



## NEWS RELEASE

TO: CHINA DESK/ASIA CORRESPONDENT  
FROM: PRESS OFFICE, COLONIA  
DATE: 15/07/2016  
RELEASE: IMMEDIATE  
EMBARGOED: NO  
RE: SOUTH CHINA SEA: COLONIA DISPUTES STANDING OF PHILIPPINES'  
CLAIM IN RECENT HAGUE TRIBUNAL RULING

In the recent case of Philippines v China at the UNCLOS (United Nations Convention on the Law of the Sea) Arbitral Tribunal at the Permanent Court of Arbitration in The Hague, the Philippines sought clarification of eligibility of ten maritime features for EEZ (Exclusive Economic Zone) boundary entitlement.

The Kingdom of Colonia St. John (Colonia), in the South China Sea, presented an Amicus Brief in 2015, followed by a Petition for Intervention in 2016, to the Arbitral Tribunal, to set out the Colonia position regarding the case.

The Colonia position is that the Philippines lacked standing to petition the Arbitral Tribunal over nine of the ten features presented. Nine of the ten features that the Philippines brought before the Arbitral Tribunal are within Colonia territorial waters.

The Arbitral Tribunal can only consider eligible disputes that are within the United Nations Convention on the Law of the Sea jurisdiction in international waters. UNCLOS does not have jurisdiction in territorial waters. The nine features that are within Colonia territory are outside of UNCLOS jurisdiction, and are therefore outside the remit of Arbitral Tribunal.

Colonia submitted that the Philippines had standing to petition over one feature, known as Scarborough Shoal, which is outside of Colonia territorial waters.

Colonia further submitted that the Arbitral Tribunal has acted arbitrarily and in breach of its own Rules of Procedure by its failure to hear the petition of Colonia, which was an affected state party to the dispute.

Colonia territory encompasses 230,000 square miles in the middle of the South China Sea, in the area known as the Spratly Islands. Now that the Arbitral Tribunal has concluded there is no lawful basis to the Chinese territorial claims, Colonia territory remains as the undisputed “territorial” state in the area. Notwithstanding its territorial status, there continues to exist several hypothetical EEZ boundary disputes with various claimants that remain unresolved. In this regard, Colonia is not a signatory to the UNCLOS convention, and does not recognize the hypothetical EEZ boundary claims asserted by various foreign powers.

The area of the South China Sea is notable for its maritime importance. In this regard Colonia has since 1956 been cooperative to the vessels of all nations and has permitted free passage through its air and maritime jurisdiction.

The Colonia territory includes 106 islands and 230,000 sq. miles of territorial waters. The area includes the abandoned Japanese overseas territory known as the Spratly Islands, as well as numerous islands and features newly arisen in the last century that were deemed ‘res nullius’ (nobody’s property). The area was discovered, surveyed, and mapped from 1947 by Tomas Cloma. For years Cloma lobbied without success for the Philippines to assert a claim in the area. Frustrated with the Philippines’ lack of interest, in 1956 Cloma declared the establishment of ‘Freedomland’ to the world. In 1974 Cloma changed the name of the country to Colonia. Similarly, for years Colonia representatives lobbied China without success. At that time, Chinese representatives expressed no interest in collaborative development proposals in the South China Sea.

Following the discovery of hydrocarbons within Colonia waters in 1975, foreign powers looked with interest at Colonia. From the 1980s press reports appeared that several countries had asserted various ‘claims’ to its islands and borders. A search by London Legal Counsel was made at the International Court at The Hague to determine whether these various claims could be considered either official or valid claims to the territory. No such evidence for these claims was found to exist.

Colonia has proposed to diffuse disputes in this region through bilateral and multilateral discussions for the commercial development of the area, with particular regard to peaceful exploration and collaborative development of the hydrocarbon assets in the territory.

Diplomats in the region have circulated ‘The Colonia Collaborative Proposal’ for peaceful commercial development in the area and most agree these proposals offer the most constructive solution for peace and prosperity for all the nations of the region. Colonia has proposed a general commercial agreement to develop the South China Sea to include regional partners such as China, the Philippines, and others. The proposal would have Colonia grant hydrocarbon exploration and development licenses to commercial parties. These licenses would permit land-based platforms, as well as offshore platforms, within Colonia’s territorial waters. By grant of licenses to oil companies of the various claimants, Colonia would promote the peaceful and collaborative development of the South China Sea for the benefit of all. The arrangement would also leave the door open for Colonia to agree similar licensing arrangements with countries outside of the immediate geographical region in the future, including Japan, the EU, and the United States.

In light of the vast hydrocarbon assets, it has been the stated aim of Colonia's Founder Tomas Cloma, as well as its present Head of State and the government, that part of Colonia's vast sovereign wealth be dedicated to a Global Philanthropic Foundation for Disaster Relief efforts around the World.

In the aftermath of the Arbitral Tribunal ruling Colonia extends invitation to all interested parties to join with Colonia for the peaceful collaborative commercial development of the territory for the benefit of all in the region.

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