The subject of this master thesis is to describe the geopolitical and geo-strategic character of the South China Sea, which is an important communication sea-lane and possess rich natural resources in the Southeast Asia. The aim is to portray the territorial claims of littoral countries and to analyse the socio-economic and environmental importance of the sea. Further attention is given to security issues since the region is thratened by piracy. Final part of thesis focuses on relations and agreements between ASEAN and China.