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# The Philippines

# **Overview and Recent Developments**

The United States and the Republic of the Philippines have maintained 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. In July 2022, Secretary of State Antony Blinken, in a call with Philippine Foreign Affairs Secretary Enrique Manalo, emphasized "the increasing significance of the U.S.-Philippine bilateral alliance to security and prosperity in the Indo-Pacific region and around the world." The 1951 Mutual Defense Treaty (MDT) requires the two countries to help defend each other against external armed attack; Biden Administration officials have stated that the MDT applies to armed third-party attacks against Philippine armed forces, public vessels, and aircraft in the South China Sea.

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 Biden Administration launched in May 2022 to boost economic growth, fairness, competitiveness, and related objectives among allies and partners in the region.

Ferdinand "Bongbong" Marcos Jr. assumed the office of President on June 30, 2022, having won more than 31 million out of 55 million votes cast. Marcos is the son of Ferdinand Marcos Sr., who 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 outgoing 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.

The World Health Organization reported approximately 3.73 million Coronavirus Disease 2019 (COVID-19) cases and 60,600 deaths in the Philippines as of July 2022. Over 70% of the population is fully vaccinated, according to the Philippine government. The U.S. government has provided approximately \$38 million in pandemic-related assistance and 32 million vaccines through the COVID-19 Vaccines Global Access (COVAX) program as of March 2022.

# **U.S.-Philippines Defense Relations**

Former President Rodrigo Duterte (2016-2022) had expressed distrust in the United States and sought to strengthen ties with the People's Republic of China (PRC). However, Duterte's goal of garnering major infrastructure

investment from Beijing was largely unsuccessful, and the two countries made no significant progress toward resolving territorial disputes or engaging in joint oil exploration in the South China Sea. In July 2021, the Duterte government announced that it would re-commit to the Philippines-U.S. Visiting Forces Agreement (VFA), after announcing in February 2020 that it intended to terminate the pact. The VFA governs the legal status of U.S. forces operating in the Philippines and establishes rules by which U.S. troops, vessels, and aircraft may enter the country. President Marcos has not yet articulated his approach to the U.S. alliance, but he has stated he wants to improve ties with China despite ongoing territorial disputes.

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 (2016-2021). U.S. military personnel and the Armed Forces of the Philippines (AFP) hold regular military exercises and maritime patrols, collaborate on counterterrorism, and conduct joint humanitarian activities. In 2022, approximately 3,800 AFP and 5,100 U.S. soldiers participated in Balikatan ("Shoulder-to-Shoulder"), the premier annual bilateral exercise, in the Philippines. The 2022 exercise, described as the "largest ever," focused on improving interoperability and joint defense capabilities and engaged in humanitarian and civic assistance projects.

Figure 1. The Philippines at a Glance

Manila

MILES

Population: 114 million

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

**Religious Affiliations:** Roman Catholic 81%; other Christian 9%; Muslim 5%; other 5%

Gross Domestic Product (GDP):

\$871 billion (purchasing power parity, 2020). Global ranking: 28

Per Capita GDP: \$8,000 (purchasing power parity, 2020)

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

**Source:** Map, CRS; Other information, Central Intelligence Agency, *The World Factbook*, 2022.

The United States and the Philippines signed the Enhanced Defense Cooperation Agreement (EDCA) in 2014, 22 years after the U.S. military withdrew from Clark Air Base and Subic Bay Naval Base. EDCA allows for the increased rotational presence of U.S. military forces, ships, and aircraft in the Philippines. In 2016, former President Duterte called for reassessing EDCA and reducing the number of U.S. troops and joint military exercises in the Philippines. In October 2021, following the Philippines'

recommitment to the VFA, the AFP announced that construction work related to EDCA would "intensify."

# **Human Rights Concerns**

Former President Duterte's "War on Drugs" resulted in extrajudicial killings, triggering international condemnation. Estimates of drug campaign-related deaths range from 6,000 to 27,000. According to human rights groups, 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.

The International Criminal Court (ICC) launched a preliminary investigation into possible "crimes against humanity" related to the drug war in September 2021, but suspended it in November 2021 following a Philippine government pledge to conduct its own probe. In July 2022, Justice Secretary Jesus Remulla stated that the Philippines cannot be subjected to an ICC investigation since it withdrew from the body in 2018. President Marcos stated that he would continue the drug war "within the framework of the law and with respect for human rights."

In July 2022, the U.N. Special Rapporteur on Freedom of Opinion and Expression called on President Marcos to decriminalize libel, withdraw charges against journalist Maria Ressa, reverse government decisions against media outlets, and investigate attacks on journalists. In 2020, a Philippine court found Ressa, co-winner of the 2021 Nobel Peace Prize, who had reported critically on the drug war, guilty of "cyber libel." In 2020, the Philippine House of Representatives voted not to renew the broadcast license of ABS-CBN, the Philippines' largest broadcasting network, and in June 2022, the Duterte government shut down the online news site Rappler. Both media outlets had reported critically on Duterte, especially his anti-drug policy. Human rights groups also reported that Marcos's presidential campaign and supporters harassed independent journalists.

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

Department of State and U.S. Agency for International Development (USAID) assistance to the Philippines, totaling \$154.9 million in FY2021, includes military aid and programs aimed at promoting inclusive socio-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 due to human rights concerns related to anti-drug efforts. The Consolidated Appropriations Act, FY2022 (P.L. 117-103) 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." The law mandates an update to a report describing steps the Philippine government has taken to prosecute armed forces personnel who have been involved in extrajudicial killings, strengthen judicial institutions, and ensure that the security forces are not engaging in acts of intimidation or violence against journalists or human rights and other social activists. (See Senate Report 116-126.)

#### South China Sea

The Philippines, China, and other countries have long-standing 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 increasingly interfered with Philippine commercial and military activity in its Exclusive Economic Zone (EEZ). Since 2019, flotillas of PRC vessels have regularly massed around Philippine-occupied land features, and a Chinese vessel sank a Philippine fishing boat in disputed waters.

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 declined to 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 in July 2022 said 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, which the United States designated as a foreign terrorist organization 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 (IS), known as ISIS-Philippines, along with dozens of foreign fighters, laid siege to 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 to its list of Foreign Terrorist Organizations. The network, now renamed ISIS-East Asia (ISIS-EA), has around 300-500 fighters, and conducts sporadic attacks in Mindanao and the Sulu archipelago. DOD and Indo-Pacific Command have provided noncombat support for counterterrorism efforts since 2002. USAID has committed \$63.6 million for humanitarian and recovery efforts in Marawi.

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 Sulu called the Bangsamoro Autonomous Region of Muslim Mindanao. Many observers expect the new political arrangement to result in the disarmament of militants and the growth of investment in the historically poor region, although COVID-19 restrictions have impeded progress.

For further information, see CRS Insight IN11954, *U.S.-Philippine Relations and Ferdinand Marcos Jr.'s Election*, and CRS Report R47055, *The Philippines: Background and U.S. Relations*.

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