



ASEAN and the South China Sea Dispute: Challenges, Strategies, and Prospects for Regional Stability

Sidra-Tul-Muntaha¹, Dr. Abdul Basit², Dr. Mian Muhammad Azhar³

¹ MPhil Research Scholar, Department of Political Science, GCUF

Email: sidraliaqatali987@gmail.com

² Assistant Professor, Department of Political Science, GCUF

Email: Anwarali@gcuf.edu.pk

³ Associate Professor/Chairman, Department of Political Science, GCUF

Email: muhammad.azhar@gcuf.edu.pk

ARTICLE INFO

ABSTRACT

Submission:

July 16, 2026

Revised:

August 05, 2026

Accepted:

August 21, 2026

Available Online:

September 01, 2026

Keywords:

ASEAN, South China Sea, Code of Conduct, regional stability, multilateral diplomacy, great power competition, UNCLOS, ASEAN centrality

The Association of Southeast Asian Nations (ASEAN) is leading multilateral efforts to curb tensions, avert conflict and establish a rules-based maritime order in the Asia Pacific region. The South China Sea issue remains one of the longest and impracticable security issues in Asia today. The article thoroughly analyzes ASEAN's role in dispute management since the 2002 Declaration on the Conduct of Parties (DOC), the internal and external challenges to its effectiveness, and the potential future of ASEAN's existing approaches, especially on multilateral diplomacy and the Code of Conduct (COC) negotiations. The analysis finds that despite ASEAN's impressive resilience in sustaining the "centrality" of its institutional role in regional security architecture, the "centrality" of ASEAN itself is still under significant constraints because of the principle of non-interference and the increasing pressure of great power competition between the United States and China. The article recognises that reasonable expectations should be tempered by the fact of the limitations of ASEAN institutions in any evaluation of its future effectiveness, but also accepts that ASEAN's future effectiveness is highly dependent on the ability to remain united internally, to finalise a binding COC consistent with international law and the decision of the Permanent Court of Arbitration last year, and to resist pressure to come into line with either of the two great powers.

Corresponding author:

Sidra-Tul-Muntaha

Email:

sidraliaqatali987@gmail.com

Introduction

The South China Sea, linking the Indian Ocean and the Pacific Ocean, is a highly critical trade route linking the economies of China, Japan, South Korea, and the Southeast nations, accounting for about one-third of all sea traffic annually. The sea is not only strategically important for international trade, but also for its enormous oil and natural gas deposits, which are estimated at around 11 billion barrels of oil and 190 trillion cubic feet of natural gas, in addition to abundant fishing grounds which help millions of people to survive in the region. The dispute over these resources by Brunei, Malaysia, the Philippines, Vietnam and the Chinese government, which also claims some of the resources, has provided one of the longest and perhaps the most volatile flashpoints in Asia. The sovereignty dispute is not only over islands, reefs and other features, but also over differing

interpretations of maritime rights as outlined in the United Nations Convention on the Law of the Sea (UNCLOS) which has been ratified by all parties except the United States (Beckman, 2025). Since the early 1990s, ASEAN has tried to find a solution to this issue through the multilateral platforms, including the Declaration on the Conduct of Parties in the South China Sea (DOC) and the current negotiations for the Code of Conduct (COC). Yet despite decades of dialogue and diplomatic engagement, tensions have persisted, marked by recurrent maritime incidents, military deployments and militarization of features, confrontations between coast guard and naval vessels, and growing great power competition between the United States and China that has increasingly polarized the region (ASEAN, 2012). The years 2023-2026 have been especially significant for the controversy and how ASEAN is handling it. In July 2023, ASEAN and China's foreign ministers accepted guidelines to speed up the development of the COC and agreed to work towards its completion within a three-year period, the first time both sides had agreed on a timeframe (Aziz, 2024). The Chair of ASEAN in 2023 is Indonesia who played a key role in this momentum, followed by Malaysia in 2025 and the Philippines in 2026. The Philippines, which is set to take over the chairmanship of the ASEAN in 2026, has made the completion of the COC a key priority and Foreign Secretary Maria Theresa Lazaro called it "ASEAN's gift to the world" and "very important for world trade security" (Lazaro, 2026).

The frequency of the current monthly negotiation meetings is unparalleled in the history of the process and reflects the complexity and urgency of the outstanding problems. This study attempts to provide a thorough and nuanced assessment of ASEAN's role and prospects in one of the most important maritime disputes in the world by examining recent events and current issues through a qualitative case study approach.

Objective of the Study

1. Examine the normative and conversation contributions of ASEAN's post-2002 institutions (DOC, COC), while critically evaluating their slow legal advancement and non-binding limits.
2. Examine both external pressures (US-China rivalry, foreign actors, and the 2016 PCA ruling) and internal ASEAN obstacles (claimant-non-claimant rifts, non-interference, consensus paralysis, China economic asymmetry).
3. Evaluate the chances for regional stability from 2023 to 2026, paying particular attention to COC negotiations under the chairmanships of Indonesia, Malaysia, and the Philippines, and investigate complementary approaches outside of the ASEAN-led process.

Research Questions

1. what role has ASEAN played in managing the South China Sea dispute from its beginning?
2. what obstacles—both internal and external—prevent ASEAN from properly addressing the dispute?
3. How successful are ASEAN's current approaches to advancing regional peace and expanding a rules-based order, including multilateral diplomacy and COC negotiations?

Research Methodology

The method used in this research is qualitative method using case study research approach, with documentary analysis and secondary sources as the data collection and data analysis techniques used in the study to analyze ASEAN's role in the South China Sea dispute. The qualitative paradigm is especially suitable for this investigation of complex social and political issues that involve a variety of institutional processes, diplomatic negotiation, and perceptions and strategies of state actors, which are not easily captured by quantitative measures. The case study design allows for a deeper and more contextualized study of ASEAN as a regional organisation and its methodology on the South China Sea dispute that can go beyond the nuances, contradictions and dynamics of the multifaceted issue. This study utilizes descriptive-analytical method by analyzing the development of ASEAN since 2002 in terms of institutional mechanisms in ASEAN and the case analysis of the latest developments in ASEAN region from 2023-2026. This two-pronged approach provides both an understanding of ASEAN's changing role in both institutional capacity and context and an assessment of current strategies, challenges, and prospects. The time frame is set from 2023 to 2026 for a number of reasons, such as the adoption of acceleration guidelines for COC negotiations, the decision to adopt a three-year time frame, increased negotiation meetings and the Chairmanship being pushed by the Philippines to conclude. This study uses triangulation of data to get a comprehensive data with multiple data sources. Joint communiqués and related press releases from ASEAN and the national governments are the key data sources, among which the press releases of the ASEAN foreign ministers and the official transcripts of press conferences from the national governments of the ASEAN member countries and China are

given special attention, particularly those of the 48th ASEAN Leaders' Meeting and Related Summits in Cebu, May 2026. The theoretical and conceptual framework based on conflict management theory is derived from scholarly literature, such as peer-reviewed journal articles, academic books, and research papers in the field of ASEAN security governance, maritime disputes, regional diplomacy, and international law. The ASEAN newsletters provide authoritative reporting on ASEAN developments and official positions from the official news agency reports of the following countries: Bernama (Malaysia), ANTARA (Indonesia), Philippine News Agency, Vietnam News Agency, Xinhua (China). There is comment and assessment on the ASEAN strategies and weaknesses in the form of expert analysis and think tank publications from research institutions in the region and internationally. Additional context and reporting of developments come from international media coverage from reputable sources such as The Straits Times, South China Morning Post, Philstar.com and others. The research recognizes the following limitations: the use of publicly available sources, because the topic is sensitive and territorial conflict negotiations are sensitive; varying degrees of transparency on the details of negotiations; the difficulty in obtaining primary sources of the negotiation process; and analytical objectivity in dealing with a politically sensitive issue. Although the method has certain drawbacks, it still serves as a sound foundation in answering the research questions and gaining insight into the role, challenges, and prospects of ASEAN in the South China Sea dispute.

ASEAN's Contributions to Ongoing Dispute Management

The management of the South China Sea dispute has been a central and multifaceted role in ASEAN, as it has done so in several ways and processes, although these are far from perfect and have been subject to criticism for their shortcomings, they have nevertheless helped to keep claimants in dialogue, to set norms of behaviour and to prevent the states with overlapping claims from falling into open conflict. Understanding the significance of ASEAN's contributions ought to be done within the framework of the ASEAN organizational structure and its non-interventionist stance, which limit what it can accomplish, and provide a unique forum for engagement that otherwise would not exist (Koga, 2024).

The Declaration on the Conduct of Parties (DOC) and Institutional Framework

The 2002 Declaration on the Conduct of Parties in the South China Sea is the backbone of ASEAN's contribution to governing the South China Sea and the most important multilateral instrument to date on the issue. Although the DOC itself is not binding, and it has no enforcement powers, it introduced important norms and principles that have had significant impact on the behavior of everyone involved, and set a groundwork for dialogue and confidence building. The important points in the DOC are that the disputes are to be solved in a peaceful manner without using or threatening to use force, the disputes are to be solved through friendly consultations and negotiations between the sovereign states directly concerned, and freedom of navigation in and above the South China Sea is to be respected.

In addition to these specific provisions, the DOC established a formal framework for regular dialogue between ASEAN and China with the regular convening of ASEAN-China Senior Officials' Meetings on the Implementation of the DOC since 2004. This is an institutional forum for dialogue which has been an important medium for communication, especially when tensions were high, and an opportunity to discuss the implementation of confidence-building measures, cooperation in practice, and the evolution of more concrete norms. The importance of the DOC goes beyond its specific content to the institutionalisation of ASEAN's position as the key interlocutor in maritime affairs with China, which is often described as ASEAN "centrality" in regional security architecture by scholars and policy makers. ASEAN centrality is essential in order to keep ASEAN at the front and not get pushed to the back by bilateral United States-China competition, as ASEAN's role as a crisis mediator was put to the test but has largely held up during the increased competition between great powers, Peter Nicoll noted in his analysis of ASEAN's role. The DOC also set the ground rules that ASEAN would negotiate with China as a group on South China Sea matters rather than negotiating with each ASEAN member country separately, on terms more to Beijing's liking. The collective effort has been especially crucial for smaller ASEAN claimant countries like the Philippines and Vietnam, who would otherwise have a much smaller "stick" in bilateral China engagement (Nicoll, 2026). The DOC's confidence-building measures, such as encouraging voluntary cooperation in marine environmental protection, marine scientific research, safety of navigation and communication at sea, search and rescue at sea, and combating transnational crime, have given way to some limited practical cooperation that has helped to alleviate tensions and establish habits of cooperation. The DOC also agreed to designate on a voluntary basis parties' "focal point" to facilitate communication and coordination and thereby provided a means of information sharing that has been useful in incidents at sea. Although its non-binding nature and lack of enforcement mechanisms and the lack of compliance of many parties with these provisions, the DOC has given a normative structure which is referred to by all parties and has helped set a structure of acceptable behavior.

Advancing the Code of Conduct Negotiations

The most important recent progress in ASEAN's involvement with the South China Sea issue is the speedy COC negotiation process that follows on from the DOC of 2002, towards a more legally binding, specific and binding rules of conduct for all parties. In July 2023, the foreign ministers of ASEAN and China signed the "Guidelines to Accelerate Negotiations for the Code of Conduct in the South China Sea", which is the first occasion where the two sides agreed to a time frame for its implementation, with the deadline put at 2026. Several factors contributed to this acceleration, such as rising frustrations about the slow pace of negotiations, growing maritime incidents and tensions, which highlighted the need for the establishment of more clear rules, and the ASEAN chairs' wish to bring some progress in this important regional issue. Indonesian Foreign Minister Sugiono welcomed the development as an "important milestone" and "should continue to build positive momentum" for a partnership "which respects international law and promotes dialogue," as Jakarta is committed to making tangible progress on the COC during its chairmanship. Some of the important steps in the negotiation process have been the second reading of the Single Draft COC Negotiating Text in 2023, which brought together a number of proposals and highlighted good areas of consensus and contention (Sugiono, 2026).

Complex issues such as the geographic extent of the COC, the nature of the obligations, methods of dispute resolution, incident management, crisis communication, and more have been discussed in the negotiation process. An agreement was reached on the need to complete the negotiations within three years, which was given a time frame of 2026 and was a sense of urgency that had not yet existed. In 2026, monthly negotiations were created – unprecedented intensity – the frequency of meetings reflecting the pressure to complete the deal by year-end, as well as the fact that there were still many complex matters to be worked out.

The Philippines chairs ASEAN in 2026, and its chief goal is to complete the COC, which Foreign Secretary Maria Theresa Lazaro called ASEAN's gift to the world and said it's important for global trade security. Lazaro was not only referring to it as a regional agreement, he was also talking about it as a contribution to global stability: "I don't want to have those choke points, like the Strait of Hormuz, in the middle of the world. I think the whole world will appreciate it if we can come up with this Code of Conduct" (Lazaro, 2026). Since the South China Sea is vital to international trade and commerce, and plays a global role, this framing demonstrates ASEAN's awareness of the COC's role not only in the region, but in the world. President Ferdinand Marcos Jr. said he is hopeful a COC is reached by the end of the year, but admitted there remain some "serious issues" in the South China Sea that would make the process "more unreadable. President Ferdinand Marcos Jr. said he is hopeful that a COC would be agreed upon by the end of the year, but noted that the situation in the South China Sea has become "more unreadable" and that uncertainty has grown. The Philippines has taken a security-first approach, highlighting the need for a legally binding deal that is aligned with international law and the 2016 arbitration ruling, and has also been urging to keep the dialogue with China and not engage in confrontation.

Confidence-Building and Preventive Measures

In addition to formal negotiations, ASEAN has also encouraged confidence-building and preventive diplomacy measures that have helped maintain stability in the South China Sea despite the lingering tensions. The measures involve real-world cooperation between ASEAN and China in areas of mutual interest, including search and rescue, marine scientific research, and environmental protection. Significant progress has been achieved in the fields of search and rescue, where joint exercises and information-sharing practices have promoted close coordination and trust among maritime agencies, especially with the ASEAN-China cooperation. Provisional understandings and arrangements have been put in place, and these have helped in some situations to ensure operations without incident, as in the Philippines-China arrangement for resupply missions to BRP Sierra Madre at Second Thomas Shoal, which has been relatively incident free through agreed protocols. There have been several opportunities for exchange of information and coordination through regular dialogue mechanisms like the ASEAN-China Summit, the ASEAN Defence Ministers' Meeting (ADMM) and the ASEAN-China Plus Defence Ministers' Meeting (ADMM-Plus) with dialogue partners (Vinh, 2024). Within these platforms, there are opportunities for interaction at different levels from leaders to senior officials, technical experts and so forth, which form a thick mesh of relationships and communication channels that can be mobilised in the event of a crisis. ASEAN's doctrine of "dialogue and collaboration" has fostered diplomatic practices and institutional memory to deal with differences and to avert their escalation. The organization also serves as a forum for the promotion of transparency in the form of voluntary reporting on military activities, as well as information exchanges on maritime policies, which help to minimize uncertainty and miscalculation. These measures are considered by critics as inadequate and ineffective, while ASEAN has not succeeded in stopping China's violations of the DOC, the confidence-building steps are related to the institution of ASEAN and the fact that the dialogue and cooperation norms are the only way to deal with tensions in the absence of enforcement authorities (Ayesh, 2025).

Preserving ASEAN Centrality

ASEAN's role in preserving "ASEAN centrality" in the region's security architecture is perhaps the most crucial contribution it is able to make to the governance of the South China Sea, since it allows Southeast Asian countries to have a collective ASEAN voice and a central role in managing the dispute, rather than being ignored, bypassed or cornered by great power competition. The Secretary-General of the United Nations, António Guterres, said that ASEAN is a "fundamental pillar" of an interconnected, multipolar world that offers a forum for dialogue and cooperation which would not exist otherwise. Malaysian Defence Minister Mohamed Khaled Nordin said that ASEAN unity meant that external powers understood they were dealing with the ASEAN, not with individual member states, thus avoiding the divide-and-rule tactic and making sure ASEAN would be dealt by the external powers as a whole.

In spite of its flaws and internal conflicts, the collective posture has kept the South China Sea issue from being fully bilateralized and integrated into the great power competition. ASEAN has continued to be the main regional forum in dealing with the dispute, as the COC remains the ASEAN countries' platform for pursuing bilateral solutions while China continues to engage ASEAN through the multi-lateral forum. In addition, through ASEAN, member states have been able to engage other dialogue partners (such as the United States, Japan, Australia, India and the European Union) to diversify their security partnerships while retaining a collective framework. ASEAN's centrality, as pointed out by Peter Nicoll, allows the organisation to retain its leadership, rather than being pushed to the margins by bilateral between the US and China. Despite the divisions and approach that exist within ASEAN member countries the organization has always taken a united stand when it comes to COC negotiations and has never split up and let China or others exploit individual countries. Maintaining this centrality has necessitated continual diplomatic maneuvering and balancing the claims of the many claimant states, dealing with the rivalries between China and the United States, and keeping the country together in the face of a wide variety of national priorities. This is no small feat, as geopolitical competition has grown stronger and the pressure on ASEAN members to side with one group of powers or another has increased (Valockova, 2025).

Obstacles Preventing Effective ASEAN Management

Even though the above contributions, ASEAN has a number of serious and complex challenges that limit its capacity to effectively handle the South China Sea dispute. These challenges can be divided into internal challenges that stem from the nature of ASEAN and the interests of its member countries, and external challenges stemming from great power rivalry and from extra-regional powers. It is important to identify these challenges to have a realistic view on ASEAN's capabilities and prospects.

Internal Obstacles

Divergent National Interests and Claimant Status

The stakes are fundamentally different for each member of ASEAN, which makes it difficult to act together in the South China Sea dispute. Four ASEAN members—Brunei, Malaysia, the Philippines, and Vietnam—have overlapping territorial and maritime claims to China, each have their own interests and priorities. Claimant states have pressing security issues, such as protection of claimed territories, access to maritime resources, and protection from Chinese actions. They also differ in the extent of alignment with the Chinese, with Vietnam and the Philippines being more assertive in challenging Chinese claims, and Brunei and Malaysia opting for a more pragmatic stance (Zahra, 2023). Non-claimant states such as Indonesia (which does not claim any features in the South China Sea, but is worried about the Natuna Islands), Singapore, Thailand, Cambodia, Laos and Myanmar have less immediate interest in the dispute over the features of the South China Sea but share concerns about regional stability, freedom of navigation and regional great power competition. For non-claimant states, economic ties with China, which has emerged as ASEAN's biggest trade partner for the past five years, valued at over \$975 billion in 2024, take precedence.

Through infrastructure investment, trade agreements and development assistance, China has significantly expanded its economic presence and dependence in Southeast Asia, limiting the foreign policy space of the ASEAN members. BRI investment has been significant in the region's infrastructure and bilateral trade has established strong economic vested interests which support good relations with China. This results in a collective action problem as claimant nations want more conciliatory responses by the ASEAN from China for ASEAN economic interests and more assertive responses from China for claimant nations. Carl E. Dick's research shows that there is a considerable gap between littoral and non-littoral states: Vietnam and Philippines are asserting maritime claims through military posturing and legal proceedings under UNCLOS, while the landlocked states such as Cambodia and Laos are taking a more conservative stance on maritime claims and focus more on economic relations with China. President

Ferdinand Marcos Jr.'s more assertive stance in the Philippines has brought these divisions to light. Security-first policies and leaning to extra-regional powers are coming into conflict with pragmatic China-ASEAN policies, which is creating tensions within ASEAN, analysts note (Chen, 2026). The Philippines has complained that it has not been getting more support from ASEAN partners, with analysts noting that "for the first time in its history, Manila feels that its Southeast Asian friends have abandoned it in its hour of need" while other ASEAN members have felt that the Philippines has "drifted too far from China and been too belligerent" and therefore had a negative impact on ASEAN's presentation as a unified front (Diola, 2026).

The Principle of Non-Interference and Institutional Constraints

The Treaty of Amity and Cooperation (TAC), which is the ASEAN's cornerstone principle, is one of the documents that limits the organization's capacity to act collectively on sensitive issues like the South China Sea dispute, which involves the non-interference principle in the internal and external affairs of its members. This principle also does not allow ASEAN to publicly criticize or intervene into the affairs of its member states, which have gone into such activities as could worsen the tension or lead to complications to the dispute. The principle of non-interference in the bilateral relations of member countries will be violated if the ASEAN members formally condemn China, or other claimants, for their actions in the South China Sea. The consensus-based decision-making model, which demands that each member of ASEAN agrees to take collective action, also sets an important limit on ASEAN's capacity to take effective action in response to provocations and violations of agreed norms. Studies by scholar Pheng Thean have noted that ASEAN's trajectory of performance has not been straight: "Sometimes, ASEAN has been able to achieve outcomes only when its expectations have been managed carefully and its agendas have been deliberately narrowed to accommodate its own capacities. It further points out that "diplomatic ambition will outflank ASEAN's institutional capacity, and the structural cohesion may further erode, which will increase the risk of a purely declaratory approach to ASEAN," a constant challenge to ASEAN's ability to leverage its collective capacity. As a result, ASEAN statements tend to be crafted in such a way that they voice concern without pointing out specific actions of the parties and this is interpreted by some as giving China enough room to go on with activities that run against the DOC. The non-interference principle further excludes from ASEAN's role involvement in the resolution of conflicts between member states and China, thereby reducing its potential for a more active role in conflict resolution. Under the influence of ASEAN norms, Malaysian analyst Peter T.C. Chang noted that ASEAN members had been voicing concerns to the Philippines "quietly" for its more confrontational tone, saying that they do not want to "openly criticize our neighbour. These restraints give the ASEAN unity it needs to avoid splintering and ensure it remains effective in dealing with the South China Sea issue and violations of agreed norms, but also restrict its effectiveness in doing so.

Unresolved Core Issues in COC Negotiations

Basic issues have yet to be resolved after the almost 10 years of formal COC negotiation and decades of discussion, and parties continue to have disagreement on key areas of the agreement. Foreign Secretary Maria Theresa Lazaro openly listed four core issues that remain to be discussed: a) whether the agreement will be legally binding, b) its geographic scope, c) the relationship between the COC and the 2002 DOC, and d) terms of reference for implementation and dispute resolution (Lazaro, 2026). One is whether the COC will be a legally binding document, which ASEAN members are generally in favor of, and China, which has raised concerns about binding themselves to specific legal obligations, which might limit its actions.

The geographical extent of the COC is also disputed, as some argue it should refer to all the features of the South China Sea, rather than just specific ones, and should apply to all features claimed by parties, not those that are under the effective control of the claimant states. It is unclear whether the COC should replace, supplement or be seen as an extension of the DOC provisions. The terms of reference include complicated implementation, monitoring, verification and dispute resolution aspects. It is clear from these discussions that even the most fundamental principles and concepts have not yet been settled after nearly 10 years, and more in-depth arrangements are difficult to achieve due to the level of disagreement. Given the fast-paced COC negotiations and monthly meetings, there are considerable challenges to finalizing all the issues by the 2026 target date. The failure to resolve these basic questions underscores the character of the basic disagreements, such as divergent views on international law, competing claims to territory, and aspects of national sovereignty, which are difficult to be settled diplomatically.

External Obstacles

Great Power Competition

The rising rivalry between the United States and China puts a strain on ASEAN and its member countries, hindering their capacity to effectively address the South China Sea issue. The U.S. continues to uphold the right to free navigation in the South China Sea, and has increased its frequency of FONOPs against Chinese claims to the region, while enhancing security cooperation with its

ASEAN partners, especially the Philippines, through defense agreements, military exercises, and security assistance. The US engagement has provoked a response from the Chinese, who have stepped up their claims, built up their military presence in the South China Sea and are attempting to coerce members of the Association of Southeast Asian Nations (ASEAN) into restricting their cooperation with extra-regional powers, specifically the United States. This great power competition puts pressure on the ASEAN members to either join one side or the other, otherwise risk the disintegration of the grouping and jeopardize its capacity to take a coherent stand on the South China Sea. In the increasingly competitive waters, it would be hard for ASEAN member states to not be pressured from the US and China to toe the line of one side or the other, as ASEAN warned by Nicoll that this would be detrimental to effectively managing South China Sea issues.

In May 2026 Chinese Foreign Ministry spokesperson Guo Jiakun declared that China is hopeful that all parties can remain committed to the common goal, focus on consensus, refuse interference and strive to reach the Code of Conduct as soon as possible. The comment highlights Beijing's worry that external powers, especially the U.S., are trying to manipulate COC talks for their own strategic interests, instead of regional country interests. In contrast, the Philippines has stepped up its security cooperation with the United States and other partners such as "Alon 25" with Australia, the United States, Canada, and the Philippines in the vicinity of Scarborough Shoal, a measure Hanan says has come to represent "collective deterrence against unilateral aggression" (Hanan, 2025). This alignment pattern generates tensions within ASEAN, since there are security postures and relations with external powers which differ from member to member, and thus priorities for COC and for regional security cooperation in general.

External Actor Engagement

The dispute over the South China Sea, and its management by ASEAN, has taken another twist with the entrance of European and other extra-regional players. France is seeking to "strategically diversify" its security cooperation from the traditional poles of partnership, Hanan says, citing the acquisition of French Rafale fighter jet planes by Indonesia as an example, which is evidence of "this transformation". Also, the European Union is keen on the South China Sea as EU states undertake FON in the South China Sea and assist in the following of the cooperation plan on maritime security in the region with ASEAN members. The Japanese, Australian, Indian and British navies and coast guards have been active in engaging with the ASEAN navies and coast guards regarding maritime security, including training, equipment and operational cooperation. ASEAN's multiple ties to other powers can mean that the bloc has options other than coming into conflict with either China or the USA, but it also makes it more difficult to collectively manage the dispute as there are now additional powers involved with their own interests and priorities. Extra-regional actors do not agree on the COC and on the way to deal with the South China Sea issue, some advocating for tougher rhetoric against China's actions and others for more conciliatory ones. Multiple external actors, who hold security relations with ASEAN members, also provide opportunities for competition that can increase tensions instead of decreasing.

The 2016 Arbitration Ruling as a Point of Contention

The 16th-century Permanent Court of Arbitration ruling by the Philippines against China is a highly controversial issue that poses a challenge to ASEAN's ability to handle the South China Sea dispute. The ruling is that the nine-dash line claim is not legally valid under UNCLOS and that the features that China claims are actually rocks and not islands that give China an exclusive economic zone, thus rejecting China's nine-dash line claim and finding that China violated the Philippines' sovereign rights in its exclusive economic zone. The decision was welcomed by the Philippines as a judicial triumph and provided legal backing to their claims in other claimant countries (Arbitration, 2017). The Philippines has stressed that the ruling was "final, binding and non-negotiable" and that the Philippines was governed by this law in resolving the dispute. But the ruling has been rejected by China, claiming that the tribunal has exceeded its authority and that the case should be solved through negotiations between the Philippines and China.

China has ignored the verdict and is still conducting activities in the South China Sea that are at odds with the ruling. A decade later, as Peter T.C. Chang explains, "the rule itself has become a subject for ongoing conflict rather than a basis for understanding, and maritime incidents have persisted, as have military deployments. The divergent views on the arbitration ruling make it challenging for ASEAN to come up with a common position on the South China Sea, as the claimant states are more likely to advocate for referring to the ruling while the non-claimant states will prefer to leave the issue out and continue to maintain good relationship with China. The decision also complicates the COC negotiations, with China wanting to remove any mention of the ruling from the COC text, and some members of the Association of Southeast Asian Nations (ASEAN) wanting the COC to mirror the international legal findings and the ruling.

Evaluation of Current Strategies and Prospects

The strategies in managing the South China Sea dispute currently adopted by ASEAN, including the COC negotiations and multilateral diplomacy, are also challenged but have the potential to advance – albeit with caution considering the above challenges.

The COC Negotiations: Prospects and Limitations

Analysts warn that there is no likely diplomatic breakthrough in the COC negotiations because of the constraints on institutional and political effectiveness which have consistently bedeviled ASEAN. Pheng Thean believes that "the expectations for a diplomatic breakthrough in the South China Sea should be tempered by the institutional realities at ASEAN; and the COC was never meant to be a comprehensive solution to the South China Sea dispute, particularly when applied to China, which does not have the same enforcement mechanisms as ASEAN. The COC is not, however, a method of dispute resolution, but rather a confidence building and norm-setting mechanism; its utility will rely on the willingness of all involved parties, especially China, to abide by its terms. The history of the DOC that has been breached many times before indicates that a legally binding COC could be similarly challenged to enforce compliance. The 2026 deadline has generated some momentum – but also pressure – to reach some form of agreement, even if it is not as substantial as members of the ASEAN would like. The Philippines' chairmanship and its focus on finishing the COC by the end of the year express the need for progress but also run the risk of ending up with a "lowest common denominator" COC which is not specific enough and enforceable enough. These core issues that were identified by Foreign Secretary Lazaro: legal bindingness, geographic scope, relation to DOC and terms of reference have a fundamental nature and will not be resolved easily, even with the monthly negotiation meeting.

The negotiations are made more difficult by the pressure from outside parties and the disparate national interests of ASEAN members. But the COC method has also advanced the development of cooperative habits and standards that support stability. As Thean points out, coherent incrementalism has long been the foundation of ASEAN's competitive advantage. The COC is not the place to address all concerns. It is necessary to have bilateral talks to resolve conflicts involving sovereignty and conflicting marine claims, but the institutional structure can be established. Although it may not resolve the conflicts, the COC can establish guidelines, help with communication and incident management and prevent escalation.

Incrementalism and Institutional Capacity

Coherent incrementalism is a useful model to understand ASEAN's strategy and make realistic projections for the future. Thean suggests that the metric for successful diplomacy in 2026 should be taken lightly. At this time, it is too early to expect major breakthroughs in the sea industry from the Philippines. Perhaps a better test, however, would be to see if ASEAN remains as divided, as overstretched and as strong as its chairmen. This assessment recognises the limitations of political and institutional capacity of ASEAN, but also the importance of the unity and capacity of ASEAN itself is a success. In the South China Sea, the ASEAN is less focused on resolving the issue than on handling it, preventing any form of violence and establishing benchmarks. Rather than judging the organization's effectiveness according to the inexplicable promise that it can solve centuries-old territorial conflicts, it should be judged on these practical objectives (Mustaza, 2022). ASEAN's resilience in communication, preventing division and maintaining its relevance in the region's security architecture is a remarkable achievement amid great power competition. As long as it's not as broad as some would wish, the development of the COC will raise the bar for the DOC and provide a more precise basis for behavior. The risk of miscalculation can be decreased and escalation can be avoided by establishing crisis communication channels and incident management procedures. Confidence and cooperative behaviours can be developed through practical cooperation on maritime issues (Hu, 2023).

Alternative Approaches and Future Directions

In addition to the COC negotiations, ASEAN has to adopt complementary measures to handle the South China Sea issue and promote stability in the region. This includes building cooperative practices that can help build trust and resolve conflict, as well as enhancing practical cooperation in the interests of both nations, such as marine environmental protection, search and rescue and scientific research. Enhancing crisis communication mechanisms can prevent the escalation of incidents and reduce the risk of miscalculation. Strengthening the management of incidents at sea through agreed protocols and communication channels is essential for stability (Gonzales, 2025).

Additionally, by controlling the conflicts between claimant and non-claimant members and avoiding fragmentation that would reduce its collective power, ASEAN should seek to preserve its internal unity. To sustain communication among members and

manage conflicting interests, this calls for diplomatic effort. In order to preserve its independence and institutional space, ASEAN should withstand pressure from outside forces to support either side. The stability of the region can be improved and reliance on any one external force can be decreased by diversifying security alliances while preserving ASEAN's centrality. The effectiveness of ASEAN would be increased by strengthening its institutional capacity through improved secretariat capabilities, decision-making process changes, and more efficient dispute resolution procedures. Despite political challenges, these reforms are necessary for ASEAN to be more effective in the South China Sea and in regional security in general.

Conclusion

The 2002 DOC, the ongoing COC negotiations, confidence-building measures, and the preservation of ASEAN centrality in regional security architecture are just a few of the ways that ASEAN has contributed to dispute management in the South China Sea dispute. The analysis reveals a complex picture in which ASEAN has shown significant resilience in maintaining dialogue, establishing norms, and preserving its institutional centrality, yet faces profound challenges from internal divisions, divergent national interests, institutional constraints, and opportunities for its current strategies and approaches. However, their contributions are constrained by the DOC's non-binding nature, the COC discussions' sluggish progress, and ASEAN's incapacity to stop norm violations or effectively address provocations. Effective ASEAN management faces several and substantial challenges. ASEAN's capacity to act collectively is hampered internally by conflicting national interests between claimant and non-claimant members, the non-interference principle, consensus-based decision-making, and unsolved fundamental concerns in COC discussions. External factors that put pressure on ASEAN members and make the organization's handling of the conflict more difficult include the ongoing contestation over the 2016 arbitration verdict, the engagement of extra-regional entities, and the escalating great power competition between the United States and China. The existing strategies of ASEAN have limited but not insignificant prospects. Although difficult, the 2026 deadline has generated momentum for the COC negotiations. Realistic expectations are crucial, though, as the COC won't settle the underlying conflicts and its efficacy hinges on everyone's willingness to abide by its rules.

The success of ASEAN in the future depends on a number of factors, including preserving internal cohesion in the face of great power competition, completing a legally binding COC that complies with international law and establishes clear, enforceable standards of behavior, and fending off external pressure to side with China or the United States. Acknowledging that coherent incrementalism is its competitive advantage and that its primary function is to manage issues rather than resolve them, ASEAN must likewise control expectations. Complementary strategies such improved crisis communication, institutional capacity building, and practical marine cooperation should be pursued by the organization. According to Pheng Thean, the success of the Philippines' 2026 chairmanship should be gauged by whether or whether ASEAN is no more fragmented, overburdened, or capable than it was before. This simple rule was adhered to in view of the realistic expectations of any possible progress in the South China Sea issue and due to the institutional constraints of the ASEAN. ASEAN's role will also remain important, but limited and the South China Sea issue will persist as a challenge to regional peace. Uniting the organization, building effective institutions and processes and navigating the complex geopolitical landscape of great powers' competition is essential to the conflict management, de-escalation and stabilization of the region. In spite of its weaknesses, ASEAN remains the most important regional body to manage the South China Sea crisis and regional peace and stability are reliant on its continued involvement.

References

1. Arbitration, P. C. (2017, March 23). Permanent Court of Arbitration publishes 2016 Annual Report. Retrieved from Permanent Court of Arbitration: <https://pca-cpa.org/en/news/permanent-court-of-arbitration-publishes-2016-annual-report/>
2. ASEAN. (2012, May 14). DECLARATION ON THE CONDUCT OF PARTIES IN THE SOUTH CHINA SEA. Retrieved from ASEAN.
3. Ayesh, S. (2025). China-ASEAN Approaches towards the South China Sea Disputes. *Journal of Social Sciences Review*, 5(1), 150-162.
4. Aziz, R. (2024). ASEAN's Diplomatic and Strategic Engagement in The South China Sea. *Journal of Social & Organizational Matters*, 3(2), 204-224.
5. Beckman, R. (2025). *The UN Convention on the Law of the Sea and the Maritime Disputes in the South China Sea* (Vol. 107). Cambridge University Press.

6. Chen, F. (2026, February 11). The Philippines wants to seal South China Sea code of conduct. Can it deliver? Retrieved from South China Morning Post: <https://www.scmp.com/news/china/diplomacy/article/3343036/philippines-wants-seal-south-china-sea-code-conduct-can-it-deliver>
7. Diola, C. (2026, June 10). Philippines targets end-2026 for South China Sea code of conduct. Retrieved from PhilStar.com: <https://www.philstar.com/headlines/2026/06/10/2534209/philippines-targets-end-2026-south-china-sea-code-conduct>
8. Gonzales, C. J. (2025, March 20). ASEAN's Approach to the South China Sea Issue: Unity or Compromise? Retrieved from FACTS.
9. Hanan. (2025, August 25). Exercise Alon 25 begins in the Philippines. Retrieved from Australian Government Defence: <https://www.defence.gov.au/news-events/releases/2025-08-15/exercise-alon-25-begins-philippines>
10. Hu, L. (2023). Examining ASEAN's effectiveness in managing South China Sea disputes. *The Pacific Review*, 36(1), 119-147.
11. Koga, K. (2024). ASEAN's Evolving Institutional Strategy: Managing Great Power Politics in South China Sea Disputes. *The Chinese Journal of International Politics*, 11(1), 1-32.
12. Lazaro, F. S. (2026, June 24). ASEAN's gift to the world': Hormuz crisis sharpens Philippines' push for South China Sea code. (M. Cepeda, Interviewer)
13. Mustaza, S. N. (2022). ASEAN, China and the South China Sea Territorial Disputes: Analysis of Conflict Management Strategies. *Intellectual Discourse*, 28(2), 577-598.
14. Nicoll, P. (2026, May 11). Asean centrality critical to South China Sea's future. Retrieved from The Star: https://www.thestar.com.my/aseanplus/aseanplus-news/2026/05/11/asean-centrality-critical-to-south-china-sea039s-future-says-top-analyst#goog_rewarded
15. Sugiono, I. F. (2026, April 22). Indonesia pushes for South China Sea CoC this year. (A. News, Interviewer)
16. Thayer, C. (2023, August 3). A Closer Look at the ASEAN-China Single Draft South China Sea Code of Conduct. Retrieved from The Diplomat.
17. Valockova, B. (2025, March 26). ASEAN Centrality and Its Narratives in an Evolving Regional Order. Retrieved from E-International Relations: <https://www.e-ir.info/2025/03/26/asean-centrality-and-its-narratives-in-an-evolving-regional-order/>
18. Vinh, V. X. (2024). From Declarations to Negotiations: ASEAN's Role in. *Contemporary Chinese Political Economy and Strategic Relations: An International Journal*, 10(2), 136-162.
19. Zahra, N. (2023). Key Challenges Confronting ASEAN's Ability to Resolve the South China Sea Dispute. ResearchGate.



2026 by the authors; Journal of Global Social Transformation (JGST). This is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC-BY) license (<http://creativecommons.org/licenses/by/4.0/>).