Vietnam’s Maritime Security Challenges and Regional Defence and Security Cooperation

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Abbreviations

ADMM  ASEAN Defence Ministers Meeting
ADMM-Plus  ASEAN Defence Ministers Meeting-Plus
APEC  Asia-Pacific Economic Cooperation
ARF  ASEAN Regional Forum
ASEAN  Association of Southeast Asian Nations
C4ISR  Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance
CUES  Code for Unplanned Encounters at Sea
DWP  Defence White Paper
EAS  East Asia Summit
EEZ  Exclusive Economic Zone
HADR  Humanitarian Assistance and Disaster Relief
IUU  Illegal, Unregulated and Unreported
JMSDF  Japan Maritime Self-Defence Force
LoC  Line of Credit
MoU  Memorandum of Understanding
PLA Navy  People’s Liberation Army Navy
ReCAAP  Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia
SAR  Search and Rescue
SLOC  Sea Lines of Communication
UN  United Nations
UN CLCS  UN Commission on the Limits of the Continental Shelf
VCG  Vietnam Coast Guard
VFSF  Vietnam Fisheries Surveillance Force
VPA  Vietnam People’s Army
Introduction

According to the National Security Law of Vietnam, national security is defined as the stable, sustainable development of the socialist regime and the Socialist Republic of Vietnam, and the independence, sovereignty, unity, and territorial integrity of the nation. Based on this definition and the Vietnam Defence White Paper (DWP) 2009, the most fundamental challenges to Vietnam’s national security are a potential decline in Vietnam’s economic growth trajectory; interference by hostile forces in the country’s internal affairs; the ongoing disputes over territorial sovereignty and maritime jurisdiction in the South China Sea; and non-traditional security threats. These non-traditional threats are principally piracy, organised trans-national crimes, Illegal, Unregulated and Unreported (IUU) fishing, maritime smuggling, environmental degradation, and climate change. Vietnam’s national security concerns cover a broad spectrum, and both traditional and non-traditional maritime security challenges are addressed in this paper.

Vietnam has developed maritime strategies and policies to address these challenges based on: its long-standing peace and self-defence policy; the geostrategic position of the country; and the changing security landscape of the region. As maritime security is a transnational issue of interest to many regional states, Vietnam coordinates with the region, especially the Association of Southeast Asian Nations (ASEAN) and major regional powers, to keep the maritime domain safe, secure, and in good order. However, with rising tensions in the South China Sea—the growing assertiveness of China and its growing naval and maritime law enforcement forces across in the region—the potential for maritime conflict remains high.

Vietnam maintains its longstanding policy of peace and self-defence with the well-known ‘three no’s’ defence policy: no military alliances, no foreign military bases on its territory, and no reliance on any country to fight against a third country. Nevertheless, as this report details, Vietnam has also expanded its international engagement to support its foreign policy of multilateralism and diversification. This report critically analyses Vietnam’s geostrategic position, its contemporary maritime security challenges, its maritime strategies and policies, and how Vietnam has cooperated with major regional powers to strengthen its maritime security. In addition, this report highlights some potential areas of cooperation between Vietnam and regional powers to preserve security and good order at sea in the South China Sea and the wider region.

Part I: Vietnam’s Geostrategic Position

Vietnam’s 3,260km coastline extends along almost the entire western part of the South China Sea. Approximately 12 per cent of the world’s fisheries catch comes from the South China Sea, and fisheries production is an important source of revenue for littoral states. This region is also believed to be rich in hydrocarbon deposits, even though there are conflicting assessments of their size. In 2010, the US Geological Survey estimated that the South China Sea may contain between five and 22 billion barrels of oil, and between 70 and 290 trillion cubic feet of gas in undiscovered resources. Meanwhile, the US Energy Information Administration has estimated the oil and natural gas reserves in the South China Sea to be approximately 11 billion barrels and 190 trillion cubic feet, respectively. In 2012, the China National Offshore Oil Company (CNOOC) estimated that the South China Sea region could contain as much as 125 billion barrels of oil and 500 trillion cubic feet of natural gas in undiscovered resources. However, it is clear from Figure 1 that hydrocarbon resources are concentrated in the claimed Exclusive Economic Zones (EEZs) of China, Vietnam, Malaysia, and the Philippines. As China claims the bulk of the South China Sea based on its expansive ‘nine-dash line’, much of these hydrocarbon resources in the claimed EEZs of neighbouring countries are the subject of jurisdictional disputes with China.
The South China Sea is also a busy international sea lane, linking the Pacific and Indian oceans. According to a frequently cited source, more than US$5 trillion of seaborne trade passes through the South China Sea each year—of which the US share is approximately US$1.2 trillion. This figure is somewhat controversial, with some analysts arguing that it overstates the importance of the South China Sea’s Sea Lines of Communication (SLOC). For example, the China Power Project of the Centre for Strategic and International Studies estimated that trade through the South China Sea is worth approximately US$3.4 trillion.

Irrespective of the precise value of trade passing through the South China Sea, it is an important global maritime thoroughfare. Eight of the world’s top ten container ports are located in states bordering the South China Sea. Further, more than 60 per cent of Japan’s oil imports transit its waters, while over 80 per cent of China’s imported oil passes through the Strait of Malacca and then the South China Sea. Approximately 55 per cent of India’s seaborne trade passes through the South China Sea, making security and freedom of navigation in the South China Sea a critical issue for India.

In addition to commercial shipping, the South China Sea is an important maritime domain for regional military operations. The United States Navy has used the South China Sea to transit forces between the Pacific and Indian oceans and the Persian Gulf for many years. Other regional states also use this sea for their naval transits and operations. Therefore, maintaining peace, security, and freedom of navigation and overflight in and over the South China Sea is a shared interest.

The South China Sea is, however, ‘among the most geographically and geopolitically complex ocean spaces in the world’. In particular, the South China Sea is a semi-enclosed sea containing hundreds of small offshore features that are subject to sovereignty disputes and
unresolved and overlapping maritime claims by a number of littoral states. States also clash over different interpretations of international law regarding navigation and overflight in the South China Sea. Although most offshore features in the South China Sea are small and would be difficult to defend in the event of armed conflict, they could provide a ‘sea denial option vis-à-vis passing merchant or naval traffic.’

China and other claimant states have enhanced their military presence in the South China Sea—through military facilities on disputed offshore features, naval and law enforcement vessels and aircraft, and civilian fishing vessels. These moves are aimed at strengthening their territorial sovereignty and associated maritime claims in this sea. Tensions between claimant states and between littoral states and regional maritime powers are therefore likely to grow.

As a rising maritime power, China is expanding its power projection down to the South China Sea and the Indian Ocean. Having a long coastline bordering the western side of the South China Sea’s SLOC and occupying the majority of features in the Spratly Islands, which are located on the eastern side of these SLOC, ‘Vietnam stands in the way of China’s southward movement.’

Vietnam’s existing unresolved territorial and maritime disputes with China coupled with its independent foreign policy, nationalism, and long history of conflict with China, mean that it will firmly maintain its independent policy and will never be passively pulled into China’s orbit.

Of the seven claimant states, Vietnam has the most geographically advantageous position from which the South China Sea can be monitored or even controlled. This special geographical position on the one hand generates a number of maritime security challenges for Vietnam, and on the other hand makes Vietnam an important strategic state for regional maritime powers, including the United States, China, Japan, India, Russia, and to lesser extent, Australia. Vietnam’s strategy is primarily built on its geostrategic position and regional security environment.

**Part II: Vietnam’s Maritime Strategy and Policy**

Soon after unification in 1975, Vietnam was drawn into a conflict in Cambodia and then faced another ten-year border conflict with China (1979-1989). Unsurprisingly, Vietnam’s economy lagged behind other Southeast Asian states. Even with the conclusion of conventional wars, Vietnam continued to fight a war against economic stagnation. In December 1986, the Sixth National Party Congress of Vietnam launched the *Doi Moi* policy of economic and political reform to transform Vietnam’s economy from a centrally-planned to a market-oriented economy. The Sixth National Party Congress Resolution states that Vietnam needs peace for economic development, and that Vietnam wishes to establish relationships with all states—regardless of different socio-political systems—on the basis of peaceful coexistence, equality, and mutual respect for independence, sovereignty, and the territorial integrity of all states.

Vietnam reduced its standing defence force by nearly 50 per cent and introduced the concepts of ‘people’s war’ and ‘all-people’s national defence’, in which all the people—not the armed force alone—take part in defending and protecting the nation. Vietnam normalised its bilateral relations with China in 1991, became a member of ASEAN in 1995, and joined Asia-Pacific Economic Cooperation (APEC) in 1998.

As a small state with a long history of conflicts on land, Vietnam’s maritime strategy has been merely a subset of its national defence strategy, with the Vietnamese Navy as one component of the Vietnam People’s Army (VPA). In 1998, Vietnam released its first DWP, entitled *Vietnam: Consolidating National Defence Safeguarding the Homeland*. The DWP 1998 indicated three major threats faced by Vietnam: economic decline, political security challenges, and territorial disputes in the South China Sea. In addition, non-traditional
security issues, such as smuggling and illegal fishing in Vietnam’s waters, were also deemed state security concerns.\(^{23}\) The DWP 1998 clearly states that peace and self-defence are key features of Vietnam’s national defence policy.\(^{24}\) The DWP 1998 indicates that Vietnam upholds an all-people’s national defence policy:

> Without aligning with one country against another; without confrontation and offensive action against any country; yet ready for self-defence against all types of aggression and violent disturbances and subversions; but without an arms race and still preserving the right to build forces for national defence.\(^{25}\)

According to DWP 1998, the Vietnamese Navy is a component of the VPA, with the main responsibility of safeguarding Vietnam’s waters and directly taking part in defending the maritime economy.\(^{26}\) In August 1998, Vietnam established under the ministry of defence its marine police, which is responsible for cooperating with the Navy to safeguard Vietnam’s waters. It is particularly focussed on maritime security and order and safety at sea. The marine police are now charged with maritime law enforcement.

In 2004 Vietnam released its second DWP, entitled *Vietnam’s National Defence in the Early Years of the 21st Century*, which reaffirmed that peace and self-defence are at the core of Vietnam’s national defence.\(^{27}\) Regarding military alliances, the DWP 2004 stated: ‘Vietnam consistently advocates neither joining military alliances nor giving any foreign countries permission to have military bases in Vietnam.’\(^{28}\) The DWP 2004 also indicated that unresolved disputes over sovereignty claims in the South China Sea, together with non-traditional security issues, are security concerns for Vietnam.

The DWP 2004 reaffirmed that although Vietnam has sufficient historical evidence and legal basis to assert its sovereignty over the Paracel and Spratly islands, Vietnam is ready to settle the dispute by peaceful means for the common interest of the concerned parties.\(^{29}\) The DWP 2004 emphasised that military potential is a core component of national defence, with personnel and weapons comprising two basic factors of military potential.\(^{30}\) To that end, from 2004-07, Vietnam reached agreements with Russia for the purchase of ten *Tarantul V* (Project 1241) corvettes, two *Gepard* 3.9-class guided missile frigates, six *Svetlyak*-class Fast Attack Craft armed with anti-ship missiles, and the K-300P Bastion coastal defence missile system.\(^{31}\)

In 2007, the Central Committee of the Communist Party of Vietnam passed the Resolution 09-NQ/TW, entitled ‘Vietnam’s Maritime Strategy Toward the Year 2020’. This was the first comprehensive maritime strategy publicly issued by Vietnam. The Resolution states that the 21\(^{st}\) century is a century of oceans and that Vietnam will strive to become a strong and prosperous nation from the sea by 2020, at which point the maritime and coastal economy will contribute 53 to 55 per cent of GDP.\(^{32}\) The resolution emphasised that it is necessary to combine the development of society and the economy with national defence and international environmental cooperation.\(^{33}\) Vietnam therefore set a priority of building a strong armed forces, particularly focussed on the Navy, Air Force, marine police, border protection force, maritime militia, and self-defence force. These forces will protect fishermen and maritime resource exploration activities in Vietnam’s maritime zones.\(^{34}\) All these forces have played crucial roles in safeguarding Vietnam’s waters.

This strategy, however, faces challenges from China. Since 2007, China has warned foreign oil and gas companies to cease their joint exploration activities with Vietnam or risk their business relations with China.\(^{35}\) China has also extended its unilateral fishing ban in the South China Sea for three months—from May to August—covering areas that overlap with
Vietnam’s claimed maritime zones. As a result, many Vietnamese fishing vessels have been arrested or threatened by Chinese law enforcement.\textsuperscript{36}

In 2009, Vietnam released its third, and most recent, DWP, entitled \textit{Vietnam National Defence}. According to the DWP 2009, there remains the risk of conflicts in the Southeast Asian region due to increasingly complex territorial disputes over land and sea, particularly those relating to territorial sovereignty and associated maritime claims in the South China Sea.\textsuperscript{37} The DWP 2009 indicates that although Vietnam has achieved significant national security improvements, it is also faced with diverse and complex security challenges, including economic decline, socio-political instability, ongoing territorial and maritime disputes in the South China Sea, and non-traditional security threats.\textsuperscript{38}

The DWP 2009 emphasised that ‘Vietnam advocates the gradual modernization of the VPA and enhancement of the defence potential only to maintain its military power sufficient for self-defence capability.’\textsuperscript{39} Although Vietnam reaffirmed neither joining any military alliances, nor giving any other countries permission to have military bases on its soil, Vietnam promotes defence cooperation with countries that share the goal of peace, independence, and development.\textsuperscript{40} The DWP 2009 states that ‘defence cooperation is one of the most important factors for maintaining peace and stability in the region and around the world, and it is also an important factor for achieving Vietnam’s defence goals.’\textsuperscript{41}

As the South China Sea dispute intensifies, Vietnam must enhance defence diplomacy to attract international support, while also investing in maritime forces that can effectively safeguard national sovereignty. As the DWP 2009 clearly states: ‘Vietnam’s consistent policy is to solve both historical and newly emerging disputes over territorial sovereignty in land and at sea through peaceful means on the basis of international laws.’\textsuperscript{42}

The DWP 2009 indicated: ‘Vietnam advocates implementing the national defense strategy through a spectrum of political, economic, diplomatic, socio-cultural, and military activities aimed at eradicating the causes of armed conflicts and wars.’\textsuperscript{43} Building a strong armed forces for self-defence and deterrence, resolving differences and disputes by peaceful means based on international laws and norms, and strengthening defence diplomacy and international defence cooperation are major guiding principles of Vietnam’s defence policy.

Strengthening defence capability through maritime power is a key part of a Vietnam’s defence policy. Submarines, frigates, fast attack corvettes, Su-30 MK multirole aircraft, surveillance aircraft, and coastal missile defences are being added to the Navy and the Air Force. According to the Stockholm International Peace Research Institute, in the period 2011-15 Vietnam was the world’s eighth largest defence importer. Naval ships and submarines accounted for fifty-three per cent of Vietnam’s arms acquisitions, while aircraft represented twenty-five per cent and missiles twelve per cent.\textsuperscript{44}

In addition to arms procurement, Vietnam has also invested in and modernised its national defence industry to improve its defence self-help capacity, particularly focusing on the construction and assembly of naval and law enforcement vessels.\textsuperscript{45} Examples include the construction of \textit{Molnya} Class fast attack missile boats in Vietnam and the domestically built multi-role cutters capable of carrying helicopters. The Political Report to the 12\textsuperscript{th} National Party Congress of Vietnam in January 2016 also emphasised that maritime and territorial disputes in the South China Sea will continue to be intense and complex, and that Vietnam’s defence force will be gradually modernised.\textsuperscript{46} However, as stressed by the then Prime Minister Nguyen Tan Dung: ‘Vietnam has a long coast and large maritime zone, which requires protection. Therefore, armed forces modernization is not a matter of contingency or
arms race. As Vietnam’s naval capability cannot match the major powers, Vietnam’s arms investment focuses on anti-access and area denial capability. This is also consistent with its defence policy of building a military power sufficient for self-defence.

Vietnam also increasingly invests in maritime law enforcement. In 2013, Vietnam restructured its marine police to become the Vietnam Coast Guard (VCG), directly under the Ministry of Defence, and established the Vietnam Fisheries Surveillance Force (VFSF) under the Ministry of Agriculture and Rural Development. The coast guard is responsible for: safeguarding sovereignty, sovereign rights, and jurisdiction; maintaining security, order, and safety at sea; protecting resources; preventing environmental pollution; detecting, preventing, and fighting illegal activities such as smuggling, piracy, weapons, and drug trafficking; and participating in maritime Search and Rescue (SAR), and Humanitarian Assistance and Disaster Relief (HADR).

The VFSF’s responsibilities are limited to: safeguarding sovereignty, sovereign rights, and jurisdiction; and patrolling, detecting, inspecting, and prosecuting activities that violate Vietnam’s fisheries laws and regulations. As military confrontation in the South China Sea is unlikely to occur in the near future, the VCG’s and VFSF’s primary roles are safeguarding Vietnam’s maritime rights and interests, as well as combatting non-traditional maritime security threats. The presence of Vietnamese law enforcement—rather than the Navy—in the disputed areas of the South China Sea may also help to avoid escalation and military clashes.

As Vietnam’s policy objectives are to solve the South China Sea dispute peacefully in accordance with international law, enacting domestic legislation consistent with the 1982 United Nations Convention on the Law of the Sea (UNCLOS) is also an important maritime security strategy. This strategy will assist Vietnam advance its maritime claims in the South China Sea and gain international moral support. Vietnam made its first law of the sea-related declaration on 12 May 1977, known as the Statement on the Territorial Sea, the Contiguous Zone, the Exclusive Economic Zone and the Continental Shelf (1977 Statement). In 1980, Vietnam made its first official statement regarding the innocent passage of foreign warships in its territorial sea, entitled Regulation for Foreign Vessels to Operate on Sea Areas of the Socialist Republic of Vietnam (Decree No.30-CP). These two documents were issued before the entry into force of UNCLOS, and many provisions were not consistent with UNCLOS. In 2012, Vietnam enacted The Law of the Sea of Vietnam, with a statute providing that this law ‘shall prevail in case there are differences between the provisions of this Law and those of other laws in relation to the sovereignty and legal status of Vietnam’s maritime zones.’ Most fundamentally, The Law of the Sea of Vietnam also states that ‘in case there are differences between the provisions of this Law and those of an international treaty to which the Socialist Republic of Vietnam is a contracting party, the provisions of the international treaty shall prevail.

Apart from the requirement for prior notification for the innocent passage of foreign warships in its territorial sea, The Law of the Sea of Vietnam is generally consistent with the UNCLOS. Vietnam has attempted to bring its domestic legislation in line with the provisions of UNCLOS. As Duong Danh Huy has observed: ‘The more this Vietnam Maritime Law complies with the provisions of UNCLOS, the more forthcoming the international support for Vietnam will be.’ Although Vietnam has not yet resorted to third party arbitration to settle the South China Sea dispute, this is an option that may be necessary to safeguard Vietnam’s territorial sovereignty and associated maritime claims in the South China Sea.
<table>
<thead>
<tr>
<th>Policy document title</th>
<th>Year issued</th>
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<tr>
<td>Vietnam’s National Defence in the Early Years of the 21st Century (Vietnam’s second DWP)</td>
<td>2004</td>
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<tr>
<td>Vietnam’s Maritime Strategy Toward the Year 2020</td>
<td>2007</td>
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<tr>
<td>Vietnam National Defence (Vietnam’s third DWP)</td>
<td>2009</td>
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<td>The Central Military Commission’s Resolution 806-NQ/QUTW on Defence International Integration and Diplomacy Until 2020 and Beyond</td>
<td>2013</td>
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<tr>
<td>Resolution of the 12th National Party Congress</td>
<td>2017</td>
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Table 1: Vietnam’s key defence and maritime security policy documents

In short, Vietnam maintains its longstanding policy of peace and self-defence with the ‘three no’s’ defence policy: no military alliances, no foreign military bases on its territory, and no reliance on any country to fight against a third country. Vietnam has nevertheless improved its armed forces capabilities for self-defence and deterrence, as well as strengthened its defence diplomacy and international defence cooperation to safeguard its sovereignty and national interests.

Part III: Vietnam’s Maritime Security Challenges

Traditional maritime security challenges

Unresolved maritime disputes

The most prominent challenge for Vietnam’s maritime security is how to peacefully protect territorial claims and national interests in the South China Sea. Vietnam claims sovereignty over the Paracel and Spratly Islands, and claims jurisdiction over an EEZ and continental shelf generated from baselines based on UNCLOS. However, these maritime claims are disputed and overlap with those of other claimants, including China, Taiwan, Malaysia, the Philippines, and Brunei (see Figure 2).
The Paracel Islands are located in the north-western part of the South China Sea, and although individual islands are small, this group of islands covers an ocean surface area of more than 16,000 square kilometres. The archipelago consists of two main groups of islands: the western group (Amphitrite Group) and the eastern group (Crescent Group), with a combined total of 37 features. The largest island in the Paracels is Woody Island, which covers an area slightly larger than 2 square kilometres.

From the 1950s, the Republic of Vietnam (South Vietnam) occupied and exercised control over the western group, while China controlled the eastern group. In 1974, after US forces left South Vietnam, China seized the western group from South Vietnam and has remained in control of the entire Paracel Islands since. China has been constructing and gradually upgrading its infrastructure on the Paracel Islands, which includes a military airstrip over 2,500 metres in length and capable of supporting fighter aircraft operations. An artificial
harbour capable of accommodating Chinese warships, including frigates and destroyers, has also been built in the archipelago. In 2016 China deployed HQ-9 surface-to-air missiles and J-11 fighter jets to the Paracel Islands, thereby allowing China to ‘bolster its strategic foothold’ on these islands. Despite reports that the HQ-9 surface-to-air missiles were removed from the island in July 2016, ‘they still appear to be deployed along the north shore of Woody Island’.

The Spratly Islands are located in the south-eastern part of the South China Sea. This group of islands consists of more than 150 features, including islands, islets, rocks, reefs, and shoals. As most of these offshore features are tiny, the total land area of the group is unremarkable. However, these features are scattered over 240,000 square kilometres of ocean surface area. China, Taiwan, and Vietnam claim the entire Spratly Islands group, while Malaysia, the Philippines, and Brunei claim certain parts of this archipelago and/or its waters. The legal basis for China’s, Taiwan’s, and Vietnam’s sovereignty claims over the Spratly Islands is based on historical evidence, while the Philippine claim is based on discovery of islands. Malaysia and Brunei have justified their claims based on the continental shelf provisions set out in UNCLOS. Except Brunei, all claimants have established a military or police presence in the archipelago.

Of the five claimants that have established a presence, China is the only one to have taken control through the use of military force. In 1988, China attacked Vietnamese naval vessels stationed at Johnson Reef, killing 64 Vietnamese sailors and seizing control of these features. China recently completed its extensive building program on its occupied features in the Spratly Islands, including the construction of artificial islands, despite protests by regional states. Vietnam has nevertheless maintained a presence in the Spratly Islands, and Hanoi remains strongly committed to advancing sovereignty claims over the whole archipelago.

As China grows as a major economic and military power and maintains its assertive posture in the South China Sea, advancing Vietnam’s territorial claims over the Paracel Islands remains a long-term challenge. Perhaps the present task for Vietnamese policymakers is to encourage and facilitate Vietnamese fishing boats and oil enterprises to peacefully assert sovereignty and maritime claims.

In 2009, in response to Vietnam and Malaysia’s joint submission to the UN Commission on the Limits of the Continental Shelf (CLCS) for the extended continental shelf of states in the South China Sea, China emphasised its claimed ‘nine-dash line’, which encloses the bulk of the South China Sea. The original ‘nine-dash line’ contained 11 dashes and was published in 1947 by the Republic of China (Taiwan) under the title ‘Map of South China Sea Islands’. Two dashes in the Gulf of Tonkin were later removed from the map by China, hence its current name. China, however, has never published the geographical coordinates of the dashes, nor provided any official explanation as to the exact meaning of the line.

Vietnam responded to China’s claim by stating that the map ‘has no legal, historical or factual basis, [and] therefore is null and void.’ Indonesia also issued a statement saying that China’s ‘nine-dash line’ map ‘clearly lacks international legal basis and is tantamount to upset [sic] the UNCLOS 1982.’ The Philippines went further by requesting the Arbitral Tribunal established under Annex VII of UNCLOS issue an award to the effect that ‘China’s maritime claims in the SCS based on its so-called nine-dash line are contrary to UNCLOS and invalid.’

China nevertheless appears to be more assertively expanding its area of control in the South China Sea. Since 2007, China has unilaterally instituted an annual fishing ban in the north-western part the South China Sea for several months, even though this area encompasses waters in Vietnam’s claimed jurisdiction. As China has not cooperated with Vietnam to preserve the fish stock in this area, the Vietnamese government regards China’s unilateral
fishing ban in the South China Sea as ‘null and void’, with the majority of Vietnamese fishermen encouraged to ignore it. As a result, many Vietnamese fishing vessels have been arrested by Chinese law enforcement.

Apart from living resources, China and Vietnam also compete for access to oil and gas reserves in the South China Sea. In May 2014, China placed a large oil rig within the EEZ and continental shelf claimed by Vietnam, approximately 130-150 nautical miles off the Vietnamese coast. During the ensuing maritime standoff, Vietnam accused China Coast Guard ships of firing high-powered water cannons at, and intentionally ramming, Vietnamese law enforcement vessels, while Chinese aircraft circled above. Although China removed the oil rig in July 2014, many Vietnamese maritime law enforcement vessels, fishing boats, and law enforcement officers sustained damage and injuries during the standoff.

On 12 July 2016, the Arbitral Tribunal in the Philippines-China arbitration declared in its final award that China has no legal basis to claim historic rights to resources within the ‘nine-dash line’. Although the Arbitral Tribunal does not have enforcement powers, its decision is legally binding. In fact, on 13 July 2016, one day after the Arbitral Tribunal’s award, China released a White Paper entitled China Adheres to the Position of Settling Through Negotiation the Relevant Disputes Between China and the Philippines in the South China Sea. This document states that ‘China’s territorial sovereignty and maritime rights and interests in the South China Sea shall under no circumstances be affected by those awards. China does not accept or recognize those awards. China opposes and will never accept any claim or action based on those awards.’ It is therefore highly unlikely that China will implement the Arbitral Tribunal’s decision.

To protect Vietnamese fishermen and commercial oil and gas exploration activities in Vietnam’s claimed EEZ and continental shelf in accordance with international law is a significant security concern and challenge for Vietnam. The difficulty of this task is matched by the severe challenge of protecting Vietnam’s sovereign rights and jurisdiction over its claimed EEZ and continental shelf.

The growth of naval power and maritime law enforcement capabilities

The rapid growth of naval power and maritime law enforcement capabilities in the South China Sea region is another serious maritime security concern for Vietnam. To strengthen their maritime claims and protect their national interests in the South China Sea, littoral states have expanded and upgraded their naval and maritime law enforcement capabilities.

China is now the world’s second largest defence spender after the United States, with the US Department of Defense estimating that China’s total defence spending for 2016 exceeded US$180 billion. Together with its weapons acquisition program, China’s naval modernisation has also led to other improvements, including C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance), defence maintenance and logistics, military research, education and training, and military exercises. Many surface combatants have also been upgraded or replaced in the past decade. Table 2 below shows the number of People’s Liberation Army Navy (PLA Navy) ships from 2006-16. Although the table does not indicate a large increase in the total numbers of ships, many old ships have been replaced with newer and far more combat-capable vessels.

With the bulk of China’s modern ships having been allocated to the South Sea Fleet, based in Zhanjiang, Guangdong, this fleet has many advanced military assets. These include four Luyang-class destroyers fitted with vertical launch surface-to-air missiles with a 100 km range, two Jiangkai-II class frigates equipped with surface-to-air missiles capable of cold launch, as well as different classes of new attack submarines, including four Kilo-class, two Shang-class, three Song-class, and one Yuan-class.
China has growing air power in the South China Sea, including 24 Su-30MK2 fighters and a regiment of JH-7A fighter bombers, based on Hainan Island. As well as expanding the naval bases on Hainan Island, China has extended an airfield on Woody Island in the Paracel Islands, deployed surface-to-air missiles to Woody Island, and constructed in the Spratly Islands many hardened concrete hangars capable of housing fighter jets, strategic bombers, and air-refuelling aircraft.

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</table>

*Table 2: Number of PLA Navy ships, 2006-16*

China’s law enforcement capabilities have also developed rapidly. For many years, China maintained five maritime law enforcement agencies: the China Coast Guard, the Maritime Safety Administration, China Marine Surveillance, the Fisheries Law Enforcement Command, and the maritime anti-smuggling force. In July 2013, China established a unified coast guard, integrating the functions of the existing coast guard, marine surveillance, fisheries law enforcement, and anti-smuggling agencies. The new coast guard, which is administered under China’s State Oceanic Administration, part of the Ministry of Land and Resources, possesses 11 squadrons and more than 16,000 personnel. It has the core mission of maintaining China’s national maritime rights and interests, including the enforcement of China’s maritime claims.

In addition to the increasing presence of its military and law enforcement vessels, China also operates the world’s largest fleet of fishing vessels, with many of these boats being trained and used as ‘maritime militia’ to enforce China’s maritime claims in the South China Sea.
Indeed, China’s ‘maritime militia’, which includes approximately 200,000 fishing vessels, has been used to support China’s coercive maritime claims against other claimant states in the South and East China seas.\textsuperscript{94}

The Air Force and Naval Aviation commands in China’s Guangzhou Military Region operate over 320 aircraft of different types. Vietnam operates more than 100 aircraft, Malaysia operates more than 60 aircraft, and the Philippines operates just 12 new FA-50 light attack planes.\textsuperscript{93} The Chinese South Sea Fleet and the navies of other South China Sea littoral states currently possess 38 submarines, more than 80 principal surface combatants, and roughly 400 patrol and coastal combatants, while the law enforcement agencies of these states have over 1,200 patrol vessels.\textsuperscript{96}

Although all South China Sea claimant states have increased their naval power and maritime capabilities, Chinese maritime power dwarfs the combined maritime capabilities of the other South China Sea littoral states. Malaysia, Indonesia, and the Philippines have all increased their defence budgets and upgraded and expanded their maritime power.\textsuperscript{97} However, China’s defence budget is far larger than the combined defence budgets of the other South China Sea littoral states. In 2015, China’s defence budget was US$150 billion, while the total defence budget of the other four major South China Sea littoral states (Indonesia, Malaysia, Vietnam, and the Philippines) was only US$20 billion.\textsuperscript{98} In the period from 2006 to 2015, the total defence spending of these four claimant states increased approximately 26 per cent—from US$16 billion to US$20 billion—while China’s defence spending increased approximately 123 per cent—from US$67 billion to US$150 billion.\textsuperscript{99} The total tonnage of the Chinese Coast Guard is also more than double of the combined tonnage of the four major Southeast Asian South China Sea littoral states (Indonesia, Malaysia, Vietnam, and the Philippines) (see Figure 3).

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure3}
\caption{Total coast guard tonnage of select countries\textsuperscript{100}}
\end{figure}

In response to China’s rise as a maritime power, other littoral states in the South China Sea have modernised their navies and strengthened their maritime law enforcement capabilities. Vietnam has enhanced its naval and maritime capabilities, especially over the past five years, with the defence budget steadily increasing from US$3.1 billion in 2010 to US$4.6 billion in 2015. Two Gepard-class guided missile frigates from Russia are in service, and another two will shortly enter service. Between 2010 and 2012, 20 Su-30MK2V combat aircraft armed with anti-ship cruise missiles and two batteries of the K-300P Bastion coastal defence missile system were delivered from Russia. The Vietnamese Navy possesses a fleet of six Kilo-class submarines, while the VCG possesses a number of offshore patrol vessels capable of carrying helicopters and three new C212-400 maritime patrol aircraft.

A Vietnamese naval air arm was established in 2009, directly under the Vietnamese Navy’s command, with a number of aircraft transferred from the air force and new maritime surveillance aircraft acquired from various foreign countries. These platforms include domestically built vessels and those transferred from the United States, South Korea, and Japan, such as CSB 8003 and CSB 8020. In April 2014, Vietnam officially established the VFSF under the Ministry of Agriculture and Rural Development to manage fishing activities in Vietnam’s waters and protect Vietnamese fishermen at sea. The construction of 32 patrol vessels and four large fisheries surveillance vessels capable of carrying helicopters was also approved by the Vietnamese Government in 2014.

Non-traditional maritime security challenges

Vietnam also faces a number of non-traditional security concerns, including transnational crime, illegal activities at sea, cybersecurity, environmental degradation, climate change, terrorism, illegal immigration, and pandemics. However, piracy, IUU fishing, smuggling, and climate change are the major non-traditional maritime security concerns for Vietnam.

Illegal activities at sea

The South China Sea is a busy international sea lane, linking the Pacific and Indian oceans. Together with the Singapore Strait and the Malacca Strait, these waters are highly suitable for piracy and armed robbery at sea. With existing challenges in maintaining the rule of law in the maritime domain, the increasing number of commercial ships passing through the region will likely see the threat of piracy grow. Of a total of 129 reported piracy incidents in Asia in 2016 with more than US$8 billion of economic losses, the South China Sea accounted for 23 incidents and the straits of Singapore and Malacca together accounted for 26. As the majority of Vietnamese seaborne trade passes through the Singapore and Malacca straits and the South China Sea, piracy and maritime armed robbery in these waters is one of Vietnam’s major security concerns. For example, in a period of four months from November 2016 to March 2017, Vietnam’s commercial shipping vessels faced two pirate attacks in this region, resulting in the death of two seafarers and 11 others being held hostage.

Foreign IUU fishing in Vietnamese-claimed waters has increased in recent years. According to reports from the VCG and VFSF, the total number of foreign IUU fishing vessels detected in Vietnamese waters increased dramatically from 1,764 in 2014 to 4,000 in 2015—the majority of which were Chinese. In 2016, the VCG alone detected 1,100 foreign IUU fishing vessels in Vietnam’s claimed waters, of which 87 vessels were boarded and received sanction.

Alleged illegal Vietnamese fishing in foreign waters has increased in recent years. Many Vietnamese fishermen have been arrested, with their vessels either confiscated, destroyed, or under detention. Due to the increasing tensions in the South China Sea coupled with the degradation of fish stocks in this region, many Vietnamese fishing vessels travel to Indonesia, Malaysia, or even Australia and the South Pacific region to fish. Since 2014, Indonesia has
seized and destroyed more than 170 Vietnamese fishing boats due to alleged illegal fishing. According to the VCG, there were 351 Vietnamese fishing vessels arrested by China and other foreign States in 2016. The economic losses caused by foreign IUU fishing in Vietnam’s waters is compounded by the economic losses caused by the arrest of Vietnamese IUU fishing vessels by foreign states, which also adversely affects the country’s international reputation. On 28 May 2017, the Vietnamese Prime Minister Nguyen Xuan Phuc requested that the ministries of Defence, Agriculture, and Rural Development, as well as all provinces, pursue methods to prevent and eliminate Vietnamese fishing vessels and fishermen being arrested overseas.

Petroleum smuggling in Vietnamese waters bordering Malaysia, Indonesia, and Thailand has increased. According to Colonel Tran Van Nam, head of the Legal Department at the Coast Guard Command, petroleum is often illegally transported and sold to Vietnamese fishing boats by foreign vessels at maritime boundaries. Upon detection, foreign vessels quickly escape from Vietnam’s waters to avoid interception and inspection by the VCG. In 2016, the Vietnam Border Protection Force, which operates under the Ministry of Defence, conducted more than 200 inspections. More than seven million litres of petroleum was confiscated, and the VCG also confiscated approximately three million litres of oil and diesel. However, Vietnam’s long maritime boundary means that effectively combatting fuel smuggling at sea is an ongoing challenge for Vietnamese authorities.

Climate change

According to the World Bank, Vietnam is one of the top five states most likely to be adversely affected by climate change. With a coast line of 3,260 km and the concentration of its population and economic assets in coastal lowland areas, rising sea levels due to climate change create major security challenges for Vietnam. This is especially acute in the Mekong Delta region, where ‘22 per cent of the population lives and about half of the country’s food is produced.’

The recorded data of sea levels along Vietnam’s coastline in the period from 1993 to 2008 indicates that the sea level rose at the rate of approximately 3mm per year. Research by the World Bank indicates that by the year 2100, the sea level is projected to rise 0.5m to 1.4m above the sea level of 1990. According to Dr. Pham Si Liem from the Vietnam Institute for Urban Studies and Infrastructure Development, a one metre rise in sea levels will affect 29 per cent of the country’s wetlands, 11 per cent of its population, and cause economic losses equivalent to 10 per cent of its GDP. Floods, droughts, tropical cyclones, and forest fires are also major hazards for Vietnam. According to the World Bank, Vietnam experienced total economic losses caused by storms, floods, and droughts of approximately US$8 billion in a period from 1900 to 2011.

In 1992, Vietnam signed the United Nations Framework Convention on Climate Change and ratified this convention in 1994. In 1998, Vietnam signed the Kyoto Protocol and ratified this convention in 2002. In 2008, Vietnam released the National Target Program to Respond to Climate Change, and in 2009, the Government established the Support Program to Respond to Climate Change to support the implementation of the national target program. However, as Vietnam plans to become a modern industrialised state by 2020, its industrial production and energy consumption will continue to increase. Consequently, reducing greenhouse gas emissions and reducing the impact of climate change will be challenging.

Part IV: Vietnamese Regional Defence and Security Cooperation

International defence cooperation is an important part of Vietnam’s wider defence strategy. These broadening defence ties with major powers will help Vietnam not only increase its
credibility in the regional security environment, but also compensate for its limited resources. According to the DWP 2009, ‘expanding defence diplomacy and actively participating in defence and security cooperation in the regional and international community’ are key means of achieving Vietnam’s defence goals.120

In January 2016, Vietnam released the Overall Strategy for International Integration Through 2020, Vision to 2030 (herein Overall Strategy), which stresses that Vietnam will continue to:

Enhance and upgrade defense and security relations with partners, … deploy seriously and consistently the agreements and programs on defense and security cooperation with big countries like Russia, India, Japan, and some other potential partners like Australia and Israel, and gradually expand the content of defense and security cooperation … within ASEAN … [and] between ASEAN and its partners.121

The Overall Strategy also sets the 2030 goals of enhancing the bonds of security and stability between Vietnam and the region, and playing a central role in security and defence cooperation mechanisms in the region.122

<table>
<thead>
<tr>
<th>No.</th>
<th>State</th>
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<th>Comprehensive Strategic Partnership with Vietnam</th>
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<td>3</td>
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Table 3: Vietnam’s strategic partners
Vietnam, ASEAN, and its member states

ASEAN

In 2010, the 10th ASEAN Summit adopted the Plan of Action for the ASEAN Security Community. This plan promoted ‘ASEAN-wide political and security cooperation in consonance with the ASEAN Vision 2020, rather than a defence pact, military alliance or a joint foreign policy.’ The Plan of Action also stressed the importance of ‘bilateral cooperation between ASEAN Member Countries, while recognising their sovereign rights to pursue their individual foreign policies and defence arrangements’. In 2015, the ASEAN Political and Security Community was established, which prioritises defence and security cooperation so as to achieve peace, stable security, and prosperity for member states.

Vietnam strongly supports the ASEAN-China Declaration on the Conduct of the Parties in the South China Sea of 2002, as well as the ongoing negotiation for the final legally binding Code of Conduct for the South China Sea between ASEAN and China. Vietnam views the ASEAN Defence Ministers Meeting (ADMM) as an important forum to promote regional peace and stability through dialogue and cooperation in defence and security.

In 2011, Vietnam hosted the fifth ASEAN Navy Chiefs Meeting (ANCM-5) with the theme ‘ASEAN naval co-operation for sea peace and security’. Vietnam has been active in promoting cooperative initiatives among ASEAN navies, including cooperation in HADR, combined patrols, joint maritime exercises, establishment of hotlines among naval forces, intelligence exchanges, naval visits, and the exchange of delegations.

Vietnam has also proactively used ASEAN-led fora and mechanisms to create favourable conditions for regional powers to help maintain peace, good order, and security in the region, particularly in the South China Sea. In 2010, with the chairmanship of Vietnam, the ASEAN Defence Ministers Meeting-Plus (ADMM-Plus) was inaugurated. This is an important forum for ASEAN to promote major power involvement in regional security cooperation.

In order to maintain ASEAN’s central role in regional security, Vietnam supports ASEAN’s efforts to engage China and other major powers in a multi-layered web of regional and international institutions, thereby incorporating them into ASEAN’s security commitments. The ASEAN Dialogue Partnerships, the ASEAN Regional Forum (ARF), the East Asia Summit (EAS), and the ADMM-Plus are examples of multilateral forums that bring together ASEAN, China, and other major powers to discuss regional security.

So far it appears that traditional security sensitivities have made non-traditional security issues the major focus of security cooperation within ASEAN and ASEAN-led organisations. For example, ADMM, ADMM-Plus, the ARF, and the EAS mainly focus on non-traditional security issues, including HADR, military medicine, counter-terrorism, transnational crime, maritime security, non-proliferation and disarmament, and peacekeeping operations.

Moreover, due to different national interests, ASEAN member states are not always united when dealing with China in the South China Sea. Captain Tuan Pham of the United States Navy has argued that the approaches of the United States and regional powers to China’s South China Sea policy fall into three different categories: ‘balancing’, ‘accommodating’, and ‘hedging’. Using this framework, Vietnam and the Philippines—under President Aquino but less so under President Duterte—tend to proactively balance against China. By contrast, Indonesia, Malaysia, Brunei, and Singapore have assumed a more restrained hedging strategy, while Cambodia, Laos, Thailand, and Myanmar have at times sought to accommodate China.

It is also noteworthy that with the new administration in the Philippines, Manila has moved in a more accommodating direction. Indonesia, in contrast, has recently been more assertive in defending its maritime claims, especially those generated from the Natuna Islands, which
overlap with China’s ‘nine-dash line’. In July 2017, Indonesia renamed the waters overlapping with the ‘nine-dash line’ the North Natuna Sea. In response, China demanded Indonesia drop the new name and claimed that this move by Indonesia resulted in ‘complication and expansion of the dispute, and affects peace and stability’. Cambodia’s willingness to defer to China was evident at the 45th ASEAN Foreign Ministers Meeting in 2012, which was held under Cambodia’s chairmanship and failed to issue a joint communiqué for the first time in ASEAN’s history due to disagreements over South China Sea issues. The third ADMM-Plus meeting held in Malaysia in 2015 also failed to issue a joint declaration due to a lack of consensus on the South China Sea dispute.

The big challenge within ASEAN is that decision-making is based on consultation and consensus. If one pro-Beijing member does not agree on a particular issue, ASEAN cannot issue a declaration contrary to China’s interests. As assessed by Vietnam’s Overall Strategy:

ASEAN will continue beefing up regional connectivity, perseveringly maintaining its central role in multi-lateral mechanisms, and coordinating relations among big countries. However, ASEAN may face more complicated internal challenges as well as challenges due to competition among big countries.

For Vietnam, defence and security cooperation within ASEAN and ASEAN-led mechanisms is important but not sufficient. Wider international integration is critical for Vietnam’s grand strategy. As the Overall Strategy notes:

Vietnam has become a member of almost all regional and international organizations, and set up diplomatic relations with 185 countries, economic ties with 224 countries and territories, strategic partnership with 15 countries, and comprehensive partnership with 10 countries.

Bilateral partnerships with ASEAN member states

Among ASEAN member states, Vietnam has traditional bilateral comprehensive partnerships with Laos and Cambodia, while it has established strategic partnerships with five ASEAN member states: Singapore, Thailand, the Philippines, Indonesia, and Malaysia.

Vietnam and Laos signed the Treaty of Friendship and Cooperation in 1977, which states that the ‘two sides undertake to do their best to defend and develop the Laos-Vietnam special relationship, and to constantly strengthen solidarity and mutual trust, long-term cooperation, and mutual assistance in all fields’. The treaty was then renewed in 2002, and for the past 40 years has contributed significantly to regional security. As defence cooperation is one of the crucial pillars in Vietnam-Laos bilateral relations, the two states have maintained defence ties through personnel training, official visits, border exchanges, and defence policy consultations.

Vietnam reached an agreement with Cambodia on historically disputed waters in the Gulf of Thailand in 1982. According to this agreement, the two states would negotiate to determine maritime boundaries in these waters ‘at a suitable time’. Defence ties between Vietnam and Cambodia have also strengthened in the past decade, with Vietnam continuing defence support to Cambodia, including military equipment and personnel training. In January 2017, their defence ministers signed a Defence Cooperation Plan in which delegation exchanges, deputy ministerial-level defence policy dialogues, joint marine patrols, and border work are prioritised.

As strategic partners, mutual trust between Vietnam and Thailand has improved. In 1997, the two states reached an agreement for the maritime boundary delimitation in the Gulf of Thailand. In 2012, their defence ministries signed the National Defence Agreement of
Vietnam and Thailand’s Ministries of National Defence. In 2013, the two states lifted their relationship to a strategic partnership. Since then, defence cooperation between Vietnam and Thailand has been strengthened, especially in the areas of combined air and naval patrols, military personnel training, and young officer exchanges.

Vietnam and Indonesia became strategic partners in 2013, a move which was prefigured by a number of important agreements. Vietnam and Indonesia reached the agreement on continental shelf delimitation in the northern area of the Natuna Islands in 2003. In 2010, the two defence forces signed the Memorandum of Understanding (MoU) on enhancing cooperation between defence officers and related activities. Speaking with the Vietnamese Ambassador to Indonesia, Hoang Anh Tuan, in February 2017, Indonesian Defence Minister Ryamizard Ryacudu stressed that the two states need to work together closely to maintain peace and security in the South China Sea. Defence ties between the two states have improved through high-ranking delegation exchanges and personnel training, as well as naval cooperation. Vietnam sent a hospital ship to participate in Exercise Komodo hosted by Indonesia in March 2014, and the visit of the two Vietnamese Gepard-class guided missile frigates—the Dinh Tien Hoang and the Ly Thai To—to Indonesia, Brunei, and the Philippines in November 2014 are examples of evolving naval cooperation.

Although Vietnam established strategic partnerships with Malaysia and the Philippines, it also has maritime and territorial disputes with these two states, particularly over the Spratly Islands. However, there have been no serious tensions between Vietnam and Malaysia and the Philippines over the Spratly Islands. In 2009, Vietnam and Malaysia made a joint submission to the UN CLCS for their overlapping maritime boundaries. Vietnam and Malaysia signed a MoU on bilateral defence cooperation in 2008, and since then, cooperation in the areas of delegation exchanges, maritime SAR, and naval visits has improved. Vietnam and the Philippines signed an MoU on defence cooperation in 2010, and in October 2011, the two navies adopted an MoU on Enhancement of Mutual Cooperation and Information Sharing. In March 2012, the two navies signed an agreement on Standard Operating Procedures on Personnel Interaction in the Vicinity of Southeast Cay Island and Northeast Cay Island (in the Spratly Archipelago), with both sides agreeing to conduct coordinated maritime patrols in these overlapping waters. Vietnam and the Philippines also agreed to establish a hotline between their coast guards for information sharing on maritime incidents. The two states signed a strategic partnership in 2015 during the increasing tensions in the South China Sea. This agreement made Vietnam the third state with a strategic partnership with the Philippines—after the United States and Japan.

Vietnam and Singapore signed a Defence Cooperation Agreement in 2009, and since then the two states have constantly strengthened defence ties through annual defence policy dialogues at the deputy defence minister-level, military delegation exchanges, and naval, military medicine, maritime SAR, and foreign language training cooperation. During Singapore Prime Minister Lee Hsien Loong’s 2013 official visit to Vietnam, the two states established a strategic partnership.

Vietnam has also strengthened its relations with other ASEAN states, including Myanmar, Brunei, and Timor-Leste. Agreements have been reached on exchange delegations, and a number of MoUs on defence cooperation have been signed.

**Vietnam and China**

Although China and Vietnam are comprehensive strategic cooperative partners, their relationship is complicated by historical experience and maritime disputes. As stated by the
then Prime Minister Nguyen Tan Dung, the shortest and easiest term to describe their relationship is ‘cooperation and struggle’ (vìa hợp tác vìa đấu tranh). After more than a decade of hostility between Vietnam and China, which began with the 1979 border conflict, the two states officially normalised their relationship in 1991.

The bilateral relationship has since evolved substantially. In December 2000, China and Vietnam reached an agreement on maritime boundary delimitation in the Gulf of Tonkin. This agreement was the first maritime boundary agreement in the region involving China. In 2001, the relationship further developed under the motto of ‘16 golden words’: ‘friendly neighbourliness, comprehensive cooperation, long-term stability, and looking toward the future’. In 2008, the relationship between Vietnam and China solidified into a strategic partnership, paving the way for future cooperative milestones.

In October 2011, China and Vietnam signed an Agreement on Basic Principles Guiding the Settlement of Maritime-Related Issues, with the two states committing to dispute resolution procedures based on legal processes and principles defined by international law, as well as ‘through friendly talks and negotiations’. In 2013, the two states escalated their relationship to a comprehensive strategic cooperative partnership to promote comprehensive cooperation in many fields. From 2014, Vietnam and China agree to conduct an annual Border Defence Friendship Exchange Program at the ministerial level.

Since 2009, numerous maritime incidents in the South China Sea between Chinese and Vietnamese vessels have, however, revealed political and strategic mistrust between the two countries. The Haiyang Shiyou 981 oil rig incident from May to July 2014 is an example. In a media interview during his visit to the Philippines in May 2014, Vietnam’s then Prime Minister Nguyen Tan Dung stated that ‘[w]hat China is doing [with the Haiyang Shiyou 981 oil rig] is totally different to what China is speaking’, adding that ‘Vietnam always wants peace and friendship on the basis of independence, self-reliance, sovereignty, [and] territorial integrity of land and sea; however, Vietnam will never exchange this sacred sovereignty for some kind of unrealisable or dependent peace and friendship.’

In August 2017, it was revealed that Vietnam ordered Spain’s Repsol to suspend oil drill in the South China Sea due to Chinese pressure. There was no official response from Vietnam, but the Vietnamese spokesperson, Foreign Ministry spokeswoman Le Thị Thu Hang, stressed:

Relevant oil and gas activities of Vietnam are taking place in sea areas that are completely under the country’s sovereign right and jurisdiction, which were established in line with international law, including the 1982 United Nations Convention on the Law of the Sea.

It is important to note that while the South China dispute represents a critical factor in the relationship between Vietnam and China, it is not the only factor. China is Vietnam’s largest trading partner and shares Vietnam’s nominal political ideology. Vietnam, therefore, has to live with China and in a relationship of ‘cooperation and struggle’.

Notwithstanding areas of ‘struggle’ with China, Vietnam has, for example, maintained a network of engagement with China through different levels of interactions, including diplomatic, military, and party-to-party channels in order to improve confidence and manage tensions. In particular, the close relationship between the Communist Party of China and the Communist Party of Vietnam plays an important role in managing differences between these two states. In the maritime sphere, the Vietnamese and Chinese navies have also maintained annual combined naval patrols in the Gulf of Tonkin, including SAR and port calls.
Vietnam and the United States

Over the past decade, the relationship between Vietnam and the United States has improved. The South China Sea dispute is Vietnam’s major security concern. Meanwhile, of vital strategic interest to the United States is the maintenance of the presence and unhindered passage of US military vessels and aircraft in the South China Sea to sustain its power projection in the region and preserve freedom of navigation and overflight in accordance with international law.\(^{151}\) The South China Sea therefore drives Vietnam and United States closer.

In 2003, Vietnam and the United States reached an agreement for triennial exchange visits by Defence Ministers, and in 2009, United States Navy ships made their first visit to a Vietnamese port.\(^ {152}\) In 2011, the two defence forces signed the \textit{Memorandum of Understanding on Advancing Bilateral Defense Cooperation}. This MoU ‘set out five priority areas for cooperation: maritime security, SAR, HADR, exchanges between defense universities and research institutes, and UN peacekeeping operations.’\(^ {153}\) The two sides established a Comprehensive Partnership in July 2013, and in 2014, the United States removed part of its embargo on lethal weapon sales to Vietnam in order to help improve Vietnam’s maritime security.\(^ {154}\)

In June 2015, the then US Defense Secretary Ashton Carter and the then Vietnamese Defence Minister Phung Quang Thanh signed the \textit{Joint Vision Statement on Defence Relations}, with the two states committing to deepen their defence relationship.\(^ {155}\) Carter also announced that Washington would provide US$18 million to help Vietnam improve its maritime defence capabilities.\(^ {156}\)

In a meeting with US President Obama during his visit to the United States in July 2015, Vietnamese Communist Party Leader Nguyen Phu Trong stated: ‘We have been transformed from former enemies to become friends, partners, and comprehensive partners. And I’m convinced that our relationship will continue to grow in the future.’\(^ {157}\) In May 2016, during his official visit to Vietnam, then President Obama announced that the United States would fully lift its embargo on lethal weapons sales to Vietnam in an effort to normalise relations between the two states.\(^ {158}\) The delivery of six Metal Shark patrol boats as a gift, and the transfer of a Hamilton-class cutter to the VCG by the United States in May 2017 symbolises the increasing defence and security cooperation between the two states.

In May 2017, as the first leader from Southeast Asia to visit the White House since President Trump took office, Vietnamese Prime Minister Nguyen Xuan Phuc stated that Vietnam valued its comprehensive relationship with the United States and expressed interest in buying more defence assets and coast guard cutters from the United States.\(^ {159}\) He also expressed Vietnam’s support for improving defence cooperation with the United States, including the ongoing visit of a US aircraft carrier to a Vietnamese port.\(^ {160}\) However, historical issues and different political ideologies impede the relationship between Vietnam and the United States. While human rights and democratic governance are the two major areas of concern for the United States—although arguably less so under President Trump than his predecessor—maintaining the power of the Vietnamese regime, preventing a US-led ‘peaceful evolution’, and creating breathing space between US and Chinese strategic and diplomatic manoeuvring are key concerns for Vietnam. Given the Trump administration’s fluid policy positions on Asia, Vietnam needs to carefully manage its relationship with the United States.

Even though the relationship between Vietnam and the United States has improved dramatically in recent years, it is likely that Vietnam will seek a security partnership with the United States rather than security alliance. With Vietnam still carefully making steps towards
enhancing defence cooperation with the United States as well as examining whether US-made military assets could ‘talk’ well with Russian military imports, major arms sales from the United States remain unlikely. Nevertheless, cooperation in areas of maritime law enforcement, maritime situational awareness, personnel training, peacekeeping training, and naval diplomacy are likely to deepen.

**Vietnam and Japan**

With more than 60 per cent of Japan’s oil imports transiting the South China Sea, preserving freedom of navigation and the safety and security of SLOC in the region are main priorities for Japan. In light of China’s increasing military presence in the Paracel Islands, its extensive artificial island-building program in the Spratly Islands, and potential artificial island-building program at Scarborough Shoal, there are concerns that China could one day effectively control the South China Sea. This hypothetical scenario exerts tremendous influence on Japan’s strategic planning.

China’s increasingly aggressive claims and behaviour in the South China Sea have the potential to undermine international law if countries are coerced or compelled to accept China’s historical claims. Such an outcome could undermine Japan’s position in its maritime disputes with China in the East China Sea. Therefore, maintaining peace, security, and the international rule of law in the South China Sea is in Japan’s national interest. Japan’s security policy has undergone major changes to cope with the changing regional security landscape. As Lionel P. Fatton notes: ‘Nowhere are the impacts of the revamp of the Japanese security architecture more evident than in the South China Sea.’ Although Japan is not a South China Sea claimant State, it shares security interests with Vietnam in the South China Sea.

In 2009, Japan became the first G7 state to agree to a strategic partnership with Vietnam. Since then, defence and security cooperation between the two states has steadily increased. In 2011, when China became more assertive in the East and South China seas, Japan and Vietnam signed the *Memorandum of Understanding on Bilateral Defence Cooperation and Exchange*, which sets forth wide-ranging defence cooperation activities, including regular exchange and consultation at vice-ministerial level, naval port visits, maritime law enforcement capability building, peacekeeping training, SAR, and HADR.

In his official visit to Vietnam in January 2013 as his first overseas visit since assuming office, Japanese Prime Minister Shinzo Abe emphasised that Japan and Vietnam should further advance their strategic partnership as the two states are ‘important partners sharing regional challenges and in a mutually complementary economic relationship.’ In 2013, Japan provided underwater medicine training for Vietnamese naval personnel. In September 2013, during his visit to Vietnam, Japanese Minister of Defence Itsunori Onodera made a trip to Cam Ranh Bay, a strategically important Vietnamese naval base. This event was viewed by Le Hong Hiep as: ‘Testimony to the high level of mutual trust, and reflected Vietnam’s wish to strengthen naval engagement with Japan, as well as Japan’s interest in the South China Sea dispute.’

In 2014, during the visit of the then-Vietnamese President Truong Tan Sang to Japan, the two states escalated their bilateral relationship to an extensive strategic partnership. One year later, Vietnam and Japan signed a *Joint Vision Statement on Vietnam-Japan Relations* (herein Joint Vision) during the General Secretary Nguyen Phu Trong’s visit to Japan. The Joint Vision stresses the importance of enhancing cooperation in the areas of maritime safety and security and UN peacekeeping operations. In addition, a Memorandum of Cooperation between Coast Guard Agencies and a Memorandum of Cooperation on UN Peacekeeping operations were signed. Speaking at the conference following the meeting with General Secretary Trong,
Prime Minister Abe emphasised: ‘Vietnam and Japan shared grave concerns over continuous unilateral actions to change the status quo and increase tensions in the South China Sea, which includes large-scale land reclamation and building of outposts.’ Abe also affirmed Japan’s continued assistance to help Vietnam enhance its maritime law enforcement capability amid rising tension in the South China Sea.

In 2016, two Japanese destroyers made a port call to Cam Ranh International Port, which was the first time that JMSDF ships visited Vietnam. In the same year, the Vietnamese Navy and JMSDF also conducted combined SAR and Code for Unplanned Encounters at Sea (CUES) exercises in Vietnam’s waters. During Prime Minister Nguyen Xuan Phuc’s official visit to Japan in June 2017, both leaders expressed a desire to enhance cooperation on defence and non-traditional maritime security issues, such as SAR and anti-piracy measures under the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) framework.

So far, defence and security cooperation between Vietnam and Japan is mainly visible in the area of Vietnam’s maritime law enforcement capacity building. Indeed, Japan has already provided six used ships to the VCG and VFSF, and pledged to provide Vietnam with six more new ships worth US$338 million under a concessional loan. Vietnam also supports Japan’s proactive role in regional security, as well as Japan’s bid to be a permanent member of the UN Security Council.

According to the Vietnamese Government’s online newspaper, Vietnam-Japan bilateral relations are currently at their warmest since the establishment of diplomatic ties. Japan is Vietnam’s second largest investor, its fourth biggest trading partner, and the largest donor nation in terms of Official Development Assistance. Moreover, according to Le Hong Hiep, a research fellow at the ISEAS-Yusof Ishak Institute in Singapore, ‘Japan is a resident East Asian power, and has a problematic relationship with China. These factors turn Japan into a natural security partner for Vietnam, and make Japan’s security commitments more credible.’ Strengthening security ties with Japan are therefore widely supported by the Vietnamese people. Although defence and security relations between the two states have expanded, Vietnam-Japan ties are nevertheless constrained by both Japan’s pacifist constitution that limits Japan’s military cooperation and Vietnam’s defence policy of non-alliance.

Vietnam and Russia

Vietnam has had a long and close security relationship with first the Soviet Union and then Russia. North Vietnam established diplomatic relations with the former Soviet Union in January 1950, and in 1978, the Soviet Union and the Socialist Republic of Vietnam signed the Treaty of Friendship and Cooperation. Since 2001, the relationship has deepened, with the two countries entering into a strategic partnership during the official visit to Vietnam by Russian President Vladimir Putin. This agreement also made Russia the first of Vietnam’s strategic partners. In July 2012, the two states further elevated their bilateral relationship to the level of a comprehensive strategic partnership during the official visit to Russia by the then President Truong Tan Sang.

Deepening the strategic relationship with a major military power like Russia gives Vietnam more room to manoeuvre as it pursues a balancing strategy amid rising tensions with China in the South China Sea and the slowly expanding relationship with the United States. Moreover, unlike the United States, Russia enjoys a close relationship with China, especially in recent years. On one hand, this causes concern for Hanoi as the ‘China factor’ now needs to be carefully calculated in any security agreement between Vietnam and Russia. On the other hand, Vietnam’s enhanced security cooperation with Russia in the maritime sphere—
particularly oil and gas exploration in the South China Sea—is not as sensitive for China because of warm Sino-Russian ties.

Russia’s arms sales to Vietnam may cause concerns for China, but also help to prevent Vietnam from becoming closer to the United States, which benefits China. It is also worth noting that although the Sino-Russian relationship has steadily improved to a strategic partnership, relations between Beijing and Moscow remain cautious. Russia wants to avoid being drawn into Chinese foreign policy designs and becoming subordinate to China on international and regional issues. Therefore, Vietnam is an important partner in Russia’s balancing strategy against the rise of China in the region.176

Defence and security cooperation is the most visible part of the bilateral strategic relationship between Vietnam and Russia. In recent years, Russia has been Vietnam’s largest weapons supplier, accounting for approximately 80 per cent of its arms purchases.177 In 2013, Russia and Vietnam agreed to set up a Joint Working Group on defence cooperation and to sign an agreement on cooperation in military technology.178 Hundreds of Vietnamese military personnel have been and are being trained in Russian military and civilian institutions. Vietnam’s submarines, frigates, aircraft, and coastal missile defence systems are mostly imported from Russia. Russia has also assisted the Vietnamese Navy to build a submarine facility at Cam Ranh Bay. It was reported that in 2014 Vietnam and Russia reached an agreement to simplify the procedure for Russian military vessels to enter Cam Ranh Bay, such that Russian military vessels only need prior notification (not prior authorisation, as is the case for other foreign military vessels).179 Not only are most of Vietnam’s military assets of Soviet or Russian origin, but the majority of high-ranking Vietnamese military officers have been trained in the former Soviet Union and Russia. Coupled with Moscow’s long history of supporting Vietnam—especially during the resistance war against the United States and border conflict with China—Vietnam, unsurprisingly, strongly values Russia as a strategic partner.180 Russia is also viewed in a positive light by the majority of the Vietnamese people.181

So far, Russia’s policy in the South China Sea has remained neutral. However, as a major power with a blue water navy, maintaining freedom of navigation in the South China Sea is arguably in Russia’s interest. Moreover, Russia and Vietnam have joint oil and gas projects in Vietnam’s claimed South China Sea maritime zones. It appears that Beijing’s declarations and warnings will not prevent Moscow and Hanoi from jointly exploiting hydrocarbon reserves in areas of the South China Sea that Russia believes are under Vietnam’s jurisdiction. Defence and energy cooperation between Russia and Vietnam will therefore continue to grow in the years to come.

**Vietnam and India**

India and Vietnam established full diplomatic relations in 1972, and since then the relationship has developed considerably. In 2003, the two states elevated their relationship to a comprehensive partnership, and in 2007, during the official visit to India by the then Prime Minister Nguyen Tan Dung, Vietnam and India agreed to elevate their relationship to the level of strategic partnership.182 In a statement at the conclusion of the official visit to Vietnam in September 2014, Indian President Pranab Mukherjee observed that ‘political relations between India and Vietnam have always been strong and “cloudless”.’183 During his visit to India in October 2014, Prime Minister Nguyen Tan Dung issued a joint statement with Prime Minister Narendra Modi emphasising the ‘strategic partnership between both countries was based on traditional friendship, mutual understanding, strong trust, and support and convergence of views on various regional and international issues.’184 In 2016, India and Vietnam further escalated their relationship to a comprehensive strategic partnership—the highest level of cooperation—during the visit of Prime Minister Narendra Modi to Vietnam.
Defence and security cooperation have emerged as important pillars of the Vietnam-India strategic relationship. In 2000, during the official visit to India by then Vietnamese Prime Minister Pham Van Khai, the two states signed a defence cooperation agreement, paving the way for cooperation in areas of intelligence exchange, assistance in maintaining and repairing military aircraft, and submarine training for their shared Russian-built assets. Cooperation in the areas of defence supplies, joint projects, military training, intelligence sharing, and combined military exercises were top priorities in the Joint Declaration on Strategic Partnership between Vietnam and India in 2007.

In 2009, Vietnam and India signed a MoU on Defence Cooperation to further strengthen their defence ties. In 2013, India agreed to provide Vietnam with a US$100 million Line of Credit (LoC) for purchasing four offshore patrol vessels to enhance Vietnam’s maritime capability. During the visit of the then Vietnamese Prime Minister Nguyen Tan Dung to India in 2014, the Indian Prime Minister declared:

Food defence cooperation with Vietnam is among our most important ones. India remains committed to the modernisation of Vietnam’s defence and security forces. This will include expansion of our training program, which is already very substantial, joint exercises and cooperation in defence equipment.

In 2015, the two defence forces signed a Declaration of common vision on defence ties Vietnam - India period 2015-2020 (herein Joint Vision), which established regular high-level defence exchange visits, an annual security dialogue, technology and equipment assistance, military education and training, and naval cooperation. As the bilateral relationship was elevated to a comprehensive strategic partnership in 2016, India announced a US$500 million LoC to help Vietnam enhance its defence and security capability. Indian Prime Minister Narendra Modi also committed to providing Vietnam with another US$5 million for the development of a military software park at the Telecommunication University in Nha Trang.

Although deepening defence cooperation with Vietnam could help India broaden its ‘Act East’ policy, and thereby balance China’s influence in the region, it also helps Vietnam strengthen its defence capability and its strategic weight, especially in the South China Sea. India has provided Vietnam with spare parts for the Vietnamese Navy, basic training in submarine operations, air force pilot training, and English language and information technology training. The construction and supply of offshore patrol vessels, as well as the transfer of military assets to improve Vietnam’s defence capability, are also expected in the years to come. In addition, a number of bilateral cooperation agreements on the peaceful use of nuclear energy, peaceful exploration of outer space, construction of data tracking and reception stations, and cyber security have been signed by the two states.

India’s interests in the South China Sea centre on its trade and economic engagement with ASEAN and Northeast Asia, as well as its growing strategic interests in the region. This broad spectrum of interests is reflected in the evolution of India’s ‘Look East’ policy into a move active policy stance towards East and Southeast Asia. In 2014, Indian Prime Minister Narendra Modi declared that India had transformed the long standing ‘Look East’ policy into a more practical ‘Act East’ policy. As Subhash Kapila has argued, while the ‘Look East’ policy was driven by India’s economic and political imperatives, the ‘Act East’ policy is propelled by its strategic significance in Southeast Asia.

With approximately 55 per cent of India’s seaborne trade passing through the South China Sea, maintaining security and freedom of navigation in the region is critical to India. India’s oil and gas exploration in the South China Sea also contributes to the reduction of India’s energy deficit. In October 2011, India signed an oil exploration agreement with
Vietnam, despite objections from China. In July 2017, Vietnam and India renewed the contract for oil exploration in Block 128 within Vietnam’s claimed waters overlapping the so-called ‘nine-dash line’. This could be viewed as India supporting Vietnam’s rights to natural resources in the South China Sea in accordance with international law.

India’s ‘Act East’ policy would arguably be negatively impacted if China enforced its claims in the South China Sea. Maritime security cooperation between Vietnam and India for the purpose of maintaining peace and the rules-based order in the South China Sea is therefore mutually beneficial. The friendly port calls to Vietnam by Indian naval ships together with the combined naval exercises have become regular in recent years.

**Vietnam and Australia**

In addition to proactive cooperation with major regional powers, enhancing defence and security cooperation with middle powers like Australia, South Korea, and Israel is a strategic priority for Vietnam. Among these middle powers, Australia is a key state with which Vietnam wishes to deepen bilateral cooperation, especially in the area of defence and maritime security.

Since the establishment of diplomatic relations on 26 February 1973, the bilateral relationship between Vietnam and Australia has developed significantly. In 2009, during the official visit to Australia by then Vietnamese Party Leader Nong Duc Manh, the two states elevated their relations to a comprehensive partnership. The bilateral relationship was then elevated to an enhanced comprehensive partnership in 2015 during the official visit to Australia by then Prime Minister Nguyen Tan Dung. On the sidelines of the G20 Summit in Hamburg in 2017, Prime Ministers Nguyen Xuan Phuc and Malcolm Turnbull affirmed that they would ‘upgrade bilateral ties to [the] strategic level.’

Currently, Vietnam is Australia’s 13th largest trading partner, while Australia is Vietnam’s 11th largest trading partner, with total two-way trade of approximately AU$10 billion in 2016.

Australia and Vietnam established formal defence relations in February 1998. Since then, bilateral defence cooperation has focussed on military exchange visits, friendly naval port calls by Royal Australian Navy vessels to Vietnam, training under the bilateral Defence Cooperation Program, and exchanges between special forces. In 2010, Vietnam and Australia signed an MoU on defence cooperation, paving the way to broaden areas of interactions between the two defence forces. Peacekeeping, transnational crime, aviation, and maritime security agreements, as well as annual defence minister dialogues, have been agreed to by Vietnam and Australia. Since the establishment of defence cooperation, many Vietnamese defence personnel have been trained in Australia and the Australian Defence Force has also provided English training to more than 1,500 Vietnamese military officers in Vietnam. Australia is currently assisting Vietnam to train peacekeeping officers, both in Australia and Vietnam.

Defence cooperation between Vietnam and Australia is extensive and includes military education and training, port calls, naval exercises, and defence dialogues. Vietnam, for example, participated in the Royal Australian Navy’s premier multilateral maritime exercise, KAKADU, in 2016. As a middle power with ‘a global navy’ and close relationships with like-minded major powers, including the United States, Japan, and India, it would be beneficial for Australia to further demonstrate its commitment to maintaining security and freedom of navigation and overflight in the Asia-Pacific region, including in the South China Sea. However, Australia is unlikely to conduct naval exercises with Vietnam in its adjacent South China Sea waters. Australia could nevertheless support VCG officers with training in the law of the sea and maritime regulation and enforcement, and provide Vietnamese Navy officers with special English training for CUES purposes.
With more than 220,000 Australian residents born in Vietnam and over 22,000 Vietnamese students studying in Australia, the Vietnamese community is the fifth largest migrant community and fourth largest group of foreign students in Australia. \(^{208}\) Despite the differences in political ideologies, economic and people-to-people links play an essential role in deepening the bilateral relationship between Vietnam and Australia.

Australia can perform a bridge-building role in promoting confidence measures between Vietnam and major powers, particularly China and the United States. In addition, as an English-speaking country and treaty ally of the United States, Australia has supported Vietnamese defence force personnel with English training and higher education. Australia could assist the Vietnamese defence forces with the operation of military equipment if Vietnam successfully achieves military procurement from the United States. Australia is also a maritime nation sharing maritime security interests with Vietnam, especially protection of rights of freedom of navigation and overflight, and the maintenance of a peaceful, stable, and secure international rules-based order in the maritime domain.

**Conclusion**

Vietnam’s major traditional security challenges are the South China Sea dispute and the associated growth of naval and maritime law enforcement capabilities in the region. Meanwhile, piracy, IUU fishing, smuggling, and climate change are Vietnam’s major non-traditional maritime security concerns. Vietnam’s maritime strategy has been developed to adapt to the changing security landscape in the region. Vietnam maintains its longstanding policy of peace and self-defence with the ‘three no’s’: no military alliances, no foreign military bases on its territory, and no reliance on any country to fight against a third country. Yet at the same time, Vietnam has expanded its international defence and security cooperation to support its foreign policy of multilateralism and diversification.

Vietnam’s strategy and policy in response to maritime security challenges is, as Tran Truong Thuy has suggested, a combination of engagement and balancing. \(^{209}\) On the one hand, Vietnam has pursued engagement with China directly and indirectly through ASEAN and ASEAN-led mechanisms in order to defuse and manage tensions in the South China Sea. Vietnam has also sought to engage with other major powers that have a stake in the South China Sea in order to increase Vietnam’s leverage in relation to China.

On the other hand, Vietnam has sought to balance against China by improving its physical deterrent capacity, with a particular focus on the maritime domain. It has also sought to balance against China’s assertiveness by strengthening its defence and security cooperation with major powers. The ‘three no’s’ policy and the engagement and balancing strategy have so far helped Vietnam defend its sovereignty and national interests in the South China Sea.
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Malaysia has enhanced its naval capabilities, acquiring two Lekiu-class frigates in 1999, two Scorpene-class submarines in 2009, and six MEKO A100 offshore patrol vessels. Malaysia’s air force has also been expanded, with the addition of 18 Su-30MKM, eight F/A-18Ds, and 13 F-5E/Fs, while another 18 fighter aircraft and four airborne early warning aircraft will be added over the next few years. Malaysia established its coast guard in 2005 as the Malaysian Maritime Enforcement Agency. The coast guard currently possesses two amphibious aircraft, 50 ships, and 76 fast boats ranging from 50 tons to 2,000 tons. In 2015, Malaysia announced that it was allocating RM$31.2 billion to be spent across the Malaysian Armed Forces, the Royal Malaysian Police, and the Malaysian Maritime Enforcement Agency. See MR Othman, ‘A New Management Structure for Malaysian Economic Exclusive Zone’, *International of Social Science*, vol.4, no. 1, 2012, pp. 47-63; ‘Asia’ in *The Military Balance*, 2017, pp.217-250; RA Bitzinger, ‘A New Arms Race? Explaining Recent Southeast Asian Military Acquisition’, *Contemporary Southeast Asia*, vol. 32, no. 1, 2010, p. 55; ‘RM31.2 billion to strengthen national security forces’, *The Malaysian Outsider*, <http://themalaysianoutsider.com/malaysia/article/rm31.2-billion-to-strengthen-national-security-forces> (24 October 2015). The Indonesian navy currently possesses two Type-209 submarines, four new Sigma-class corvettes, and four Makassar-class landing platform docks. Indonesia also plans to buy three Type-209 Chang Bogo submarines from South Korea to replace its existing Type-209s. The first of these Chang Bogo-class submarines is expected to be in service by 2017. The Indonesian air force has acquired ten Sukhois, and plans to buy up to 40 of them over the next few years. In 2010, Indonesia negotiated an agreement with the United States for the supply of 24 F-16C/D combat aircraft. The Indonesian navy announced its plans for a ‘Green-Water Navy’ in 2005, setting a goal of achieving a 274-ship force structure by 2024. This ‘Green Water Navy’ will be composed of 110 strike ships, 66 patrolling ships, and 98 supporting ships. In 2015, the Indonesian government announced that it would increase military spending from 0.8 per cent to 1.5 per cent of GDP, bringing the State’s total military expenditure to $15 billion by 2020. See RA Supriyanto, ‘Naval modernisation: A sea change for Indonesia?’, <http://www.nationmultimedia.com/opinion/Naval-modernisation-A-sea-change-for-Indonesia-30174719.html> (30 January 2012); Z Abuza, ‘Analyzing Southeast Asia’s Military Expenditures’, *cogitASIA*, <http://cogitasia.com/analyzing-southeast-asias-military-expenditures/> (7 May 2015); ‘Asia’ in *The Military Balance*, 2017, pp. 217-250. In 2012, The Philippines’ then-President Benigno Aquino announced that his government would allocate US$2.3 billion over five years to modernise the state’s Armed Forces. With this level of defence spending, it is quite likely that the Philippine navy will acquire further major surface combatants in the coming years. In October 2016, Japan and the Philippines reached an agreement under which five ex-Japan Maritime Self-Defence Force (JMSDF) TC-90 King Air twin engine training aircraft will be leased to the Philippine Air Force to help increase Philippine maritime air patrol capability. The Philippine Coast Guard fleet has greatly expanded over the last five years, and there are plans for the service to acquire ten multi-role response vessels, one offshore patrol vessel, 24 fast patrol boats, and seven Bell helicopters in the coming years. See ‘Asia’ in *The Military Balance*, 2017, pp. 217-250; ‘Philippine Coast Guard chief reveals future requirements: OPVs, helicopters, fast patrol boats’, *Defence IQ*, <http://defenceiq.com/naval-and-maritime-defence/articles/philippine-coast-guard-chief-reveals-future-requir/> (18 September 2013).


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126 For detailed discussion, see Thayer, ‘Defense and Security Issues in an ASEAN Maritime Community: The Role of the Navies’

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