

Updated January 23, 2024

China-Philippines Tensions in the South China Sea

Overview

In 2023, the People's Republic of China (PRC, or China) increased pressure on the Philippines to abandon one of its nine outposts in the Spratly Islands chain in the South China Sea (SCS) and attempted to deny Philippine vessels access to parts of its Exclusive Economic Zone (EEZ) that China claims as its own territory. The escalation of long-standing Sino-Philippine tensions raises the possibility of a crisis or conflict involving China, the Philippines, and potentially the United States.

President Ferdinand Marcos Jr., who was elected in 2022, has taken a considerably more public stance in challenging China's expansive claims in the SCS than his predecessor, Rodrigo Duterte. Marcos has also expanded military cooperation with the United States under the 2014 Enhanced Defense Cooperation Agreement (EDCA), which aims to support U.S. strategic interests in the region and the modernization of the Armed Forces of the Philippines.

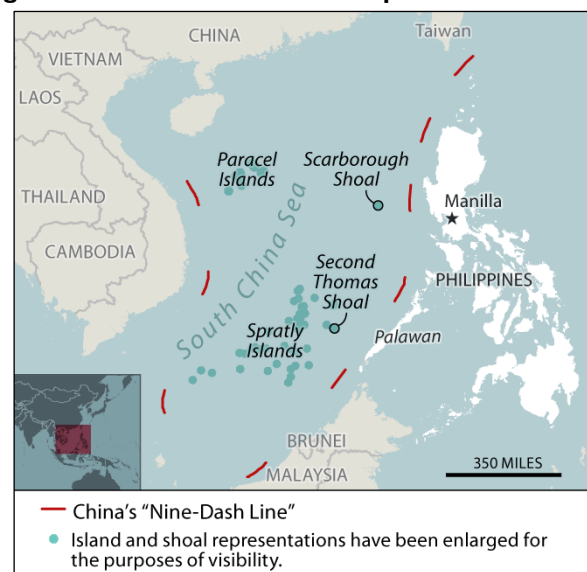
Rising Tensions at Second Thomas Shoal

Second Thomas Shoal (Tagalog: Ayungin Shoal), an atoll in the Spratly Island chain, has been a flash point among the broad disputes over sovereignty in the SCS (**Figure 1**). The Philippines posts a small cadre of its marines on a now-derelict Philippine Navy ship, the *Sierra Madre*, which it grounded on the shoal in 1999 as part of its efforts to protect its maritime claims. Since 2013, China has increased its presence near the shoal as part of its attempt to end the Philippines' occupation there. Second Thomas Shoal is a low-tide elevation (meaning it is fully submerged at high tide) located roughly 105 nautical miles (nm) from the Philippine island of Palawan, 620 nm from the PRC, and 22 nm from Mischief Reef, a low-tide elevation in the Spratlys where the PRC maintains an outpost. The PRC government claims that Joseph Estrada (president of the Philippines from 1998-2001) promised to remove the *Sierra Madre*, which the Marcos government denies.

In 2023, PRC Coast Guard and maritime militia vessels interfered with Philippine boats conducting resupply missions to the *Sierra Madre*. Among the most notable incidents, in February 2023, a PRC Coast Guard vessel targeted a Philippine Coast Guard boat with a military-grade laser, reportedly temporarily blinding some crew members. In August, PRC Coast Guard and maritime militia vessels fired a water cannon and took other actions to obstruct Philippine boats near the shoal. In October, PRC Coast Guard and maritime militia vessels surrounded and collided with a Philippine Coast Guard vessel and another supply vessel. The incident reportedly was the first time Philippine officials stated their vessels were struck by PRC ships.

In December 2023, China engaged in what the Philippine government called a "serious escalation" of aggression in the SCS. PRC vessels reportedly swarmed the area near Second Thomas Shoal and "harassed, blocked, and executed dangerous maneuvers," resulting in a collision between a PRC Coast Guard ship and a Philippine boat on a resupply mission. Each side accused the other of ramming one of its vessels. Since 2012, the PRC has also harassed and blockaded Philippine fishing boats operating near Scarborough Shoal, a traditional fishing area for both countries (as well as others). In December 2023, the PRC Coast Guard deployed a water cannon on Philippine vessels attempting to deliver provisions to Filipino fishermen near the shoal, reportedly damaging the engine of one boat.

Figure 1. South China Sea and Disputed Areas



Source: CRS. Boundaries from U.S. Department of State.

A spokesperson for the China Coast Guard stated its December 2023 actions were "professional, standardized, legitimate, and legal." Despite PRC efforts, the Philippines reportedly successfully resupplied the *Sierra Madre* on several occasions in 2023, and airdropped some supplies in January 2024. The U.S. Department of State has issued multiple statements critical of PRC actions and supportive of the Philippines' right to operate in waters around Second Thomas Shoal. On October 22, 2023, the Department of State reaffirmed U.S. obligations to the Philippines pursuant to the two countries' 1951 Mutual Defense Treaty.

President Marcos assumed office pledging to defend the country's sovereign rights, but also to work with China. In January 2023, during a visit to Beijing, he and PRC leader Xi Jinping announced a hotline to manage tensions and prevent escalations. Efforts to use the mechanism to

manage the August incidents went unanswered in Beijing, however. Following the incidents in December 2023, Marcos vowed to step up the Philippines defense of its maritime zones.

SCS Territorial Disputes and International Law

An arbitral tribunal convened under the United Nations Convention on the Law of the Sea (UNCLOS) ruled in 2016 that the “Nine-Dash Line,” which China uses to mark its territorial claims in the SCS, has “no legal basis,” and that several PRC actions in the SCS violated the Philippines’ sovereign rights. The tribunal found that Second Thomas Shoal and the PRC-occupied Mischief Reef, as well as Scarborough Shoal, fall within the Philippines’ EEZ, and that China had unlawfully interfered with Philippine fishing at Scarborough Shoal and created a risk of collision. China declared the ruling “null and void.” (For more on the disputes, see CRS In Focus IF10607, *China Primer: South China Sea Disputes*.)

The government of the United States, which is not a party to UNCLOS, has urged both Beijing and Manila to abide by the 2016 ruling. The Department of State noted in a December 10, 2023 statement that China’s actions were not in line with international law:

These actions reflect not only reckless disregard for the safety and livelihoods of Filipinos, but also for international law. As reflected in an international tribunal’s legally binding decision issued in July 2016, the PRC has no lawful maritime claims to the waters around Second Thomas Shoal, and Filipinos are entitled to traditional fishing rights around Scarborough Reef. As provided under the 1982 Law of the Sea Convention, the 2016 arbitral decision is final and legally binding on the PRC and the Philippines, and the United States calls upon the PRC to abide by the ruling and desist from its dangerous and destabilizing conduct.

U.S.-Philippines Mutual Defense Treaty

Under Article IV of their Mutual Defense Treaty, the United States and the Philippines recognize that “an armed attack in the Pacific Area on either of the Parties would be dangerous to its own peace and safety and declares that it would act to meet the common dangers in accordance with its constitutional processes.” Article V defines such an armed attack as including an attack on the “metropolitan territory of either of the Parties, or on the island territories under its jurisdiction in the Pacific or on its armed forces, public vessels or aircraft in the Pacific.” The Treaty does not specifically refer to the SCS. New Bilateral Defense Guidelines, issued in May 2023, appear to reinforce treaty obligations, stating that an armed attack “anywhere in the South China Sea,” on either country’s “public vessels, aircraft, or armed forces—which includes their Coast Guards—would invoke mutual defense commitments.”

U.S.-Philippines Security Cooperation

According to the U.S. Embassy in Manila, the United States “delivered [over \$1.14 billion] worth of planes, armored vehicles, small arms, and other military equipment and training to the Philippines” between 2015 and 2022, making

it the “largest recipient of U.S. military assistance in the Indo-Pacific region.” Enhancing the Philippines’ maritime security capabilities has been a key focus of that assistance. Under EDCA, the two countries agreed to deepen military cooperation and allow U.S. forces rotational access to certain Philippine military facilities. In 2023, the number of these bases expanded from five to nine. The United States and the Philippines engage in approximately 20 military exercises and events annually, including patrols in the SCS.

Considerations for Congress

U.S. options to support Philippine efforts to defend its sovereign rights within its EEZ include U.S. military, quasi-military, and diplomatic actions. Congress may consider whether or not to support or promote such efforts. On October 25, three U.S. Senators submitted a letter to President Biden requesting the Departments of State and Defense provide “a full list” of options to “support the Philippines and ensure the resupply” of the *Sierra Madre*.

Military options could include sending a rotation of U.S. forces to support Philippine troops on the *Sierra Madre* or U.S. Navy escorts to Philippine defensive missions. Some observers caution that a direct U.S. military role supporting the Philippines could increase the risk of an incident between U.S. and PRC forces. Some recommend less-direct forms of U.S. support, such as providing additional military assistance and training to the Philippines; expanding U.S. force posture in the region; coordinating with other claimants to counter PRC territorial ambitions; and keeping U.S. lines of communication open with Beijing.

Non-military options could involve the U.S. Coast Guard (USCG). In September 2023 testimony to the House Committee on Homeland Security Subcommittee on Transportation and Maritime Security, the commander of USCG Pacific Area touted the USCG’s “outstanding relationship” with the Philippine Coast Guard and ongoing efforts to help the Philippines “enforce their sovereignty.” The USCG’s FY2024 Unfunded Priorities List includes \$400,000 for the acquisition of four new vessels to help “the Coast Guard transition ... from an organization which currently provides episodic presence [in the Indo-Pacific], to be persistent and visible, strengthening coordination with Allied and partner nations to bolster regional security.”

Congress may also consider how U.S. accession to UNCLOS would impact U.S. diplomacy. The United States accepts and acts in accordance with UNCLOS’s provisions on navigation and overflight, which it views as reflecting customary international law of the sea. Some analysts argue U.S. accession to UNCLOS would strengthen U.S. calls for other countries to abide by the Convention’s provisions and the 2016 arbitral ruling, which is largely in the Philippines’ favor. (For background on this debate, see “Whether United States Should Ratify UNCLOS,” in CRS Report R42784, *U.S.-China Strategic Competition in South and East China Seas: Background and Issues for Congress*.)

Caitlin Campbell, Analyst in Asian Affairs
Ben Dolven, Specialist in Asian Affairs
Thomas Lum, Specialist in Asian Affairs

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.