Conflict in South China Sea between China and some states namely the Philippines, Vietnam, Taiwan, Malaysia and Brunei Darussalam, has been started since long time ago and it still exist until now a day. The core of conflict was an overlapping claimed among states surrounding South China Sea (mainly Spratly islands). Conflict is not only bilateral disputes, but also multilateral one.

Any claimant states claimed its territory borderlines according to various reasoning starting from historical facts, domestic law, San Francisco Convention to the United Nation Convention of Law of the Sea. Conflict becomes more complicated when there were such interests nationally, regionally, and internationally especially those from states outside the region, mainly because of its strategic geographically, its richness resources economically.

Considering that the conflict has potentially becomes disturbing peace and security in Southeast Asia and the Asia Pasific regions, ASEAN established ASEAN Regional Forum (ARF), a multilateral dialog forum on political and security issues to maintain peace, security, and stability in the Asia Pasific region, including South China Sea region.

As a multilateral dialog forum, ARF plays an important and strategic role on managing such dispute in South China Sea by facilitating, mediation, and negotiation those claimant states, through three stages of evolution process, namely; development of Confidence Building Measures (CBMs), development of Preventive Diplomacy Mechanism, and development Conflict Resolution Mechanism. The study uses a descriptive analysis method and role of international organization theory, and aims to know the role of ARF on managing territorial conflict in South China Sea.

During the study conducted, from 1994 to 2011, ARF has remarkably able to prevent conflict escalation from rising toward the use of military action through its role as facilitator, mediator, and negotiator which were implemented in form of track one and track two activities.