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The Philippines Discovers its Maritime Domain: Aquino Administration's Shift in Strategic Focus from Internal to Maritime Security

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Abstract: This paper examines the strategic shift in the Philippines' defense policy from internal to maritime security. With China's maritime expansion in the South China Sea, the Philippine government has eased up its counter-insurgency/counter-terrorism campaign and has vigorously pursued instead the modernization of the Armed Forces of the Philippines (AFP) particularly developing the deterrence capability of the Philippine Navy (PN). However, slow-paced and hampered by scant resources, the naval build-up will hardly deter China's encroachment on the Philippine maritime territory. Faced with this predicament, the Philippines has resorted to forging new security partnership with the United States and Japan, two major naval powers in East Asia. The paper concludes that maritime security will remain the Philippines' priority concern way into the third decade of the 21st century.

Introduction

During Gloria Macapagal Arroyo's nine-year presidency, the Armed Forces of the Philippines (AFP) concentrated its efforts, and resources on neutralizing the various insurgent movements in the country. In 2009, however, the Arroyo Administration was suddenly confronted with the ubiquitous Chinese naval presence in Philippine territorial waters and increasing assertiveness in the South China Sea dispute. China's belligerent behavior against the Philippines began when President Arroyo signed Republic Act No. 9522 or the Philippine Baseline Act into a law in March 2009. Immediately after, China deployed a fishery patrol vessel, and in the following month, sent six more patrol vessels allegedly to curb illegal fishing in the disputed area. These moves reflected China's intention to consolidate its jurisdictional claims, expand its naval reach, and undermine the positions of other claimant states through coercive diplomacy.¹ With China's heavy-handedness in the South China Sea, the Philippines realized the need to develop its naval capability to protect its vast

¹ Chin-Hao Huang and Robert Sutter, "China-Southeast Asia Relation: ASEAN and Asian Regional Diplomacy," in *Comparative Connection: A Quarterly E-Journal on East Asian Bilateral Relations* (October 2009). p. 5. At http://csis.org/files/publication/0904china_seasia.pdf (Searched date: 28 March 2010)

maritime borders and its territorial claim over some land features in the South China Sea.

The AFP's shift from internal to maritime security gained momentum when Benigno Simeon Aquino III became president in 2010. On several occasions, he vowed to pursue the AFP modernization program, intended to transform the Philippine military from an army-centered counter-insurgency-oriented organization into a modern armed forces capable of overseeing territorial defense and maritime security. In clear emphatic terms, President Aquino spoke of "enhanced security" for national defense and put forward the country's claim for territories in the South China Sea through the modernization of its navy and the air force.² In 2013, he announced that his administration is pursuing *Strategic Sail Plan 2012* which aims to upgrade the Philippine Navy's (PN) capacity and capabilities for maritime security.

These official pronouncements relative to modernizing the AFP are geared toward redirecting the Philippine military away from asymmetric/ low intensity conflicts (LICs) to territorial defense/maritime security. This shift requires providing the AFP with the necessary equipment, technical training, and expertise for external defense. In turn, the Philippine military must train its officers and personnel to broaden their skills, knowledge, and capability in territorial defense instead of merely discharging constabulary functions, and undertaking socio-civic activities—a role it has performed since the Philippine became independent in 1946. It also means that the PN must go beyond being a transport arm of the Philippine Army (PA) and become a naval force that can stand up to security challenges of a maritime nation located in a strategically vital area of the world and confronted by an expansionist continental power. Finally, it calls for the Philippines to form and foster partnerships with other naval powers with common values and mutual interests in maritime security.

This article examines the growing importance of maritime security to the Philippine government's governance agenda. It addresses this main problem: How is the Aquino administration managing the security challenge emanating from the Philippines' maritime domain? This article also explores these related questions: a) What had been the traditional security concerns of the Philippines? b) What events led to the shift in the government/military policy from its long strategic focus on counter-insurgency/internal security to territorial defense/maritime security? c) What primary security challenge does the Philippines face in its maritime domain? d) What are the internal and external measures undertaken by the Aquino administration to address this security challenges? And finally, e) How effective are these measures?

² Alma Maria O. Salvador and Jennifer Santiago, "Defense Budget and Spending: Alignment and Priorities", in *Philippine Defense Spending (2001-2012)* (Quezon City: Ateneo De Manila University Press, 2012). p. 14.

The Primacy of Internal Security

The Philippines consist of 7,107 islands and occupies a maritime area that stretches for 1,850 kilometers from about the fifth to the twentieth parallels north latitude. Of these sprawling 7,107 islands, only 1,000 are inhabited. Topographically, the country is fragmented by inland waters, which also gives the Philippines one of the longest coastlines among other countries in the world. Aside from the rugged of the land mass, the Philippines has an irregular coastline spanning about 10,850 miles, twice as long as that of the continental U.S.A. All the islands are of volcanic origin, with hilly or mountainous centers, and with limited arable lands located either in the narrow strips of coastal plains or central valleys. The Philippines is also geographically isolated from mainland East Asia as its maritime borders provide the country an almost impenetrable moat against any external threat emanating from the Asian continent. Thus, maritime security is crucial for the Philippines as both a maritime and archipelagic state in Southeast Asia.³

Ironically, however, the Philippines had focused primarily in the past on containing social unrest generated by economic inequality and the lack of national unity. Since 1946, the Philippines' national security concerns have been rooted in conflicts and in the nature and identity of the nation-state, particularly over regime legitimacy, and socio-economic inequality which continue to create tension between the state and society.⁴ This resulted in the primacy of land-based security threat with maritime defense taking a backseat to internal security concerns and counter-insurgency operations. This situation was reinforced by the absence of any visible external threats emanating from the maritime domain and the Philippines' reliance on the U.S. for its external defense requirements.⁵

From 1946 up to the present, the Philippine state has been plagued by a persistent domestic insurgency problem. In the past four decades, the Philippine government and its military have been combating the local rebel movements such as the communist-led *Hukbong Magpapalaya ang Bayan* (People's Liberation Army in the 1950s) and later the New People's Army (NPA), the secessionist Moro National Liberation Front (MNLF) and later, the Moro Islamic Liberation (MILF), and the bandit/terrorist group, the Abu Sayaff. During the Cold War, the Philippine military was engaged ideologically and militarily against these insurgent movements because

³ Ronnie Gil L. Gavan, "Organized National Engagement (ONE) at Sea: Optimizing the State's Option for Maritime Security," *Digest: A Forum for Security and Defense Issues*, 19, 1 (First Quarter 2012).p. 1.

⁴ Noel M. Morada and Christopher Collier, "The Philippines: State versus Society," in *Asian Security Practice: Material and Ideational Influences* (Ed) Muthiah Alagappa (Stanford, California: Stanford University Press, 2001).p. 550.

⁵ Gavan, *op. cit.* p. 10.

the country was under the U.S. security umbrella. Prior to the withdrawal of the American military facilities in 1992, the presence of the U.S. forces was perceived as an effective deterrence against any external attack (primarily conventional) on the country. The Philippines also received base-related economic and security assistance packages under the Military Assistance Program of 1947 (MAP), the Economic Support Fund (ESF) and the Foreign Military Sales (FMS) Credit. As a result, the Philippine government had considerable savings on defense expenditures. This would not have been possible without the presence of U.S. bases before. The Philippines saved more than US\$ seven billion for a ten-year period (1980-1989) based on the given economic and military assistance, and reduced defense expenditures.⁶ During this period, the Philippine military did not develop its external defense capability, and instead, attended to more pressing matter of counter-insurgency.⁷

Consequently, the Philippine military has been considered as a laggard among the more modern (and middle power) Southeast Asian armed forces (Singapore, Thailand, Indonesia, Malaysia, and even Vietnam) in terms of force modernization, development, and naval capabilities.⁸ The PN has a functioning fleet of law-enforcement naval assets consisting mostly of fast patrol crafts acquired during the Martial Law years in the 1970s.⁹ The PN also has capabilities for coastal patrol duties, troop transport, and disaster relief. However, it lacks vital naval capabilities rendering it totally outclassed by most modern navies in East Asia. The PN has no missile-armed ships. In fact, most of its ships are former-U.S.-made World War II-vintage surface combatants with limited anti-air and no anti-submarine and mine-sweeping capabilities. Thus, the PN is greatly inadequate in safeguarding the country's territorial waters and Exclusive Economic Zone (EEZ).¹⁰ A naval officer candidly admits: "While the Navy is still able to perform its ISO missions...albeit on a limited basis, it may not be able to sustain a campaign against more formidable external threats."¹¹

Despite the poor state of its navy in particular and the armed forces in general, the Arroyo administration adopted two major policy decisions in the early 21st century: a)

⁶ Kathline Anne S. Tolosa, "Owning Sovereignty," in *Digest: A Forum for Security and Defense Issues* (4th Quarter 2008). p. 6.

⁷ AFP Modernization Board, *Annual Accomplishment Report 2006*. (Quezon City: General Headquarters Armed Forces of the Philippines, 2007). p. 1.

⁸ AFP Modernization Board, *Armed Forces of the Philippines Modernization Program: A Primer*. (Quezon City: Camp Aguinaldo, 1998). p. 2.

⁹ Gavan, *op. cit.*, p. 10.

¹⁰ Mereniza C. Gomez, "The Evolving Role of the AFP: Skewing Towards Non-Traditional Roles" *Security Sector Reform: Modern Defense Force Philippines* (Quezon City: Ateneo De Manila University Press, 2014). p.151.

¹¹ P. Ervin A. Mundo, "A Multi-Purpose Vessel for the Philippine Navy: Options and Prospects," *Digest: A Forum for Security and Defense Issue* (4th Quarter 2008). p. 15.

a single minded focus on internal security; and b) a revitalized alliance with the U.S. to generate materiel and financial resources for its foreign and national security requirements which were primarily counter-insurgency or counter-terrorism campaigns. During the first decade of the 21st century, the Philippines was still bedeviled by its long and protracted wars against various insurgent groups. Focused on internal security, the AFP's territorial defense development efforts were relegated to the sidelines. Materiel intended for external defense were used for internal security purposes. Furthermore, scant financial resources for the AFP modernization were channeled to personnel costs and to the combat operations against insurgent groups. The September 2007 *AFP Capability Assessment* gave a thorough and candid analysis of the AFP's deteriorating equipment and combat capabilities. The report indicated the poor condition of the equipment severely affected the military's effectiveness and efficiency in counter-insurgency operations. Moreover, the emphasis on LICs diverted the AFP's attention and resources away from external defense-related modernization projects.¹² Specific to the navy, it noted that the "PN lacks the assets for [the] conduct of maritime patrols over territorial waters, since it does not have any anti-air capability and is incapable of mounting anti-submarine and mine warfare operations."¹³

The Emergence of Chinese Naval Power

As the biggest and most powerful littoral state around the South China Sea, China has declared its undisputable sovereignty over the eighty percent of this body of water. China bases its sacred and inalienable claim on the South China Sea on alleged historical accounts of Chinese navigators and sailors who had sailed its waters during the Han, Yuan, Ming, and Ching dynasties. This claim, however, is predicated on China's geo-strategic exigencies and status as a great power in East Asia. In addition, China has been historically preoccupied with the control of its "Southern Seas." The South China Sea serves as the main corridor of Chinese maritime trade into Southeast Asia and South Asia. China's decline as a great power in the late 19th century coincided with its loss of control of this sea to Western powers especially France.¹⁴ At present, to regain its great power status in East Asia, China has modernized its

¹² Office of Plans and Program, *AFP's Capability Assessment*, presented during the National Defense and Security Review Module Priming Session (Camp Aguinaldo, Quezon City: National Defense College of the Philippines, 3-6 September 2007).p. 25.

¹³ *Ibid.* p. 23.

¹⁴ James A. Gregor, *In the Shadow of the Giants: The Major Powers and the Security of Southeast Asia* (Stanford, California: Hoover Press Publication, 1989). p. 89.

navy to stave off the encroaching Western and later Japanese power in the South China Sea.¹⁵ However, from the viewpoint of the small Southeast Asian states, this is an outright Chinese expansionism in an area of key strategic location and economic resources.¹⁶

With its robust economy, China has incrementally developed a formidable navy. This navy has shifted from preempting possible U.S. intervention in a Taiwan Straits crisis to developing the capacity to deny the U.S. Navy access to East China Sea and South China Sea or inside the so-called First Island Chain that runs from Japan--Okinawa--Taiwan down to the Philippines. China has had an annual double-digit increase in defense spending since 2006. In recent years, the People's Liberation Army's Navy (PLAN) has acquired a growing fleet of Russian-made, diesel-electric Kilo-class submarines and *Sovremenny*-class destroyers, along with several types of indigenously-built destroyers, frigates, and nuclear-powered attack submarines. At the advent of the 21st century, China has introduced three new classes of destroyers (*Luyang I*, *Luyang II*, and *Luzhou*) with sophisticated radar and air-defense weapon systems, as well as frigates (*Jiangwei II*, *Jingkai I* and *Jingkai II*) with improved war-fighting capabilities and seaworthiness.¹⁷ The PLAN has enhanced its operational capabilities across the waters surrounding Taiwan with the deployment of two new classes of ballistic and attack submarines. These naval developments have enabled the PLAN to extend its operational range from the first-island-chain to the second-island chain, which extends from northern Japan to the Northern Marianas Islands, Guam, and further south to Palau.¹⁸

China's assertiveness in pushing its claims in the South China Sea and East China Sea has increased in tandem with the expansion of its navy and maritime services.¹⁹ To support its maritime claim, China conducts numerous naval exercises that employ more modern surface combatants and even submarines.²⁰ These simulated war games

¹⁵ *Ibid.* p. 89.

¹⁶ David Scott, *China Stands Up: The PRC and the International System* (Oxon; New York: Routledge, 2007). p. 104.

¹⁷ Ronald O' Rourke, "PLAN Force Structure: Submarines, Ships, and Aircraft," in (eds.) Phillip C. Saunders, Christopher Yung, Michael Swaine, and Andrew Nien-Dzu-Yang, *The Chinese Navy: Expanding Capabilities, Evolving Roles*. (National Defense University Press, Washington, D.C., 2011). pp. 154-155.

¹⁸ Nan Li, "The Evolution of China's Naval Strategy and Capabilities: From "Near Coast" and "Near Sea" to "Far Seas" ," in (eds.) Phillip C. Saunders, Christopher Yung, Michael Swaine, and Andrew Nine-Tzu-Yang, *The Chinese Navy: Expanding Capabilities, Evolving Roles*. (National Defense University Press, Washington, D.C., 2011). p. 129.

¹⁹ Peter Dutton, "Three Disputes and Three Objectives: China and the South China Sea," *Naval War College Review*, 54, 4. (Autumn 2011). p. 47.

²⁰ For details on China's Training Exercises in its surrounding waters see National Institute for Defense Studies, *NIDS China Security Report 2011* (Tokyo: National Institute for Defense Studies, 2012). pp. 18-21.

are staged to show China's determination to unilaterally and militarily resolve the dispute, to flaunt its naval preponderance, and to impress upon the other claimant states its *de facto* ownership of these contested maritime territories. In the process, the Chinese navy backs the official claim of Beijing that the South China Sea is its territorial waters. Hence, Vietnamese and Philippine vessels are harassed, detained, or even fired upon by Chinese patrol craft. These are Chinese bullying tactics to pressure these claimant states to back away from the disputed area.²¹

This pattern of Chinese actions signifies that China has taken the top hierarchical position in the regional pecking order. It also bears all the requirements (economic and military might, diplomatic prowess, and willingness to carry its weight with the smaller powers) of a traditional power determined to change the power game in East Asia. Proud of its comprehensive power and strong armed forces commensurate to its dramatic economic growth, China has embarked on various maritime actions relative to the South China Sea dispute. These include the unilateral declaration of an East China Sea Air Defense Identification Zone (ADIZ), the active conduct of several live-fire naval exercises by the PLAN and People's Liberation Army's Air Force (PLAAF) in the Western Pacific/South China Sea, and the hardline responses by the PLAN coordinating with maritime law-enforcement agencies regarding the territorial disputes with the Philippines and Vietnam in the South China.²² These moves heightened the apprehension of other littoral states about China's maritime design in the region.²³

China's naval prowess generates regional tension by challenging the claims of small littoral states over parts of the South China Sea, and by changing the strategic pattern in the maritime commons of East Asia and West Pacific where the U.S. Navy is still dominant. Interestingly, Chinese media commentators, academics, and analysts have consistently emphasized the significance of naval power and the need to protect China's sovereignty over its surrounding waters. They agree unanimously that the PLAN should have unlimited operational range, and must possess blue-water capabilities to maintain a military presence at sea, provide deterrence, and conduct military diplomacy missions.²⁴

²¹ Robert Sutter and Chin-Hao Huang, "Managing Rising Tension in the South China Sea," *Comparative Connections: A Triannual E-Journal on East Asian Bilateral Relations*, September 2011. p. 1. http://csis.org/files/publication/1102qchina_seasia.pdf

²² National Institute for Defense Studies, *NIDS China Security Report 2014* (Tokyo: National Institute for Defense Studies, 2015). p. 3.

²³ *Ibid.* p. 3.

²⁴ Daniel M. Hartnett and Frederic Vellucci, "Toward a Maritime Security Strategy: An Analysis of Chinese Views since Early 1990s," in (eds.) Phillip C. Saunders, Christopher Yung, Michael Swaine, and Andrew Nine-Tzu-Yang, *The Chinese Navy: Expanding Capabilities, Evolving Roles*, (National Defense University Press, Washington, D.C., 2011). p. 101.

Notwithstanding its naval build-up and regular naval exercises, China avoids provocative naval deployment by assigning routine patrolling of politically sensitive waters and land features to the vessels and aircraft of civilian agencies such as the State Oceanic Administration, its subordinate Marine Surveillance Force, and the Bureau of Fisheries now integrated under the Chinese Coast Guard.²⁵ China uses these civilian vessels to challenge and detain fishing boats from other littoral states; to explore and identify sites for future Chinese oil drilling; and prevent other claimant states from deploying their seismic ships in energy-rich areas of the disputed waters. All these efforts pursue one specific objective in the South China Sea-- “to change the (territorial) status quo by force based on Chinese assertion, which is incompatible with the existing order of international law.”²⁶ By the end of the first decade of the 21st century, China’s myopic nationalism, growing naval prowess, and unilateral actions are overtly directed against a militarily-weak Southeast Asian country—the Philippines.

Discovering the Maritime Domain

As earlier mentioned, upon assuming the presidency in June 2010, President Aquino vowed to modernize the AFP in line with shifting its focus from internal security to maritime/territorial defense. Taking the cue from the President Aquino, a joint Department of National Defense (DND)-Armed Forces of the Philippines (AFP) task force formulated the AFP “Long-Term Capability Development Plan.”²⁷ The plan included the appropriation of Php421 billion (an estimated US\$8.5 billion) with the lion’s share going to the Philippine Air Force (PAF) and the Philippine Navy (PN) instead of the Philippine Army. Of this budget, Php200 billion (an estimated US\$4 billion) is earmarked for the PAF’s acquisition of multi-role and lead-in fighter planes, surface attack aircraft, and long-range reconnaissance planes. It also envisions the PN obtaining multi-role attack vessels, off-shore patrol craft, and even surface-to-surface and surface-to-air missiles. Specifically, it rationalizes the upgrade of the PN’s materiel for “joint maritime surveillance, defense, and interdiction operations in the South China Sea.”²⁸

²⁵ See Paul B. Goodwin, and Alice Miller, *China’s Forbearance as its Limits: Chinese Threat and Retaliation Signaling and Its Implications for Sino-American Military Confrontation* (Washington, D.C.: National Defense University, April 2013). p. 11.

²⁶ National Institute for Defence Studies, *NIDS China Security Report 2013* (Tokyo, Japan: National Institute for Defense Studies, January 2014). p.2.

²⁷ Office of the Deputy-Chief-of-Staff for Plans (J-5), *DND-AFP Thrust for Capability Upgrade: The AFP Long-Term Capability Development Plan* (Quezon City: Camp Aguinaldo, 2010).

²⁸ *Ibid.* p. 8

This thrust of the AFP is highlighted as well in the 2011 *AFP Internal Peace and Security Plan (ISP)*—*Oplan Bayanihan* (Operational Plan Community Spirit). The plan acknowledges the AFP’s lack of capabilities to perform its mandated task of guarding the Philippines’ extensive maritime borders and ensuring its security from even the remotest possibility of external aggression.²⁹ It provides a three-year transition period within which the Philippine military will develop the capabilities essential to undertake unilateral defensive operations against external armed aggression.³⁰ The government’s long-term goal is to establish a modest but “comprehensive border protection program.” Such program is anchored on the surveillance, deterrence, and border patrol capabilities of the PAF, the PN, and the Philippine Coast Guard (PCG) that will extend from Philippine territorial waters to its contiguous and exclusive economic zone (EEZ).³¹ For decades, the PN (along with the PAF) suffered from neglect, low funding, and ageing equipment. Since 2011, however, the PN has been getting more attention and resources because of the growing importance of the country’s maritime environment amidst the increasing tension in the South China Sea.

Developments in Philippine-China relations provided further impetus for President Aquino’s agenda. On March 2, 2011, two Chinese patrol boats harassed a survey ship commissioned by the Philippine Department of Energy (DOE) to conduct oil exploration in the Reed Bank (now called Recto Bank), 150 kilometers east of the Spratly Islands and 250 kilometers west of the Philippine island of Palawan. The Aquino administration was stunned by the Chinese action since this maritime encounter happened east of the Spratlys and its adjacent waters. Two days after the incident, the Philippine government filed a protest before the Chinese embassy in Manila. A Department of Foreign Affairs spokesperson commented that “the Philippines is (simply) seeking an explanation for the incident.” Brushing aside the Philippine complaint, a Chinese embassy official insisted that China has indisputable sovereignty over the Nansha Islands and their adjacent territory.

In early June 2011, the Philippines sought clarification on the sightings of China Marine Surveillance (CMS) and PLAN ships near the Kalayaan group of islands. Philippine defense and foreign secretaries publicly expressed the Aquino administration’s serious concerns over the alleged Chinese intrusion into the country’s EEZ to stake China’s territorial claim and to construct a projected oil rig on the uninhabited Iroquois Bank, which according to them “are clear violations of the

²⁹ AFP General Headquarters, Armed Forces of the Philippines, *Armed Forces of the Philippines Internal Peace and Security Plan* (Quezon City: Camp General Aguinaldo, 2010), p. 8.

³⁰ *Ibid.* p. 13.

³¹ National Security Council, *National Security Policy 2011-2016* (Quezon City: National Security Council, April 2011), p. 39.

China-ASEAN 2001 Declaration on the Conduct of Parties on the South China Sea.”³² In response, the Chinese foreign ministry sternly told the Philippines to stop “harming China’s sovereignty and maritime rights and interests, which leads to unilateral actions that can expand and complicate the South China Sea dispute.”³³ It was Beijing’s reaction to the Philippines’ diplomatic protest against China’s aborted plan to construct an oil rig deep within the Philippines’ EEZ.

Beijing then went on to demand that Manila first seek Chinese permission before it can conduct oil exploration activities even within the Philippines’ EEZ. China, in fact, badgered the Philippines and other claimant states to recognize China’s sovereign claim over the South China Sea.³⁴ China’s haughty and hostile attitude towards the Philippines and Vietnam in the first half of 2011 escalated the territorial dispute. By then, President Aquino unmistakably saw that the Philippines is potentially on a direct collision course with China regarding the South China Sea issue.

The 2 March 2011 incident at the Reed Bank and China’s dismissive response to the Philippines’ diplomatic queries drove the Aquino administration to hasten the AFP’s modernization. China claims a wide maritime territory in the South China Sea which includes areas that are well within the Philippines’ EEZ. Hence, the current modernization of the Philippine military is externally influenced by a changing balance of power in East Asia generated by a geo-strategic reconfiguration of national capabilities in the light of an emergent China.³⁵ In June 2011, the executive branch of the government and the AFP agreed on a multi-year, multi-billion peso defense upgrade spending and military build-up. The Department of Budget Management (DBM) released a Multi-Year Obligation Authority (MOA) to the DND, allowing the AFP to enter into multi-year contracts with other governments or private arms and military hardware manufacturers. The DBM also committed Php40 billion (estimated US\$800 million) in the next five years (2012-2016) to develop the AFP’s capabilities for greater domain awareness of the Philippine territorial waters and EEZ.

In the proposed “rolling” program, the executive branch will ask the Philippine Congress to allocate Php 8 billion (an estimated US\$160 million) annually for the procurement of air-defense surveillance radar, surface attack aircraft, close air support

³² Carl Thayer, “China’s New Wave of Aggressive Assertiveness in the South China Sea,” *International Journal of China Studies* 2, 3 (December 2011). p. 563.

³³ Anonymous, “China Says Philippines Harming Sovereignty, Interests in Spratlys,” *BBC Monitoring Asia-Pacific* (9 June 2011). p 1. <http://proquest.umi.com/pqdweb?index=64&did=2369715781&Src...>

³⁴ “China Wants Philippines to Seek Permission before Spratlys Oil Search,” *BBC Monitoring Asia-Pacific* (10 June 2011). p. 1. <http://proquest.umi.com/pqdweb?index=281&did=2370661661&Sr...>

³⁵ Salvador and Oreta, *op. cit.* p. 13.

aircraft, combat utility helicopters, and long-range patrol aircraft.³⁶ Also covered are current upgrade programs such as the installation of a radar and communication network along the coast of Palawan and East Mindanao under the Coast Watch System and the acquisition of two refurbished U.S. Coast Guard Hamilton class cutters for the Philippine Navy. These undertakings, according to former AFP Chief-of-Staff General Eduardo Oban Jr. prioritize territorial defense over domestic security.

Discovering Maritime Security

In its first 17 months, the Aquino administration spent Php33.596 billion (US\$387 million) to boost the AFP's internal security and territorial defense capability.³⁷ According to Defense Secretary Voltaire Gazmin, the DND-AFP signed 138 defense contracts that would be implemented in the next five years to improve the AFP's force protection, maritime surveillance, transportation, and combat support system.³⁸ The bulk of the budget earmarked for these projects are for the use by the PAF and the PN specifically for the purchase of materiel for "joint maritime surveillance, defense, and interdiction operations in the South China Sea."³⁹

In September 2011, President Aquino signed Executive Order 57 which created the National Coast Watch System, a central inter-agency mechanism to coordinate maritime issues and maritime security operations. The system was initiated by the DND, and AFP the PN's Coast Watch System, to conduct maritime domain awareness operations not only in the Southern Philippines, but also throughout the entire archipelago.⁴⁰ Consequently, during the first two years of the Aquino administration, Philippine defense budget went up from Php 57.6 billion (estimated

³⁶ William B. Depasupil, "Armed Forces to Spend P14b to Upgrade naval, aerial defense," *Tribune Business News* (29 June 2011). p. 1. <http://proquest.umi.com/pqdweb?index=48&did=2386470651&Src...>

³⁷ BBC Monitoring Asia-Pacific, "Philippines Spends US\$387 million on Armed Forces Upgrade" *BBC Monitoring Asia-Pacific* (16 January 2012). p. 1. <http://search.proquest.com/news/docview/916135970/fulltext/1348...>

³⁸ Anonymous, "AFP Modernization Program in Full Swing-Gazmin," *The Philippines News Agency* (18 March 2012). p.1. <http://search.proquest.com/docview/928841133/1367BFEC0AABC...>

³⁹ Melanie Rodulfo-Veril, "AFP Modernization," *Security Sector Reform: Modern Defense Force Philippines* (Quezon City: Ateneo University Press, 2012).p. 47.

⁴⁰ Charlemagne F. Batayola Jr., "A Closer Look into Philippine Southern Border Security Concerns: Analyzing its Importance to National Security and AFP Capability Build-Up," *Digest* 19, 1 (1st Quarter 2012). p. 25.

US\$1.2billion) in 2010 to Php104.5 billion (US\$2.1 billion) in 2011 and Php106.9billion (US\$2.1billion) in 2012.⁴¹

In October 2011, Voltaire Gazmin released the *Defense Planning Guidance (2013-2018)* restructuring the AFP to a “lean but fully capable” armed forces to confront the challenges to the country’s territorial integrity and maritime security. Aiming to develop an effective force projection capability to monitor the Philippines’ territorial waters and EEZ. It contains the following measures:⁴²

- a) Reduction of infantry and marine battalions and the redirection of limited financial resources to key priorities such as theater mobility, close air-support, air-surveillance and air-defense.
- b) Acquisition of naval assets for off-shore patrol, strategic sea-lift, and accompanying base support system and platform to sustain the deployed maritime assets;
- c) Development of the AFP’s long-range maritime air patrol and surveillance through the acquisition of assets for long-range maritime air patrol, and accompanying base support system; and
- d) Reactivation of the Philippine’ Air Defense System (PADS) through the acquisition of air surveillance radar and a squadron of air defense/surface attack aircraft to provide air defense coverage over areas of high concern.

In December 2012, six months after the tense Scarborough Shoal stand-off between Philippine and Chinese civilian vessels—President Aquino signed into law Republic Act 10349 extending the AFP modernization program of 1995. The implementation period of the original AFP modernization law Republic Act 7898 expired in December 2011 without any significant arms acquisition for the Philippine military. RA 10349 extends the military modernization program up to 2027, to give the PN and PAF ample time to develop and acquire of new weapon systems needed for maritime security. The law also streamlined the procurement process and shortened the 29 stages into two assessment levels including the actual procurement and contracting stages.⁴³ The March 2015 *Defense Planning Guidance for 2016-2022* emphasized the importance of defending “the country’s territorial integrity and sovereignty, specifically in the West Philippine Sea (South China Sea)” which accordingly “poses the foremost security challenge” to the Philippines and the AFP.⁴⁴ Thus it stressed the

⁴¹ Salvador and Oreta, *op. cit.* p. 14.

⁴² Secretary of National Defense Voltaire T. Gazmin, *Defense Planning Guidance, 2013-2018* (Quezon City: Department of National Defense, 11 October 2011). pp. 11-16.

⁴³ Rodulfo-Veril, *op. cit.* p. 47.

⁴⁴ Voltaire T. Gazmin, “Defense Planning Guidance 2016-2021” (Quezon City: Department of National Defense, March 2015). P. 4.

need to maximize all available resources at the government's disposal to achieve a credible defense posture in territorial defense and maritime security.⁴⁵

Such defense posture requires enhancing the AFP's capabilities, prioritizing its needs, and gradually restructuring its forces for territorial defense. The long-term goal, according to the earlier 2011 *AFP's Strategic Intent*, is to develop the force structure and capabilities enabling the Philippine military to maintain a "credible deterrent posture against foreign intrusion or external aggression, and other illegal activities while allowing free navigation to prosper."⁴⁶ Specifically, the AFP plans to develop the following limited capabilities:

- a) *Enhancing maritime domain awareness*—The AFP's capability for maritime surveillance is extremely limited. The establishment of the National Coast Watch System in September 2011 to monitor the country's vast maritime environment requires air-assets, trained personnel, and radars. The PAF acquisition of a long-range patrol aircraft, lead-in-fighter jets and surface-attack aircraft addresses the need for maritime awareness and limited naval interdiction capability, particularly within the Philippine territorial waters to the 200-nautical mile EEZ; and
- b) *Joint operations between the PAF and PN for limited naval interdiction capabilities*—Given the Philippines' inadequate defense budget and defense capabilities, the PAF will support the Philippine Navy's limited naval interdiction operations. The PAF's Air Defense System and the PN's Coast Watch System will provide coverage for and augment the over-the-horizon reconnaissance and targeting capabilities.⁴⁷ The PAF's maritime patrol and surveillance aircraft would serve as the primary platforms of patrols, surveillance, and interdiction, while the PN's surface combatants would conduct helicopter patrol and provide longer on-station time, visible and enhanced naval presence/deterrence.⁴⁸ The PAF's air-defense and coastal missile system would be linked with the navy's surface and underwater interdiction capabilities that will constitute the first layer of maritime defense for the Philippines.

The above mentioned targets can be translated into two mundane yet enabling tasks for the Navy; a) The PN can monitor the Philippines' vast maritime territory. It should

⁴⁵ *Ibid.* p. 4.

⁴⁶ Office of the Deputy Chief-of-Staff, *Armed Forces of the Philippines: Strategic Intent* (Quezon City: Camp Aguinaldo, 2011). p. 27.

⁴⁷ Commodore Jose Renan C. Suarez, "The Imperatives of Defending the Philippines and Air-Defense Partnership," presentation at the Air Power Symposium 2012, 21 June 2012, SMX Convention Center, Pasay City, Philippines. p. 6.

⁴⁸ *Ibid.* p. 6.

build the necessary surface and air capability to survey and monitor Philippine controlled islands in the South China Sea and prevent unoccupied island/reefs from being occupied other claimant states.⁴⁹ And b) the PN developing the necessary capabilities to deter external threats and protect the country's maritime interests. It must develop an effective force presence in the maritime domain that exhibits competence to defend the territory, if necessary.⁵⁰

Developing a Credible Defense Posture

In 2012, the Center for New American Security (CNAS) released a study on Philippine defense requirements vis-à-vis the challenge posed by China in the South China Sea. The study discloses that for the Philippines to have a credible defense capability, the AFP should acquire 48 upgraded F-16 fighter planes, several corvette or frigate- type surface combatants, and four to six midget submarines.⁵¹ However, these requirements are beyond the AFP's plan and could not be supported by the current defense budget. President Aquino recognizes the urgency of modernizing armed forces especially the PN and PAF. Nevertheless, he is also aware of the limitations that competing demands (especially funds for education and public infrastructure) put on the military modernization. From the Aquino administration's perspective, arms modernization should be undertaken simply for developing a credible defense posture, and not for power projection capability or outright war-fighting purposes.⁵² For the PN, this defense posture means building capabilities for: substantial maritime situational awareness, limited territorial sea interdiction operations, and defensive deterrence to protect the country's interests in the South China Sea.

In mid-2012, the PN publicly presented a 15-year acquisition plan called the "Philippine Fleet Desired Force Mix.⁵³" This plan aspires not to match the level of naval capability of China but to develop a certain deterrence capability for the PN to

⁴⁹ Gazmin, *op. cit.* p. 4.

⁵⁰ *Ibid.* p. 4.

⁵¹ Asia News Monitor, "AFP Modernization: 48 jetfighters, more Naval Vessels, and 4 Mini-Submarines," *Asia News Monitor* (8 July 2012). p. 1. <http://search.proquest.com/docview/1023939317?accountid=285>

⁵² Asia News Monitor, "Philippines: Military to Pursue Modernization Plans to Attain Minimum Credible Defense, Says Palace Official," *Asia News Monitor* (25 March 2014). p. <http://search.proquest.com/docview/1509637280?accountid=28547>

⁵³ Jaime Laude, "Philippine Navy Needs Php500 Billion to Upgrade War Capability," *The Philippine Star* (24 May 2012). p. 1.

inflict damages to any hypothetical opponent in the South China Sea.⁵⁴ The Php500 billion (US\$10 billion) naval build-up program provides for the acquisition, within a 15-year period, of the following naval assets: six frigates designed for anti-submarine/anti-air warfare; 12 corvettes primarily for anti-submarine warfare; 18 Offshore Patrol Vessels (OPVs) that will comprise the backbone for naval patrol; 26 naval and multi-purpose helicopters for maritime domain awareness; 42 Multi-Purpose Assault Craft (MPAC) armed with torpedoes and missiles for territorial sea interdiction and maritime situational awareness; and three diesel submarines for limited sea-denial operations.⁵⁵

The Aquino administration's priority is to create the core of this Desired Force Mix through the acquisition of six modern frigates. The goal is to give the PN some limited anti-air/anti-submarine capabilities. In this respect, the Philippines has already acquired two former U.S. Coast Guard Hamilton Class high endurance cutters in 2011 and 2012. These vessels underwent a Service Life Extension Program (HHL) and capability-upgraded upgraded with the installation of new systems and equipment for anti-submarine and anti-air operations. The defense department also signed a deal with Augusta Westland for the purchase of three AW109 Power maritime helicopters to be deployed aboard these two ships for EEZ protection, surface surveillance, search and rescue operations, and maritime security.⁵⁶

The PN is also in the process of acquiring two additional modern frigates to develop a well-balanced and effective capability for territorial defense, internal security operations, naval interdiction, humanitarian assistance, and disaster response. The PN plans to arm these two frigates with air-to-air, anti-ship and anti-submarine weapons and sensors for extended maritime patrol and surveillance operations. Initially, the defense department thought of purchasing two decommissioned Italian Maestrale frigates for their credible missile and anti-submarine capabilities. However, it decided against the purchase after evaluation studies found out that operating these second-hand vessels would be more costly to maintain in the long run.⁵⁷

Currently, the government is looking into the offers by South Korea and Spain to supply two brand-new frigates. However, the project has been in the limbo for the

⁵⁴ Ronron Calunsod, "Philippines Beefs up Military's Naval Capabilities," *Kyodo News Service* (17 December 2014). p. 1.

⁵⁵ Eric Johnson, "Modernizing the Philippine Navy" *United States Naval Institute Proceedings* 140, 11 (November 2014). p 82.

⁵⁶ James Hardy, "AgustaWestland Signs AW109 Helo Contract with Philippine Navy," *Janes Defence Industry* 30. 4 (April 1, 2013). p. 1. <http://search.proquest.com/docview/1321291893?accountid=28547>

⁵⁷ Asia News Monitor, "Philippines: DND Eyes Acquisition of Two Brand New Frigates," *Asia News Monitor* (15 August 2013). p. 1. <http://search.proquest.com/docview/1420301565?accountid=28547>

last two years because the PN is in quandary whether it will buy cheaper second-hand ships or the more expensive, newly constructed vessels. In the end, however, the decision to purchase depends on the strategic exigency of the frigates, and more importantly, on the availability of limited public funds. As one ranking defense official notes, only vessels that will provide the country a “credible defense posture” and (more importantly) at an affordable cost will be selected.⁵⁸

The arms build-up for maritime security is a very expensive undertaking because the PN has to start from scratch. In addition to its frigate requirements, the Navy has to replace its antiquated surface combatants with new vessels. It needs as well communications and weapons systems and mission-essential devices such as daytime/nighttime electronic navigational equipment, communication suites, safety-of-life-at sea, propulsion seamanship and ship-handling gears, and corresponding logistic support packages, and new naval facilities. The Navy has to develop an organic underway replenishment at sea/fueling capability in the next five years. The deployment of modern frigates also necessitates increased endurance supports for long-term maritime operations given the archipelagic geography of the Philippines.⁵⁹ Likewise, the PN requires bigger piers for its larger vessels and new maritime surveillance radar systems for its new naval facilities.⁶⁰ Finally, the PN officers and sailors have to be trained on manning, training, and equipping new modern ships. To operate new ships from different sources, naval officers and crews must continuously learn different systems and ship handling characteristics.

With these naval improvements, the Aquino administration in effect is standing up to China’s expansive claims in the South China Sea. Given its current pace and budget allocation, however, the PN’s modernization would hardly deter the PLAN in the contested sea given the latter’s procurement of large surface combatants and submarines since the first decade of the 21st century.⁶¹ Even if the Philippine Fleet Desired Force Mix becomes operational, the naval imbalance between the Philippines and China will not be resolved in the foreseeable future. Fortunately, the U.S. and Japan, two major maritime powers, have forged security arrangements with the Philippines. External developments also augur well for the Philippines’s efforts to

⁵⁸ Asia News Monitor, “Only Best, Affordable Naval Ships will be Acquired for the Philippines,” *Asia News Monitor* (09 January 2013). p. 1. <http://search.proquest.com/docview/1267135710?accountid=28547>

⁵⁹ Johnson, *op. cit.* p. 83.

⁶⁰ Rahmat Ridzwan, “Philippine Plans to Upgrade Naval Bases Hit by Lack of Funds,” *Jane Navy International* 119.6 (1 August 2014). p. 1. <http://search.proquest.com/docview/1531488109?accountid=28547>

⁶¹ Richard A. Bitzinger, “Recent Developments in Naval and Maritime Modernization in the Asia-Pacific: Implication for Regional Security,” *The Chinese Navy: Expanding Capabilities, Evolving Roles* (Washington D.C: National Defense University, 2011). p. 24.

enhance its maritime security. These are the U.S. Strategic Rebalancing to Asia; and Japan's growing strategic interests in the South China Sea dispute.

External Dimension of Maritime Security: The U.S. Factor

An important factor is the Philippines' strategic focus on its maritime security is the Philippine-U.S. military ties. An increasing number of U.S. policy-makers in Washington are starting to share the Philippines' view that the archipelago is a strategic bellwether of Chinese trajectory in the Asia-Pacific and a natural barrier to check China's maritime expansion.⁶² Hence, the U.S. must help the Philippines develop its naval capabilities to counter China's efforts at power-projection in the Asia-Pacific.⁶³ Needless to say, the Philippine military requires new arms and equipment for territorial defense. The most recent U.S. assistance included the transfer of the two aforementioned U.S. Coast Guard's Hamilton-class-cutters to the Philippine Navy through the Foreign Military Sales credit.⁶⁴ These cutters are now the largest vessels in the Navy's inventory. They are presently deployed to safeguard the country's oil exploration ventures and territorial claims in the South China Sea. As stated earlier, the PN plans to retrofit the cutters with electronic monitoring modern electronics and surveillance equipment.⁶⁵

To offset its naval inadequacies vis-à-vis China, however, Manila has asked for an unequivocal U.S. commitment to Philippine defense and security as provided for in the 1951 MDT, specifically American naval/air support in the Spratlys. Philippine officials rationalized that an armed attack on Philippine metropolitan territory and forces anywhere in the Pacific, including the South China Sea, should trigger an automatic U.S. armed response. Nonetheless, a U.S. response in the outbreak of hostilities depends on American forces' access to facilities near the South China Sea from where they can react in a timely manner.

During the 16 August 2011 meeting of the Mutual Defense Board /Security Engagement Board, the allies formulated a framework for heightened bilateral and multilateral security, and domain awareness. The board considered the following

⁶² Sheena Chestnut Greitens, "The U.S. Alliance with the Philippines: Opportunities and Challenges," in *Strategic Asia 2014-2015: U.S. Alliances and Partnership at the Center of Global Power* (Seattle Washington; Washington DC: National Bureau of Asian Research, 2014), p. 128.

⁶³ *Ibid.* p. 128.

⁶⁴ "Philippine Navy to Acquire Largest Ship in Inventory," *GMA News* (23 January 2011). p. 1. <http://www.gmanews.tv/print/211298>

⁶⁵ BBC, "Philippine Military Looks Forward to Arrival of New Warship," *BBC Monitoring Asia-Pacific* (25 August 2011). p. 2. <http://proquest.umi.com/pqweb?index=13&did=2434423821&SrchMode=1&sid=1&Fmt...>

measures:⁶⁶ a) rotational presence of U.S. Maritime Defense Assets in the Philippines to support MDB and SEB activities while the AFP develops its territorial defense capabilities; b) increased joint bilateral maritime security activities in the South China Sea/West Philippine Sea; c) development of joint-use maritime security support facilities; d) improved information-sharing between U.S. and Philippine forces; and e) the conduct of integrated maritime security initiatives between the U.S. Pacific Command and the AFP. These courses of action can compensate for the AFP's insufficient territorial defense capabilities, and to expedite joint operations in case the MDT is invoked because of an armed attack is mounted against the Philippines.⁶⁷

The 2012 Scarborough Shoal stand-off and later, China's occupation of the shoal made it urgent for Manila to negotiate the "Framework Agreement on Increased Rotational Presence (IRP) and Enhanced Agreement" with Washington. The agreement facilitates the deployment of American troops and equipment on a rotational basis, thus skirting the controversial issue of re-establishing U.S. bases in the country. Curiously, the negotiation was conducted against the backdrop of recurring tension between the Philippines and China over the South China Sea. On 14 August 2013, talks on the enhanced defense agreement started in Manila. Earlier, the Pentagon clarified that it is not establishing huge (permanent) bases reminiscent of the Cold War is by maintaining a light (strategic) footprint in Southeast Asia.⁶⁸ This policy statement reassured Manila that Washington has neither the desire nor the interest to create U.S.-only bases in Southeast Asia."⁶⁹

On 28 April 2014, Philippine Defense Secretary Gazmin and U.S. Ambassador to the Philippines Philip Goldberg signed the Enhanced Defense Cooperation Agreement (EDCA) a few hours before President Obama arrived in Manila for his first state visit. Actually, EDCA is not a new security pact; it is merely an updated version of the 1951 Mutual Defense Treaty.⁷⁰ This executive agreement provides the framework by which the Philippines and the U.S. can develop their individual and collective (defense) capabilities. Such task can be accomplished through the rotational deployment of American forces in Philippine bases.⁷¹ Although the EDCA allows

⁶⁶ Philippine-U.S. Mutual Defense Board/Security Engagement Board Co-Chairman "2011 Mutual Defense/Board Engagement Board Strategic Guidelines," (16 August 2011), p. 1.

⁶⁷ Torode, *op. cit.* p. 1.

⁶⁸ Craig Whitlock, "U.S. Seeks to Expand Presence in the Philippines," *The Washington Post* (26 January 2012). A-1. <http://search.proquest.com/docview/917826110?accountid=28547>

⁶⁹ *Ibid.* p. 1.

⁷⁰ Philippine News Agency, "New Defense Agreement Enhances Philippine, U.S. Alliance on Security Challenges—DND Chief," *The Philippines News Agency* (28 April 2014). p. 1. <http://search.proquest.com/docview/1519443096?accountid=28547>

⁷¹ Jim Garamone, "U.S.-Philippine Pact Expands Defense Cooperation," *Targeted News Service* (28 April 2014). P. 1 <http://search.proquest.com/docview/1519453450/17CC0F621D4441CBPO/55?accountid=...>

American forces to utilize AFP-owned and controlled facilities, the Philippine base commander has unhampered access to these locations. Likewise, American-built or -improved infrastructure inside these installations can be used by the AFP. Furthermore, any construction and other activities within in the Philippine bases require the consent of the host country through the Mutual Defense Board (MDB) and Security Engagement Board (SEB).

On a strategic level, the EDCA undercuts China's Anti-Access/Area-Denial Strategy in Southeast Asia even without the U.S. establishing any permanent base in the region. Since the late 1990s, the PLA has been developing tactics and acquiring weapon systems that could disrupt American U.S. naval/air operations or slow down the deployment of American air and naval forces to the theater of operations.⁷² The Chinese could even prevent U.S. forces from operating from certain locations, or could force the U.S. Navy's ships and planes to operate from distances farther than the U.S. military would otherwise prefer.⁷³

Through the EDCA, however, U.S. forces are afforded two innovative access arrangements in the Philippines, namely:⁷⁴ a) forward operating sites--expandable warm military facilities with limited U.S. military support presence; and b) cooperative security locations--facilities with little or no permanent American presence and which are maintained by the host-nation. These are less expensive, less visible and less vulnerable access arrangements that offer greater strategic and operational flexibility. They are less likely to create local political problems and are expected to promote long-term security cooperation between the U.S. and the Philippines. Moreover, these operationally flexible facilities located all over a sprawling archipelagic country located near China, can derail the PLA's anti-access/area denial strategy. Lastly, U.S. naval and air assets in these temporary sites will expedite the rapid and massive deployment of American forces if hostilities break out in the South China Sea, or even in the East China Sea.

External Dimension of Maritime Security: Building Security Ties with Japan

Aside from strengthening its alliance with the U.S, the Philippines also foster its security partnership with Japan, China's main rival in East Asia. Since 2011, Japan

⁷² See Roger Cliff, Mark Burles, Michael S. Chase, Derek Eaton, and Kevin L. Pollpeter, *Entering the Dragon's Lair: Chinese Anti-Access Strategies and their Implications for the United States* (Santa Monica, CA: Rand Corporation, 2007). p. xvii.

⁷³ *Ibid.* p. xvii.

⁷⁴ For details regarding this new forms access arrangements see Robert Harkavy, "Thinking about Basing," *Naval War College Review* 58. 3 (Summer 2005). pp. 12-42.

has been closely observing China's assertiveness in the South China Sea dispute, in which initially, it has no direct interest. In July 2011, then Prime Minister Yoshihiko Noda and President Aquino bolstered security relations between Japan and the Philippines. After President Aquino's third visit to Japan, Tokyo and Manila held high-level talks on maritime and oceanic affairs, exchanges between Filipino and Japanese defense and maritime officials, as well as Japan's capacity-building training of the 3,500-strong Philippine Coast Guard.⁷⁵ In September 2011, then Japanese Prime Minister Naoto Kan and President Aquino issued a joint statement in Tokyo, affirming that the South China Sea is vital as "it connects the world and the Asia-Pacific, and that peace and stability therein is of common interest to the international community."⁷⁶ Prime Minister Kan also instructed the Japanese Coast Guard (JCG) to further train the PCG, consult regularly with Filipino naval officers, and increase joint coast guard exercises.⁷⁷

In April 2012, at the start of the two-month stand-off between Philippine and Chinese civilian ships at Scarborough Shoal, then Japanese Ambassador to the Philippines Toshio Urabe mentioned the "close-knit triangular relationship among Japan, the Philippines, and their closest (mutual) ally—the U.S."⁷⁸ Then in May 2012, three Maritime Self-Defense Force (MSDF) surface combatants arrived in Manila for a four-day port call.⁷⁹ The visit came after Tokyo announced its plans to provide the Philippines with 10 new patrol vessels to bolster the latter's maritime patrol capability. The newspaper *Yomuri Shimbun's* linked the ship visit to the ongoing Scarborough Shoal stand-off and editorialized that Japan could not just stand by and wait for China and the Philippines to clash openly.⁸⁰ It also stressed that it is in "Japan's national interest to ensure that its sea-lanes remain safe."⁸¹ Interestingly, the arrival of the MSDF's ships happened just a few days after the U.S. Navy's Virginia-

⁷⁵ "Japan and Philippines Strengthen Maritime Security Ties," *Jane's Country Risk Daily Report* 18, 195 (09 September 2011). p. 1. <http://search.prospect.com/docview/894795349/13A384763AF488...>

⁷⁶ Christian V. Esguerra, "Philippines Gets Japan Support on Spratly Dispute," *Tribune Business News* (28 September 2011). p. <http://search.proquest.com/docview/894306416/13A34DA4D4DFF70...>

⁷⁷ James Hookway and Yoree Koh, "Japan, Philippines Seek Tighter Ties to Counter China," *Wall Street Journal* (27 September 2011). p. 1 <http://search.proquest.com/docview/894125705/13A349E13622FC...>

⁷⁸ Asia News Mentor. "Japan/Philippines/United States: Japan Envoy Notes Close-Knit Relations among Philippines, Japan, and U.S." *Asia News Mentor* (11 April 2012). p. 1 <http://search.proquest.com/docview/993161337/13A384763AF88...>

⁷⁹ *BBC Monitoring Asia-Pacific* "Philippine Navy Says Japan Sending Three Warships for Port Call to Manila," *BBC Monitoring Asia-Pacific*, (26 May 2012). 1-2. <http://search.proquest.com/docview/1023495212/13A384763AF48...>

⁸⁰ *Ibid.* p. 1.

⁸¹ *Ibid.* p. 1.

class attack submarine, the *U.S.S. North Carolina* made a supposedly port call at Subic Bay at Luzon. As mentioned, these ship visits were routine port-calls, however, they tacitly conveyed to Beijing that Washington and Tokyo could jointly respond if the Philippines is threatened by any form of Chinese armed aggression.⁸²

In July 2012, then Japanese Defense Minister Satoshi Morimoto and his Filipino counterpart, Secretary Gazmin, inked a bilateral agreement on maritime security.⁸³ This agreement features high-level dialogues among Japanese and Filipino defense officials and reciprocal visits by the MSDF chief-of-staff and the PN flag commander. A few days later, Philippine Foreign Affairs Secretary Albert Del Rosario announced that Tokyo was likely to provide the PCG with ten 40-meter boats as part of Japan's ODA to the Philippines by the end of the year.⁸⁴ Newspapers also reported a grant of two additional bigger vessels considered for transfer to the Philippine government.

In January 2013, Foreign Minister Fumio Kishida announced Japan's technical assistance to the PCG through the provision of essential communication system equipment for maritime safety.⁸⁵ On 27 June 2013, Japanese Defense Minister Itsunori Onodera and Secretary Gazmin confirmed the continuous "exchanges of information aimed at strengthening Philippine-Japan defense relations and on working together to make U.S. strategic rebalancing a reality in Asia."⁸⁶ Secretary Gazmin also raised the possibility of allowing the Japanese MSDF access to the former American military bases in the Philippines if Tokyo is interested in negotiating and signing an access agreement with Manila.⁸⁷

The Philippines and Japan have conducted high-level meetings and consultations to cement their security cooperation in the face of China's military assertiveness. In December 2013, President Aquino tackled with Prime Minister Abe in Tokyo China's establishment of an Air Defense Identification Zone (ADIZ) in the East

⁸² Alec Almazan, "U.S. N-sub in Subic a Strong Signal to China: Routine Visit Comes amid Reports China is Mobilizing Fleet for Philippines Ops," *The Business Times* (18 May 2012). p.1. <http://search.proquest.com/docview/1014157381/13914D940E373...>

⁸³ Jane's Country Risk Daily Report, "Japan and Philippines Sign Defense Pact," *Jane's Country Risk Daily Report* (4 July 2012) 19, 134. p. 1. <http://search.proquest.com/docview/102349/13A38763AF488...>

⁸⁴ Jerry E. Esplanada, "Philippines, Japan to Enhance Maritime Security Ties," *Philippine Daily Inquirer* (9 July 2012). p. 1 <http://globalnation.inquirer.net/43508/philippines-japan-to-enhance...>

⁸⁵ Asia News Monitor, "Philippine/Japan: Philippines, Japan Agree to Enhance Cooperation in Maritime Security," *Asia News Monitor* (14 January 2013). p. 1. <http://search.proquest.com/docview/1269104724?accountid=28547>

⁸⁶ BBC Monitoring Asia-Pacific, "Philippines, Japan Agree to Strengthen Defense Ties," *BBC Monitoring Asia-Pacific* (27 June 2013). p. 2. <http://search.proquest.com/docview/137173115?accountid=28547>

⁸⁷ *Ibid.* p. 2.

China Sea.⁸⁸ President Aquino was worried that China might extend the zone into the South China Sea adversely affecting Philippine security. Prime Minister Abe assured President Aquino that Japan would not tolerate China's attempt to change the status quo in the region by force, and would cooperate with the Philippines to ensure that the freedom of flight and navigation is respected.⁸⁹ To help build up the PCG's capability, Prime Minister Abe approved the yen-based soft loan to finance the Philippines' acquisition of ten 40-meter long multi-purpose patrol boats from Japan.

In June 2014, President Aquino again met Prime Minister Abe in Tokyo to discuss ways and means to further Philippine-Japan security relations.⁹⁰ Tackled in particular are areas of possible cooperation to enhance the recently forged Philippines-Japan Strategic Partnership.⁹¹ President Aquino followed up the PCG's request for 10 patrol boats to be acquired by the Philippines through a US\$184 million soft loan from Japan International Cooperation Agency (JICA).⁹² Prime Minister Abe assured President Aquino that three of the vessels would be delivered in 2015; while the remaining seven will be ready for delivery in 2016. The PCG needs the patrol boats to secure the waters around the seven islands claimed and occupied by the Philippines in the Spratlys. The boats will also monitor foreign naval presence in the several reefs and shoals within the country's EEZ currently occupied by Chinese forces. For the PCG's maritime domain awareness operations, Japan promised to provide VSAR and Inmarsat communication systems.

More significantly, President Aquino endorsed Prime Minister Abe's move to expand Japan's security role in the region. In the light of the Sino-Japanese dispute over the Senkaku Islands, Prime Minister Abe has pushed for the reinterpretation of the pacifist 1947 Japanese constitution to accommodate the SDF's right of "collective self-defense," which would allow the MSDF to assist allies such as the U.S., even if Japan is not attacked. President Aquino boldly declared that expanding the MSDF's role and strengthening bilateral economic and security ties between the Philippines and Japan would ensure regional security.⁹³

⁸⁸ Jiji Press English News Service, "Japan, Philippines to Cooperate on China's Air Defense Zone," Jiji Press English News Service (13 December 2013). p. 1. <http://search.proquest.com/docview/1467745056?>

⁸⁹ *Ibid.* p. 1.

⁹⁰ Gulf News, "Aquino and Abe Discuss Maritime Disputes," *Gulf News* (25 June 2014).p. 1. <http://search.proquest.com/docview/1539577105?accountid=28547>

⁹¹ *Ibid.* p. 1.

⁹² *Ibid.* p. 1.

⁹³ Alexander Martine, "Philippine President Backs Abe's Military Push; Benigno Aquino II Throws Support behind Idea of Collective Self-Defense," *Wall Street Journal* (June 2014).p. 1. <http://search.proquest.com/docvie/1539388612?accountid=28547>

As an indication of this growing security partnership, the Philippines and Japan held a joint naval exercise in the South China Sea in early May 2015. Japan sent two MSDF destroyers that conducted a training exercise with a PN frigate on communication strategies in responding to “unplanned encounters at sea.”⁹⁴ Known as the Code for Unplanned Encounters at Sea (CUES), the joint MSDF-PN 12 May naval exercise is part of a security agreement signed by Tokyo and Manila in January 2015 aimed to tighten security cooperation between the two U.S. allies.⁹⁵ Japan also announced that it is sending surveillance planes and naval vessels to assist the U.S. Navy in conducting maritime patrols in the South China Sea.⁹⁶

During his June 2015 visit to Japan, President Aquino announced that the two countries would soon start talks on a Status of Forces Agreement (SOFA) that will allow the Japanese Self-Defense Force (SDF) access to Philippine military bases. President Aquino revealed that Japanese and Filipino officials discussed the possibility of SOFA since both countries have boosted their security relationship significantly over the past few years. The SDF’s possible use of the Philippine bases, on a limited and rotational basis, will be useful for Japan as it actively pursues a policy of Pro-Active Contribution to Peace in East Asia. With refueling and basing facilities in the Philippines, units of the Air Self-Defense Force (ASDF) and MSDF can conduct joint patrols with their American counter-parts for a longer period of time and over a larger area of the South China Sea.

Conclusion

Since the Philippines became an independent state in 1946, the state and its armed forces have been preoccupied with internal security concerns. This became more apparent during the term of then President Arroyo when she directed the AFP and the entire government machinery to one overarching goal—the defeat of all insurgent groups before the end of her term in 2010. However, just before her term ended the Philippine government was jolted by China’s maritime expansion scheme in the South China Sea. Confronted with China’s growing naval might and assertiveness in the South China Sea, her successor, President Aquino declared his support for the modernization of the Philippine military. The 2 March 2011 incident in the Reed Bank between a Philippine survey ship and two Chinese patrol vessels further

⁹⁴ Yuka Hayasho, “Japan, Philippines Hold Naval Drills in the South China Sea,” *The Wall Street Journal* (13 May 2015). p. 1

⁹⁵ Tim Kelly and Manuel Mogato, “Japan and the Philippines are about to Upset China in the South China Sea,” *Reuters* (8 May 2015). p. 1.

⁹⁶ *Ibid.* p. 1.

convinced President Aquino to shift the focus of the AFP from internal security to territorial/maritime defense. This requires the modernization particularly of the PN and PAF to enable them to develop a credible defense posture against any external threat. This defense posture necessitates the PN to develop its maritime domain awareness, and limited naval interdict capabilities.

The PN's goal of developing a credible defense capability is hampered by a still tedious procurement process and limited defense budget. Furthermore, even if the PN succeeds in creating the Philippines' Fleet Desired Force Mix, there is simply no way for the Philippines to equal the naval capability China. Fortunately, the U.S. and Japan assist the Philippines through their provision of materiel assistance, training, and most significantly, security guarantee. However, engaging these two major naval powers in the South China Sea dispute will undoubtedly complicate the issue and make China more belligerent and uncompromising. With its growing wealth and expanding military power, China will attempt to match the naval capabilities of the U.S. and Japan. Eventually, the dispute can turn either into a classic case of protracted conflict irresolution or even an armed confrontation. If any one of these scenarios happens, maritime security will be the Philippines' primary strategic concern and preoccupation way into the third decade of the 21st century.