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China and Vietnam: Managing Tensions in Troubled Waters

Ramses Amer

In spite of competing claims over the Spratly and Paracel Archipelagoes and maritime areas in the South China Sea, China and Vietnam have sought, with some degree of success, to manage their tensions through multi-level dialogues and bilateral agreements, even if differences continue to defy resolution of the dispute. This brief accordingly provides an overview of the disagreements and their management as well as points to measures that would contribute to increasing stability in what are troubled regional waters.

The management of territorial disputes has been a ma-I jor preoccupation for China and Vietnam since the full normalization of bilateral relations in November 1991. In this regard, the two countries have established a system of talks and discussions relating to territorial matters. Focused mainly on their land border and issues concerning the Gulf of Tonkin, talks were instituted early on at a number of levels: expert-level talks, which were initiated in October 1992; government-level talks—at the level of deputy/vice-minister—which began in August 1993; foreign minister-level talks; and high-level talks, involving presidents, prime ministers, and the secretary-generals of the Communist Party of China and the Communist Party of Vietnam. Yielding success, a negotiation process between the two countries led to the signing of the Land Border Treaty in 1999 and the first maritime delimitation agreement in the Gulf of Tonkin in 2000. Thus, resolution of the land border and the Gulf of Tonkin issues was already achieved over a decade ago.

Less progress, however, has been made with regard to resolving the two countries' disputes in the South China Sea proper. Although talks at the expert-level were initiated in November 1995, both parties have yet to agree on which disputes should be included on the agenda. Vietnam pushes for the inclusion of the Paracel Islands as an issue alongside the Spratly Islands—sovereignty over both island groups is contested—whereas China is willing only to discuss the Spratlys. To further complicate matters, China seems to view the disputes over maritime and continental shelf areas as part of the Spratly conflict while Vietnam would appear to view them as separate. Further, Vietnam does not want to

initiate talks over the continental shelf and maritime borders, as this would be interpreted as giving legitimacy to China's claims, in particular through the latter's "nine-dashed lines" claim—one which purportedly encompasses some 80 percent of the South China Sea in spite of some ambiguity regarding the claim.

Escalation of Tensions

In early May 2009 Vietnam submitted to the UN Commission on the Limits of the Continental Shelf a "Partial Submission" relating to Vietnam's extended continental shelf in the "North Area" of the South China Sea as well as a "Joint Submission" together with Malaysia relating to the "southern part" of the South China Sea. Both submissions prompted China to protest and to reiterate its claims in the South China Sea. Vietnam, for its part, protested against the arrests of Vietnamese fishermen by China on several occasions in 2009 and also in 2010, as well as lodged complaints over Chinese fishing bans.

The government-level delegations dealing with territorial issues met on two occasions in 2009, in August and in November, respectively. Furthermore, in response to the heightened tension, the prime ministers of the two countries held talks in Hanoi in October 2010 and decided to "seek satisfactory solutions to existing issues relating to" the South China Sea. Nevertheless, open differences regarding activities in the South China Sea continued during the first half of 2011. Two more serious incidents on May 26 and June 9, which concerned Vietnamese oil exploration activities in areas of overlapping maritime claims, saw Vietnam accuse



China of cutting the cables of oil exploration ships operated by Vietnam, while China accused Vietnam of illegal activities within an area under its jurisdiction.

Managing Disputes

After this public display of differences and tension the two countries took action to reduce the level of tension. Two significant developments took place in October 2011: an "Agreement on basic principles guiding the settlement of searelated issues" was signed in Beijing on October 11; and the first high-level summit since 2008 also took place in October when the Secretary-General of the Communist Party of Vietnam Nguyen Phu Trong visited China.

The Agreement on basic principles states that the government-level delegations of both countries "agree that the satisfactory settlement of sea-related issues between Vietnam and China is suitable for the basic interests and common aspirations of the two countries' people and helpful for regional peace, stability, co-operation and development." They also agreed on a set of six-point principles for resolving maritime-related issues.

Furthermore, in connection with the high-level summit a Joint Statement was issued with considerable attention devoted to maritime issues. The two countries stressed their political will and determination to settle disputes through friendly negotiation and talks to maintain peace and stability in the South China Sea. They agreed to speed up negotiations on maritime issues and to seek basic and long-term solutions acceptable to both sides. Regarding negotiation on areas beyond the mouth of the Gulf of Tonkin, both delimitation and "cooperation for mutual development" were emphasized.

In February 2012, Vietnam and China's deputy foreign ministers Ho Xuan Son and Zhang Zhijun agreed to establish working groups at the departmental level to negotiate on sea areas beyond the mouth of the Gulf of Tonkin and to co-operate in "less sensitive sea domains," respectively. They also agreed to launch a hotline between the two foreign ministries. In 2013 further steps in managing the South China Sea disputes were agreed between the two countries in connection with the official visit by Vietnamese President Truong Tan Sang to China in June and the official visit by Chinese Premier Li Keqiang to Vietnam in October. Notably the latter visit saw agreement over the establishment of a working group in charge of "cooperation for mutual development at sea."

Despite these positive developments differences relating to the South China Sea prevail as was evident during 2012 and the first half of 2013. However, in a calmer second half of the year, there were no incidents leading to official protests.

Conclusions

The most evident feature relating to China-Vietnam relations and their management of the territorial disputes is that there are established forms of dialogues and talks from high-level down to the expert-level to address differences and tensions. The structure of talks has been under continuous development since the early 1990s, and the two sides have agreed on mechanisms and principles to better handle and manage their differences.

The response to the tensions in 2009-2011 was to reach an Agreement on basic principles and steps were taken to implement the Agreement in 2012 and 2013. Indeed, the Agreement on basic principles has enhanced the mechanisms for management of maritime-related issues through a de facto bilateral "code of conduct." In addition, high-level meetings since October 2011 display a renewed push for better management of such issues. The combination of these two factors has created more conducive conditions to manage disputes and to reduce tension between China and Vietnam in the South China Sea.

One issue that remains to be addressed, however, is the lack of mutual agreement on the scope of talks on the South China Sea. Only the Spratlys are on the agenda. If China and Vietnam could agree on the scope and issues under dispute, this would represent an important step forward as it would create a realistic agenda for expert-level talks.

At the regional level both countries are parties to the 2002 Declaration on Conduct of Parties in the South China Sea (DOC). Both should affirm and take positive steps toward the successful implementation of the DOC as well as contribute to the process of further developing management mechanisms needed to maintain stability and avoid tension and confrontation in the South China Sea. A possible future regional "code of conduct" applicable to the South China Sea within the framework of the ASEAN-China dialogue could contribute to such a development.

Dr. Ramses Amer is Associate Professor in Peace and Conflict Research at Uppsala University and Associate Fellow at the Institute for Security and Development Policy.



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