

<http://asean.org/storage/2017/08/51st-AMM-Joint-Communique-Final.pdf>

OTHER STATES AND SOUTH CHINA SEA

29 August 2018: U.S. to maintain presence in South China Sea amid exclusion threat

"The United States has been part of this region for 200 years. We're not gonna change that," U.S. Deputy Assistant Secretary of State Walter Douglas said.

<http://cnnphilippines.com/news/2018/08/29/US-stay-South-China-Sea-exclusion-threat.html>

22 August 2018: Japan to send helicopter destroyer for joint exercises in South China Sea

The three ships will conduct joint exercises aimed at bolstering combat skills and improving cooperation with each country's navy while also linking up with the U.S. Navy.

<https://www.japantimes.co.jp/news/2018/08/22/national/politics-diplomacy/japan-send-three-destroyers-south-china-sea-indian-ocean/#.W34Sj84zaUk>

20 August 2018: US shrugs off China challenges: No game-changer

"We'll not allow them to rewrite the rules of the road or change international law," Schriver said.

<http://www.manilastandard.net/news/top-stories/273449/us-shrugs-off-china-challenges-no-game-changer-.html>

17 August 2018: Australia: South China Sea code should not prejudice third parties

"The Code of Conduct should not prejudice the interests of third parties or the rights of all states under international law, including UNCLOS," Gorely said.

<https://www.philstar.com/headlines/2018/08/17/1843451/australia-south-china-sea-code-should-not-prejudice-third-parties#WwvehOjSXdTThTZ7.99>

14 August 2018: US concerned about China's pressures on Taiwan and in South China Sea

"So it's telling of China's ultimate aim, which is not to support freedom of navigation but to exert control and to place limitations on our ability to operate there," US Assistant Secretary of Defence for Asian and Pacific Security Affairs Randall Schriver said.

<https://www.straitstimes.com/asia/east-asia/us-concerned-about-chinas-pressures-on-taiwan-and-in-south-china-sea-defence-official>

12 August 2018: US military lashes out on Twitter after Beijing warns off aircraft in South China Sea

"We will sail, fly and operate wherever international law allows," said the Navy's official Twitter account. "The United States will not be 'warned off' from lawful operations in international waters and airspace," the U.S. Indo-Pacific Command followed up.

<https://www.stripes.com/news/us-military-lashes-out-on-twitter-after-beijing-warns-off-aircraft-in-south-china-sea-1.542271>

8 August 2018: US: Third party concerns should be included in South China Sea code

Campbell said that Pompeo had the opportunity to express Washington's position that "any Code of Conduct needs to incorporate the concerns and the rights of third parties."

<https://www.philstar.com/headlines/2018/08/08/1840750/us-third-party-concerns-should-be-included-south-china-sea-code>

7 August 2018: Pentagon predicts military buildup to counter China in South China Sea

"I think what you'll see is certainly a continuation of freedom of navigation [operations]," Randall Schriver, assistant secretary of defense for Asian and Pacific security affairs, said. "I think you'll see perhaps more countries joining in presence activities."

<https://www.washingtonexaminer.com/policy/defense-national-security/pentagon-predicts-military-buildup-to-counter-china-in-south-china-sea>

1 August 2018: Chinese Navy warship heading to Darwin to join Australian and US forces in war games

China's inaugural participation in the KAKADU maritime drills comes just months after the US "uninvited" the People's Liberation Army from taking part in similar exercises off Hawaii known as RIMPAC.

<http://www.abc.net.au/news/2018-07-31/chinese-navy-heading-to-darwin-for-war-games/10058596>