



# Delhi Policy Group

Advancing India's Rise as a Leading Power

## EAST ASIA EXPLORER AUGUST 2025

### *Authors*

Pradeep Taneja  
Jayantika Rao T.V.  
Divya Rai

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Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003

[www.delhipolicygroup.org](http://www.delhipolicygroup.org)



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### Authors

**Pradeep Taneja**, Non-Resident International Fellow, Delhi Policy Group

**Jayantika Rao T.V.**, Research Associate, Delhi Policy Group

**Divya Rai**, Research Associate, Delhi Policy Group

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### Cover Images:

*Indian Prime Minister Narendra Modi meeting Japanese Prime Minister, Shigeru Ishiba for the 15th India-Japan Annual Summit, in Tokyo, on August 29, 2025. Source: [X/@narendramodi](#)*

*The Philippines's President Ferdinand R. Marcos Jr. meeting Indian Prime Minister Narendra Modi during his a five-day state visit to, on August 5, 2025. Source: [X/@narendramodi](#)*

*The Chinese Coast Guard fired a water cannon at the Philippine Coast Guard (PCG), and the Bureau of Fisheries and Aquatic Resources (BFAR) deployed vessels during their resupply mission to Filipino fishermen in Scarborough Shoal on June 20, 2025. Source: [X/Philippine Coast Guard Spokesperson](#)*

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## Prime Minister Modi's Japan Visit Strengthens Strategic and Economic Ties

by

Pradeep Taneja

In late August 2025, Prime Minister Narendra Modi embarked on a two-day visit to Japan, marking his eighth trip to the country since taking office in 2014, and his first standalone summit with the beleaguered Japanese Prime Minister Shigeru Ishiba, whose government lost the majority in both houses of Parliament. The visit, which occurred from August 29 to 30, was part of the 15th India-Japan Annual Summit, aimed at bolstering the Special Strategic and Global Partnership between the two nations. Following this, Modi travelled to Tianjin, China, for the Shanghai Cooperation Organisation (SCO) Summit, highlighting India's delicate balancing act in regional diplomacy. This article examines the economic and strategic objectives of Modi's Japan visit, its implications for their shared strategic interests in the Indo-Pacific, especially given the recent slump in India-US relations, and how the Japanese view India's delicate diplomatic efforts in maintaining its strategic autonomy.

### Deepening Investment and Technological Cooperation

One of the primary economic objectives of Modi's visit was to strengthen bilateral trade and investment ties, positioning India as a preferred destination for Japanese investors amid global economic uncertainties caused by President Donald Trump's decisions to impose steep tariffs on friend and foe. Addressing the India-Japan Economic Forum in Tokyo, Prime Minister Modi [emphasised](#) India's potential to become the world's third-largest economy in a few years, presenting it as a "springboard" for Japanese companies to access the Global South. Japan responded with an ambitious commitment, announcing a ¥10 trillion (approximately US\$68 billion) investment plan for India over the next decade, doubling the ¥5 trillion target set during the former Japanese prime minister Fumio Kishida's visit to India in 2022. This investment will target high-value sectors such as semiconductors, critical minerals, pharmaceuticals, and clean energy, with the goal of building resilient supply chains and reducing dependency on China.

The visit also saw the signing of several Memoranda of Understanding (MoUs) and other agreements focusing on human resource exchange, environmental

initiatives, digital technologies, space, and cultural cooperation. A noteworthy highlight was when Modi and Ishiba travelled by train to Sendai and visited a semiconductor plant north of Tokyo, underscoring the emphasis on technological collaboration and infrastructure development. Japan's investment in India's semiconductor industry aligns with India's push for self-reliance in critical technologies, especially as global supply chains face disruptions.

Bilateral trade, which hit US\$25.15 billion in the 2024-25 financial year, is relatively small but with a huge potential for further growth. India mainly exports chemicals, vehicles, and seafood, while importing machinery, steel, and electronics from Japan. The picture is very different when it comes to investment. According to Indian government [sources](#), Japan is India's fifth-largest source of foreign direct investment (FDI), with cumulative investments of US\$44.4 billion as of 2024-25 fiscal year. Japanese companies view India as the most promising country for investment for the next 10 years.

Prime Minister Modi, in effect, called for the development of subnational diplomacy between the two countries when he encouraged stronger ties between Indian states and Japanese prefectures. Interacting with governors of 16 Japanese prefectures and top business leaders at a forum in Tokyo, he emphasised state-prefecture cooperation and innovation-driven partnerships. These efforts align with India's "Make in India" initiative and Japan's commitment to technology transfer, exemplified by projects like the Mumbai-Ahmedabad high-speed rail, being built with Japanese financial assistance and using Japan's next-generation E10 Shinkansen technology.

### **Enhancing Defence Ties and Regional Stability**

Strategically, the visit aimed to deepen the India-Japan Special Strategic and Global Partnership, particularly in defence and security cooperation. The two leaders revised the 2008 Joint Declaration on Security Cooperation to [address](#) contemporary challenges, including maritime security and regional stability in the Indo-Pacific. Joint military exercises such as Malabar, JIMEX, and Dharma Guardian, alongside agreements on defence technology transfer and logistics, were highlighted as pillars of this partnership. Specific joint technology development projects discussed included the Unified Complex Radio Antenna (UNICORN) for the Indian Navy and the LUPEX mission, a collaborative lunar exploration project between ISRO and Japan's JAXA targeting the Moon's south pole.

The visit also served as a platform to reaffirm India and Japan's shared commitment to a free, open, and rules-based Indo-Pacific, a vision encapsulated in India's Act East Policy and Indo-Pacific Oceans Initiative (IPOI) and Japan's Free and Open Indo-Pacific (FOIP) strategy. In a [joint statement](#) issued at the end of the annual summit, the two leaders expressed "serious concern" over tensions in the East and South China Seas, opposing unilateral actions that threaten navigation and overflight freedoms or attempt to alter the status quo by force. This marked a sharper tone compared to previous summits, reflecting heightened concerns about China's regional activities.

### **Advancing the Indo-Pacific Strategy and the Quad**

The Indo-Pacific strategy, shared by the Quad partners – India, Japan, the United States, and Australia, was a central focus of the summit. The Quad was explicitly discussed, with Foreign Secretary Vikram Misri noting its evolution into a "vital and enduring regional grouping" for promoting peace, stability, and prosperity in the Indo-Pacific. The joint statement reaffirmed their commitment to the Quad, emphasising practical cooperation in areas like critical minerals, resilient supply chains, and infrastructure development. India's role as the host of the next Quad summit later in 2025 was also mentioned, although whether this summit will now take place is open to question, as some media reports have suggested President Trump no longer has plans to visit India this year.

The visit advanced the Indo-Pacific vision by reinforcing India's and Japan's alignment on countering regional challenges, particularly China's assertiveness. Cooperation on critical minerals and supply chain resilience was prioritised, addressing India's dependency on Chinese imports, which contribute to a nearly US\$100 billion trade deficit. The leaders' focus on defence and technology partnerships, including AI and semiconductors, further strengthened the strategic framework, positioning India and Japan as anchors in the Indo-Pacific amidst U.S. policy unpredictability under Trump's second term.

### **Japan's View on India's SCO Membership**

Japan views India's membership in the SCO and Modi's subsequent visit to Tianjin with a nuanced perspective, recognising India's strategic autonomy in balancing its engagements with both Western-aligned partners and China-led frameworks. Japan sees the SCO as a platform where India navigates complex regional dynamics, particularly its rivalry with China and tensions with Pakistan over cross-border terrorism.



Modi's Tianjin visit, immediately following his Japan trip, reflects India's diplomatic balancing act. Japan, as a trusted strategic partner, likely perceives this as India's effort to engage a "neighbouring competitor" without compromising its Indo-Pacific commitments. The joint statement's strong language on Indo-Pacific stability, coupled with Japan's ¥10 trillion investment pledge, indicates confidence in India's strategic clarity.

To sum up, Prime Minister Modi's visit to Japan was a landmark moment in reinforcing the India-Japan partnership. Economically, it secured significant Japanese investment and advanced cooperation in critical technologies, positioning India as a hub for innovation and manufacturing. Strategically, it strengthened defence ties and reaffirmed a shared vision for a free and open Indo-Pacific, with the Quad serving as a key platform despite U.S.-India tensions. By navigating these complex dynamics, Modi's visit not only deepened bilateral ties but also signalled India's steady strategic intent in a volatile geopolitical landscape.

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## Forging Indo-Pacific Alliances: India and the Philippines in Strategic Sync

by

Jayantika Rao T.V.

“India and the Philippines are friends by choice, and partners by destiny”<sup>1</sup>

With these evocative words, Indian Prime Minister Narendra Modi set the tone for the landmark moment in India-Philippines relations – the first official state visit of President Ferdinand Marcos Jr. of the Republic of the Philippines to India from August 4 to 8. The timing was symbolic – 2025 marks 75 years of diplomatic ties between the two nations, with the visit serving both as a celebration of deep history and a bold step towards deeper strategic alignment. From New Delhi to Bengaluru, President Marcos Jr.’s engagement with Indian leadership, businesses, and the strategic community culminated in the signing of a Strategic Partnership<sup>2</sup>. The visit was not just ceremonial; it clearly asserted a convergence of values, ideologies, and geopolitical intent between the two nations, along with a mutual commitment to shaping the future of the Indo-Pacific.

As President Marcos Jr. noted, “Today our relationship enters a new epoch” as “India becomes only the fifth strategic partner of the Philippines”<sup>3</sup>, alongside Vietnam (2015), South Korea (2024), Japan (2015) and Australia (2023). The designation of India as the Philippines’ fifth strategic partner signifies a significant transformation in Manila’s foreign policy approach, emphasising India’s strategic importance in the Indo-Pacific region. The Philippines has conveyed a definitive message that it considers India not only a rising power but also a trusted ally in shaping the future dynamics of the Indo-Pacific.

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<sup>1</sup> “English Translation of Press Statement by Prime Minister during Joint Press Statement with President of the Philippines (August 05, 2025)”. Ministry of External Affairs, August 5, 2025. [https://www.mea.gov.in/Speeches-Statements.htm?dtl/39938/English Translation of Press Statement by Prime Minister during Joint Press Statement with President of the Philippines August 05 2025](https://www.mea.gov.in/Speeches-Statements.htm?dtl/39938/English%20Translation%20of%20Press%20Statement%20by%20Prime%20Minister%20during%20Joint%20Press%20Statement%20with%20President%20of%20the%20Philippines%20August%2005%202025)

<sup>2</sup> “Declaration on the Establishment of a Strategic Partnership between the Government of the Republic of India and the Government of the Republic of the Philippines” PIB, August 5, 2025. <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2152631>

<sup>3</sup> “Remarks by President Ferdinand R. Marcos Jr. at the Exchange of Bilateral Agreements and Joint Press Statement”. President- Republic of the Philippines, August 5, 2025. <https://pbbm.com.ph/speeches/statement-by-president-ferdinand-r-marcos-jr-at-the-exchange-of-bilateral-agreements-and-joint-press-statement/>



According to the Declaration<sup>4</sup>, the strategic partnership is set to realise the full potential for bilateral, regional and international cooperation between the two countries. The was accompanied by a five-year Plan of Action (2025-2029) to guide the future trajectory of cooperation.<sup>5</sup> It laid out a long list of goals, ranging from defence and security matters to trade, connectivity, political cooperation and people-to-people relations. While the leaders emphasised the need for comprehensive cooperation, it was clear that defence cooperation, particularly in the maritime domain, would form a core part of the strategic partnership, underpinned by a shared concern about China's growing maritime capabilities and its aggressive actions in the South China Sea. This was further emphasised with India and the Philippines concluding their first joint naval exercises in the South China Sea on August 4, which was reiterated by President Marcos Jr on numerous occasions during his engagements in New Delhi. It is noteworthy that, although China was not directly mentioned by name, the declaration expressed "concern for the situation in the South China Sea, particularly with regard to coercive and aggressive actions that impact on regional peace and stability."<sup>6</sup>

The elevation of the relationship between the two countries boils down to the timing at which the two countries converge in their geopolitical aspiration. The strategic diversification by the Philippines coincides with India's diplomatic and defence outreach in line with its Act East Policy and Indo-Pacific vision. India started emphasising 'freedom of navigation in the South China Sea' only recently with India reiterating it during every India-ASEAN Summit since 2021, reaffirming the need to uphold freedom of navigation and the UNCLOS framework in the region, which was further reiterated in the Declaration. This strategic recalibration has brought the two countries closer with India changing its original neutral stance of the 2016 arbitral ruling of the South China to publicly urging China to respect the verdict in 2023. During the Joint Press Conference, both leaders emphasised that the countries are united by shared values and shared belief of free, open and inclusive Indo-Pacific region, security

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<sup>4</sup> "Declaration on the Establishment of a Strategic Partnership between the Government of the Republic of India and the Government of the Republic of the Philippines" PIB, August 5, 2025. <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2152631>

<sup>5</sup> "List of Outcomes: State Visit of the President of the Republic of the Philippines to India (August 04-08, 2025)". Ministry of External Affairs, August 5, 2025. [https://www.mea.gov.in/bilateral-documents.htm?dtl/39940/List\\_of\\_Outcomes\\_State\\_Visit\\_of\\_the\\_President\\_of\\_the\\_Republic\\_of\\_the\\_Philippines\\_to\\_India\\_August\\_0408\\_2025](https://www.mea.gov.in/bilateral-documents.htm?dtl/39940/List_of_Outcomes_State_Visit_of_the_President_of_the_Republic_of_the_Philippines_to_India_August_0408_2025)

<sup>6</sup> "Declaration on the Establishment of a Strategic Partnership between the Government of the Republic of India and the Government of the Republic of the Philippines" PIB, August 5, 2025. <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2152631>

and rule of law in the maritime commons, supply chain resilience, food security, countering terrorism and other traditional and non-traditional threats.<sup>7</sup> Prime Minister Narendra Modi described the Philippines as an important partner in India's "Act East Policy" and "Mahagasar" vision, both of which aim to strengthen ties with Southeast Asia, to promote regional stability, and to counter China's growing influence in the region.

The relationship between India and the Philippines has developed relatively slowly compared to India's ties with other Southeast Asian countries. Formal diplomatic relations were established in 1949, and a Treaty of Friendship was signed in 1952.<sup>8</sup> However, as President Marcos Jr. emphasised in his Policy Address titled "Philippines and India as Cross-Sea Partners for a Rules-Based Order,"<sup>9</sup> the two countries pursued different geopolitical orientations during the Cold War. India opted for non-alignment, while the Philippines aligned itself with the United States, which hindered the growth of their bilateral relationship.

Although India-Philippines relations began to improve after the Cold War, significant differences in strategic and geopolitical alignments continued to result in a gradual development and limited engagements. Recently, both nations have explicitly underscored the importance of territorial defence, positioning themselves as ideal partners, particularly considering their shared concerns regarding rising tensions with China over territorial disputes. Notably, it was Former President Ferdinand E. Marcos Sr., the father of the current President, who became the first Philippine Head of State to visit India in 1976.

The elevation of India-Philippines relations to a Strategic Partnership, marks more than a mere symbolic gesture. By pledging to deepen cooperation across multiple domains rooted in mutual trust and respect, it signifies the recalibration of Indo-Pacific balance of powers. This alliance reflects a convergence of strategic intent driven by national interests, shared concerns over maritime security, economic resilience, and the preservation of a rules-

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<sup>7</sup> "Remarks by President Ferdinand R. Marcos Jr. at the Exchange of Bilateral Agreements and Joint Press Statement". President- Republic of the Philippines, August 5, 2025. <https://pbbm.com.ph/speeches/statement-by-president-ferdinand-r-marcos-jr-at-the-exchange-of-bilateral-agreements-and-joint-press-statement/>

<sup>8</sup> "Establishment Of Diplomatic Relations". Republic of the Philippines, Embassy of the Philippines New Delhi, India. <https://newdelhipe.dfa.gov.ph/index.php/86-philippines-india-relations/268-establishment-of-diplomatic-relations-2>

<sup>9</sup> "Why The Philippines Looks To India, Not Just The U.S. Or China | President Of The Philippines Speaks" ORF, August 6, 2025. <https://www.youtube.com/watch?v=38NwGmXEmq8>

based regional order. India's growing strategic footprint in Southeast Asia, driven by its Act East policy and Indo-Pacific Oceans Initiative, has found a natural complement in the Philippines' recalibrated foreign policy posture – one that increasingly prioritises diversification, defence modernisation, and assertiveness in the South China Sea. The partnership is underpinned by shared values - democratic values, respect for international law (especially UNCLOS), and a commitment to regional stability. The timing of this elevation is also particularly telling. With rising tensions in the South China Sea and growing uncertainty over Washington's long-term commitment to its allies in Southeast Asia, the India-Philippines alliance offers strategic autonomy to the countries. As both nations deepen their engagement, the partnership has the potential to serve as a model for middle-power partnership in the Indo-Pacific – one that is pragmatic, multidimensional, and future-facing.

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## Ninth anniversary of the Philippines' legal victory in the South China Sea

by

Divya Rai

This year marks the ninth anniversary of the Philippines' landmark legal victory in the South China Sea (SCS) arbitration. On July 12, 2016, a five-judge tribunal convened under the dispute settlement procedures of Part XV of the United Nations Convention on the Law of the Sea (UNCLOS) and hosted by the Permanent Court of Arbitration (PCA) in The Hague, unanimously ruled overwhelmingly in favour of the Philippines in the South China Sea Arbitration (*The Republic of the Philippines vs. The People's Republic of China*). The award decisively invalidated China's "nine-dash line" claim and its asserted historic rights over the SCS, finding them incompatible with UNCLOS provisions. The tribunal further condemned China's construction of artificial islands at several features in the Spratly archipelago, illegal fishing activities, and obstructive behaviour towards Filipino fishermen and hydrocarbon exploration in Philippine waters violations of international law.<sup>10</sup> After nearly a decade, China and the Philippines, have made minimal progress toward improving the situation, much less resolving it. China's dismissal of the ruling, and the Philippines' trying to leverage it as a powerful legal instrument, has escalated tensions, transforming the SCS into a flashpoint of global concern.

### Philippines vs. China: The Legal Battle

The Philippines initiated arbitration proceedings against China in January 2013 under the dispute settlement framework of Annex VII to the 1982 UNCLOS<sup>11</sup>, to which both countries are parties. Notably, the arbitration did not address competing territorial sovereignty over specific islands but focused exclusively on interpreting and applying UNCLOS provisions related to maritime entitlements and rights. The Philippines' submissions to the PCA challenged several key issues. The broadest claim was a challenge to China's "nine-dash line" covering most of the SCS, which the Philippines argued lacked legal basis under UNCLOS. Additional points addressed the maritime status of specific

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<sup>10</sup> Permanent Court of Arbitration. *In the Matter of the South China Sea Arbitration (The Republic of the Philippines v. The People's Republic of China)*, PCA Case N° 2013-19, Award. The Hague: PCA, July 12, 2016. <https://pcacases.com/web/sendAttach/2086>.

<sup>11</sup> United Nations. United Nations Convention on the Law of the Sea. December 10, 1982. [https://www.un.org/depts/los/convention\\_agreements/texts/unclos/unclos\\_e.pdf](https://www.un.org/depts/los/convention_agreements/texts/unclos/unclos_e.pdf).

features in the SCS, and alleged violations of UNCLOS by China, such as, interference with Filipino fishermen, environmental degradation linked to the construction of artificial islands.

The tribunal's 2016 ruling was a comprehensive repudiation of China's claims on four principal grounds. Of note, the tribunal's ruling invalidated China's infamous "nine-dash line", emphasising Beijing's historic claims were incompatible with UNCLOS rights and that China's claimed maritime zones around certain island groups did not conform to UNCLOS criteria. The tribunal interpretation was focused upon ways in which China had violated the Philippines' maritime rights under UNCLOS and had engaged in various activities that breached China's obligations as a party to UNCLOS. First, submerged features in the SCS are not entitled to any maritime entitlements. The low-tide elevations cannot be appropriated as land, are not entitled to territorial seas of their own, and can increase the breadth of the territorial sea of a nearby high-tide elevation only if they are located within the territorial sea of that high-tide elevation. Second, with regards to the six high-tide features, the arbitral tribunal interpreted and applied Article 121 of UNCLOS in determining their legal status. The tribunal found most disputed maritime features not to be capable of generating an Exclusive Economic Zone (EEZ) or Continental Shelf (CS). For instance, it classified Scarborough Shoal as a rock, and among those features in the Spratly Islands - Mischief Reef, Subi Reef and Second Thomas Shoal - LTEs, and Johnson Reef, Cuarteron Reef and Fiery Cross Reef- mere rocks<sup>12</sup>. Third, it explicitly held that artificial enhancements or reclamation cannot legally upgrade a feature's maritime status beyond its natural capacity i.e., China's construction of installations and maintenance of military or governmental personnel or civilians cannot enhance its status. Finally, the tribunal reaffirmed the sovereign rights of the Philippines within its EEZ and continental shelf, ruling that China's obstruction of Filipino fishing activities and construction of artificial islands violated UNCLOS obligations, including the duty to protect the marine environment.<sup>13</sup>

From the initiation of the arbitration process through its conclusion, China refused to participate and consistently questioned the tribunal's jurisdiction. Following the award in 2016, Chinese Foreign Minister Wang Yi dismissed the

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<sup>12</sup> Christine Pichel Medina. "Legal Victory for the Philippines against China: A Case Study." *Global Challenges*, Issue no. 1 | February 2017. <https://globalchallenges.ch/issue/1/legal-victory-for-the-philippines-against-china-a-case-study/>

<sup>13</sup> Lawfare Institute. "Tribunal Issues Landmark Ruling in South China Sea Arbitration." *Lawfare*, July 12, 2016. <https://www.lawfaremedia.org/article/tribunal-issues-landmark-ruling-south-china-sea-arbitration>.

proceedings as a 'political farce', insisting that the tribunal had exceeded its authority and that its decision carried 'no legal effect'. The Chinese government has repeatedly iterated its policy of "non-acceptance and non-recognition".<sup>14</sup> Beijing has since repeatedly reiterated its policy of 'non-acceptance and non-recognition.' Even nine years later, the Chinese Foreign Ministry continues to categorically reject the award, describing it as 'nothing but a piece of wastepaper—illegal, null and void, and non-binding'.<sup>15</sup> Given its sweeping conclusions favouring the Philippines. However, it had little or no impact on China and much of its limited impact can be attributed to Manila's own policy orientation under President Rodrigo Duterte (2016–2022). For six years, the Philippine government largely downplayed its legal victory, adopting an inconsistent and incoherent approach toward Beijing. This allowed China to sidestep much of the reputational damage that could have followed from outright non-compliance.

That has changed since Ferdinand "Bongbong" Marcos Jr. assumed the presidency in July 2022. Under his administration, the Philippines has revitalised its reliance on the arbitral award, broadening security cooperation with like-minded partners and galvanising international support. According to Asia Maritime Transparency initiative (CSIS)<sup>16</sup>, 27 countries have now publicly called on Beijing to comply with the ruling. Notably, India—traditionally cautious on the issue—joined the Philippines in issuing a joint statement explicitly referencing the 2016<sup>17</sup> decision, marking a departure from its earlier, more restrained diplomatic language<sup>18</sup>. Still, beyond the Philippines, most Southeast Asian states, including other claimants, have remained noticeably silent. Nine years on, ASEAN continues to struggle in forging consensus on the arbitral award.

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<sup>14</sup> Ministry of Foreign Affairs of the People's Republic of China. "Remarks by Chinese Foreign Minister Wang Yi on the Award of the South China Sea Arbitration." July 12, 2016. [https://www.fmprc.gov.cn/nanhai/eng/wjbxw\\_1/201607/t20160712\\_8523351.htm](https://www.fmprc.gov.cn/nanhai/eng/wjbxw_1/201607/t20160712_8523351.htm).

<sup>15</sup> Ministry of Foreign Affairs of the People's Republic of China. "Wang Yi Expounds China's Position on the South China Sea Arbitration Case." July 10, 2025. [https://www.fmprc.gov.cn/eng/xw/fyrbt/202507/t20250712\\_11669922.html](https://www.fmprc.gov.cn/eng/xw/fyrbt/202507/t20250712_11669922.html)

<sup>16</sup> Asia Maritime Transparency Initiative. "Arbitration Support Tracker." Last modified March 3, 2025. <https://amti.csis.org/arbitration-support-tracker>

<sup>17</sup> Ministry of External Affairs, Government of India, and Department of Foreign Affairs, Republic of the Philippines. "Joint Statement on the 5th India-Philippines Joint Commission on Bilateral Cooperation." June 29, 2023. [https://www.mea.gov.in/bilateral-documents.htm?dtl/36743/Joint\\_Statement\\_on\\_the\\_5th\\_IndiaPhilippines\\_Joint\\_Commission\\_on\\_Bilateral\\_Cooperation](https://www.mea.gov.in/bilateral-documents.htm?dtl/36743/Joint_Statement_on_the_5th_IndiaPhilippines_Joint_Commission_on_Bilateral_Cooperation).

<sup>18</sup> Ministry of External Affairs, Government of India. "Statement on Award of Arbitral Tribunal on South China Sea Under Annexure VII of UNCLOS." July 12, 2016. <https://www.mea.gov.in/press-releases.htm?dtl/27019/statement+on+award+of+arbitral+tribunal+on+south+china+sea+under+annexure+vii+of+unclos>



## The Limits of International Law

The effectiveness of international legal rulings depends heavily on the political will of states, the strength of institutional mechanisms, and the alignment with prevailing strategic interests. This structural limitation becomes especially evident in high-stakes geopolitical disputes, where legal outcomes often collide with entrenched national priorities. In the SCS, the absence of enforcement mechanisms, regional consensus, and any recognition of legitimacy from Beijing has rendered the 2016 arbitral ruling ineffective in resolving the decades-long dispute between China and the Philippines—one that predates even the establishment of UNCLOS. With China's permanent seat on the UN Security Council, the organization lacks the capacity to compel Beijing's to comply with the 2016 arbitral award. Despite it being the best strongest legal instrument to pressure Beijing into compromise, China has instead doubled down with increasingly assertive and inflammatory measures to defend its claims.

This does not mean that international law has been irrelevant to the resolution of regional disputes. On the contrary, it has proven instrumental in setting legal baselines, shaping global expectations, and offering smaller states leverage in asserting their rights<sup>19</sup>. A prime example is the India-Bangladesh maritime boundary dispute, which was peacefully resolved in 2014 through international arbitration under UNCLOS. Both countries accepted and implemented the decision rendered by the PCA. Another recent, example is that of Mauritius and the United Kingdom regarding the Chagos Archipelago where international embarrassments led London to resolve the matter, even while retaining its lease on Diego Garcia.<sup>20</sup> The SCS, however, presents a qualitatively different challenge. The 2016 Arbitral Award has become more than a legal matter – it is now widely perceived as a matter of national dignity and identity for China. The territorial concessions during China's "Century of Humiliation" have left a lasting imprint on the national psyche of China and continues to shape Beijing's political discourse and public consciousness. Therefore, the integrity of territory–land or sea–has become an intensely sensitive matter. Against this backdrop, China's categorical rejection of the award was not only predictable but, arguably, inevitable.

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<sup>19</sup> *The Diplomat*. "The 2016 South China Sea Arbitration and the Limits of International Law.", July 21, 2025. <https://thediplomat.com/2025/07/the-2016-south-china-sea-arbitration-and-the-limits-of-international-law/>.

<sup>20</sup> Gregory B. Poling. "How to Slay a Giant: Reviving the South China Sea Arbitration." *Center for Strategic and International Studies* (CSIS), January 9, 2025. <https://www.csis.org/analysis/how-slay-giant-reviving-south-china-sea-arbitration>.

## Way forward

In the absence of a collective regional enforcement mechanism and a unified ASEAN stance, Beijing has maintained its position. Now the question remains what Philippines future course of action will be. Reportedly, Philippine officials have been actively exploring the possibility of filing a second arbitration case to address alleged large-scale environmental damage caused by Chinese fishing and reclamation activities, specifically at Iroquois Reef and Sabina Shoal within the Philippine EEZ. This means flagging China's actions in the SCS including its mobilisation of hundreds of maritime militia vessels and harassment of other foreign vessels in the SCS.<sup>21</sup> Not only the Marcos administration should carefully deliberate which issue to litigate in its second case, but also where they would file the case, and when to start the proceeding. Another course of action could be, Manila, as the host and chair of ASEAN in the in 2026, can adopt a legally binding conduct of conduct (CoC) for the SCS after more than two decades of discussions. However, this remains challenging due to internal discord within the ASEAN.

To sum it up, the 2016 SCS arbitration case laid bare a fundamental truth often overlooked in discussions of international law: the effectiveness of international legal rulings ultimately depends on the political will of the parties involved. The tribunal's ruling was clearly a legal victory for the Philippines. However, Manila's subsequent handling of the decision diminished its potential to rally broader international support for challenging Beijing on legal grounds. What might have served as a catalyst for stronger pushback against China's actions in the SCS was effectively reduced to a symbolic, rather than strategic, victory for the Philippines. For Beijing, the outcome reinforced the perception that it can selectively disregard international law when doing so aligns with its interests.

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<sup>21</sup> The Diplomat. "Will the Philippines File a Second South China Sea Arbitration Case?", September 2023. <https://thediplomat.com/2023/09/will-the-philippines-file-a-second-south-china-sea-arbitration-case/>



**Delhi Policy Group**

Core 5A, 1st Floor,  
India Habitat Centre, Lodhi Road  
New Delhi - 110003  
India

[www.delhipolicygroup.org](http://www.delhipolicygroup.org)