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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 Philippines, the People's Republic of China (PRC or China), and others have long-standing disputes over waters and land features in the South China Sea. Rising tensions between the Philippines and China over maritime claims are a potential flashpoint in the region.

The United States is the Philippines' third-largest trading partner, after 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.

Figure 1. The Philippines at a Glance

Population: 118.3 mn

Ethnic Groups: Predominantly Malay; other groups include Chinese and mixed race (Filipino-Spanish, Filipino-Chinese, Filipino-American)

Religious Affiliations:

Roman Catholic 78.8%; Muslim 6.5%; other Christian 6.5%; other 8.2%

Gross Domestic Product (GDP):

\$991.7 bn (purchasing power parity, 2022 est.). Global rank: 30

Manila

Per Capita GDP: \$8,600 (2022 est.)

GDP Composition by Sector: Agriculture (9%); Industry (31%); Services (60%) (2017 est.)

Source: CIA World Factbook, June 2024. Map, CRS.

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 (in office 2016-2022), 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 June 2024, Duterte-Carpio resigned from the Marcos cabinet, a move

that may be intended to distance herself from Marcos politically.

During Marcos's visit to Washington, DC, in May 2023, 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. The guidelines appear to reinforce treaty obligations, stating that an armed attack "anywhere in the South China Sea," on either party's "armed forces—which includes both nations' Coast Guards—aircraft, or public vessels, would invoke mutual defense commitments" under the MDT.

Foreign Relations

Unlike former President Duterte, who 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. The Marcos government also has strengthened security relations with Australia, Japan, and other U.S. allies. The Philippines has a reciprocal access agreement with Australia and is set to sign one with Japan in July 2024. In April 2024, a U.S.-Japan-Philippines summit was held in Washington, DC, to promote trilateral cooperation in multiple areas, including security, infrastructure investment in the Philippines, joint technology development, and reducing greenhouse gas emissions.

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 joint military exercises and maritime patrols, collaborate on counterterrorism, and carry out humanitarian activities. In 2024, over 16,000 primarily U.S. and AFP soldiers participated in "Balikatan" ("Shoulder-to-Shoulder"), the alliance's premier annual bilateral exercise, in the Philippines. Smaller contingents of Australian and French troops also participated. For the first time, military drills focused on maritime security took place outside the Philippines' "territorial waters" (12 nautical miles)—in the country's 200-nautical-mile exclusive economic zone (EEZ), challenging China's claims in the South China Sea.

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, aircraft, and ships at agreed locations in the Philippines. The 1987 Constitution of the Philippines prohibits the establishment

of foreign military bases in the country. 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 two across the Luzon Strait from Taiwan and two facing disputed maritime features in the South China Sea.

Human Rights Concerns

Human rights challenges in the Philippines include extrajudicial killings carried out by the military and police, 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, later a 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. The Department of State, in a report that it updated pursuant to the Consolidated Appropriations Act, FY2023 (P.L. 117-328, Section 7019(e)), stated 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."

Former President Duterte's campaign against illegal drugs resulted in thousands of extrajudicial killings, triggering international condemnation. Estimates of drug war-related deaths range from 6,200 to over 30,000. Human rights groups report that virtually all of the killings, which were carried out by the Philippine National Police (PNP) 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.

U.S. Assistance and Restrictions

Department of State and U.S. Agency for International Development (USAID) assistance to the Philippines totaled an estimated \$169.5 million in FY2023. It included 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 the Philippines, except for drug demand reduction, maritime law enforcement, or transnational interdiction. (See Further Consolidated Appropriations Act, 2024 [P.L. 118-47, Division F, Section 7043(h)].)

South China Sea

Tensions between the Philippines and China over disputed waters and land features in the South China Sea have risen 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, PRC vessels have regularly massed around Philippine-occupied land features and have harassed Philippine fishing and coastguard vessels in the Philippines' EEZ.

Since 2023, PRC Coast Guard and maritime militia vessels have escalated their interference with Philippine boats

attempting to conduct resupply missions to Second Thomas ("Ayungin") Shoal in the Spratly Islands chain. The Philippines posts a small cadre of its marines on a now-derelict Philippine Navy ship, the BRP Sierra Madre, which it grounded on the shoal in 1999 as part of its efforts to assert its maritime claims. In 2023, PRC harassment resulted in two collisions between PRC and Philippine vessels. In June 2024, PRC Coast Guard vessels reportedly collided with and boarded two Philippine boats attempting to resupply the Sierra Madre; one Filipino reportedly was injured. The Department of State issued a statement condemning "the escalatory and irresponsible actions by the [PRC] to deny the Philippines from lawfully delivering humanitarian supplies to service members stationed at the BRP Sierra Madre on June 17."

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."

Separatist and Terrorist 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, 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. The U.S. military has provided noncombat support for counterterrorism efforts in the southern Philippines since 2002. By 2023, the AFP reportedly had reduced the number of ASG fighters to under 100. The AFP has significantly weakened the Communist Party of the Philippines and its military arm, the New People's Army, both of which are on the State Department's FTO list.

In 2018, the Philippine government and the Moro Islamic Liberation Front, an armed separatist group, agreed to establish a new Muslim-majority administrative area in Mindanao and the Sulu archipelago called the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM). An election for the BARMM parliament is scheduled for 2025.

See also CRS In Focus IF12550, China-Philippines Tensions in the South China Sea, and CRS In Focus IF10607, China Primer: South China Sea Disputes.

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