

# Philippine Military Pursues Territorial Defense Goals despite Rapprochement between the Philippines and China

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President Rodrigo Duterte's high profile state visit to Beijing in October 2017 led analysts, observers, and decision-makers all over East Asia to conclude the Philippines have turned away from its traditional treaty ally, the United States and have embraced China. During visit, Duterte announced his separation from the United States and declared that he had realigned with China as the two countries agreed to resolve their South China Sea dispute through bilateral negotiations. Immediately, this event was seen as a big win for China and it will enable it to consolidate its growing political clout in East Asia. The event was also seen as a new beginning in Philippine-China relations as President Duterte declared that "China is a great country, and the long-lasting friendship between the Philippines and China is unbreakable."

Ironically, despite dramatic improvements in Philippine-China relations, the Armed Forces of the Philippines (AFP) is still strengthening its territorial defense capabilities. During his six-year term, former President Benigno Aquino shifted the focus of the AFP from internal security to territorial defense. [1] The Aquino Administration's goal was very modest--to develop a credible posture for territorial defense and maritime security through building a competent force capable of defending the country's interests and the land features it occupies in the South China Sea.[2]

In building up the country's territorial defense capabilities, the Aquino administration sinks its teeth into challenging China's expansive claims in the South China Sea as the latter directly

encroaches into the country's Exclusive Economic Zone. Contrary to his earlier pronouncement that he wants to bring the AFP back to internal defense, President Duterte is pursuing the Aquino Administration's defense goals. He adopted plans and signed contracts put forward under the term of his predecessor. Thus, despite the dramatic improvements in Philippine-China relations and the forging of an "economic alliance" between the two countries, the AFP's is building up its territorial defense capabilities.

### **Inconsistencies in the Duterte Administration's Defense Policy**

Before his inauguration on 30 June 2016, Mr. Duterte declared that he wanted a closer relation with China and that he would not continue the military modernization program started by his predecessor.<sup>[3]</sup> His early statements indicated that he would not pursue the modernization of the AFP with as much vigor as former President Aquino. His newly appointed chief of the AFP, Lieutenant General Ricardo Bisaya, declared "that internal security will take precedence over external defense and that the military will invest more in speed boats and helicopters."

Analysts and observers thought that President Duterte would follow former Present Gloria Macapagal Arroyo's national security policy of gravitating close to China while ignoring territorial defense and focusing on neutralizing such domestic security challenges as terrorism and insurgencies. The AFP's modernization was linked to then President Aquino's agenda of challenging China's expansive maritime claim in the South China Sea. President Duterte's agenda to improve bilateral relations with China may mean that public investments to territorial defense would be decreased if not be terminated.

However, a few days after President Duterte's inauguration on 30 June 2016, his administration slowly changed his tune on the AFP modernization. Department of National Defense Secretary Delfin Lorenzana assured the AFP and the Filipino public that the Duterte Administration would

pursue the modernization of the Philippine military. Secretary Lorenzana accentuated that territorial defense is one of the priorities of the Duterte Administration because “it is very important as we need to protect our territories against encroachment by other parties.”

He then added that the 15-year AFP modernization program will continue as scheduled. He, however, clarified that there will be some “redirection” as the Duterte Administration is determined to decisively deal with criminality, especially the Abu Sayyaf bandits, as it gives the Philippines a bad name due to its series of kidnappings of Malaysians and Indonesian sailor off the Sulu Sea.

In July 2016, President Duterte assured troops of the Sixth Infantry Division that he will continue the Aquino Administration’s efforts to modernize the AFP. President Duterte declared that “there will even be no refocusing of the modernization thrust. We will only adjust our priorities (to internal defense).” This policy statement is reflected in the 15% rise in the 2017 defense spending with the allocation for the modernization program being increased from PHP15 billion (US\$333million) to PHP25 (US\$555million).

In mid-September 2016, the Department of National Defense announced that DND and Hyundai Heavy Industries would sign a PHP16 billion (US\$355million) deals for the Philippine Navy (PN)’s acquisition of two new frigates and their weapons systems. This project is part of the Aquino Administration modernization program that aimed to enhance the AFP’s territorial defense and disaster response capabilities. Since 2012, the PN has been pushing for the purchase of the aforementioned frigates for territorial defense, internal security operations, naval interdiction, extended patrolling of the country’s vast coastline, humanitarian assistance and disaster response.

## **Two Frigates for the Philippine Navy**

During his working visit in Japan from October 25 to 27, President Duterte saw the signing for the lease of five Japan Maritime Self Defense Force's (JMSDF) TC-90 maritime reconnaissance planes to monitor the Chinese activities in the South China Sea.<sup>[4]</sup> The leasing of the five TC-90 planes at US\$7,000 per plane a year was one of the important decisions of the Duterte Administration in terms of territorial defense as the AFP lacks valuable assets for maritime domain awareness.

Interestingly, while President Duterte was in Tokyo seeking military assistance for the Philippine Coast Guard (PCG) and PN, Philippine Defense Secretary Delfin Lorenza signed the PHP15.7 (US\$311 million) contract with South Korean Ambassador Kim Jai-Shin for the PN's acquisition of its first missile-armed ships. This is the first time that the Philippines is buying a brand new modern ship that armed with surface-to-surface missiles.

The two frigates will have a length of 107 meters similar to the South Korea's Incheon class frigates and will be armed with anti-aircraft missiles, torpedo, guns, and sensors for electronic warfare. According to the official statement, the ships are tailored made for the PN's requirements as they will have relatively shallow draft that will enable them to get closer to the "islands which it would likely defend in the event conflict breaks out over these areas." Hyundai Heavy Industries added the frigates would be diesel powered and will be capable of travelling at 25 knots and can negotiate waves at the height of up to four meters.

The Duterte Administration's acquisition of these two frigates is one of the biggest budget items of the 15-year AFP modernization program. This major acquisition accounts for the increase in the budget for the modernization program from PHP15 billion (US\$300 million) to PHP25 billion (US\$500million) reflecting the need to accelerate the modernization of the AFP that is aimed to enhance the military's counter-terrorism efforts and boost its territorial defense capabilities.

## An Insurance Policy

The Philippines' efforts to build up the territorial defense capabilities of the AFP by acquiring two new frigates for the PN underline its intent to build-up its maritime capabilities while at the same time establishing a détente with its biggest maritime claimant state in the South China Sea dispute, China. Despite President Duterte's and President Xi's declaration that their countries' long lasting friendship is unbreakable, the two sides are still at odds over matters such as fishing rights in the Scarborough Shoal and on the role of the PCA award to the Philippines in the planned bilateral negotiations to manage their territorial dispute in the South China Sea. Furthermore, the Duterte administration also cannot simply ignore China's maritime expansion given that the Philippines is exploring ways of increasing the production of oil and gas in the future, with most of these resources located in the disputed waters.

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[1] Secretary of the Department of Defense, *Defense: Planning Guidance 2016-2021* (Quezon City: Department of Defense March 2015), p. 4.

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

[3] See Aileen, Baviera. “President Duterte’s Foreign Policy Challenges,” *Contemporary Southeast Asia* 38, 2. (2016), p. 203.

[4] “Japan-Philippines Joint Statement” Issued in Tokyo, 26 October 2016.