



Situation Room

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

Period under review: from 19 June 2023 to 7 July 2023.

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

Situation analysis recap:

- On 19 June, the US secretary of state Antony Blinken returned from his trip to Beijing where he held talks with Chinese president Xi Jinping. He stated that during a 35-minute discussion with the Chinese president, they talked about the importance of direct engagement and sustained communication at high levels between both competing powers to prevent competition turning into conflict. Despite some progress that was made during the meeting, there are still many unresolved issues between the US and People's Republic of China, including the establishment of direct line of communication between US military and the People's Liberation Army (PLA).
- On 20 June, the Indonesian military officials stated that ASEAN member states held a planning conference for the joint military exercises that will be held between 18 and 25 September. The exercises were supposed to be held near a disputed part of the South China Sea, despite scepticism from Cambodia. ASEAN's joint military exercises are a response to the increasing Chinese assertiveness in the region.
- On 21 June, Chinese foreign ministry spokesperson Mao Ning labelled US president Joe Biden's comments about Xi Jinping being a dictator as extremely absurd, irresponsible, and as a serious violation of diplomatic protocol. President Biden's comments came just a day after the US Secretary of State Blinken left Beijing where he held high-level talks with Chinese president and other Chinese officials.
- On 22 June, Indonesian military spokesperson Julius Widjojono stated that ASEAN's first-ever joint military exercises will be moved to the South Natuna Sea in Indonesian territorial waters, away from the southern part of the South China Sea, claimed by China, where they were officially confirmed just two days earlier. Non-combat drills will still be held between 18 and 25 September in and around Batam Island close to the Malacca Strait.
- On 23 June, Indian president Narendra Modi visited the US where he met US president Biden in the White House and addressed the US Congress where he received standing ovation. Because of China's growing influence in the Indo-Pacific, the US sees India as an important counterbalance and an ally in the region, although India does not explicitly condemn neither China nor Russia for their actions.

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- On 26 June, the US Navy aircraft carrier *USS Ronald Reagan* along with the guided missile cruisers *USS Antietam* and *USS Robert Smalls* arrived in the Vietnamese port of Da Nang. The US military vessels' visit to Vietnam comes at the time of increasing tensions between China and Vietnam over disputed maritime claims in the South China Sea.
- On 28 June, Taiwanese ministry of national defence released a statement that two Russian frigates have been spotted sailing from south to north in the waters off Taiwan's eastern coast and that both warships departed the Taiwanese waters in a southeastern direction off the port city of Suao, where a major Taiwanese naval base is located. Taiwan deployed its own ships and aircraft to monitor their movement.
- On 29 June, the prime minister of the Solomon Islands, Manasseh Sogavare, called for a review of his nation's security treaty with Australia that was signed in 2017 and allows Australian police and defence personnel to deploy rapidly to the Solomon Islands if the situation requires and if both states agree. In 2022, the Solomon Islands also signed a security pact with China which enabled Chinese police to train and equip the Royal Solomon Islands Police Force.
- On 30 June, EU leaders replaced a 'decoupling' policy towards China with a new 'de-risking' policy because of concerns over the economic damage and trade wars that could occur if the EU cuts ties with the world's second biggest economy. 27 EU member states agreed on the fact that the supply chains for chemicals for electric vehicle batteries, semiconductors, and other important products are especially vulnerable if the EU severs its ties with the People's Republic of China.
- On 3 July, US Treasury secretary Janet Yellen announced that she will visit Beijing between 6 and 9 July to discuss the importance of managing the relationship between two global superpowers, working together on global challenges and how the US views its economic relationship with China.
- On 4 July, Taiwan's defence ministry spokesperson Sun Li-fang stated that 8 Chinese military fighter jets and 4 Chinese warships crossed the line in the Taiwan Strait that separates disputed Chinese and Taiwanese territorial claims and entered their territorial waters to conduct joint combat readiness patrol when he visited a pre-planned anti-aircraft exercise where Taiwanese soldiers used US-made Stinger missiles to shoot down drone targets.
- On 5 July, China's defence ministry spokesperson Colonel Tan Kefei accused the US of interfering in China's internal affairs and escalating tensions across the Taiwan Strait with its latest \$440 million sales of military equipment to Taiwan, which included 30 mm ammunition and related equipment, spare parts for Taiwan's military vehicles, small arms, combat weapon systems, and logistical support items.

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- On the same day, EU officials reported that China cancelled a planned visit by the EU's high representative for foreign affairs and security policy Joseph Borrell without any specific reason. The visit was supposed to happen on 10 July where representative Borrell would meet with Chinese foreign minister Qin Gang to discuss trade between China and the EU, human rights, and China's stance on Russia's invasion of Ukraine.
- On 6 July, it was reported that China hosted two Russian frigates *Gromkiy* and *Sovershenniy* that are part of Russia's Pacific Fleet, headquartered in Vladivostok, that had earlier sailed past Taiwan and Japan, and that both ships will conduct joint naval drills with the Chinese navy to demonstrate joint military cooperation between China and Russia.
- On the same day, the US Treasury secretary Janet Yellen arrived in Beijing for a four-day visit to improve relations between the US and China and meet with Chinese officials and business leaders. She stated that the US seeks healthy economic competition with China that benefits American workers and firms along with cooperation on global issues, while also looks to protect its national security interest at home and abroad.
- On 7 July, media reported that the US State Department's top official on narcotics Todd Robinson stated that the US wants other countries to engage China on limiting the flow of synthetic drugs as Washington accuses Beijing of doing too little to combat their illegal trade and to disrupt illicit supply chains.

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