The Question of The Spratly Islands

Background

China is a party to multiple maritime territorial disputes in the SCS and ECS, including in particular the following:

- a dispute over the Paracel Islands in the SCS, which are claimed by China and Vietnam, and occupied by China;
- a dispute over the Spratly Islands in the SCS, which are claimed entirely by China, Taiwan, and Vietnam, and in part by the Philippines, Malaysia, and Brunei, and which are occupied in part by all these countries except Brunei;
- a dispute over Scarborough Shoal in the SCS, which is claimed by China, Taiwan, and the Philippines, and controlled since 2012 by China; and
- a dispute over the Senkaku Islands in the ECS, which are claimed by China, Taiwan, and Japan, and administered by Japan.

The Spratly Islands are at the centre of a territorial dispute between China, the Philippines, Taiwan, Malaysia, Vietnam, and Brunei. In a context of great power competition, the South China Sea (SCS) has emerged as an arena of U.S.-China strategic competition. China's actions in the SCS—including extensive island building and base-construction activities at sites that it occupies in the Spratly Islands, as well as actions by its maritime forces to assert China's claims against competing claims by regional neighbours such as the Philippines and Vietnam—have heightened concerns among U.N observers that China is gaining effective control of the SCS, an area of strategic, political, and economic importance to the United States and its allies and partners.

The Spratly Islands are group of islands, islets, cays and more than 100 reefs located north of insular Malaysia and are roughly midway between Vietnam and the Philippines.

China has recently made sweeping claims over sovereignty over the sea—and the sea's estimated 11 billion barrels of untapped oil and 190 trillion cubic feet of natural gas. These claims have antagonized competing claimants Brunei, Indonesia, Malaysia, the Philippines, Taiwan, and Vietnam.

Under international law, China believes that foreign militaries cannot legally conduct reconnaissance flight and other intelligence-gathering activities in its exclusive economic zone (EEZ). According to the United States, claimant countries, under UN Convention of the Law of the Sea (UNCLOS), should have freedom of navigation through EEZs in the sea and are not required to notify claimants of military activities.

In recent years, satellite imagery has shown China's increased efforts to reclaim land in the South China Sea by physically increasing the size of islands or creating new islands altogether. In addition to piling sand onto existing reefs, China has constructed ports, military installations, and airstrips—particularly in the Paracel and Spratly Islands, where it has twenty and seven outposts, respectively. China has militarized Woody Island by deploying fighter jets, cruise missiles, and a radar system.

Key Issues:

In 1968 and 1970, the Philippines started to take their territorial claims more seriously and stationed troops on three islands which had been claimed by the adventurer Tomas Cloma as part of Freedomland. In 1973, Vietnamese troops were stationed on five islands.

- In 1968, oil was discovered in the region. The Geology and Mineral Resources Ministry of the People's Republic of China (PRC) has estimated that the Spratly area holds oil and natural gas reserves of 17.7 billion tons, compared to the 13 billion tons held by Kuwait, placing it as, potentially, the fourth largest reserve bed in the world. The United States Energy Information Administration contests this, estimating almost no oil and less than 100 billion cubic feet of natural gas exists in fields near the Spratly Islands. Still, these large potential reserves have assisted in intensifying the territorial claims of the neighbouring countries.
- On 11 March 1976, the first major Philippine oil discovery occurred off the coast of Palawan, near the Spratly Islands territory. In 2010, these oil fields supplied 15% of all petroleum consumed in the Philippines.
- In 1992, the PRC and Vietnam granted oil exploration contracts to US oil companies that covered overlapping areas in the Spratlys.
- In May 1992, the China National Offshore Oil Corporation (CNOOC) and Crestone Energy (a US company based in Denver, Colorado) signed a co-operation contract for the joint exploration of the Wan'an Bei-21 block, a 25,155 square kilometres (9,710 square miles) section of the southwestern South China Sea that includes Spratly Island areas.
- Part of the Crestone's contract covered Vietnam's blocks 133 and 134, where PetroVietnam, PetroStar Energy (US) and ConocoPhillips Vietnam Exploration & Production (a unit of ConocoPhillips) agreed to evaluate prospects in April 1992. This led to a confrontation between China and Vietnam, with each demanding that the other cancel its contract.

Commercial Fishing:

- The region is one of the world's most productive areas for commercial fishing. In 2010, the Western Central Pacific (excluding the northernmost reaches of the South China Sea closest to the PRC coast) accounted for 14% of the total world catch at 11.7 million tonnes.
- There have already been numerous clashes between the PRC and the Philippines, PRC, and Vietnam, and between other nations over "foreign" fishing vessels in exclusive economic zones (EEZs).
- In 1984, Brunei established an exclusive fishing zone encompassing Louisa Reef in the southeastern Spratly Islands.

Commercial Shipping:

- The region is one of the busiest shipping lanes in the world. During the 1980s, at least 270 ships passed through the Spratly Islands region each day.
- More than half of the world's super tanker traffic, by tonnage, passes through the region's waters every year.
- Tanker traffic through the South China Sea is over three times greater than through the Suez Canal and five times more than through the Panama Canal; 25% of the world's crude oil passes through the South China Sea.

Tensions between China and both the Philippines and Vietnam have recently cooled, even as China increased its military activity in the South China Sea by conducting a series of naval manoeuvres and exercises in March and April 2018. Meanwhile, China continues to construct military and industrial outposts on artificial islands it has built in disputed waters.

The United States has also stepped up its military activity and naval presence in the region in recent years, including freedom of navigation operations (FONOPs) in January and March 2018.

Previous Action

Via UNCLOS, the United Nations provided for countries with coastlines to submit claims to the UN's Commission on the Limits of the Continental Shelf (CLCS) for their continental shelf to be extended beyond 200 nautical miles of their shores.

- Two of the submissions made to the CLCS addressed claims in the South China Sea (SCS) one by Vietnam for a claim over the northern portion of the SCS (which included the Paracel Islands), and another jointly by Vietnam and Malaysia for a joint claim over a "defined area" in the middle of the SCS between the two countries, which included part of the Spratly Islands.
- Brunei made a preliminary submission notifying of its intention to claim a continental shelf beyond 200 nautical miles from its shores.

China (PRC) immediately issued protests over the two submissions and called on the United Nations not to consider them. It also issued a stern warning to countries not to claim the islands which it said were its sovereign territory.

ASEAN (the Association of Southeast Asian Nations):

- On 22 July 1992, the ASEAN Declaration on the South China Sea stated and emphasised the belief that the dispute should be solved peacefully without resorting to violence.
- Following a 1995 dispute between the PRC and the Philippines, an ASEAN-brokered agreement was reached between the PRC and ASEAN member nations whereby one country would inform the other of any military movement within the disputed territory, and that there would be no further construction.
- On 4 November 2002 in Phnom Penh, the Declaration on the Conduct of Parties in the South China Sea was signed by the 10 foreign ministers of ASEAN countries and China (PRC). The parties explicitly undertook in this declaration, "to resolve their territorial and jurisdictional disputes by peaceful means, without resorting to the threat or use of force, through friendly consultations and negotiations by sovereign states directly concerned". The parties also undertook to exercise self-restraint with activities that would complicate or escalate disputes and affect peace and stability, including refraining from inhabiting the presently uninhabited islands, reefs, shoals, cays, and other features.

In July 2012, China (PRC) announced that it is open to launching discussions on the Code of Conduct in the South China Sea but called for all parties to exercise self-restraint in keeping with the spirit of previous declarations and United Nation conventions. This announcement has been criticised by many neighbouring states because of the contradictions seen in the Scarborough Shoal at that time where China has established de facto control.

In July 2016, the Permanent Court of Arbitration at The Hague issued its ruling on a claim brought against China by the Philippines under UNCLOS, ruling in favour of the Philippines on almost every count. The court is an intergovernmental organization, established as a result of The Hague Peace Conference of 1899 by means of the Conventions for the Pacific Settlement of International Disputes of 1899 and 1907, and while China is a signatory to the treaty, which established the tribunal, it refuses to accept the court's authority.

Questions to Consider:

- 1) How can we achieve and guarantee a long-lasting solution to the island and SCS dispute?
- 2) Should China's claim to sovereignty over the Exclusive Economic Zone be recognised?
- 3) Should the United Nations recognise the Permanent Court of Arbitration's ruling and authority?
- 4) Why has the conflict defied so many efforts at resolution?

Useful Links

The South China Sea: The Spratly Islands dispute

Territorial Disputes in the South China Sea | Global Conflict Tracker (cfr.org)

U.S.-China Strategic Competition in South and East China Seas: Background and Issues for Congress

The Question of NSGTs (Nonself-governing territories)

Background

Non-self-governing territories are defined as territories "whose people have not yet attained a full measure of self-government". In practice, an NSGT is a territory deemed by the United Nations General Assembly (UNGA) to be "non-self-governing". Chapter 11 of the UN founding Charter directly addresses this issue and highlights the responsibilities of the administering powers to promote the wellbeing of the inhabitants of those territories and to develop their self-government. It also obliges the administering power to give information about their territories to the Secretary General. When the United Nations was founded in 1945, some 750 million people, nearly a third of the world's population, lived in Territories that were dependent on colonial Powers. Today, there are 17 Non-Self-Governing Territories remaining and fewer than 2 million people live in them. The wave of decolonisation, which changed the face of the planet, was born with the UN and represents the world body's first great success. The UN special committee on decolonisation is up to this day striving to create better living standards for the people living in these territories by negotiating with their administrative powers and strives to completely end colonialism as a political phenomenon.

Past Actions and Relevant Organisations

Beginning in the 1960's, the General Assembly's resolve to support decolonisation strengthened even further and a series of resolutions were passed that sought to assist the people of these territories to achieve self-determination according to their particular circumstances.

The first resolution 1515, has come to be known as the Declaration on colonisation and further resolutions identified the ways in which peoples of these territories can achieve self-government. This includes becoming a sovereign republic, an independent state. Free association with an independent state or integration into an independent state. Lastly, the emergence of any other political status which is freely determined by a people.

The special committee on decolonisation also known as C-24 holds regional seminars on decolonisation and annually holds a two weeklong substantive session to examine the situation within these territories in depth. The recommendations that come out of this assembly are submitted to the fourth committee of the General Assembly, which in turn considers the recommendations and submits a draft resolution to be adopted at the end of the year by the General Assemble. Additionally, institutional support for NSGTs from UN entities, specialised agencies and international organisations associated with the UN is important and kept under consideration by the C-24 and UN Economic and Social Council (ECOSOC)

With consent of the admin tearing powers, the C-24 can dispatch a visiting mission to observe conditions on the ground and gather first-hand information. These visiting missions enhance the capacity of the United Nations to assist the peoples of the NSGTs. Recognised as an important tool, the General Assembly has requested that the C-24 undertake at least one visiting mission per year.

Key Issues

In 2022, 200 million people still reside in NSGTs, and the past few years have been particularly chaotic in co-ordinating efforts to make these territories heard. COVID-19 and the global financial situation caused by the conflict in Eastern Europe has seriously hindered progress on the co-ordination with the administering authorities and the territories. Unfortunately, the last visiting mission was undertaken in 2019 and since then there has not been much concrete work on the process of helping these territories attain self-determination.

Most of the NSGTs feature as only small dots on the world map but are in fact prominent players on the world stage. Some act as the world's leading financial centres, with GDP per capita amongst the world's top 10 (e.g., the Cayman Islands and Bermuda), some constitute vital bastions for regional security (e.g., Guam), and there are those whose geographical location has made them prone to diplomatic disputes (e.g., Gibraltar and the Falklands/Malvinas). Thus, many achievements of decolonisation by the United Nations cannot be considered truly global while some peoples continue to live under colonial rule. Administering states such as the UK and France continue to exercise top-down authority through modernised dependency governance models that, while perhaps ensuring sustained economic progress, create a democratic deficit and political vulnerability based on unequal status.

The decolonisation agenda championed by the United Nations is not based exclusively on independence. There are three other ways in which an NSGT can exercise self-determination and reach a full measure of self-government (all of them equally legitimate): integration within the administering power, free association with the administering power, or some other mutually agreed upon option for self-rule.

The current impasse is due, in part, to the denial by the administering states of these options, but also to a lack of public awareness on the part of the peoples of the NSGTs that they are entitled to freely determine their territory's political status in accordance with the options presented to them by the United Nations. It is the exercise of the human right of self-determination, rather than independence per se, that the United Nations has continued to push for.

Questions to Consider

- 1. Are current methods adopted by the United Nations to decolonise sufficient? If not, how can we improve them?
- 2. How has the COVID-19 pandemic effect the ways in which UN can provide NSGTs aid and what are our new priorities regaining the question of NSGTs?
- 3. How can the UN negotiate with administering powers to create economic and political self-determination for these NSGTs?
- 4. In the current global situation, large powers are trying to start a wave of neo colonisation. How can the UN ensure that this emerging phenomenon does not hinder the way to self-determination and governance for the remaining NSGTs?
- 5. How can we resume visiting missions to create a higher level of coordination that allows the UN to ensure that the inhabitants of these territories are heard and have not been ignored/have bad living standards.

Useful Links

List of all NSGTs

UN special committee of decolonisation information of NSGTs (video + website)

International Decades for the Eradication of Colonialism

Documents related to resolutions submitted by the Fourth Committee

UN decolonisation home page

The Question of Ethical Responsibilities of Corporations

Background

Corporate responsibility (CR) is about the impact an organisation makes on society, the environment and the economy. Having an effective CR programme contributes positively to all stakeholders as well as adding value for the organisation itself, and ensures it operates in a sustainable way. Factors and mechanisms influencing corporate responsibility include legal and voluntary measures, partnerships with external agencies, and social and environmental reporting.

Definitions

What is corporate responsibility?

Corporate responsibility (CR), also known as corporate social responsibility (CSR) or business sustainability, is about the ethics which drive an organisation's activities and how it operates so that it's viable over the long term. A few factors are intrinsically linked because a business that damages the systems on which it depends will ultimately be unsustainable. CR starts with recognising that organisations' activities impact on society, the environment and the economy, as well as on their own workforce. Value creation is not just a matter of finances. Indeed, the traditional shareholder value approach to business, and the short-termism that often goes with this, are central reasons for the global economic crisis and numerous environmental and other ethical corporate disasters - we look briefly at social value creation below. An organisation committed to maximises the positive impacts of its operations for all its stakeholders.

What is social value?

Social value considers more than just financial transactions and can include happiness, health, wellbeing, inclusion and empowerment. It's often difficult to measure but is 'of value to people in society'. Social value goes beyond traditional corporate responsibility since it actually drives core business purpose rather than sitting alongside it.

Key Issues:

Embedding corporate responsibility into Practice is the primary contention

There are various factors and mechanisms involved in putting CR into action which have often conflicting interests.

At the heart of any organisation's corporate responsibility strategy are its different stakeholders, and how to create value for each. The long-and short-term interests of customers should be considered, as well as employees and workers throughout the wider value chain, and the general public. This informs an organisation's understanding of the potential value it creates or the damage it could cause for employees, local communities, customers and the environment, as well as shareholders. These stakeholders are usually affected by changes to

Workplace - What is the best way to look after employees and other workers in the value chain?

<u>Market place</u> - What impact does the organisation's products or services have? Do they comply with all fair trading, corporate taxes and anti-bribery requirements?

Environment - How can environmental impact be minimised or improved?

Community - How can the organisation contribute positively to society?

Issues with legal measures

Many ethical considerations in the core areas of CR are enshrined in law, including employment law. However, CR strategy typically aims to go beyond legal obligations with organisations taking voluntary measures and initiatives. Indeed, CR has grown in part due to perceived limitations of legislation, either in its scope, detail or power to influence. Some of the most visible voluntary CR activity relates to community-based activity, for example, supporting local community projects financially or via employee volunteering programmes.

Governance

In shaping how an organisation creates value and questioning how it operates, CR relates closely to corporate governance, the mechanism for holding executive management to account. Effective boards will hold a long-term view, have a clear understanding of business models and will have the strength and independence to challenge the business.

Previous Action

The United Nations' set of Sustainable Development Goals.

Perhaps one of the most major drives to promote CR has come from the United Nations 2030 Agenda for Sustainable Development. The Agenda is founded on 10 principles in four key areas: human rights, labour, environment and anti-corruption and promotes 17 Sustainable Development Goals in the areas of people, planet, prosperity, peace and partnership and are an urgent call for action by all countries in a global partnership.

Questions to Consider:

- 5) How can we enforce ethical corporate responsibility in a long-lasting, sustainable manner?
- 6) How will corporate responsibility be embedded into practice?
- 7) In what ways are there conflicts between key stakeholders? More importantly, how can these conflicts be resolved?
- 8) Is corporate responsibility important or relevant? Why?

Useful Links

https://www.business-humanrights.org/en/big-issues/un-guiding-principles-on-business-human-rights/