

# The Philippines

### **Overview and Recent Developments**

The United States and the Republic of the Philippines maintain a deep relationship that includes a bilateral security alliance, extensive military cooperation, close people-to-people ties, and many shared strategic and economic interests. U.S. administration of the Philippines as a colonial territory (1898-1946), which followed 300 years of Spanish rule, shaped the relationship. Situated east of the South China Sea and south of Taiwan, the Philippines has long played an important role in U.S. Asia policy as a close security and counterterrorism partner. The 1951 Mutual Defense Treaty (MDT) requires the two countries to help defend each other against external armed attack. The 1999 Visiting Forces Agreement governs the legal status of U.S. military forces operating in the Philippines. The Biden Administration has made revitalizing U.S. alliances in Asia-including with the Philippines—a key pillar of its Indo-Pacific Strategy.

The United States is the Philippines' third-largest trading partner, after the People's Republic of China (PRC or China) and Japan, and its largest export market. The Philippines is one of 14 members of the Indo-Pacific Economic Framework Initiative, which the Administration launched in May 2022.

#### The Philippines at a Glance



GDP Composition by Sector: Agriculture (9%); Industry (31%); Services (60%)

**Sources:** Map, CRS; Other information, Central Intelligence Agency, *The World Factbook*, 2023.

Ferdinand "Bongbong" Marcos Jr. was elected President of the Philippines in 2022. Marcos's father, Ferdinand Marcos Sr., ruled the country from 1965 to 1986, including through martial law from 1972 until he was ousted by the 1986 People Power Revolution. Sara Duterte-Carpio, daughter of former President Rodrigo Duterte, won the Vice Presidency. The Philippine constitution limits both the President and Vice President, who are elected on separate tickets, to one six-year term.

In May 2023, President Joe Biden met with President Marcos in Washington, DC. The two countries issued a



joint statement underscoring mutual commitments to bolster defense cooperation; uphold freedom of navigation and overflight in the South China Sea and respect for "the sovereign rights of states within their exclusive economic zones [EEZs] consistent with international law"; promote bilateral trade and investment; and address climate change; among others. During Marcos's visit, the two allies established new Bilateral Defense Guidelines, which aim to modernize Philippine defense capabilities, deepen interoperability, enhance bilateral planning and information-sharing, and combat transnational and nonconventional threats. They broaden U.S. security commitments under the MDT, stating they would apply to armed third-party attacks against Philippine armed forces, including the Coast Guard, aircraft, or public vessels "anywhere in the South China Sea."

# **Foreign Relations**

The Philippines has long sought to balance its relations with the United States and China. Manila has relied on the U.S. alliance and security presence in the region, while seeking greater trade and investment from the PRC, despite numerous tensions between the Philippines and China. Unlike former President Duterte, who had expressed distrust in the United States and sought early in his term to strengthen ties with the PRC, Marcos has reaffirmed the importance of the U.S.-Philippines alliance, while seeking to maintain a stable relationship with China.

In January 2023, Marcos went to Beijing and met PRC leader Xi Jinping. The trip yielded PRC promises of loans, infrastructure assistance, and other investments. The two sides also agreed to resume talks on oil and gas exploration in the South China Sea. According to reports, however, no breakthroughs on major issues in the bilateral relationship were achieved. In February 2023, Marcos visited Japan, where discussions focused in part on further strengthening security cooperation between the two countries, both of which could be directly affected by a potential military conflict between the PRC and Taiwan. The United States, the Philippines, and Japan reportedly are exploring "trilateral modes of cooperation" in the security sphere.

The Philippines is the largest recipient of U.S. military assistance in the East Asia-Pacific region, including Foreign Military Financing and assistance under the Department of Defense's (DOD's) Indo-Pacific Maritime Security Initiative. U.S. military and Armed Forces of the Philippines (AFP) personnel conduct regular military exercises and maritime patrols, collaborate on counterterrorism, and carry out joint humanitarian activities. In April 2023, over 17,000 U.S. and AFP soldiers plus 100 Australian troops participated in "Balikatan" ("Shoulder-to-Shoulder"), the alliance's premier annual bilateral exercise, in the Philippines. Balikatan 2023 focused on maritime defense and domain awareness, and was the first iteration to conduct live-fire drills.

In 2014, the U.S. and Philippine governments signed the Enhanced Defense Cooperation Agreement (EDCA), 22 years after the U.S. military withdrew from Clark Air Base and Subic Bay Naval Base in the Philippines. EDCA allows for the rotational presence of U.S. military forces, ships, and aircraft at agreed locations in the Philippines. The 1987 Constitution of the Philippines prohibits foreign military bases. In February 2023, the two sides agreed to increase the number of Philippine military bases open to U.S. forces from five to nine, including one across the Luzon Strait from Taiwan and two facing disputed islands and maritime features in the South China Sea. The PRC government warned that the EDCA expansion plans would endanger regional stability.

#### **Human Rights Concerns**

Significant human rights challenges in the Philippines include extrajudicial killings, lack of protections for press freedom and the safety of journalists, a weak judicial system, and government corruption. In 2020, a Philippine court found Maria Ressa, co-winner of the 2021 Nobel Peace Prize, who had reported critically on the Duterte Administration's "War on Drugs," guilty of "cyber libel." Ressa remains on bail as she appeals her case to the Supreme Court of the Philippines.

Duterte's drug war resulted in thousands of extrajudicial killings, triggering international condemnation. Estimates of anti-drug campaign-related deaths range from 6,200 to 30,000. Human rights groups report that virtually all of the killings, which were carried out by police and armed vigilantes, occurred without due process, and the vast majority of victims were unarmed, poor, low-level offenders. President Marcos stated that he would continue the anti-drug campaign "within the framework of the law and with respect for human rights." Some human rights groups allege that extrajudicial killings related to anti-drug operations have continued under Marcos and there has been no apparent improvement in rehabilitation services. Marcos opposes a pending International Criminal Court (ICC) investigation into possible "crimes against humanity" related to the drug war. The Philippines withdrew from the ICC in 2018. The Department of State, in a report that it updated pursuant to the Consolidated Appropriations Act, FY2023 (P.L. 117-328, section 7019(e)) states that the AFP "has made progress on human rights," although "some AFP personnel, particularly those acting outside the chain of command, commit human rights abuses and violations."

# **U.S.** Assistance and Restrictions

Department of State and U.S. Agency for International Development (USAID) assistance to the Philippines totaled an estimated \$155.2 million in FY2022. It includes military aid and programs aimed at promoting inclusive economic development, the rule of law and human rights, and family health, basic education, and environmental management. Since 2016, the U.S. government has suspended counternarcotics assistance to Philippine National Police units that carry out anti-drug efforts. The Consolidated Appropriations Act, FY2023 (P.L. 117-328, section 7043(h)) states, "None of the funds appropriated by this Act may be made available for counternarcotics assistance for the Philippines, except for drug demand reduction, maritime law enforcement, or transnational interdiction."

# South China Sea

The Philippines, China, and other countries have longstanding disputes over waters and land features in the South China Sea. Tensions have risen sharply since 2012, as China has enlarged and placed military assets on several disputed features in the Spratly archipelago, and interfered with Philippine commercial and military activity in the Philippines' EEZ. Since 2019, flotillas of PRC vessels have regularly massed around Philippine-occupied land features and have harassed Philippine fishing and coastguard vessels in the Philippines' EEZ.

The Aquino government (2010-2016) sought arbitration under the United Nations Convention on the Law of the Sea (UNCLOS) against aspects of China's claims and assertive behavior in the South China Sea. In 2016, an UNCLOS tribunal concluded, among other findings, that China's maritime territorial claims based on "historical rights" have no basis in international law. China did not participate in the proceedings and declared the verdict "null and void." In contrast to the Duterte government, which largely ignored the ruling, the Marcos government has often cited it, stating the ruling and UNCLOS "are the twin anchors of the Philippines' policy and actions" on the South China Sea.

#### **Extremist and Separatist Movements**

The Philippines has long battled Muslim armed separatist and terrorist groups on the southern island of Mindanao. The Abu Sayyaf Group (ASG), which the United States designated as a foreign terrorist organization (FTO) in 1997, has carried out hostage-takings for ransom, killings, and bombings since the early 1990s. In 2017, a coalition of Filipino militant groups that had pledged allegiance to the Islamic State, known as ISIS-Philippines, along with dozens of foreign fighters, captured Marawi, a provincial capital in Mindanao. With U.S. and other foreign assistance, the AFP retook the city five months later. In 2018, the State Department added ISIS-Philippines (renamed ISIS-East Asia in 2020) to the FTO list. DOD and the U.S. Indo-Pacific Command have provided noncombat support for counterterrorism efforts in the southern Philippines since 2002. By 2022, the AFP had reduced the number of ASG fighters to around 130, according to Philippine military officials, and significantly reduced the terrorist threat in Mindanao.

In 2018, the Duterte government and the Moro Islamic Liberation Front, an armed separatist group, reached an agreement to establish a new Muslim-majority administrative area in Mindanao and the Sulu archipelago called the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM). After delays due to the Coronavirus Disease 2019 pandemic, a general election for the BARMM parliament is scheduled for 2025.

For further information, see CRS Report R47055, *The Philippines: Background and U.S. Relations*.

**Thomas Lum**, Specialist in Asian Affairs **Ben Dolven**, Specialist in Asian Affairs

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