

**UNIVERSITI TEKNOLOGI MARA**

**MALAYSIA – BRUNEI  
TERRITORIAL DISPUTES 2003-2009**

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## ABSTRACT

The South China Sea disputes consist of many claimants and among the claimants are Brunei, China, Malaysia, Taiwan, Philippines and Vietnam. The disputes becoming complicated with each of the claimant marking their own territory based on the United Nations Conventions on The Law of the Sea (UNCLOS). Moreover, the establishment of *Peta Baru* by the Malaysian government led into several overlapping maritime territories along with its current territorial conflict. Hence, Malaysia enters several territorial disputes with Brunei namely, Limbang, Rangau, Lawas and Terumbu Semarang Kecil Barat (Louisa Reef). The tension increased in 2003 which some believed it nearly spark an armed conflict between both Navies between the two countries. Thus, the study seeks to identify the territorial disputes that Malaysia and Brunei shares and the resolution taken by both countries to settle the disputes. This can be a role model resolution and approach towards other claimants, especially in settling the South China Sea territorial disputes. Moreover, the research also identifies on the impact of the resolutions towards both bilateral relations and prior the resolution being established.

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# CHAPTER ONE

## INTRODUCTION

### 1.1 Preamble

Malaysia territorial disputes on the South China Sea are shared with many other claimants. The claims were mostly against their own neighbour as well as ASEAN (Association of Southeast Asian Nations) members and other states. Among the territorial disputes occurred between others namely Indonesia over Sipadan – Ligitan Island, Singapore over Batu Puteh Island, Philippines and Vietnam over the Spratly Islands and finally, Brunei over Lawas, Limbang, Terusan, Rangau and Louisa Reef (Terumbu Semarang Barat Kecil) (Asri, 2016). Pertaining to this dispute, there were several methods that Malaysia decided to employ. For example, Malaysia engaged with International Court of Justice (ICJ) to solve the Batu Puteh dispute with Singapore. However, in the perspective with Brunei, Malaysia rejected the idea of using ICJ to solve the issue. This shows that Malaysia and Brunei opted to use peaceful settlement which is in line with the principle of ASEAN and good foreign policy approach entering into a dialogue to achieve peaceful resolution which benefited both countries' national interest. But, it resulted to a much slower momentum in resolving the issue.

Under the perspective of Malaysia and Brunei territorial disputes, there were lot of issues rose. One of the issues was regarding the Limbang status claimed by Brunei. For example, the fourth Prime Minister, Tun Dr Mahathir Mohamad queried the loss of USD 100 billion of Malaysia's oil in the deal with Brunei to get back Limbang, under Tun Abdullah Ahmad Badawi's administration as the Prime Minister after his tenure. Tun Mahathir continued to comment on how Tun Abdullah Badawi negotiated with the Sultan to get back Limbang into Sarawak which involved the exchange of the two newly discovered oil blocks to drop the claim. He also believed that the two blocks oil are no longer parts of Malaysia even though Malaysia has the right to claim the two blocks based on historical facts ("Mahathir Queries Loss of USD 100 Billion", 2010)

Therefore, the study focuses on the perspective of Malaysia – Brunei territorial disputes. It includes how Malaysia and Brunei entered into a series of dialogues and were able to achieve the desired result by engaging into peaceful settlement. Thus, this study also explains the resolutions taken by both states to settle this matter. Moreover,