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HOLDING THE LINE —

FROM TRANSPARENCY TO DETERRENCE AT SEA

Outcome Document from The Manila Dialogue on the South China Sea 2025

WITH ANALYSIS BY
JA IAN CHONG





About WPS

WPS Foundation was founded at a time of intensifying maritime challenges and growing strategic uncertainty. Across the South China Sea, East China Sea, Yellow Sea, and the South Pacific, coercion at sea has become more pronounced, while environmental pressures, divergent national responses, and renewed debates over the future of a rules-based maritime order have further complicated the regional security landscape.

In this demanding environment, WPS has remained steadfast in its mission to advance principled, practical, and inclusive approaches to maritime security and ocean governance.

Throughout 2025, the Foundation deepened its role as a convenor, catalyst, and bridge between policy, practice, and research. In May 2025, WPS convened the **Inaugural Dialogue on ASEAN Maritime Security** in Manila, bringing together policymakers, practitioners, and experts to strengthen cooperation on maritime governance, coast guard engagements, and regional stability. The dialogue served as sherpa to **The Manila Dialogue on the South China Sea**.

WPS also expanded its work at the science-policy interface. The establishment of the **Expert Working Group on Marine Environmental Protection and Scientific Research in Southeast Asia**, led by Dr. Abe Woo of Universiti Sains Malaysia, marked a major institutional step forward. Under this initiative, the Foundation convened a regional workshop in Tokyo and conducted a pilot marine scientific research expedition in the West Philippine Sea, strengthening linkages between scientific inquiry and maritime policy.

Public engagement likewise remained a priority. Through multiple screenings of the award-winning documentary *Food Delivery: Fresh from the West Philippine Sea*, WPS helped elevate awareness of the human consequences of coercion at sea. In November, the Foundation convened the **second edition of The Manila Dialogue on the South China Sea**, now among the largest and most influential conferences on the issue, gathering more than 270 officials, maritime practitioners, scholars, and policy leaders from at least 25 countries and territories. This was followed in December by the **Philippines-Taiwan Track 1.5 Dialogue**, which advanced pragmatic cooperation on shared maritime challenges.

A defining milestone for the Foundation in 2025 was its designation as the **Philippine Committee for the Council for Security Cooperation in the Asia Pacific (CSCAP)** – the region’s largest Track II network of research institutions and think tanks. Established in 1992 to complement official ASEAN-led processes, CSCAP plays a vital role in shaping strategic dialogue across the Indo-Pacific. WPS assumes this responsibility with a renewed commitment to strengthening Track II diplomacy in the Philippines and beyond.

Looking ahead, the Foundation enters 2026 with strong momentum. Planned initiatives include the **second Dialogue on ASEAN Maritime Security**, to be convened alongside the ASEAN Coast Guard Forum; a **National Workshop on Marine Science, Research, and Policy** under the Expert Working Group; the **third Manila Dialogue on the South China Sea**; and the hosting of the **15th CSCAP General Conference** in Manila – alongside a growing portfolio of research, dialogue, and capacity-building programs.

We invite our partners and stakeholders to continue – and expand – their collaboration with WPS Foundation. Your support enables us to strengthen our institutional capacity, broaden our regional reach, and help deliver the innovative, credible, and principled solutions that today’s maritime challenges require.

HOLDING THE LINE — FROM TRANSPARENCY TO DETERRENCE AT SEA:

OUTCOME DOCUMENT FROM THE MANILA DIALOGUE ON THE SOUTH CHINA SEA 2025

To help advance the region's shared interests in a free, open, secure, and rules-based maritime order, the second iteration of *The Manila Dialogue on the South China Sea* was convened on November 5-7, 2025. The dialogue gathered over 270 of the most influential foreign policy experts, thought leaders, academics, government officials, and maritime practitioners from at least 25 countries around the world. Delegates debated issues, pitched innovative ideas, and offered recommendations to ensure that the rule of law, not coercion and the use of force, prevails in resolving disputes, thus safeguarding regional peace and stability. In pursuit of the dialogue's goals, plenary and parallel sessions were convened over two days:

1: History Versus International Law? - Understanding Historic Rights and Modern Maritime Zones in the South China Sea

2: Diplomatic Roundtable - The South China Sea as 'Global Commons.'

Disinformation and Influence: Addressing the Challenge of Malign Information Operations

A Konrad-Adenauer-Stiftung Special Working Lunch Roundtable (By Invitation Only/Chatham House Rule)

3: Securing Submarine Cables in the South China Sea

A Konrad-Adenauer-Stiftung (KAS) Philippines Special Plenary Session

4: Freedom of Navigation and the Rule of Law through Cross-Regional Defense Cooperation

Special Roundtable Discussion: Enhancing Security Cooperation for a Free, Open and Rules-based South China Sea

5: Transparency as Policy - Safeguarding the Information Space Against Malign Influence Operations

Parallel Session A: The Nexus of Maritime Security and Economic Security

Parallel Session B: Assessment of Dispute Management and Risk Reduction in the South China Sea

Special UNODC Lunch Roundtable:

Advancing the ASEAN Coast Guard Forum (ACGF) as an ASEAN Regional Mechanism

6: Maritime Capacity-Building for a Rules-based, Equitable and Sustainable Maritime Order in the Indo-Pacific

7: Takeaways - Fireside Chat on the South China Sea and Perspectives on Defending the Rules-based Order

About this Report

To advance shared regional interests in a free, open, and rules-based maritime order, the second iteration of *The Manila Dialogue on the South China Sea* was convened from November 5–7, 2025. The Dialogue brought together more than 270 senior government officials, maritime practitioners, foreign policy experts, thought leaders, and academics from at least 25 countries. Participants engaged in rigorous debate, advanced innovative ideas, and put forward policy-relevant recommendations aimed at ensuring that the rule of law – rather than coercion or the use of force – remains the foundation for resolving disputes and safeguarding regional peace and stability.

The Manila Dialogue is envisioned as an annual Track 1.5 process dedicated to promoting adherence to international law and to identifying sound, pragmatic, and actionable policy prescriptions for littoral states in the South China Sea, as well as for other interested states and non-state stakeholders.

This report presents a general synthesis of the discussions. Unless otherwise noted, the recommendations reflect the interpretations of the rapporteurs based on exchanges during the Dialogue and do not constitute a consensus document. Video recordings of the sessions are available at www.scsdialogue.org.

The statements made and views expressed in this publication do not necessarily reflect the views of the project sponsors or the dialogue participants' respective organizations and affiliations. For questions, please email jeffrey@wps-ph.org.

Support *The Manila Dialogue on the South China Sea 2026*

For institutions registered in the Philippines and overseas, please direct your support to *WPS Foundation*, a Philippine-registered nonprofit. Please email, Ms. Katrina Tiu at katrina@wps-ph.org to discuss potential partnerships and collaborations, including funding for participants, venues, and staff.

About WPS

WPS is a non-government, nonprofit, and nonpartisan volunteer-based organization duly registered with the Philippines' Securities and Exchange Commission. WPS Foundation seeks to advance principled approaches to resolving disputes in the West Philippine Sea and the broader South China Sea through rigorous research and dialogues involving academia, public policy, military, and industry throughout Southeast Asia and beyond.

An Advisory Board guides WPS' numerous programs, funded by grants from foundations, corporations, individuals, and governments. WPS projects are objective and nonpartisan, and it does not engage in classified or proprietary work.

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**HOLDING THE LINE —
FROM TRANSPARENCY TO DETERRENCE AT SEA:**
SUMMARY OF DISCUSSIONS

THE MANILA DIALOGUE ON THE SOUTH CHINA SEA 2025

The following section provides a brief overview of the discussions from each session, as interpreted by assigned rapporteurs. This is not a consensus document.

SUMMARY OF DISCUSSIONS

Participants from claimant, non-claimant, and user states across Southeast Asia, Northeast Asia, North America, Europe, Australia, and the South Pacific exchanged views on the evolving disputes, assessed emerging strategic challenges, and explored avenues for cooperation.

The discussions reflected a sustained commitment to managing tensions without escalation, even as differences in outlook and strategy among key stakeholders continue to widen. While Southeast Asian claimant states emphasized the primacy of international law – particularly the United Nations Convention on the Law of the Sea (UNCLOS) – as the foundation for dispute management and resolution, Chinese interlocutors reiterated Beijing’s reliance on the discredited nine-dash line and contested historical narratives, while framing the South China Sea as destabilized by the United States. This stands in contrast to the prevailing assessment among many participants that the bulk of recent tensions has stemmed from the actions of the China Coast Guard, PLA Navy, and Chinese maritime militia.

The following section provides a brief overview of the discussions from each session, as interpreted by the assigned rapporteurs. This is not a consensus document.

Plenary Session I

History Versus International Law?

Understanding Historic Rights and Modern Maritime Zones in the South China Sea

The South China Sea dispute is often framed as a clash between history and the modern international law of the sea. For instance, there is an argument that China’s so-called “historic rights” either contradict or support the maritime entitlements established under the United Nations Convention on the Law of the Sea (UNCLOS). This panel, featuring Dr Bill Hayton (Chatham House), Francois Xavier Bonnet (Research Institute on Contemporary Southeast Asia), Pham Trang (Max Planck Institute), Justice Antonio Carpio (WPS), Dr Wu Shicun (China National Institute for South China Sea Studies), and Prof Bec Strating (La Trobe Asia), examined questions of law and history. How should colonial-era maps, fishing practices, or vague notions of historic entitlement be weighed against the legal certainty of territorial sea, exclusive economic zones, and continental shelf? What lessons can be drawn from the 2016 arbitral award, which rejected expansive historic claims, and how should states balance respect for tradition with the demands of a rules-based maritime order?

Bill Hayton presented a detailed critique of China’s historical claims in the South China Sea, arguing that many components of the “historic rights” narrative were modern political constructs rather than evidence-based historical entitlements. He demonstrated, using archival documents and early Chinese maps, that there was no consistent or authoritative claim to the vast maritime spaces encompassed by the nine-dash line before the mid-20th century. Hayton emphasized that under UNCLOS, maritime entitlements derived from land features – not vague historic notions – and argued that the 2016 Arbitral Award had correctly found no legal basis for China’s

assertion of historic rights to waters inside the nine-dash line. His central point was that accepting such claims would undermine UNCLOS and create destabilizing precedents globally.

Meanwhile, Wu Shicun presented China’s position, arguing that its claims were grounded in a long and continuous history of discovery, naming, administration, and effective control over islands and surrounding waters in the South China Sea. He maintained that Chinese fishermen, naval patrols, and administrative actions demonstrated a historical presence that could not simply be erased by modern tribunals. Wu criticized the 2016 Arbitral Award for ignoring or minimizing China’s historical evidence, contending that the tribunal exceeded its jurisdiction and adopted an overly restrictive interpretation of historic rights. He argued that China’s approach combined historic rights with UNCLOS-based entitlements and stated that disputes were best managed through bilateral negotiations, political dialogue, and practical cooperation rather than litigation or arbitration.

Serving as discussant, Justice Carpio strongly supported Hayton’s interpretation, arguing that historical evidence overwhelmingly contradicted China’s expansive claims and that Chinese historical maps and records, when scrutinized objectively, did not support sovereignty over the Spratlys or over wide maritime spaces. He highlighted the 2016 Arbitral Award as a legally binding clarification of entitlements under UNCLOS and stressed that history could not override treaty-based obligations. Carpio argued that China’s “historic rights” narrative lacked evidentiary and legal foundation and warned that accepting it would dismantle UNCLOS’s carefully constructed maritime system, which serves the interests of all states.

Another discussant, Pham Minh Trang, emphasized the importance of distinguishing between historical narratives and internationally recognized legal frameworks. While acknowledging that multiple countries held historical attachments to the South China Sea, she stressed that UNCLOS – not unilateral historical claims – must determine maritime entitlements and rights. She argued that the way forward required strict adherence to international law, regional diplomacy, and mechanisms that prevent escalation. She also highlighted Vietnam’s own experience with historical documentation and asserted that history should be treated carefully, transparently, and without selective interpretation.

The last discussant, François-Xavier Bonnet, a veteran researcher on South China Sea cartography and historical geography, offered a nuanced perspective by examining the evolution of maps, place names, and administrative behaviors across different periods. He observed that many maps cited as “historical evidence” by various claimants were cartographic artifacts rather than proof of sovereignty or jurisdiction. Bonnet emphasized the importance of methodological rigor when interpreting historical sources and warned against the politicization of cartographic materials. He argued that history could illuminate context but should not be misused to justify expansive maritime claims inconsistent with UNCLOS.

“... the 2016 Arbitral Award had correctly found no legal basis for China’s assertion of historic rights to waters inside the nine-dash line.”

Plenary Session II

Diplomatic Roundtable - The South China Sea as 'Global Commons'

The Second Plenary Session of the Manila Dialogue on the South China Sea underscored keeping the global commons, common and rules-based. The plenary session featured H.E. David Hartman (Ambassador of Canada to the Philippines), H.E. Marc Innes-Brown (Australia in The Philippines), H.E. Marie Fontanel (Ambassador of France to the Philippines and Micronesia), H.E. Andreas Michael Pfaffernoschke (Ambassador of Germany to the Philippines), and H.E. Endō Kazuya (Ambassador of Japan to the Philippines), with WPS Advisory Board Vice Chair, Prof. Victor Dindo Manhit serving as panel chair.

Against a backdrop of mounting global uncertainty — marked most notably by the war in Ukraine and the PRC's increasingly assertive posture in the South China Sea — the ambassadors reaffirmed a shared commitment to upholding international law and safeguarding freedom of navigation and overflight as essential pillars of an open, stable, and prosperous Indo-Pacific.

The discussion coalesced around three interrelated concerns shaping the region's strategic environment. First, participants underscored the accelerating environmental risks posed by climate change and biodiversity loss, particularly for maritime ecosystems and coastal communities. Second, they pointed to the growing erosion of regional security and stability, driven by heightened risks of miscalculation and unintended escalation. Third, they highlighted persistent challenges to the rule of law, especially in the context of overlapping territorial claims and the PRC's attempts to impede lawful maritime and aerial activities.

Ambassador Hartman framed the South China Sea as a shared strategic space whose openness was vital for the broader Indo-Pacific. He stressed that freedom of navigation and overflight are fundamental principles, not negotiable preferences, and argued that preserving them required coordinated action among like-minded countries.

Ambassador Innes-Brown focused on the rules-based order and UNCLOS as the bedrock of maritime governance. He warned that vague or excessive maritime claims created instability and risk, and that normalizing such practices undermined everyone's security. He called for transparency, clear public positions on maritime rules, and stronger mechanisms for sharing information about incidents at sea.

“...freedom of navigation and overflight are fundamental principles, not negotiable preferences... preserving them required coordinated action among like-minded countries.”

Ambassador Fontanel underlined that even non-Southeast Asian states like France had a direct interest in the South China Sea as a key artery for global trade and energy flows. She linked maritime security with environmental protection and climate considerations. She advocated deeper cross-regional cooperation — Indo-Pacific and Europe — on monitoring, capacity-building, and upholding freedom of navigation.

Dr. Pfaffernoschke stressed that Germany, as a major trading nation, depended on open sea lanes and predictable rules. He pointed to the growing density of actors and activities at sea and argued that this made risk-reduction measures, information sharing, and confidence-

building more important than ever. He supported closer collaboration between European and Indo-Pacific partners on maritime security standards and best practices.

Ambassador Endo placed the South China Sea within the broader Indo-Pacific strategic picture, connecting it to supply chains, energy security, and regional deterrence. He stressed the importance of practical cooperation: coordinated coast-guard activities, shared surveillance, and hotlines or communication channels to avoid miscalculation. He also highlighted Japan's role in capacity-building for Southeast Asian partners.

Prof. Manhit offered a Filipino and littoral-state perspective, emphasizing the importance of transparency, public communication, and the role of think tanks and civil society in documenting incidents, shaping truthful narratives, and supporting accountable and responsive government policy. He called for networks of research institutions and media partners to help deter coercive behavior through evidence-based reporting and research.

During the open forum, participants turned to the question of how the international community might more effectively encourage China's compliance with international law. Several ambassadors emphasized the importance of coordinated action, sustained diplomatic engagement, and coalition-building — areas in which the Philippines was widely acknowledged to have assumed a leading role through its expanding network of defense partnerships and maritime capacity-building initiatives. Addressing questions on strengthening practical cooperation, Ambassador Endo pointed to Japan's support for Philippine maritime law enforcement, including the provision of radar systems, software, and operational platforms. Panelists also reiterated cautious optimism that negotiations toward a South China Sea Code of Conduct could eventually yield progress, notwithstanding persistent obstacles.

Offering Beijing's perspective, Chinese scholar Dr. Sophie Wushuang Yi argued that what one side characterizes as freedom of navigation may be perceived by the other as an infringement of territorial rights. Such a view, however, is contrary to the spirit of UNCLOS, which has clear rules on various applicable navigational rights and freedoms, from the territorial sea to the high seas. Hence, the longstanding exercise of freedom of navigation, guaranteed by UNCLOS and customary international law, cannot possibly, in good faith, be perceived as an infringement.

Dr. Yi reiterated China's preference for resolving disputes through bilateral negotiations, citing its ongoing engagements with Vietnam in the Gulf of Tonkin as an example of what Beijing views as a successful approach. This comparison, however, is potentially misleading. The situation in the Gulf of Tonkin involves a legitimate maritime dispute between the PRC and Vietnam, arising from overlapping territorial seas and exclusive economic zones (EEZs) recognized under international law. By contrast, in the South China Sea, the overlap stems not from competing UNCLOS-based entitlements, but from the PRC's nine-dash-line claim — an assertion that lacks

legal standing under UNCLOS and is not recognized by Southeast Asian claimant states. Equating these two contexts, therefore, obscures the fundamental legal distinction between disputes grounded in internationally recognized maritime zones and claims premised on contested historical assertions.

Plenary Session III Securing Submarine Cables in the South China Sea

This plenary session, organized by Konrad-Adenauer-Stiftung Philippines, examined the growing security challenges surrounding subsea cables, with particular attention to how sabotage can function as a gray-zone tactic due to the inherent deniability afforded to flag states.

The session was chaired by Dr. Francis Domingo, Associate Professor at the UP Diliman Department of Political Science, and featured the following panelists:

Katja Bego (Senior Research Fellow, International Security Programme, Chatham House), Jane Chan (Senior Fellow and Coordinator, Maritime Security Programme, S. Rajaratnam School of International Studies), Elina Noor (Senior Fellow, Asia Program, Carnegie Endowment for International Peace), and Dr. Su Wai Mon (Research Fellow, Centre for International Law, National University of Singapore).

Bego provided a comprehensive overview of the global landscape, noting that approximately 200 subsea cable faults occur annually, most of which are widely attributed to human error and environmental factors. She referenced recent incidents in the Baltic Sea that exhibited similar patterns – recurring disruptions, limited accountability, legal ambiguities between flag states and coastal states, the absence of consensus on potential sabotage, and significant gaps in understanding seabed dynamics. Bego cautioned that cable severance has serious geopolitical consequences: it creates opportunities for kinetic or cyber sabotage, erodes trust among states, and allows governments to weaponize permits governing strategic chokepoints.

Chan reinforced this assessment and emphasized the urgency of addressing subsea cable security alongside other forms of critical underwater infrastructure. She, along with other panelists, underscored the persistent jurisdictional challenges that impede the identification and apprehension of perpetrators. To enhance regional preparedness, she recommended the expansion of Track 2 dialogues to develop standard operating procedures for responding to cable incidents, with ASEAN playing a central role.

Noor encouraged adopting a more measured and evidence-based perspective, pointing out that 70–80 percent of cable faults are accidental according to data from the International Committee for the Protection of Cables. She urged stakeholders to avoid premature attribution of incidents to sabotage before technical assessments are completed, warning that sensationalized media narratives may distort reality. Noor also noted that Southeast Asia's distinct maritime geography and seabed characteristics naturally heighten the likelihood of accidental damage.

Su highlighted existing gaps in state authority and jurisdiction in dealing with subsea cable incidents, especially in the high seas where flag-state jurisdiction governs. While UNCLOS contains provisions penalizing

intentional damage to submarine cables, such measures are only effective when incorporated into domestic legislation. She also underscored the limited capacity of many states to monitor and respond to incidents in a timely manner. Given that most subsea cables are owned and operated by private companies and consortia, Su emphasized the need for stronger public-private collaboration in both prevention and response. She concurred with Noor that, regardless of whether cable damage is intentional or accidental, the operational impact remains the same.

Participants raised further concerns regarding jurisdictional conflicts, particularly within Exclusive Economic Zones. Su noted that coastal states may rely on fisheries, environmental, or related domestic laws – consistent with UNCLOS – to assert authority when cable damage affects marine resources or ecosystems. In response to a question about whether deep-sea cable damage is more likely to be intentional, Noor explained that near-shore cables are more heavily armored and therefore more resistant to damage, while deep-sea cables are more exposed and vulnerable to both natural and inadvertent causes.

Plenary Session IV Securing Freedom of Navigation and the Rule of Law through Cross-Regional Defense Cooperation

Chaired by Vina Nadjibulla (Asia Pacific Foundation of Canada), the panel examined how expanding cross-regional defense cooperation can reinforce freedom of navigation and uphold the rule of law in the South China Sea. Dr. Collin Koh of the S. Rajaratnam School of International Studies delivered the main presentation, joined by panelists, Dr. 易吴霜 Sophie Wushuang Yi (Marine Studies Center, Grandview Institution), Atty. Fretti Ganchoon (Department of Justice – Philippines), Ray Powell (SeaLight, Stanford University), and Dr. John Hemmings (Council on Geostrategy, UK).

Koh outlined the evolution of cross-regional cooperation from bilateral engagements toward increasingly unilateral and multilateral maritime defense arrangements. He highlighted growing emphasis on interoperability – facilitated through shared standard operating procedures, information-sharing mechanisms, and interagency coordination – as a defining trend. Koh also drew attention to concrete developments reshaping the region's strategic environment, including a surge in extra-regional participation in joint patrols and exercises following recent incidents such as the June 17 confrontation at Second Thomas Shoal. These developments, he argued, reflect wider support for safeguarding freedom of navigation and overflight.

Responding to these points, Yi emphasized that without more robust crisis-management mechanisms, collisions, stand-offs, and confrontations may become more frequent. She noted that China has successfully implemented such mechanisms with India and Vietnam, insisting that they can work when parties are committed, even when those cases did not involve the unlawful nine-dash line. Yi argued that many dangerous encounters arise from foreign military vessels and aircraft operating in areas China views as disputed, and she urged a shift away from historical grievances toward more forward-looking measures, including joint development.

Powell directly countered Yi's assertions, stating that recent incidents cannot be attributed to freedom-of-navigation operations. Such operations, he noted, are conducted globally by the United States, including against its allies, and have not generated comparable tensions. Instead, he argued that the escalation stems from China's unprecedented paramilitary buildup and assertive efforts to enforce unilateral claims. What began as disputes over individual features, he noted, has evolved into the enforcement of broad exclusion zones supported by China's navy and coast guard. Only coordinated cross-regional cooperation, Powell argued, can raise the costs of such actions sufficiently to deter further infringements—cooperation that he believes is long overdue, given the limits of purely national responses.

Hemmings emphasized that freedom of navigation is central to Britain's economic and strategic interests. He linked the growing participation of European and Indo-Pacific states in joint patrols to broader concerns over the erosion of the rules-based order. By rejecting compromise, he argued, China has inadvertently accelerated deeper defense cooperation among states seeking to prevent unilateral control over key maritime spaces.

Ganchoon underscored that defending the rule of law requires actively exercising freedoms already codified in UNCLOS and affirmed in the 2016 Arbitral Award. She explained that the Philippines' expanding network of visiting forces agreements and defense cooperation frameworks contributes to strengthening deterrence and national resilience.

In closing, Nadjibulla underscored the panel's shared concern: while more countries are now active in the region to support the rules-based order, such presence alone has not deterred increasingly assertive behavior.

Many participants agreed that cross-regional defense cooperation is a valuable stabilizing force.

Special Roundtable Discussion **Enhancing Security Cooperation for a Free, Open, and Rules-Based Maritime Indo-Pacific**

This special roundtable discussion examined how regional states can reconcile the imperatives of the rule of law with the practical realities of day-to-day cooperation in maritime domains. The session was chaired by Ces Oreña-Drilon, Anchor for The Big Story on ONE News, and featured Raja Dato' Nushirwan Zainal Abidin, Director-General, National Security Council, Malaysia, Hon. Jennifer Anson, National Security Coordinator, Republic of Palau, H.E. Lai Thai Binh, Ambassador of Vietnam to the Philippines and Palau, and Hon. Eduardo Año, National Security Adviser, National Security Council of the Philippines.

Año provided a stark overview of the situation in Philippine waters, noting that the third quarter of 2025 saw 78 documented incidents—including water cannon attacks, net-laying obstructions, and persistent shadowing by foreign vessels. These actions, he stressed, violate the Declaration on the Conduct of Parties and pose a significant threat to regional stability. His intervention underscored the continuing operational challenges faced by frontline agencies and the urgency of coordinated responses.

Abidin explained that Malaysia's long-standing approach to the South China Sea is guided by quiet diplomacy. He emphasized that Kuala Lumpur does not publicize maritime incidents because it prefers not to

“megaphone” sensitive issues—a deliberate strategy meant to avoid escalation, manage tensions privately, and preserve space for constructive engagement. While affirming the importance of the rule of law, including UNCLOS, he argued that legal frameworks alone cannot ensure stability. Durable outcomes, he stressed, require trust-building, strong interpersonal and institutional relationships, and sustained cooperation. Abidin cautioned against portraying the South China Sea as a crisis, warning that such narratives risk magnifying threats.

Anson highlighted Palau's strategic vulnerabilities as a small Pacific Island state facing pressures similar to those experienced by Southeast Asian nations. She recounted episodes of diplomatic pressure and coercion from China, including attempts to undermine Palau's ties with Taiwan, which Palau steadfastly rejected. Anson underscored that cooperation is Palau's most effective safeguard, pointing to its deepening partnerships with the Philippines, the United States, Japan, and Australia. She noted Palau's commitments to joint patrols, shiprider agreements, and a growing engagement with ASEAN as essential to strengthening collective maritime security.

Lai reaffirmed that UNCLOS remains the cornerstone of Vietnam's maritime policy and governance. He emphasized Hanoi's consistent adherence to its “four no's” defense posture—no military alliances, no siding with one state against another, no foreign military bases, and no threat or use of force. He cited practical examples of peaceful management of disputes, including Vietnam's joint patrols with China, the expansion of marine protected areas, and the conclusion of maritime boundary agreements with Indonesia. Vietnam, he noted, supports a binding and effective Code of Conduct, joint fisheries management mechanisms, enhanced information-sharing, and capacity-building initiatives. Lai also highlighted growing Vietnam-Philippines cooperation on marine scientific research, combating IUU fishing, and addressing climate-driven maritime challenges. He concluded that Vietnam is committed to transforming the South China Sea from an arena of contention into a domain of cooperation grounded in law and mutual benefit.

During the question-and-answer segment, panelists addressed issues such as China's comparatively muted criticism of Vietnam's island expansions, Palau's legal recourse before international tribunals, prospects for a more cooperative Chinese approach, and Taiwan's potential contributions to a rules-based order. Lai reiterated Vietnam's commitment to dialogue and international law; Abidin pointed to the destabilizing action-reaction dynamic between the United States and China; Anson reaffirmed Palau's resolve to safeguard its freedoms while remaining open to constructive engagement; and Año highlighted Taiwan's economic and security relevance within the parameters of the Philippines' one-China policy.

Although the discussion reflected persistent regional tensions, the differences in approaches between the Philippines and Malaysia, and shared concerns over coercion and pressure, it concluded on a cautiously optimistic note. All panelists agreed that sustained dialogue, strict adherence to international law, and security cooperation remain indispensable to ensuring stability and preventing conflict in the South China Sea.

Plenary Session V

Transparency as Policy – Safeguarding the Information Space Against Malign Influence Operations

Chaired by Elina Noor, Senior Fellow at the Carnegie Endowment for International Peace, the session featured Prof. Hu Bo (Peking University), Dr. Tricia Yeoh (Nottingham University Malaysia), Dr. Mareike Ohlberg (The German Marshall Fund of the United States), Commodore Jay Tarriela (West Philippine Sea News), and Prof. Anne-Marie Brady (University of Canterbury).

Commodore Tarriela emphasized that the Philippines' most pressing challenge in the West Philippine Sea, alongside the presence of Chinese vessels, is the spread of fake news, disinformation, and coordinated influence operations attributed to China. He outlined the Philippine Coast Guard's transparency initiative, which relies on evidence-based reporting to expose illegal, coercive, and deceptive actions by the PRC. He presented video documentation of key incidents – such as the laser-pointing episode, the swarming of maritime militia vessels, and confrontations at Ayungin and Escoda Shoals – stressing that similar patterns have occurred across several ASEAN states. Responding to questions on narrative competition, he underscored that “there is no battle of narratives – only a battle between facts and propaganda.”

Hu Bo challenged several of Tarriela's points, asserting that the South China Sea constitutes Chinese-claimed waters and that China has the right to conduct law enforcement activities there. He denied the use of laser weapons by the China Coast Guard and argued that governments sometimes release selective or inaccurate information. As a remedy, he proposed third-party validation by academics to assess the accuracy of official reporting. He further criticized international media for exaggeration, asserting that China is unfairly singled out while other claimants' activities are downplayed. Hu maintained that China's policy remains unchanged and argued that the Philippines is altering the status quo. He added that many in China view Beijing as “too soft,” which he described as evidence of restraint.

“... economics and security are interconnected and cannot be dealt with in isolation. Maritime risks affecting shipping, insurance, and infrastructure demand strong public-private coordination.”

Yeoh presented regional survey data showing growing Southeast Asian concern over Chinese encroachment, heightened risks of political crises arising from maritime confrontations, the importance of the 2016 Arbitral Award, and public support for joint exercises to deter aggression. In Malaysia, she noted the amplification of Chinese-linked media content targeting the ethnic Chinese community. She argued that transparency efforts can help build broader coalitions across regions by revealing shared concerns, including global issues linked to Belt and Road Initiative projects.

Ohlberg and Brady focused on China's information operations through its “United Front” system. Ohlberg described how state-backed publications cultivate an

illusion of domestic and international support, producing a “strategic overreaction” that overwhelms platforms and isolates target states. Brady highlighted how China influences political elites and overseas Chinese communities, noting its expanding engagement with Pacific Island countries as part of a wider information-shaping effort.

Parallel Session A

The Nexus of Maritime and Economic Security

Parallel Session A examined the deep link between maritime security and economic security vis-à-vis the South China Sea, highlighting how regional tensions disrupt trade, energy flows, and livelihoods. It underscored the need to align regional and extra-regional strategies to protect economies, counter economic coercion, and strengthen cooperation. Chaired by Dr. Euan Graham, Senior Analyst, Australian Strategic Policy Institute, the panel featured Jonathan Berkshire Miller, Senior Fellow, Macdonald-Laurier Institute, Prof. Victor Andres Manhit, President & CEO, Stratbase, Prof. Wongi Choe, Head, Center for ASEAN-India Studies, Korea National Diplomatic Academy, and Dr. Sophie Wushuang Yi, Research Fellow, Marine Studies Center, Grandview Institution.

Miller emphasized that economics and security are interconnected and cannot be dealt with in isolation. Maritime risks affecting shipping, insurance, and infrastructure demand strong public-private coordination. He noted that economic coercion has become a systemic tool of statecraft in the Indo-Pacific, underscoring the need for trade diversification, supply-chain resilience, and cooperation on energy and critical minerals. He added that Canada can serve as a dependable partner in strengthening regional resilience.

Manhit discussed the Philippine context, stressing that national and economic security are inseparable due to the country's dependence on secure sea lanes and undersea cables. He noted that Philippine growth is driven largely by Western and allied partners – through BPOs, remittances, and PPPs – rather than by China. He recalled

that the 2013 arbitration originated from harassment of Philippine energy exploration at Reed Bank and that joint exploration efforts with China failed due to unclear claims. He argued that the Duterte administration's appeasement strategy proved ineffective and that sustainable growth continues to come from democratic partners

aligned with Philippine strategic interests.

Choe outlined South Korea's evolving posture, identifying three priorities: protecting sea lines of communication, safeguarding economic stability and regional trade, and maintaining the South China Sea as a global commons. Earlier hesitation stemmed from North Korea-related security pressures and economic reliance on China, but rising concerns over coercive maritime actions prompted a more proactive stance consistent with international law. He cited unilateral Chinese activities in Korea's EEZ – including unauthorized installations and obstruction of research vessels – as justification for strengthening economic resilience and maritime defense. He highlighted Korea's contributions through

infrastructure development, shipbuilding, and capacity-building across Southeast Asia.

Yi presented China's perspective, arguing that economic interdependence should be viewed as a foundation for cooperation, not vulnerability. She noted the Philippines' significant economic ties with both China and the United States and argued that disengaging from China would undermine development. Yi highlighted China's participation in anti-piracy operations and trade initiatives, while acknowledging ongoing sovereignty disputes.

Parallel Session B

Assessment of Dispute Management and Risk Reduction in the South China Sea

Parallel Session B examined approaches to managing overlapping claims and reducing risks in the South China Sea, with emphasis on bilateral/multilateral mechanisms, confidence-building measures, and the challenges posed by unilateral actions. Chaired by Carl Baker, Executive Director of the Pacific Forum, the session featured Capt. Xiaobo Liu (Ret., PLA Navy), Director, Marine Study Center, Grandview Institution, Dr. Abe Woo, Senior Fellow, WPS & Associate Professor, Universiti Sains Malaysia, Dr. Vu Hai Dang, Centre for ASEAN and Maritime Cooperation, East Sea Institute, DAV, and Atty. Jay Batongbacal, Director, Institute for Maritime Affairs and Law of the Sea, UP Diliman.

Liu outlined China's perspective, highlighting bilateral mechanisms with Japan and Vietnam as models for dispute management. He noted that the hotline with Vietnam remains active, whereas the China-Japan mechanism is not functioning effectively. He referenced CUES as a protocol for naval encounters and reiterated China's position on Scarborough Shoal, arguing that China's interceptions of vessels and aircraft constitute normal responses to what it considers incursions into its territorial waters.

Woo and Dang presented cooperation-oriented models focused on marine environmental protection and scientific research as pathways to trust-building. Woo emphasized diplomacy grounded in joint marine scientific research and sustainable resource management. Dang proposed transforming Scarborough Shoal – unilaterally declared a Chinese nature reserve – into a "marine peace park," with China enforcing domestic laws only on its own vessels. He additionally proposed Vietnam-Philippines scientific expeditions and conditional China-Philippines environmental cooperation should Manila designate the shoal a Marine Protected Area, followed by coordinated patrols modeled on the China-Vietnam arrangement in the Gulf of Tonkin. Participants questioned the extent to which such proposals align with international law and existing legal remedies.

Batongbacal reviewed historical patterns of incursions – from the 1988 Union Banks Incident to China's actions at Mischief Reef and Scarborough Shoal – arguing that repeated violations of commitments have eroded trust and weakened the credibility of bilateral dialogues with China. Communication, he stressed, must build confidence rather than be used as leverage.

During the discussion, participants questioned the effectiveness of China's cited mechanisms. Liu argued

communication requires prior trust; others countered that trust is built through communication itself, citing failed attempts to activate similar hotlines with China. The conversation also addressed Filipino fisherfolk's access to Scarborough Shoal, with several noting the 2016 Arbitral Award's recognition of traditional fishing rights and Manila's obligation to protect its citizens.

Special Roundtable Discussion

Advancing the ASEAN Coast Guard Forum (ACGF) as a Regional Mechanism

Sponsored by UNODC - United Nations Office on Drugs and Crime.

This roundtable convened senior maritime law-enforcement leaders to examine practical pathways for strengthening the ASEAN Coast Guard Forum (ACGF). Chaired by Dr. Asyura Salleh, Associate Programme Officer, UNODC Global Maritime Crime Programme, the session featured VADM Irvansyah, Chief, BAKAMLA (Indonesia Coast Guard), ADM Ronnie Gil Latorilla Gavan, Commandant, Philippine Coast Guard, ADM Datuk Haji Mohd Rosli bin Abdullah, Director-General, Malaysia Maritime Enforcement Agency, and VADM Pongsak Somboon, Deputy Secretary-General, Thai Maritime Enforcement Command Center.

VADM Irvansyah emphasized the ACGF's growing role in fostering trust, coordination, and mutual support among ASEAN Coast Guards. Although not yet formalized, the forum is generating concrete outputs and expanding cooperation with existing ASEAN maritime bodies. Efforts are underway to situate the ACGF within the ASEAN Political-Security Community, signaling its evolution from an informal dialogue platform into a recognized regional mechanism.

Abdullah reaffirmed Malaysia's strong backing for the ACGF, noting that no state can confront the region's maritime challenges alone. Since 2022, the forum has enabled frontline agencies to share best practices, but its success hinges on improved information exchange, joint operations, coordinated patrols, and interoperable training. He stressed the value of eventual formalization to ensure coherence with ASEAN priorities.

Gavan highlighted the ACGF as an ASEAN-centered initiative rooted in shared experiences and the ASEAN Way. He noted substantial progress during the 4th ACGF Meeting in June 2025 and announced the Philippines' intention to host the next High-Level Meeting in May 2026, coinciding with its ASEAN chairmanship and commitment to advancing the forum's institutional development.

Somboon closed the panel by underscoring Thailand's strong support for institutionalizing the ACGF to address transnational crime, IUU fishing, disasters, and regional tensions. A formalized structure, he noted, would enhance coordination and operational effectiveness while upholding national jurisdictions and international law.

“...repeated violations of commitments have eroded trust and weakened the credibility of bilateral dialogues with China.”

In the open forum, participants raised questions on legal education for Coast Guard personnel, cybersecurity preparedness, the feasibility of coordinated patrols, impacts of territorial disputes, harmonizing Navy-Coast

Guard protocols, and equitable capacity-building. Panelists explained that training in international law is increasingly embedded in career development, cyber defense is being integrated into modernization plans, and whole-of-government coordination remains essential.

Addressing territorial disputes, Gavan emphasized that these have not hindered practical cooperation, citing active joint patrols, information sharing, and search-and-rescue coordination. Somboon pointed to existing communication hubs such as Singapore's Information Fusion Centre and reiterated the importance of strengthening interoperability and operational cooperation as the ACGF matures.

Observation: The discussion tended to be repetitive, with panelists reiterating similar themes. A deeper examination of how unresolved maritime disputes, especially those that involve China, affect cooperation could have yielded more strategic insights for shaping the ACGF's future role within ASEAN.

Plenary Session 6

Maritime Capacity-Building for a Rules-Based, Equitable, and Sustainable Maritime Order in the Indo-Pacific

This plenary examined regional coast guard capacity-building efforts, focusing on the experiences of the Philippine Coast Guard (PCG) and the Indonesian Coast Guard (BAKAMLA), alongside the Japan Coast Guard (JCG), a long-standing partner in strengthening ASEAN maritime law enforcement. Chaired by Dr. John Bradford, Executive Director of Yokosuka Council on Asia-Pacific Studies - YCAPS, the panel featured VADM Kanosue Hiroaki, Vice Commandant for Operations, JCG, RADM Rommel Supangan, Commander, Coast Guard Fleet, PCG, and First Admiral Askari, Director for Cooperation, BAKAMLA.

VADM Hiroaki opened with an overview of JCG initiatives beginning with hydrographic surveys in the Malacca and Singapore Straits in the 1960s. Support expanded in the 1980s to search and rescue and oil spill response, and in the 2000s to law enforcement cooperation on piracy and transnational crime. He emphasized Japan's sustained contributions through training, technology transfer, patrol vessel provision, and maritime domain awareness programs. JCG training has benefited at least 89 ASEAN officers, strengthening professional networks and shared understanding.

RADM Supangan outlined the PCG's mandates and identified organizational gaps that hinder its ability to address both traditional and non-traditional threats. He emphasized recent gains through bilateral and multilateral partnerships, which have significantly enhanced PCG capabilities. RADM Askari presented BAKAMLA's perspective, underscoring that regional stability depends on standardized capacity, robust cooperation, and effective information sharing. He identified three priorities for strengthening the maritime order: deeper cooperation, sustained investment in capacity building, and improved information exchange.

The panel collectively stressed that capacity building extends beyond assets and equipment; it requires shared doctrines, mutual trust, and long-term institutional partnerships that enable coordinated responses to illegal, coercive, aggressive, and deceptive activities in regional waters.

During the discussion, panelists were asked how partners could refine capacity-building programs. Askari highlighted the importance of people-to-people engagement and enhanced skills development. Supangan stressed tailoring programs to the needs of receiving agencies to ensure interoperability and sustainability. Speaking from the donor perspective, Hiroaki explained that Japan adapts its support to each country's context, drawing on its own best practices – much like the United States and Australia, whose methodologies reflect their distinct institutional cultures.

On questions regarding militarization and the use of unmanned systems, Askari clarified that BAKAMLA remains lightly armed, equipped only with small-caliber weapons for self-defense. Supangan noted that the PCG may fall under the Philippine Department of National Defense during wartime and is exploring drone-based surveillance as part of its modernization efforts.

Plenary Session 7

Concluding Panel

Moderated by Brad Glosserman (Director of Research, Pacific Forum), the discussion explored how legal norms, state behavior, and shifting geopolitical narratives – especially multipolarity – shape the region's future. The closing panel featured Prof. Atsuko Kanehara (Research Director, The Canon Institute for Global Studies), Dr. Ja Ian Chong (Associate Professor, National University of Singapore), and Dr. Euan Graham (Senior Fellow, Australian Strategic Policy Institute)

Kanehara underscored the centrality of a rules-based maritime order, referencing these key principles: claims must align with international law, force/coercion cannot enforce claims, and disputes must be resolved peacefully. She stressed that UNCLOS requires complementary rules to address new challenges – such as undersea infrastructure threats and gray-zone coercion – and emphasized the need for clearer discussions on enforcement to strengthen cooperation.

Chong highlighted ASEAN's collective-action dilemma and the limits of neutrality in an era of multipolar competition. Without credible enforcement mechanisms, agreements – including a code of conduct – risk ineffectiveness. He also warned that great-power reinterpretation of norms heightens risks of miscalculation, reinforcing the need for reliable, independent information sources.

Graham argued that China's approach aims to condition Southeast Asia into a subordinate position, using code-of-conduct negotiations to advance an expansionist agenda. He contrasted Vietnam's caution with the Philippines' proactive transparency campaign and its growing coalition with like-minded partners. He noted the South China Sea's strategic significance extends far beyond resources – representing a test of whether regional order will be governed by law or by power.

Participant exchanges focused on China's persistence with unlawful claims, links between the South China Sea and Taiwan, and ASEAN's pace of response. Glosserman emphasized a core paradox: major powers often resist legal constraints, while smaller states – those most reliant on law – sometimes hesitate to defend them openly. Discussions also considered sectoral cooperation and the Philippines' transparency initiative as a form of non-violent, norm-affirming statecraft.

**HOLDING THE LINE —
FROM TRANSPARENCY TO DETERRENCE IN THE
SOUTH CHINA SEA**

ANALYSIS

by

DR. JA IAN CHONG

EXECUTIVE SUMMARY

The second iteration of *The Manila Dialogue on the South China Sea* brought together over 270 government officials, maritime practitioners, think tank experts, scholars, and other thought leaders from at least 25 countries. Participants from claimant, non-claimant, and user states in Southeast, Northeast Asia, North America, Europe, Australia and the South Pacific discussed ongoing disputes, highlighted challenges, and examined opportunities for cooperation. The event highlighted continued interest in managing these overlapping disputes without escalation and the deepening divergence among actors. Discussions and debates at the event underscored several central themes:

1. Varied actors and interests:

- The South China Sea disputes are clearly no longer self-contained regional issues. They involve a widening range of states and issue domains, from trade and telecommunications to international law and domestic politics.
- More actors and a trend toward greater internationalization mean that the South China Sea disputes are increasingly complicated, but these same factors also enhance incentives to promote stability and maintain open access to these waters.

2. Persistent differences:

- Claimant states maintain divergent positions and strategies.
- The PRC asserts broad claims and conducts extensive, robust patrolling with military and paramilitary vessels, along with the arming of features it occupies.
- The Philippines pursues transparency and insists on prevailing legal procedures even as it seeks to deepen partnerships with the United States, Japan, South Korea, and Australia.
- Vietnam is following PRC approaches in reclaiming and arming the disputed features it occupies.
- Other South China Sea claimants tend to be more cautious, fearing escalation.

3. Hedging and major power competition:

- Many Southeast Asian states try to ‘hedge’ between the United States and the PRC, extending this approach to their positions on the South China Sea disputes.
- Intensifying U.S.-PRC competition makes ‘hedging’ and attempts to claim ‘neutrality’ less sustainable and increasingly risky, with both Beijing and Washington becoming less tolerant of positions they consider insufficiently friendly.
- Neutrality can be violated, and ‘hedging’ punished.

4. Coercion and use of force:

- The use of force, coercion, and violence is increasingly apparent, especially by the PRC, which has greater capability and more ability to bear both the risks and costs of such activity.
- Extra-regional actors conduct operations to assert international rights, such as freedom of navigation, but regional states tend to fear escalation and avoid demonstrations of force.

5. Regional interconnectedness:

- Disputes in the South China Sea are linked to broader East Asian security dynamics, affecting shipping, air routes, and submarine cables across Northeast and Southeast Asia.
- Escalation in the South China Sea can quickly spread to other regional hotspots, such as around Taiwan and the East China Sea – and vice versa.

6. International law and lawfare:

- The South China Sea disputes demonstrate growing and significant differences between the PRC and Southeast Asian claimants over the interpretation of and willingness to abide by international law as currently understood, especially through the range of perspectives over the United Nations Convention on the Law of the Sea (UNCLOS).
- While the Philippines, Vietnam, Malaysia, and Indonesia uniformly regard the PRC’s nine-dash-line claims as lacking legal basis under international law, important differences persist in their respective approaches to compelling Beijing’s compliance with UNCLOS. These divergences mirror a broader pattern in contemporary international affairs, in which the authority of established legal regimes and institutions is increasingly tested – often as a result of the conduct of major powers.
- Changes to current practices in global governance and a greater dominance of major power preferences in international law and institutions disproportionately affect smaller states.

7. Transparency and the regulation of behavior:

- The Philippines’ Transparency Initiative has increased international attention and discouraged some risky behavior, but other ASEAN states are reluctant to follow due to fear of reprisals.
- Transparency helps limit excessive activities to a degree but requires broader participation.

8. The risks of contending narratives:

- Competing historical and political narratives are used to justify claims in the South China Sea and can be deployed to sow division, especially during crises.
- Manipulation of perceptions can paralyze decision-making, erode domestic trust in governments, weaken the credibility of international institutions, as well as confidence in external partners.

9. Fisheries, environmental, labor, and commercial considerations:

- Fisheries, environmental, and labor concerns, as well as commercial considerations, are often neglected when states address the South China Sea disputes, despite their importance.
- More attention is needed on sustainable management and public engagement.
- Excluding key actors like Taiwan makes regulating and managing fisheries, environmental, labor, and commercial issues more difficult.

10. Cooperation and the code of conduct:

- All parties profess a desire for cooperation, but actual commitment to making progress remains limited.

- Negotiations over a South China Sea Code of Conduct continue, but significant obstacles remain regarding scope, actors, and enforcement.

Summary of Recommendations

This report draws on observations and analyses of proceedings of the 2025 Manila Dialogue to offer several recommendations for managing the South China Sea disputes, including:

- Clarifying objectives and preferred outcomes for stakeholders.
- Recognizing the limits of hedging and neutrality.
- Recognizing ASEAN’s strengths and limitations in managing the South China Sea disputes.
- Investing in ASEAN’s role to manage the South China Sea disputes, where possible.
- Developing supplementary mechanisms for dispute management where necessary.
- Continuing dialogue and cooperation, even if progress is slow.
- Supporting international law and institutions.
- Promoting public education, transparency, and media literacy.
- Enhancing deterrence and defense capabilities while continuing to prioritize diplomacy.

The above recommendations recognize that movement toward resolution of the South China Sea disputes remains limited, given the complexity of the issues and the divergence in positions among key stakeholders. They draw from the 2025 edition of The Manila Dialogue on the South China Sea, especially the mapping out of areas of divergence and convergence among stakeholders, to suggest lines of thinking toward more effective management of the disputes. Such efforts are especially important given the broad, even global implications of access to the South China Sea and the stability of those waters.

ANALYSIS

This analysis examines the key issues and debates that emerged from the 2025 edition of The Manila Dialogue on the South China Sea, held from November 5–7, 2025. The Dialogue brought together over 270 government officials, maritime practitioners, think tank experts, scholars, and other thought leaders from at least 25 countries. Discussions reflected both a growing interest in managing the disputes and the persistence – indeed, the possible deepening – of strategic and normative divergences among key actors.

A comprehensive resolution of the South China Sea disputes appears unlikely in the near term, and meaningful progress toward durable conflict management remains difficult. Nonetheless, exchanges at the Manila Dialogue help clarify both the most promising avenues for cooperation and the most significant obstacles to stability. These insights provide the context for the

recommendations advanced in this report, which are offered with due recognition of the political and strategic constraints shaping the region.

An increasingly varied set of actors and considerations

Discussions at the 2025 edition of the Manila Dialogue reveal significant gaps in perspectives and approaches toward the South China Sea. These cleavages exist among states within and outside ASEAN over positions as well as strategies, which is unsurprising. Differences also exist between legal and political understandings, regarding the contemporary salience of historical and over historical interpretations. That said, participation in the dialogue among various parties, even those whose official positions are in tension with each other, suggests interest in continuing conversation. Taken at face value and with the assumption of good faith, that may be an indicator of a desire to manage differences, avoid escalation, and perhaps even cooperate.

Persistent differences over the South China Sea over the past decade-and-a-half have also brought greater attention to the disputes over those waters. More extra-regional states realize that important sea lanes of communication critical to their supply chains run through disputed waters. Instability and, worse, conflict could result in high economic costs. Greater awareness and a desire to shape discussions among non-claimant user states can potentially dampen tensions. There is also a widening range of issue domains for which the South China Sea disputes carry substantial implications. They include everything from telecommunications to international law, as well as external efforts to shape domestic politics.

The inclusion of more actors and domains in discussions about the South China Sea can potentially complicate dispute management and resolution efforts. More actors and more issue areas mean more ground to cover and possibly more need for compromise, compounding already serious collective action, coordination, and commitment problems. Viewed more positively, the expansion of scope and interest over simmering differences in the South China Sea means that more actors have a stake in maintaining stability and preventing escalation. Such conditions further reinforce incentives to keep access to those disputed waters open and unfettered, which is ultimately beneficial to all actors unless they wish to establish an exclusive, unilateral veto over the use of those waters.

“...exchanges at the Manila Dialogue help clarify both the most promising avenues for cooperation and the most significant obstacles to stability.”

Here are some basic considerations regarding the South China Sea that apply to all claimants and user states:

- The South China Sea enables access to trade, telecommunications, and financial markets for actors across East Asia, given the sea lanes, air routes, and submarine cables that pass in, over, under, and around those bodies of water.
- Hydrocarbon deposits give the South China Sea added importance, although hydrocarbons may become less important in the future with the ongoing energy transition.

- The waters are important for fishing, providing a key source of protein for the large population residing in various littoral communities, and diminishing fish stocks may create some pressure on food.
- Sea level rise and extreme weather resulting from climate change will affect maritime features and littoral communities, potentially affecting the nature of the disputes in the South China Sea.

Persistently divergent positions

Claimant states remain divided over how best to address the South China Sea disputes, and there is scant indication that these positions are likely to converge in the near term.

- The PRC continues to see the South China Sea as its waters but insists on not defining the nature of those waters and the exact location of its nine- (and now ten-) dash-line demarcation.
- The PRC asserts legitimacy for aggressive patrolling of waters that it claims, including the disruption of activities by fishing and law enforcement vessels of other states, notably the Philippines, and the militarization of reclaimed maritime features.
- Unfettered access to the South China Sea allows PRC forces to push out beyond the “first island chain” and its ballistic nuclear submarines to head into the open, deeper waters of the Pacific Ocean, which may be an important consideration for Beijing.¹
- The Philippines looks to continue with its Transparency Initiative to document and publicize China’s coercion and aggressive maneuvers in its own EEZ, even as it seeks to continue resupplying its military and civilian positions in various maritime features.
- Several ASEAN member states see the Philippines as an outlier with its Transparency Initiative and fear escalation by the PRC, but their alternative seems to be lie low in the face of expansive PRC claims and assertiveness.
- Other South China Sea claimants, such as Brunei, Malaysia, and Vietnam, continue to maintain their positions, with Vietnam also reclaiming and reinforcing South China Sea maritime features under its effective administration.
- Some claimant states like Malaysia view the rule of law and sovereignty as important, but also believe that they are helpless given the greater PRC capability and pressure.
- Differences persist over the involvement of different actors—Beijing insists on restricting conversations to littoral states it recognizes, while others see non-littoral user states as critical interlocutors; then there is Taiwan, which is a claimant with its own fishing fleet, commercial shipping, coast guard, navy, and air force.

The increasingly questionable utility of hedging

Many Southeast Asian states still proclaim a desire to ‘not choose sides’ and ‘hedge’ between the United States and the PRC.² It has become a longstanding position among ASEAN member states on many issues, including the South China Sea disputes. An underlying belief is that such ambiguity provides states with maximum flexibility and, even more optimistically, an opportunity to extract benefits from the major powers for cooperation.³ There is also a view that neutrality can offer a degree of protection from major power competition, including over territorial disputes.

Behind these perspectives is an assumption that Beijing and Washington desire to accommodate each other to a significant degree and therefore accept that Southeast Asian states can take a wide range of positions. Such conditions may no longer hold or at least not hold as strongly, given intensifying U.S.-PRC competition. Hedging, as a financial analogy, taken to its logical conclusion, includes letting go of some positions to limit loss or even seek profit.⁴ It is unclear what a “sell” position might be or whether there is forward thinking about what might be a trigger. This has clear implications for South China Sea claimants and user states, which include:

- Increasing pressure from both the United States and PRC to be more amenable to mutually exclusive demands or at least limit cooperation with their main rival.
- Failure to comply with the demands of one or both major powers may invite punishment from Washington, Beijing, or both capitals.
- That Southeast Asian states may prefer to side with one major power or another, whether in general or over specific issues, regardless of what they say publicly, is a distinct possibility.
- Varying preferences for cooperation across Southeast Asia may result in further divisions within ASEAN and across Southeast Asia.
- Trying to placate both the United States and PRC simultaneously may lead one or both major powers to see an actor as duplicitous, untrustworthy, and deserving of pressure, even as other partners and potential partners develop doubts over the credibility of that actor’s commitments.
- Neutrality without substantial capability can be ignored and penalized, as seen in Cambodia (1960s and 1970s), Belgium (pre-World War I and II), and Melos (Peloponnesian War).⁵ Not every actor can be a Switzerland or pre-NATO Sweden without significant commitments to defense and geographic advantages, such as high mountains.
- Choices do not have to be binary. Southeast Asian states can work together and collectively bargain to

¹ Koda, Y. (2021). China’s Military Strategy in the South China. In: Buszynski, L., Hai, D.T. (eds) *Maritime Issues and Regional Order in the Indo-Pacific*. Palgrave Studies in Maritime Politics and Security. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-030-68038-1_2

² Jones, D.M. and Jenne, N. (2022) Hedging and grand strategy in Southeast Asian foreign policy, *International Relations of the Asia-Pacific*, 22(2), 205-235. <https://doi.org/10.1093/irap/lcab003>.

³ Kuik, C.C. (2024). Explaining Hedging: The Case of Malaysian Equidistance. *Contemporary Southeast Asia*, 46(1), 43-76. <https://www.jstor.org/stable/27301254>.

⁴ Wang, D. (2015) Is China Trying to Push the U.S. Out of East Asia? *China Quarterly of International Strategic Studies*, 1(1), 59-84. <https://doi.org/10.1142/S2377740015500049>.

⁵ Thucydides. (2021) *The Project Gutenberg eBook of The History of the Peloponnesian War*. Translated by Richard Crawley. <https://www.gutenberg.org/files/7142/7142-h/7142-h.htm>.

expand leverage and widen scope for agency, but this requires overcoming serious collective action, coordination, and commitment problems.

- Focusing on collective leverage within Southeast Asia or involving some combination of external partners demands immediate investment for there to be a chance of success.

That said, disputes in the South China Sea – particularly those involving overlapping claims to territory and resources, as distinct from issues of navigational rights and freedoms – are not, in essence, U.S.-PRC disputes. They are fundamentally matters between the PRC and the Southeast Asian claimant states. From this perspective, the United States has a limited direct stake in these sovereignty and resource disputes, except in circumstances where a treaty ally – most notably the Philippines – faces an armed attack that would trigger alliance obligations. From this viewpoint, the South China Sea becomes an issue of compliance with international law, rather than by-products of major power competition.

Patterns of coercion and the use of force

The use of force and coercion is becoming an increasingly common and visible feature in the South China Sea disputes.⁶ Not only has the PRC armed outposts on features it occupied and reclaimed. Beijing is using its coast guard to actively engage in patrols to expel other actors from their EEZs that fall inside the nine-dash line – especially when it comes to the Philippines and the West Philippine Sea. The People’s Liberation Army Navy and its air forces also patrol ‘disputed’ waters robustly. The Philippines is using its own coast guard to support the assertion of its claims and to support the resupply of its own outposts, as well as its fishing activities.

Navy and coast guard vessels from extra-regional actors with an interest in access to the South China Sea are transiting more frequently, sometimes conducting exercises or operations to demonstrate that they are in international waters.⁷ Apart from occasional shows of force, regional actors other than Vietnam and Indonesia have shied away from publicly demonstrating their military and coast guard presence in the South China Sea, even in non-disputed areas. Even in the cases of Hanoi and Jakarta, they have been relatively reserved in outright shows of force.

- Demonstrations of force and coercive diplomacy can potentially be escalatory, but not necessarily so – they can support deterrence and conflict avoidance.
- Carefully calibrated demonstrations of force coupled with sufficient assurance can discourage unilateral efforts to change the status quo.
- Failure to carefully calibrate credible threats alongside credible assurances risks further escalation in demonstrations of military force.

- Once escalation happens, backing down and reducing tensions can be difficult, especially if escalation is uncontrolled and unintended.

One East Asian theater

There is increasing recognition among actors around the world that disputes in the South China Sea are not a standalone phenomenon and cannot be isolated from developments elsewhere. This realization draws greater interest to the disputes and the management of tensions, although Beijing finds the internationalization of the South China Sea disputes frustrating. Such developments make it more difficult for Beijing to engage in strictly bilateral discussions or even multilateral discussions with ASEAN, where its dominant capabilities confer distinct advantages.

- Shipping lanes, air routes, and submarine cables running under, on, and above the South China Sea connect actors across East Asia with each other, South Asia, the Middle East, Africa, Europe, the Pacific, and the Americas.
- These connections account for significant economic activity from the trade in goods and services to the movement of capital and people.
- Escalation in the South China Sea can rapidly spread south toward the Indonesian archipelago and Malacca Strait and north toward the Taiwan Strait and East China Sea and even beyond.
- Escalation around Taiwan, in the East China Sea, the Yellow Sea, and around the Korean Peninsula can rapidly spread south to the South China Sea.
- Escalation in East Asia could spread east into the Pacific, especially if there is potential U.S. involvement or if the PRC wishes to prevent U.S. involvement.
- States with maritime interests across East Asia and the Western Pacific benefit from stability in the South China Sea and will almost certainly have to bear the costs of instability and escalation.
- The connection of the South China Sea with stability and prosperity across East Asia has been a strategic consideration for many actors since the nineteenth century, but was especially pronounced during the Second World War and Cold War.

“There is increasing recognition... that disputes in the South China Sea are not a standalone phenomenon and cannot be isolated from developments elsewhere.”

International Law, lawfare, and their wider implications

Significant divergence exists over the role of law in the South China Sea. From a strictly legal context,

⁶ Teng-Westergaard, C. (2025) Law Must Replace Force in South China Sea Demands International Forum. *Asia Media Centre*, November 5. <https://www.asiamediacentre.org.nz/law-must-replace-force-in-south-china-sea-demands-international-forum>.

⁷ Sperzel, M. et al. (2025) China and Taiwan Update. Institute for the Study of War, December 12.

<https://understandingwar.org/research/china-taiwan/china-taiwan-weekly-update-december-12-2025/>; Yeo, M. (2025) Australian Destroyer Conducts South China Sea Freedom of Navigation Activity. *Breaking Defense*, June 30.

<https://breakingdefense.com/2025/06/australian-destroyer-conducts-south-china-sea-freedom-of-navigation-activity/>.

international lawyers argue for the possibility of managing and ultimately resolving the disputes. They hold out that technical possibilities open the way for a successful Code of Conduct. That the disputes are ongoing and see little likelihood for a solution indicates that political realities prevent such an outcome. There is simply insufficient convergence among actors for a solution, even an interim one. Even if some sort of binding arrangement were possible, ensuring compliance and addressing violations remain significant challenges.

Moreover, Beijing's novel interpretation of international law and institutions, including the United Nations Convention on the Law of the Sea (UNCLOS), puts substantial pressure on existing understandings and practices. They add to the pressure from exemptions the United States carved out for itself. PRC initiatives are often framed to advance Beijing's own strategic interests at the expense of others – a pattern long regarded as typical of major power behavior. Some participants stressed, however, that such expectations warrant reconsideration: the legitimacy of state conduct should rest not on the prerogatives of power, but on adherence to shared rules and legal norms that underpin a stable international order. A weakening regime for international law and institutions has implications that go beyond the South China Sea disputes. They may alter governance over other bodies of water and the functioning of global institutions. Middle and smaller actors with less ability to muscle their preferences through may discover that they must operate in a more complicated environment where the effects of their agency are diminished, and major powers are even less restrained.

- Beijing's refusal to accept the Arbitral Tribunal process and award, along with its insistence on under-defined historical rights to the South China Sea, challenges conventional approaches to UNCLOS.⁸
- Given that UNCLOS is a global regime, changes to common approaches to UNCLOS could unsettle efforts to regulate behavior over other bodies of water, including the Arctic and Indian Oceans, the Baltic Sea, and the Pacific Islands, especially where disputes exist.

- An unsettling of UNCLOS may diminish protections for maritime transport and critical underwater infrastructure such as submarine cables and pipelines.
- Alternative PRC interpretation of UNCLOS dovetails with similar efforts to recast the meanings of other key international documents and texts. These include the 1943 Cairo Declaration, 1951 San Francisco Treaty, 1971 United Nations General Assembly Resolution 2758, and previous United Nations General Assembly resolutions on the removal of "enemy state" from the United Nations Charter.⁹
- Together with the U.S. refusal to ratify UNCLOS, the blockage of appointments to the World Trade Organization appeal mechanism, honoring of free trade agreements, the interdiction of vessels off Venezuela, and the U.S. capture of Venezuelan dictator Nicholas Maduro, the current body of international laws and institutions for global governance is under greater stress.
- Medium-sized and smaller actors rely more on international laws and institutions to coordinate and regulate behavior, thereby reducing transaction costs, as they tend to be unable to force their preferences on others.
- A weakening global governance regime generally creates more precariousness for the interests of medium-sized and smaller actors.
- The full range of implications resulting from disputes in the South China Sea is not well studied or understood, as are areas for cooperation with actors in other areas of contention, such as the Arctic and Pacific.

In search of greater transparency

The Philippines, particularly the Philippine Coast Guard, has been engaging in its Transparency Initiative since early 2023. The initiative documents and publicizes the developments and behavior of actors in the waters and airspace of the West Philippine Sea, underscoring sometimes excessive and dangerous actions by PRC government vessels and maritime militia in their efforts to assert PRC claims to the South China Sea.¹⁰ Along with private efforts such as SeaLight, the Transparency

⁸ Ministry of Foreign Affairs, People's Republic of China. (2025) Wang Yi Expounds China's Position on the South China Sea Arbitration Case. July 11. https://www.fmprc.gov.cn/eng/wjzbhd/202507/t20250713_11670073.html

⁹ Kong, Q. (2025) UN Enemy State Clauses: A Reminder of Japan's Right-Wing Forces. *China's Diplomacy in the New Era*, November 17. https://en.chinadiplomacy.org.cn/2025-11/17/content_118181327.shtml; Meng, Z. et al. (2025) "Treaty of San Francisco?" Illegal and Invalid. *China Daily*, December 1. <https://www.chinadaily.com.cn/a/202512/01/WS692d74dda310d6866eb2c52e.html>; Ministry of Foreign Affairs, People's Republic of China. (2025) China's Position Paper on the United Nations General Assembly Resolution 2758, September 30. https://www.fmprc.gov.cn/eng/zy/wjzc/202509/t20250930_11721842.html; Ministry of Foreign Affairs, People's Republic of China. (2025) Foreign Ministry Spokesperson Mao Ning's Regular Press Conference on November 28, 2025. Permanent Mission of the People's Republic of China to the United Nations. https://un.china-mission.gov.cn/eng/fyrth/202511/t20251128_11762812.htm; United Nations General Assembly, 26th Session. (1971) Restoration of the Lawful Rights of the People's Republic of China in the United Nations, October 25. A/RES/2758 (XXVI). United Nations Digital Library. <https://digitallibrary.un.org/record/192054?ln=en&v=pdf>; United Nations General Assembly, 50th Session. (1995) Report of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization, December 15. A/RES/50/52. United Nations Digital Library. <https://docs.un.org/en/A/RES/50/52>; United Nations General Assembly, 60th Session. (2005) Resolution Adopted by the General Assembly on 16 September 2005, September 16. A/RES/60/1. United Nations Digital Library.

https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_60_1.pdf

¹⁰ Alegre, P. (2025) Manila's Transparency Initiative: A Strategy for Deterrence? *Pacific Forum*, June 10.

<https://pacforum.org/publications/yl-blog-130-manilas-transparency-initiative-a-strategy-for-deterrence/>; Gamboa, F.P. (2025) Truth in Troubled Waters: The Philippines Transparency Initiative and ASEAN's Dilemma. *Pacific Forum*, June 11.

<https://pacforum.org/publications/yl-blog-131-truth-in-troubled-waters-the-philippines-transparency-initiative-and-aseans-dilemma/>; Ibarra, E.J.A. and Arugay, A. (2025) Something Old, Something New: The Philippines Transparency Initiative in the South China Sea. *Fulcrum*, May 6. <https://fulcrum.sg/something-old-something-new-the-philippines-transparency-initiative-in-the-south-china-sea/>; West Philippine Sea Transparency Group. <https://wpstransparency.ph>

Initiative has brought greater awareness to high-risk behavior by official PRC vessels through maps, radar tracks, videos, audio, and photography.¹¹ There is also the embedding of local, regional, and international media on Philippine vessels to provide independent reporting and credible documentation.

Greater transparency over behavior in disputed waters and airspace, and the associated international attention, has brought criticism of Beijing. To some extent, they have discouraged more egregious behavior by the PRC.

“Greater transparency helps establish patterns of behavior, and the calling out of unacceptable behavior helps foster more positive norms, but greater effectiveness requires more participation by claimants and user states in the South China Sea.”

Compared to the period before 2016, there seem to be fewer PRC efforts to ram, sink, and detain vessels and to hold their crew over longer periods. That said, dangerous activity at sea continues. Of course, Beijing expresses significant displeasure toward greater transparency as it seems to reduce its freedom of action. The PRC has tried to provide a counter in the form of their South China Sea Probing Initiative (SCSPI), but has not successfully shown that other actors behave as boldly as the PRC. Considering the PRC’s heavy censorship of information at home (e.g., CSIS AMTI and SeaLight both blocked in mainland China), SCSPI is not seen as a ‘good faith’ effort to promote transparency at sea.

Many Filipino experts encourage other ASEAN member states, particularly South China Sea claimant states, to adopt their own transparency initiatives. Other ASEAN capitals have been reluctant to undertake similar action, likely because they are afraid of reprisals from Beijing and can free-ride on Philippine transparency efforts to restrain Beijing to a degree—all without having to bear any risk themselves. In comparison, Japan, Taiwan, and, to a lesser degree, the Republic of Korea have been more forthcoming in detailing PRC military and paramilitary activity in disputed or sensitive areas.¹² Australia, Canada, and the United States have called out especially risky, even dangerous and unsafe, PRC conduct when they occur during interceptions.¹³

More transparency in the South China Sea can have positive externalities on the regulation of shipping. Specifically, it may be easier to monitor and regulate “shadow fleet” vessels that may engage in illegal and risky activity, such as ship-to-ship transfers of oil that

break United Nations Security Council Resolutions and other sanctions.¹⁴ These activities have in the past resulted in accidents that pose dangers to maritime safety. “Shadow fleet” vessels have been implicated in damage to critical underwater infrastructure such as submarine cables and undersea pipelines.¹⁵ Better monitoring and regulation can reduce such risks, but certain regional governments, corporations, and other actors may be resistant to greater visibility of the shadow fleet and their activities.

Despite its success, several questions surround transparency initiatives like those of the Philippines:

- Even as transparency encourages some restraint in PRC behavior, they do not stop other demonstrations of force intended to contest or assert control of areas that fall within the nine-dash line.
- Transparency initiatives require a clearer next step, something that Manila has most likely taken into account, with some officials insisting it is a pre-requisite and a critical element to the country’s broader Philippine maritime strategy and China policy.
- Greater transparency helps establish patterns of behavior, and the calling out of unacceptable behavior helps establish more positive norms, but greater effectiveness requires more participation by claimants and user states in the South China Sea. Too few actors seem ready to accept the risks associated with PRC displeasure at this point.
- The challenge of how to encourage more states to adopt their own transparency initiatives remains.
- Greater transparency can also help with the management of illegal and risky activity by ships of the shadow fleet.

Disputed histories and contending narratives

Much of the PRC’s claims to the South China Sea hark back to its interpretation of history, going back to “ancient times.” Careful readings of historical documents, of course, cast doubt on these claims. History and historical accounts are rarely as neatly consistent as policymakers

¹¹ SeaLight. (2025) What is SeaLight? *SeaLight*. <https://www.sealight.live/about>.

¹² Japan Ministry of Defence. (2025) Activities of Chinese Navy Aircraft Carrier. Japan Joint Staff Press Release, December 16. https://www.mod.go.jp/js/pdf/2025/p20251216_01e.pdf; Kraska, J. (2025) China’s Activities in the Provisional Measures Zone and Law of the Sea. Korea Institute for Maritime Strategy. <https://drive.google.com/file/d/1cAlcMF7DFu3PJxVLYIsUCQr4-kPhps1z/view>; Ministry of National Defense, ROC (Taiwan). PLA Activities List. <https://www.mnd.gov.tw/en/news/plaactlist>.

¹³ Parker, J. (2025) In China’s Dangerous Interceptions, See the Breakdown of Peaceful World Order. *The Strategist*, October 23. <https://www.aspistrategist.org.au/in-chinas-dangerous-interceptions-see-the-breakdown-of-peaceful-world-order/>.

¹⁴ Domballe, J. et al. (2025) Maritime Shadow Fleet – Formation, Operation, and Continuing Risk for Sanctions Compliance Teams in 2025. *S&P Global*, May 26. <https://www.spglobal.com/market-intelligence/en/news-insights/research/maritime-shadow-fleet-formation-operation-and-continuing-risk-for-sanctions-compliance-teams-2025>; Erausquin, G.S. and Keatinge, T. (2025) Countering Shadow Fleet Activity through Flag State Reform. Royal United Services Institute, September 2. <https://www.rusi.org/explore-our-research/publications/insights-papers/countering-shadow-fleet-activity-through-flag-state-reform>.

¹⁵ Chen, Y.M., Boyle, T., and Ke, Q. (2025) The Destruction of Taiwan’s Submarine Cables by China’s Shaow Fleet. *National Defense Journal*, 49(4), 79-108. <https://www.mnd.gov.tw/File/54788>; Forum Staff. (2025) Taiwan Strengthens Patrols against China’s Undersea Cable Sabotage. *Indo-Pacific Defense Forum*, September 28. <https://ipdefenseforum.com/2025/09/taiwan-strengthens-patrols-against-chinas-undersea-cable-sabotage/>; Rowlander, A. (2025) Irregular Warfare at Sea: How Russia’s Shadow Fleet Undermines Maritime Security. *Small Wars Journal*, December 11. <https://smallwarsjournal.com/2025/12/11/irregular-warfare-at-sea/>.

wish them to be. Without rehashing the different historical narratives and accounts, it is important to note that PRC references to pre-modern history try to superimpose a pre-Westphalian set of understandings on what are essentially claims in a contemporary, Westphalian-derived system. Insisting on pre-modern historical positions also challenges the prevailing sovereignty and sovereign rights that undergird UNCLOS and other systems of international law. In this regard, the deployment of historical narratives are themselves a form of lawfare.

The closest PRC claims come toward contemporary understandings of international law are those based on the 1947 Republic of China (ROC) claims, which Beijing asserts that it inherits.¹⁶ Apart from maritime charts, there is no other documentation explaining the original eleven-dashed lines drawn by the ROC. If Taipei has relevant documents at hand that clarify the original ROC claims, it could, at some point in time, make them public and potentially alter the nature of conversations about the South China Sea disputes. Even then, they may be superseded by prevailing interpretations of international law, including UNCLOS. The appeal to history by the PRC seems to suggest an appeal to domestic legitimacy based on a sense of loss and need for restitution from the “century of humiliation” rather than consistency with current international legal regimes. Nonetheless, there is limited scope to alter the PRC’s entrenched interpretation of history at this stage, beyond continuing to challenge it through rigorous evidence, credible historical scholarship, and sustained global public engagement that exposes inaccuracies and deliberate misrepresentations.

“The appeal to history by the PRC seems to suggest an appeal to domestic legitimacy based on a sense of loss and need for restitution from the “century of humiliation” rather than consistency with current international legal regimes.”

There is increasing use of competing narratives, including but not limited to historical ones, to cast blame, create confusion, and potentially sow division. Other areas where contending narratives come into play have to do with the proportioning of blame for risky activity, escalation, and accidents to various states, entities, and even individuals. Often, the deployment of divisive and confusing narratives targets existing social and political cleavages among and within states. Such manipulation of perspectives plays into inter-state relations across the region as well as the domestic politics of various claimant and littoral states. They may intensify in the event of crises, potentially causing social division and paralysis.

Regional states will have to bear the consequences that follow from greater divisiveness, regardless of the result of any dispute, including the repair of breakdowns in trust within political and social systems.

It may be useful to note:

- The PRC’s deployment of historical narratives, especially pre-modern ones, as a basis for claims challenges current international law and practice, including UNCLOS.
- Acceptance of PRC’s historical claims can mean a shift away from prevailing norms and practices in international law.
- Innovation and change to international law are a common feature of international politics, but these should ideally be negotiated over rather than imposed by fiat or misleading claims.
- Changes to international norms, practice, and law affect middle- and smaller-actors more, given that they have less ability to force others to accept their preferences.
- Limited understanding of issues and transparency alongside existing social and political cleavages enables various contending narratives to take root across Southeast Asia and beyond, and to become potentially divisive.
- The risk of divisiveness spilling over into broader society and politics is especially high during crises.
- Divisiveness and disruption from the manipulation of narratives and perceptions can result in paralysis in crises, which may prove strategically salient.
 - Vectors that play up confusion, divisiveness, and disruption include media as well as politically and socially influential persons and groups within various societies. Some do so willingly, others because they, too, do not fully grasp the situation.
 - Awareness of the effects of the manipulation of perception is uneven across states and societies, with some being highly confident of their resilience despite not having to face serious tests of their social and political cohesion yet.

Fisheries, the environment, and commercial interests

Even though the South China Sea is an important area for fishing, which is a key source of protein for populations across East Asia, discussions about fisheries and the environment are often an afterthought. More attention needs to be given to the management of fish stocks as well as the marine environment, including protection of coral, marine trash, pollution, and oil spills.¹⁷ This includes environmentally risky ship-to-ship transfers

¹⁶ Caruana, A. (2023) Nine-Dash Line. Maritime Affairs Program (MAP) Handbill Spotlight, July 25. <https://chinaus-icas.org/research/map-spotlight-nine-dash-line/>; Council on Foreign Relations. (2025) China’s Maritime Disputes, 1895-2025. <https://www.cfr.org/timeline/chinas-maritime-disputes>; Ministry of Foreign Affairs, People’s Republic of China. (2016) Statement of the Government of the People’s Republic of China on China’s Territorial Sovereignty and Maritime Rights and Interests in the South China Sea, July 12. https://www.fmprc.gov.cn/eng/wjb/zjig_663340/bianhaisi_eng_665278/plpbo/202405/t20240530_11324663.html; Ministry of Foreign Affairs, ROC (Taiwan). (2015) Statement on the South China Sea, July 7. https://en.mofa.gov.tw/News_Content.aspx?n=1330&s=34144.

¹⁷ Moles, S. (2022) South China Sea: An Environmental Tragedy of the Commons. *9DashLine*, December 7. <https://www.9dashline.com/article/south-china-sea-an-environmental-tragedy-of-the-commons>; Sato, M. et al. (2023) Deep Blue Scars: Environmental Threats to the South China Sea. Center for Strategic and International Studies, December 18. <https://features.csis.org/environmental-threats-to-the-south-china-sea/>.

at sea, including by shadow fleet vessels, as well as illegal, unregulated, and unreported (IUU) fishing that may damage fish stocks. Moreover, better tracking and regulation of fishing vessels can support better protection of crews. Cooperation on these issues can often depend on developments in managing disputes, hence the long-held belief that confidence-building measures are critical). Taiwan's exclusion from these discussions presents a challenge as sizeable commercial cargo and fishing fleets operate under Taipei's jurisdiction, as well as a significant law enforcement capability. Not including Taipei may limit progress on attaining collective goods relating to fisheries and the marine environment in the South China Sea.

Of note is the fact that:

- Even though topics relating to fisheries and the marine environment often come up in international discussions, there tends to be a lack of sustained attention.
- Perspectives from fisherfolk, marine scientists, and climate scientists are often missing.
- Likewise, there can be more public engagement of commercial fishing interests and commercial entities engaged in the exploration and extraction of fossil fuels.
- Relatedly, commercial shipping and maritime insurance concerns can be brought more to the surface.
- Sea level rise and extreme weather from climate change will affect the nature of disputes, livelihoods for littoral communities, and various maritime features, but do not feature much in discussions about the South China Sea.

The language of cooperation

Much of the language used by claimants and user states to the South China Sea refers to some desire for cooperation. Except that the terms along which cooperation should occur vary widely. Cooperation is well and good unless they rest on some actor's goodwill not to exercise a veto. That could make less powerful actors susceptible to the whims and pressure of more powerful actors. Some states discuss joint exploration and the sharing of resources, but questions over the willingness and ability of powerful actors such as the PRC to commit to restraint remain. Moreover, prospects for "joint development" of resources are constrained by the fact that the nine-dash line is not recognized by most ASEAN claimant states as a legitimate maritime entitlement. Any agreement premised on it would risk conferring de facto legitimacy on the PRC's claims. For political leaders in the region, pursuing joint exploration with Beijing in areas of their own exclusive economic zones (EEZs) that fall within the nine-dash line would therefore be difficult to defend domestically.

By contrast, overlapping EEZ claims grounded in UNCLOS can, in principle, provide a legal basis for cooperative arrangements that resemble aspects of Beijing's "joint development" concept. An EEZ that merely overlaps with the nine-dash line, however, offers no such foundation for compromise: accommodating such a claim would entail departures from UNCLOS and

potentially conflict with the domestic legal frameworks of Southeast Asian claimant states.

The language of cooperation may be a convenient mask to create an appearance of goodwill while the PRC tries to force or mislead its way through to achieve aims that come at the expense of other actors' interests. This leads to the following considerations:

- Cooperation is ideal, but language is insufficient.
- There must be more serious efforts to address collective action, coordination, and commitment problems for cooperation to materialize and be self-sustaining.
- So far, there seems to be little political will among claimants to work substantively on cooperation, especially when it comes to exercising credible self-restraint.
- The lack of substantive commitment towards cooperation suggests limited progress on this front for now, regardless of domain.
- Continued use of cooperative language suggests that, for the moment, there is some desire among all parties to avoid or reduce unnecessary escalation, which may moderate excessive state behavior to a degree.

Code of Conduct

Negotiations over a Code of Conduct for the South China Sea continue, with regular claims of progress.¹⁸ Periodically, parties to the negotiations call for accelerated progress and a conclusion. Yet, practical forward movement seems few and far between. No party seems to want to signal pessimism, which could result in them being blamed for failure. Significant obstacles that prevent any substantive change appear to remain. In fact, the discussion at the 2025 Manila Dialogue makes the Code of Conduct currently appear like an afterthought rather than a main pillar for managing the South China Sea disputes. Differences remain over:

- Actors to whom a Code of Conduct applies, especially extra-regional actors.
- The geographic scope for a South China Sea Code of Conduct, especially in areas that fall outside the nine/ten-dashed lines.
- Whether littoral states retain the freedom to conduct military and paramilitary exchanges with partners of their choice, under conditions of their choice.
- Whether the Code of Conduct should be binding and on which actors it should be binding.
- Possibilities for ensuring compliance and addressing violations to the Code of Conduct when, not if, they occur—especially regarding powerful states.
- Given the limited appetite for greater transparency among many South China Sea claimants, there is reason to believe that monitoring compliance with a South China Sea Code of Conduct will be insufficient and incomplete.
- Pervasive lawfare may undermine negotiations over a South China Sea Code of Conduct and implementation even after an eventual agreement.
- Whether the pursuit of a South China Sea Code of Conduct continues to be a worthwhile endeavor remains a question, given the above conditions.

¹⁸ Lin, J. and Pou, S. (2025) The Elusive Code: Why ASEAN Needs a New Playbook for the South China Sea. *Fulcrum*, June 27. <https://fulcrum.sg/the-elusive-code-why-asean-needs-a-new-playbook-for-the-south-china-sea/>.

- Talks over a Code of Conduct can continue to have value by providing a platform for regular conversations and avoiding a communication breakdown, regardless of whether some sort of mutually agreeable arrangement eventually emerges.

RECOMMENDATIONS

The following section proposes some recommendations based on the above observations of the 2025 Manila Dialogue. Some of the recommendations are more fundamental in nature, while others highlight strategies and tactics. Ultimately, no set of recommendations can work if basic goals are unclear. A basic consideration behind this set of recommendations is to ask interested parties, especially Southeast Asian claimant and user states of the South China Sea, to ascertain their objectives. Doing so can clarify directions for the region and management of the disputes.

Of course, the intellectual exercise that this set of recommendations offers may also lay bare some of the core differences among actors and make for some uncomfortable realizations. For this reason, it is understandable that some state actors may wish to avoid, obfuscate, ignore, or even oppose when considering the recommendations. Such responses are natural but also do little to alleviate the growing and increasingly serious tensions over the South China Sea. In some regards, this exercise prompts stakeholders to make choices, not between the contending major powers, but about the type of future in which they wish to commit to investing.

Getting to the fundamentals

For all the discussion about Declarations on the Conduct of Parties and the Code of Conduct, what has perhaps become obscured are the key objectives for the different South China Sea stakeholders. Different states can and will reasonably hold different positions, which may change from time to time. Yet, without an attempt to understand these basic preferences, devising strategies, identifying and working with partners, as well as managing the situation in the South China Sea, will likely be more, not less, challenging.

Disputes in the South China Sea may no longer be isolated technical issues, for better or worse. They connect to major power competition, international order, and the roles various actors envision for themselves within these processes, as well as the outcomes they prefer. To this end, stakeholders may wish to clarify the following points for themselves:

- What sort of world and regional order do they prefer, can they live with, and really wish to avoid?
- To what extent does unfettered access to the South China Sea matter to the outcomes they prefer, can accept, or cannot bear, including their ability to ensure security and prosperity?
- To what extent does ownership, stewardship, and exploitation of these waters matter to the vision stakeholders have and their goals for security and prosperity?
- What are they willing to do to achieve the outcomes they most prefer and avoid the outcomes they most abhor?
- What are their abilities to attain or avoid the above, and what do they need to do to acquire those capabilities, including the costs and risks involved?

- To what extent can they accept that some other actor prevents them from obtaining the above, or that they are dependent on that actor to obtain the above?
- Who can they work with to achieve their preferred outcomes or avoid their most undesired outcomes, and at what level of cost and risk?
- How do the various stakeholders see ASEAN within the considerations above?

Recognizing limits to hedging, “not choosing,” and neutrality

Hedging and “Not Choosing” have been mantras for ASEAN and ASEAN member states over the past decade-and-a-half. These approaches have enabled ASEAN and ASEAN member states to reduce friction and tensions with major powers, while helping them steer clear of major power rivalries during that time. More intense U.S.-PRC rivalries may make these original approaches and their goals less sustainable. ASEAN member states, ASEAN, and others need to recognize where the current limits of hedging and “not choosing” lie.

Stakeholders should actively emphasize their national interests, aspirations for greater rule of law, and partnerships they believe are key to supporting these priorities. Such approaches are not about antagonizing or provoking Beijing or Washington. Rather, it should be about protecting what is of value to various states and partnerships. This means recognizing areas of difference and accepting that some degree of divergence and even discomfort exist in some relationships. Having your cake and eating it is less feasible.

- States should consider educating their population about what is at stake for them regarding the South China Sea disputes to build understanding and support around the core issues behind their positions.
- States should educate their populations about the importance of key relationships in which they need to invest and manage.
- States should alert populations about actions that other states take, which could adversely affect their interests.
- States should respond to narratives that flood their media with distracting or false narratives to reduce social and political divisions during crises or even prompt policy paralysis, especially those that play on social cleavages.
- States should prepare their populations for the risks and costs they may have to bear in the face of heightened major power competition, and especially in the event of a crisis or heightened tensions.
- ASEAN members should be prepared to accept increasing divergence in their positions over the South China Sea, including certain claimants pulling back their positions in exchange for other benefits.

Continuing roles for ASEAN

Should Southeast Asian states and their partners believe that there is a continuing and meaningful role for ASEAN in managing the South China Sea disputes, they need to figure out what these roles are and how to have ASEAN fulfil them. There should be recognition that ASEAN historically and continues to play a political role in Southeast Asia, even if there are disagreements over scope and effectiveness. Given ASEAN’s limitations on addressing crises and other difficult issues, seen in the

Thai-Cambodia border conflict and the Myanmar Civil War, waiting for ASEAN to address any South China Sea contingency may be suboptimal.¹⁹ This contrasts ASEAN's greater progress in less contentious, more established issue areas, such as fostering trade and economic collaboration internally and with external partners.

A more productive approach may be to consider where investment in ASEAN can enable the organization to play a helpful role in handling South China Sea issues. Any investment should consider not just resources but also political capital that can sustain projects over the long-term. They do not have to be mutually exclusive with other initiatives and can persist even if some ASEAN members decide to accommodate over their claims to the South China Sea in exchange for the receipt of other benefits. Such areas can cover more technical issues, such as the coordination of information sharing and dialogues, such as to:

- Support continued conversations over a South China Sea Code of Conduct and to streamline, perhaps consolidate, venues for such discussions to improve coordination and reduce collective action problems.
- Continue naval and coast guard dialogues and confidence-building through mechanisms such as the ASEAN Coast Guard Forum, ASEAN Defence Ministers Meeting (ADMM), and ASEAN Defence Ministers Meeting Plus (ADMM+).
- Coordinate regular monitoring and public data sharing of vessels involved in and suspected of IUU fishing and dark fleet activities, possibly in conjunction with information fusion centers across the region.
- Coordinate and provide publicly available data regularly on fish stocks and the marine environment, including on marine trash and oil spills.
- Develop common standards for marine environment protection, fisheries, technical standards, and maritime labor regulation.
- Establish where other unilateral, bilateral, mini-lateral, and multilateral frameworks and mechanisms can augment ASEAN ones.
- Coordinate and support research and information sharing on the marine environment in the South China Sea/East China Sea, possibly by creating a fund to finance such work.
- Regular engagement of maritime-related industries to enhance understanding of different perspectives and to bring such information to the public. Relevant industries and partners include telecommunications, especially relating to submarine cables; energy and resource extraction, including seabed mining; fisheries; shipping; air transport; logistics; and insurance.
- Encourage ASEAN member states and partners to support the work above.

Supplementary modes for dispute management

Given limitations on what ASEAN can do to address difficult issues and crises, South China Sea claimant and user states may reasonably decide to invest in mechanisms to supplement dispute management, particularly with trusted partners. States wishing to focus

more on this direction will do well to make clear what they seek to achieve through such channels, as well as partners most suited to their needs. Such approaches can range from issue-specific, even *ad hoc*, collaboration to more regular and entrenched modes of cooperation. They augment existing ASEAN-based processes and can provide states with fallback alternatives.

There may be situations where these new instruments become more usable and prominent than ASEAN mechanisms. Some such forms of cooperation are already taking place, and there is scope for further development. More work can be done to identify areas where current modes of cooperation over dispute management in the South China Sea fall short and where additional gains from cooperation can be found. Given limitations in ASEAN unity and solidarity, more opportunities may be available among subsets of ASEAN members and beyond. Specific areas for cooperation may include, but are not limited to:

- Strengthening and broadening existing security partnership and alliance relationships with trusted interlocutors.
- Establishing where joint efforts and where division of labor are more effective when working with trusted partners, depending on capabilities, political will, and opportunities.
- Strengthening operational and institutional linkages among coast guards, navies, air forces, and other maritime law-enforcement agencies – including those responsible for fisheries protection and marine environmental governance – should be a priority. While mechanisms for such cooperation already exist through exercises such as Cooperation Afloat Readiness and Training (CARAT) and the Rim of the Pacific Exercise (RIMPAC), these frameworks can be broadened, diversified, and increasingly developed within and beyond those predominantly U.S.-centric formats.
- Enhancing skills and technology transfers among the above. Precedents already exist with ongoing developments in Australian, Japanese, South Korean, and U.S. engagement with Southeast Asia.
- Sharing intelligence on the South China Sea to enable faster and more effective responses to contingencies and crises.
- Leading on common standards for marine environment protection, fisheries, technical standards, and maritime labor regulation that can feed into ASEAN and other international bodies, such as various related United Nations agencies.
- Engaging and exploring enhanced industry cooperation among telecommunications, especially relating to submarine cables; energy and resource extraction, including seabed mining; fisheries; shipping; air transport; logistics; and insurance.
- Coordinating conversations among the above to reduce coordination and collective action challenges while enhancing effectiveness.
- Demonstrating the importance of stability and open access to the South China Sea to all actors around the world, to encourage them to support peaceful dispute management consistent with prevailing international law.

¹⁹ Walker, T. (2025) Malaysia: Can ASEAN Summit Deliver Regional Peace. *DW*, October 25. <https://www.dw.com/en/malaysia-can-asean-summit-deliver-regional-peace/a-74485977>.

- Accepting that the above forms of cooperation may move different ASEAN member states in different directions, which can reshape modalities for intra-ASEAN and extra-ASEAN engagement as part of the evolution of regional cooperation.

Continued dialogue and cooperation

Since all South China Sea claimants, user states, and other stakeholders publicly profess the desire for peaceful dialogue and cooperation, there should be continued efforts in this direction even if tangible results are unrealistic in the short- to medium-term. Continued conversations can help build confidence and keep channels for communication open, allowing for the possibilities of breakthroughs at some point. Open and frank discussions can further highlight where challenges lie, including the differentiation of areas where cooperation is more likely and others that may be less so. Discussions can help reveal where actions and claims diverge.

That said, actors engaged in dialogue must understand that not all exchanges occur in good faith. There may be efforts to confuse, obfuscate, or simply drag on discussions to allow actors to seize and secure advantages. Experiences over the withdrawal of forces over Scarborough Shoal and promises not to militarize occupied South China Sea maritime features are learning points. Dialogues, exchanges, and cooperation should be conducted with the preparation that contingencies going against good faith expectations may arise.

Considerations over dialogue and cooperation include:

- Assessing areas where exchanges have higher value and devoting more resources to these efforts while reducing prioritization of interactions that are of less value. Value may be symbolic, procedural, declaratory, outcome-based, or some combination.
- Continue with existing dialogue and cooperation mechanisms, explore new ones, and consider moving away from forums that are no longer useful. This includes platforms and forums within and outside the ASEAN framework.

“...actors engaged in dialogue must understand that not all exchanges occur in good faith. There may be efforts to confuse, obfuscate, or simply drag on discussions to allow actors to seize and secure advantages. Experiences over the withdrawal of forces over Scarborough Shoal and promises not to militarize occupied South China Sea maritime features are learning points.”

- Seek to make discussions open and publicly accessible to create a common understanding, demonstrate good faith, and preempt subsequent reneging or counterclaims.
- Cooperation should involve the demonstration of credible commitment, mechanisms that enable independent verification and corroboration of

compliance, processes that address non-compliance and enforcement, as well as procedures for abrogation should they prove no longer useful. These steps can help bring public attention and pressure to bear on whether actors are behaving in good faith.

- Preparation for moving away from mechanisms that no longer work or are not conducted in good faith.

International law and institutions

If states care about the rule of law and institutions internationally, especially in terms of providing stable, predictable mechanisms for lowering transaction costs, coordination, and reducing collective action problems, they need to support prevailing international law and institutions.²⁰ International law and institutions can have some effect in restraining the excesses of major powers, where even some limited functionality in doing so can help even out some of the capability disparities among states. This means seeking active, informed consent when it comes to updating key texts, legal mechanisms, and procedures within international institutions and resisting the arbitrary imposition of revisions. Such efforts should, of course, be country agnostic.

Of course, most states—especially the majority of claimant and user states in the South China Sea—have limited capacities. They need to identify priorities, whether this means working together with partners or finding a division of labor. Partners may include some collection of ASEAN member states or other actors, including international organizations like the European Union, regional and major powers, or a collection of smaller, extra-regional states. Relevant areas of international law and institutions deserving of support, given the current state of the South China Sea disputes, may include:

- Respect for and adherence to UNCLOS as currently interpreted and practiced, without reference to novel alternative readings or the introduction of anachronistic historical claims.
- Respect for and adherence to the existing body of treaties undergirding the United Nations system.
 - Respect for and adherence to existing bodies for international legal proceedings and arbitration, including but not limited to tribunals allowed under UNCLOS and the International Court of Justice.
 - Ensuring that key appointments to critical posts in the United Nations, its agencies, and other international bodies include individuals and entities that can adequately represent and defend the interests of relevant states in good faith.
- Enhancing international mechanisms protecting submarine cables and other critical underwater infrastructure.
- Improving legal and institutional frameworks for managing fishing, the marine environment, seabed mining, and labor in maritime settings.

²⁰ Chong, J.I. (2023) Herding Cats: Coordination Challenges to ASEAN’s Approach to China. *China Review*, 23(1), 307-39. <https://www.jstor.org/stable/48717997>; Olivier, T. (2018) How Do Institutions Address Collective Action Problems? Bridging and Bonding in Institutional Design. *Political Research Quarterly*, 72(1), 162-76. <https://doi.org/10.1177/1065912918784199>.

- Advancing ASEAN reform to make the organization serve member states more efficiently and effectively in a more contentious environment.

Public education and managing the information space

States should actively address the risks posed by pervasive, ongoing efforts to manipulate public perceptions, create confusion, and perhaps even create division.²¹ Such risks may be especially acute during crises when potential adversaries seek to paralyze decision-making, possibly through the creation of domestic unease or even tension. Hybrid and grey zone tactics can include the intentional manipulation of social and political discord against targeted states. These forms of adversarial action can result in longer-term problems in social and political cohesion, especially in pluralistic societies where there tends to be less active state control.

States, even ones with more limited capabilities, can act to mitigate risks from division resulting from the manipulation of public perceptions so long as they act early. States may also have to accept that effectively countering the manipulation of public perceptions may require some delegation of authority to civil society, greater transparency over decision-making, and more accountability to citizens. To this end, South China Sea claimant and user states can invest in:

- Promoting understanding of the importance of social cohesion when facing competing positions and differences in opinion from both domestic and external sources, since reasonable disagreement can exist. This is intended to enhance social resilience in the face of greater contentiousness.
- Public education about what is at stake in maintaining stability and access to the disputed bodies of water, not only in terms of national interest and resource extraction but also common concerns over managing economies and stewardship of the environment.
- Knowledge about different historical viewpoints regarding disputes, how they relate to contemporary considerations, and the importance of prevailing international law for managing them, including UNCLOS.
- Enhancing media literacy among the population to pre-empt potential information campaigns, efforts to sow discord, and attempts to create paralysis.
- Enabling independent and responsible media reporting and fact-checking efforts that include disclosure of methods. This seeks to effectively bolster the credibility of and trust in well-evidenced claims through independent corroboration in the face of likely falsehoods and conspiracies, possibly empowered by artificial intelligence.
- Partnering with responsible civil society actors, including acceptance of reasonable debate, to bolster state credibility – especially since complete control of

information and narratives is not possible in most societies.

Promoting transparency

The Philippines' Transparency Initiative, similar action by Japan and Taiwan, as well as other non-governmental efforts to track and highlight developments in the South China Sea, have improved understanding of the disputes. To some extent, they have discouraged more excessive behavior and moderated the intensity of escalation. Documentation may also prove helpful in any future litigation. Ships and crew are no longer being sunk and detained at levels or periods seen in the last decade, for instance. However, such efforts have not yet reduced the geographic scope or frequency of risky behavior at sea, in the air, and underwater in disputed waters. Reputational costs have some restraining effect. Yet, some South China Sea claimant and user states may also be fearful that transparency may encourage punishment from more powerful disputants, such as the PRC. Nonetheless, there remains value for greater public transparency over disputes in the South China Sea, and there is some safety in numbers. Transparency works well in conjunction with the public education efforts mentioned previously. In this light, there can be consideration of:

- Encouraging more states, other non-governmental entities, and even the media with the capability to highlight risky and troubling behaviors on, above, and below the surface of disputed waters in the South China Sea.
- Supporting more states and relevant non-governmental entities to acquire and develop hardware and communications capabilities to monitor and publicly share developments at sea, especially in the South China Sea.
- Cooperating with the media to highlight acceptable and unacceptable behavior towards disputes in the South China Sea to clarify public expectations.
- Providing diplomatic and even counter-economic coercion assistance to states and other entities that may come under pressure for being more transparent about developments in the South China Sea.

Deterrence and defense

Defending against excessive claims and behavior over disputes in the South China Sea, in part, rests on the ability to persuade all actors that fostering instability either on purpose or inadvertently is against their interests. Actors must understand that egregious, dangerous, and bullying actions are unacceptable even when disputes exist, but more so if/when a dispute is manufactured or based on a false premise. There should be an understanding that excessive and aggressive behavior will credibly incur costs, while such costs will credibly be withheld when there is restraint.²² Such a message, clearly communicated, can help allow for more stable and less aggressive measures to manage and

²¹ Azad, T.M. *et al.* (2022) Understanding Grey Zone Tactics from Multiple Perspectives. *World Affairs*, 186(1), 81-104. <https://doi.org/10.1177/00438200221141101>; Sombatpoonsiri, J. and Luong, D.N.A. (2022) Justifying Digital Repression via Fighting "Fake News": A Study of Four Southeast Asian Autocracies. Trends in Southeast Asia. ISEAS-Yusof Ishak Institute. <https://www.cambridge.org/core/books/abs/justifying-digital-repression-via-fighting-fake-news/justifying-digital-repression-via-fighting-fake-news-a-study-of-four-southeast-asian-autocracies/A9F181DE4FA17590E4F7E3CCE0F48031>.

²² Morgan, P. (2017) The Concept of Deterrence and Deterrence Theory. *Oxford Research Encyclopedia of Politics*. <https://oxfordre.com/politics/view/10.1093/acrefore/9780190228637.001.0001/acrefore-9780190228637-e-572>; Quackenbush, S.L. (2011) Deterrence theory: where do we stand? *Review of International Studies*, 37(2), 741-762. doi:10.1017/S0262010510000896.

eventually resolve any dispute. Intentional escalation should be a last resort, but it should be among the range of available options to expand flexibility and credibility in handling the South China Sea disputes.

An advantage of deterrence is that it does not require parity, only a sufficiently credible ability to impose and withhold costs. A risk is that should deterrence fail, these capabilities will likely have to be used, and there will be considerations of escalation. Nonetheless, deterrence and defense are only part of a broader set of measures for managing the South China Sea disputes to avoid unnecessary and unwanted escalation. They can bolster stability but are not a substitute for diplomacy, dialogue, transparency, public education, rule of law, and institutional reform. Considerations relating to deterrence and defense may include:

- Developing responses to grey zone and hybrid operations.
- Acquiring capabilities for managing and responding to escalation, including those involving the disruption of shipping, air traffic, telecommunications, and critical undersea infrastructure.
- Exploring cost-effective capabilities in the electromagnetic spectrum, in the information space, as well as kinetic precision strike over distance.
- Developing autonomous capabilities in the air, on the surface, and underwater.
- Hardening key facilities and critical infrastructure against kinetic and electromagnetic operations.
- Preparing forces and the public for enhanced information operations.
- Working with allies and partners on cooperation and interoperability while maintaining an ability to operate independently if necessary.
- Communicating explicitly that the above developments are for self-defense, and that any offensive-related capabilities are to react to contingencies rather than initiate and force change.
- Signaling clearly that diplomacy and negotiations remain the preferred option for managing and eventually resolving disputes.

CONCLUSION

The Manila Dialogue on the South China Sea was important in helping to take stock of the current state of differences over the South China Sea disputes among claimant and user states, as well as other stakeholders. Additionally, the event was an opportunity to map out the prevailing areas of divergence and convergence among ASEAN members. Exchanges during the event highlighted the limitations ASEAN as an organization faces in managing these overlapping sets of disputes. Middle and smaller power claimants and user states to the South China Sea that wish to maintain their positions face growing incentives to work with subsets of Southeast Asian states as well as extra-regional partners. Others may wish to accommodate and accept the demands of more powerful claimants and seek to retain as many residual rights as possible, subject to the preferences of more powerful actors.

The wide range of preferences and positions among claimant and user states made devising a comprehensive set of recommendations more challenging. To address such circumstances, the recommendations in this document seek to lay out possible lines of pursuit that different actors can undertake given their preferences.

Recommendations here also take into consideration the fact that the South China Sea disputes are not self-contained bilateral issues. They affect the great number of actors whose ships ply those waters, whose aircraft fly over the area, and whose critical infrastructure may lie beneath those waves. The processes of managing and eventually resolving the disputes may also affect how international laws and institutions operate, particularly how they address coordination and collective action challenges, reduce transaction costs, and even restrain power.

Significant areas where all stakeholders can work harder to manage disputes and maintain stability in the South China Sea remain, even as they seek some eventual resolution. However, the South China Sea disputes have the characteristics of overlapping collective action, coordination, and commitment problems with multiple veto players. Efforts by one, some, or even most actors are unlikely to bring substantive cooperative progress, especially forward movement that is sustainable. All stakeholders, and especially veto players, must be agreeable and maintain these positions over time. Whether those conditions are achievable is currently a matter of debate, as the discussions from the 2025 Manila Dialogue suggest. Without them, actors may be increasingly forced to look at enhancing deterrence or accepting accommodation, even capitulation, as the next best options for conflict avoidance—should that remain the goal. That means bearing the risks and costs associated with these courses of action.

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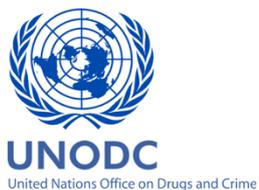
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