

ABSTRACT

The People's Republic of China and the Philippines are both the parties which are tied to the United Nations Convention on the Law of the Sea (UNCLOS). As the practice of UNCLOS' Annex VII, the Philippines proposed to deal with the jurisdiction over the South China Sea dispute. The effort in dealing with the case was met with China's non-acceptance and non-participation towards the proceedings and the result of The Hague's Tribunal Ruling which decided to rule unanimously in favour of the Philippines, costing China to be "legally lost" over the two million square kilometres of sea encompassed by its "nine-dash line". On July 12, 2016, China declared her rejection towards The Hague's tribunal decision.

The objective of this thesis is to analyse the reasons behind China's rejection towards the Hague tribunal ruling over the South China Sea case. This thesis uses the rational actor model of foreign policy decision-making process and the concept of national interest in analysing the case. The qualitative method is applied, and the writer is using media and library research such as books, journals, proceedings, government webpages, and news related to China, South China Sea, and the *Philippines v. China's* case.

The research found that China's rejection to the decision of the arbitral tribunal's ruling brings more advantages for China in the aspects of territorial integrity, military security, and economic well-being.

KEYWORDS: *China's rejection, Tribunal Ruling, Rational Actor, South China Sea, South China Sea Dispute, United Nations Convention on the Law of the Sea*