



Situation Room

**** SOUTH CHINA SEA DISPUTE ****

Period under review: from 15 May 2023 to 4 June 2023.

[This report is based on publicly available sources to describe a changing situation. Information subject to change.]

Situation analysis recap:

- On 15 May, Philippines' President Ferdinand Marcos Jr. signed an agreement that extends the contract for the extraction of natural gas in the Malampaya gas field by 15 years and allows for the construction of new drill sites to expand the existing production. Malampaya gas field lies close to the Palawan province, which is not in the disputed part of the South China Sea that is claimed by People's Republic of China.
- On 16 May, two Chinese warships, the destroyer *Dalian* and the guided-missile frigate *Huangshan*, were deployed into an unidentified area of the Western Pacific for live-fire exercises, where they conducted attack and defence drills. The exercises occurred shortly after one of China's two aircraft carriers returned from a patrol around Taiwan and the Western Pacific.
- On 17 May, former British Prime Minister Liz Truss stated that Taiwan is under threat of growing Chinese authoritarianism and that the democratic world should establish an economic version of NATO to hinder China's expansion during her visit of Taiwanese capital of Taipei. She also called for increased defence cooperation between Western allies and their Asian partners to prevent potential conflicts in the South China Sea.
- On 18 May, Australian Foreign Minister Penny Wong said that Australia will provide surveillance drones and other high-tech gear to the Philippines Coast Guard and that it is also interested in conducting joint patrols in the disputed South China Sea region alongside the US and other allies to ensure freedom of navigation and flight.
- On the same day, Philippines military chief addressed a small contingent of navy officers on a remote island in the Palawan province near the disputed Spratly archipelago in the South China Sea and assured them of receiving more troops and resources as the Philippines military shifts focus from internal security to territorial defence.
- On 19 May, Vietnamese Foreign Ministry spokesperson Pham Thu Hang stated that both China and the Philippines were violating the sovereignty of her country and that Vietnam will take appropriate measures according to international maritime law. This statement was a response on multiple

Would you like to know more? Are you interested in international security? Join us.

Find more about Euro-Atlantic Council of Slovenia at www.euroatlantic.org or contact us at info@euroatlantic.org.



confrontations of Chinese and Vietnamese vessels in Vietnam's Exclusive Economic Zone and Philippines' placement of navigational buoys in the disputed waters of South China Sea.

- On 24 May, media reported that Chinese People's Liberation Army (PLA) forces recently completed a war game scenario in which they conducted a three-directional attack with a volley of 24 anti-ship missiles on the *USS Gerald R. Ford*, the US Navy's newest aircraft carrier. Chinese scientists have also claimed that China's hypersonic weapons could destroy the carrier in a real situation.
- On 25 May, authorities in the US, Canada, New Zealand, Australia and the UK, countries that make up the Five Eyes intelligence network, released a statement that People's Republic of China state-sponsored cyber actor, also known as Volt Typhoon, has been spying on a wide range of US critical infrastructure, including the one in Guam, an important US military outpost in the Pacific. This is one of the largest known cyber-espionage campaigns against US critical infrastructure.
- On 30 May, Pentagon released a video of the incident between the US surveillance aircraft RC-135 and a Chinese fighter jet over the South China Sea. Chinese pilot apparently flew directly in front of and within 122m of the nose of RC-135 and forced the US plane to fly through its turbulence. US officials also said that this was not the only unnecessarily dangerous encounter between US and Chinese aircrafts that occurred recently.
- On 31 May, Malaysia's maritime agency stated that it detained a barge, registered in Fuzhou, China, which was reportedly involved in illegal salvage operations that targeted *HMS Repulse* and *HMS Prince of Wales*, ships that were sunk by the Imperial Japanese navy in 1941. This claim was made after Malaysia's maritime agency found 100 old artillery shells on board the detained ship.
- On 1 June, media reported that the South China Sea Navigation Security Center of the China's Ministry of Transport deployed three navigational beacons in the waters near Irving Reef, Whitsun Reef and Gaven Reef near the disputed Spratly Islands, most likely as a response to the recent deployment of five navigation buoys by the Philippines.
- On the same day, the coastguards of the US, Japan and the Philippines launched a joint maritime exercise; the first such drill between the three allied countries, in the waters off the Bataan province of the Philippines in the South China Sea. This exercise comes as a response to recent increase of China's military diplomacy that includes regular war games and joint military drills with its allies.
- On 2 June, Asia's most prestigious security summit, the Shangri-La Dialogue, began in Singapore. The meeting, which often attracts important figures such as senior military officers, weapons manufacturers, diplomats, and security analysts from around the world, will most likely be marked by increased China-US competition and high-level diplomatic meetings between the two.

Would you like to know more? Are you interested in international security? Join us.

Find more about Euro-Atlantic Council of Slovenia at www.euroatlantic.org or contact us at info@euroatlantic.org.



- On 3 June, Chinese military officials criticised the US Secretary of Defence Lloyd Austin's speech at the Shangri-La Dialogue in which he said that the US is concerned about China's unwillingness to engage in open lines of communication between two competing powers to avoid potential conflict.
- On 3 June, Chinese Defence Minister Li Shangfu also speaking during the Shangri-La Dialogue, stated that Beijing is open to discussion with the US and its military over their competitive relationship and warned the US against NATO-like alliances in the broader Asia-Pacific region. He also said that the world is big enough for both powers to exist in peace and that any provocation regarding Taiwan will lead to a potential conflict in the disputed South China Sea region.

Analysis by: **Gregor Črnugelj**

Sources/Further Reading:

Would you like to know more? Are you interested in international security? Join us.

Find more about Euro-Atlantic Council of Slovenia at www.euroatlantic.org or contact us at info@euroatlantic.org.



EVRO-ATLANTSKI SVET SLOVENIJE EURO-ATLANTIC COUNCIL OF SLOVENIA

Agence France-Presse. (30 May 2023). Chinese pilot performed 'aggressive maneuver' near US plane, military says. *The Guardian*. Available at <https://www.theguardian.com/us-news/2023/may/30/chinese-fighter-pilot-aggressive-maneuver-south-china-sea>

Asia security summit begins amid US-China tensions. (2 June 2023). *Al Jazeera*. Available at https://www.aljazeera.com/news/2023/6/2/asia-security-summit-begins-amid-us-china-tensions?traffic_source=KeepReading

Birsel, R., Woo, R. and Zhang, A. (16 May 2023). Chinese warships return to West Pacific for live-fire drills. *Reuters*. Available at <https://www.reuters.com/business/aerospace-defense/chinese-warships-return-west-pacific-live-fire-drills-2023-05-16/>

China blasts US after Washington says talks key to avoid 'crisis'. (3 June 2023). *Al Jazeera*. Available at <https://www.aljazeera.com/news/2023/6/3/us-says-talks-with-china-key-to-a-prevent-crisis-or-conflict>

China-backed hackers spying on US critical infrastructure, says Five Eyes. (25 May 2023). *The Guardian*. Available at <https://www.theguardian.com/us-news/2023/may/24/microsoft-china-hacker-critical-infrastructure-us-guam>

China says it seeks dialogue with US, but warns over Taiwan. (4 June 2023). *DW*. Available at <https://www.dw.com/en/china-seeks-military-talks-with-us-amid-warnings/a-65817954>

Davidson, H. (17 May 2023) Liz Truss in Taiwan calls for 'economic Nato' to challenge China. *The Guardian*. Available at <https://www.theguardian.com/world/2023/may/17/liz-truss-in-taiwan-calls-for-economic-nato-to-challenge-china>

Dela Cruz, E. and Kapoor, K. (15 May 2023). Philippines' Marcos signs 15-year Malampaya gas contract renewal. *Reuters*. Available at <https://www.reuters.com/business/energy/philippines-marcos-signs-15-year-malampaya-gas-contract-renewal-2023-05-15/>

Gomez, J. (18 May 2023). Australia to provide surveillance drones to Philippines amid South China Sea tensions. *AP News*. Available at <https://apnews.com/article/philippines-australia-patrol-south-china-sea-drone-1a7552186ff358a633c95919da2e763f>

Huang, J. (1 June 2023). China, Philippines Territorial Claims Trigger Buoy Battle in South China Sea. *VOA News*. Available at <https://www.voanews.com/a/china-philippines-territorial-claims-trigger-buoy-battle-in-south-china-sea/7118629.html>

Lema, K. (18 May 2023). Philippines' military chief visits remote islands near disputed Spratlys. *Reuters*. Available at <https://www.reuters.com/world/asia-pacific/philippines-military-chief-visits-remote-islands-near-disputed-spratlys-2023-05-18/>

Would you like to know more? Are you interested in international security? Join us.

Find more about Euro-Atlantic Council of Slovenia at www.euroatlantic.org or contact us at info@euroatlantic.org.



EVRO-ATLANTSKI SVET SLOVENIJE
EURO-ATLANTIC COUNCIL OF SLOVENIA

Malaysia finds 100 old artillery shells on Chinese barge, says it likely plundered WWII shipwrecks. (31 May 2023). AP News. Available at <https://apnews.com/article/malaysia-british-shipwrecks-china-ad4d4d0404fe4a18420d90fc5d26da1c>

Smith, N. (24 May 2023). Chinese hypersonic missiles 'can destroy newest US aircraft carrier'. The Telegraph. Available at <https://www.telegraph.co.uk/world-news/2023/05/24/chinese-hypersonic-missiles-uss-general-ford-war-game/>

Strangio, S. (19 May 2023). Vietnam Criticizes China, Philippines For South China Sea Activities. The Diplomat. Available at <https://thediplomat.com/2023/05/vietnam-criticizes-china-philippines-for-south-china-sea-activities/>

US, Philippines, Japan set to hold first-ever joint naval drills. (1 June 2023). Al Jazeera. Available at <https://www.aljazeera.com/news/2023/6/1/us-philippines-japan-set-to-hold-first-ever-joint-naval-drills>

Would you like to know more? Are you interested in international security? Join us.

Find more about Euro-Atlantic Council of Slovenia at www.euroatlantic.org or contact us at info@euroatlantic.org.