

MP-IDSA *Issue Brief*

Balikatan Exercise 2026: Unlocking the Significance

Simran Walia

May 15, 2026

S*ummary*

The Balikatan Exercise 2026 highlights the growing strategic convergence between the United States and the Philippines, with an active participation from Japan, strengthening trilateral defence cooperation.

Introduction

The 41st iteration of Balikatan Exercise 2026 between the US and the Philippines was conducted from 20 April 20 to 8 May 2026, across the Philippine archipelago.¹ The scope of the Balikatan (‘shoulder-shoulder’) exercises has significantly transformed in recent years. The exercise has evolved into a multi-dimensional platform for interoperability, deterrence and regional security coordination in response to geopolitical competition and a complex security environment in the Indo-Pacific.

A key development in recent years has been Japan's increasing participation in the exercise. In the 2026 exercise, Japan’s self-defence forces (SDFs) not only took part but played a direct operational role for the first time. Japan’s participation reflects the potential for a trilateral security partnership among the US, the Philippines and Japan.

Background and Strategic Context

The Balikatan is an annual joint military exercise between the US and the Philippines, which is conducted to enhance interoperability between the Armed Forces and improve combat readiness and disaster response capabilities. This year’s iteration involved over 17,000–18,000 troops from several countries, including Japan, Canada, Australia and the US.²

The Balikatan 2026 is a strategic demonstration of alliance cohesion and a regional commitment to a ‘Free and Open Indo-Pacific’ (FOIP). The origins of the exercise date back to the 1951 Mutual Defence Treaty between the US and the Philippines in the aftermath of World War II.³ For decades, this exercise has focused on counter-insurgency, humanitarian assistance and disaster relief, reflecting the Philippines’ vulnerability to natural disasters.

However, amid a shifting strategic landscape, increasing tensions in the South China Sea (SCS), and China’s assertiveness, there has been a recalibration of alliance priorities. The legal victory of the Philippines in the 2016 arbitration case under the Permanent Court of Arbitration, which invalidated China’s claims,

¹ Frances Mangosing, “[New INDOPACOM Mission Network Links Allies During Balikatan](#)”, *Naval News*, 8 May 2026.

² Ibid.

³ Gregory B. Poling, “[The Transformation of the US- Philippines Alliance](#)”, Center for Strategic and International Studies (CSIS), 2 February 2023.

further underscored the vitality of aligning military capabilities with legal and diplomatic strategies.⁴

Over time, the Balikatan exercise expanded in scale and complexity, featuring large-scale live-fire exercises, amphibious assault operations, integration of the space and cybersecurity domains, and enhanced joint command-and-control mechanisms. The use of advanced technologies reflects a shift towards high-tech warfare preparedness.

The transformation of Balikatan is part of the broader strategic environment of the Indo-Pacific, as the region has become a central arena for geopolitical competition, maritime trade routes, and strategic rivalries. At the centre of these dynamics is the SCS, a critical maritime route through which a significant portion of global trade flows, and an area rich in natural resources. For the United States, maintaining freedom of navigation is a core priority, and for the Philippines, safeguarding its sovereignty and territorial integrity is of utmost importance.

The Balikatan Exercise is intended to send a warning to China, which is rapidly expanding its maritime presence. China regularly threatens the Philippines in the SCS. Recently, China accused the Philippines of landing personnel on a disputed reef in the SCS, Sandy Cay. Manila countered that it dispatched its coast guard to Sandy Cay when media reports indicated Chinese personnel were arriving there.⁵

The operational areas for the Balikatan exercise 2026 involved the Northern Luzon Command (NOLCOM)—responsible for areas near the northern approaches of the Philippines, including Bajo de Masinloc (Scarborough Shoal) and the Taiwan Strait—and the Western Command (WESCOM)—which covers the West Philippine Sea.⁶ Chinese forces harass the Philippine vessels in the West Philippine Sea in defence of their territorial claims. The tensions in the Taiwan Strait also continue to threaten the region. The Philippines’ President Ferdinand Marcos Jr. has said that the Philippines will be dragged into a war over Taiwan due to its geographical proximity.⁷ The Luzon Strait, an important maritime chokepoint, separates Taiwan from the Philippines.

⁴ Mengzhen Liu, “[The 2016 South China Sea Arbitration and the Limits of International Law](#)”, *The Diplomat*, 22 July 2025.

⁵ “[China, Philippines Trade Accusations Over South China Sea](#)”, *The Reuters*, 3 May 2026.

⁶ Sebastian Strangio, “[Philippines, US Kick Off Largest Ever Balikatan Exercises Close to Regional Flashpoints](#)”, *The Diplomat*, 21 April 2026.

⁷ John Silk, “[Philippines Will Be Pulled Into Any War Over Taiwan — Marcos](#)”, *DW*, 8 November 2025.

Japan’s Expanding Security Role

Japan’s active and operational involvement in Balikatan 2026 is the most notable development and a major highlight of this year’s iteration. Japan’s Self-Defence Forces (SDF) have participated in live-fire and defensive operations for the first time, marking a shift from Japan’s previous roles, which were limited to humanitarian and observer missions.⁸

This iteration of the exercise has marked the first time since World War II that Japan’s combat troops have been present in the Philippines for such drills. Japanese SDFs deployed 1,400 personnel to the exercise, along with multiple warships, aircraft and anti-ship missile systems. Japan’s active role in this year’s iteration reflects a significant shift towards a proactive defence posture, with the SDF engaged in integrated, cross-domain activities.

Tokyo’s expanding role in this exercise also comes after the Reciprocal Access Agreement (RAA) between Japan and the Philippines, which took effect in September 2025.⁹ The RAA allows SDF and Armed Forces of the Philippines (AFP) personnel to operate in each other’s territory for exercises and other missions. The agreement also strengthens collective deterrence along the First Island Chain, a chain of archipelagos off Asia’s east coast stretching from Japan to Indonesia. Security and military cooperation between Japan and the Philippines has been growing in line with rising tensions with China in recent years.

Furthermore, Tokyo’s active role has also reflected a shift in the US’ regional strategy in its new National Security Strategy, released in December 2025.¹⁰ The US emphasised the increased role its allies should play in defending the first island chain. The US Strategy document explicitly urged its allies, such as Japan, to do more to deter adversaries and to protect the first island chain and the critical shipping lanes in the South China Sea. The joint exercises, like Balikatan, aim to improve interoperability among participating countries over the long term.

One of the key highlights of Japan’s active role during the drills was its missile launches in the Philippines using the Type 88 Surface-to-ship system.¹¹ It is a truck-mounted anti-ship missile developed by Japan’s Mitsubishi Heavy Industries

⁸ Gabryelle Dimalag, [“Japan Missile Hits Target In ‘Balikatan’ Military Drills With Philippines, US, Australia”](#), *Asia News Network*, 7 May 2026.

⁹ Gabriel Dominguez, [“Japan-Philippines Visiting-Forces Pact Comes Into Force as Defense Ties Blossom”](#), *Japan Times*, 11 September 2025.

¹⁰ Sujan R. Chinoy, [“The US National Security Strategy 2025: A Recalibration”](#), Observer Research Foundation, 17 March 2026.

¹¹ Gordon Arthur, [“Japan Fires Type 88 Anti-ship Missile in Philippine Exercise”](#), *Naval News*, 7 May 2026.

in the 1980s. This missile system has an operational range of around 100 kilometres and was fired from Ilocos Norte, in the country’s northwestern Luzon Island. Two of the missiles struck a decommissioned Philippine vessel near the SCS and Taiwan.¹² Japan also deployed one of its largest warships, the JS-Ise, a helicopter-class destroyer, along with the JS Shimokita ship and destroyer JDS Ikazuchi, and the US-2 amphibious search-and-rescue aircraft.¹³

Recently (in April 2026), Japanese Prime Minister Sanae Takaichi decided to lift the arms export limitations to allow the sale of its assets, such as fighter jets, missiles and warships, to countries with which Japan has defence technology transfer agreements.¹⁴ Japan has maintained a strict ban on arms exports since 1976 under its post-war security policy. However, over the years, Japan gradually relaxed the restrictions through several policy reforms. The decision by PM Takaichi represents a major milestone in Japan’s transformation towards a more assertive and proactive defence posture, which further emphasises strategic partnerships and defence preparedness.

Japan’s defence minister, Shinjiro Koizumi, visited the Philippines for a meeting with his counterpart, Gilberto Teodoro, on 5 May 2026. Japan discussed exporting its destroyers equipped with anti-ship missiles to the Philippines to improve the Philippines’ naval and defence capabilities and to counter China’s assertive behaviour.¹⁵ If the deal is implemented, sending Japan’s Maritime SDF’s Abukuma-class destroyer to the Philippines could perhaps mark the first such case under the revised arms export policy.

Strategic Significance of the Trilateral Partnership

Japan’s involvement in Balikatan, alongside the US and the Philippines, reflects the evolving trilateral partnership among the three countries and enhances collective deterrence in the Indo-Pacific region, particularly in the SCS and the Taiwan Strait. The partnership has gained prominence amid ongoing geopolitical tensions in the SCS, including maritime disputes and the need to preserve a rules-based international order.

¹² Ibid.

¹³ Frances Mangosing, “[Japan to Join Largest Balikatan War Games with 1,400 troops, Type 88 missiles](#)”, *Naval News*, 15 April 2026.

¹⁴ Jumpei Ishimaru, “[Japan Loosens the Reins on Defence Exports](#)”, IISS, 27 April 2026.

¹⁵ “[Japan Eyes ‘First’ Lethal Arms Export in Talks with Philippines](#)”, *Asahi Shimbun*, 7 May 2026.

The three countries have expanded maritime patrols, coast guard cooperation, and intelligence sharing. The joint military exercises with this year’s Balikatan iteration are a major highlight of this expanding cooperation. The United States continues to strengthen interoperability with both partners. Tokyo and Washington support Manila’s maritime security capabilities, as the Philippines is directly involved in the disputes in the SCS.

Increasing challenges from China’s modernisation and coercive military activities require a cohesive deterrence strategy for the US and its alliance partners. The first-ever trilateral summit among the leaders of the three countries was held in April 2024 in Washington, which marked the potential of this trilateral framework.¹⁶

The Balikatan has exemplified a shift towards a minilateral security framework that is more flexible, focused on specific strategic objectives, and complementary to frameworks like the Quad. The Quad serves as a strategic platform to maintain a free and open Indo-Pacific (FOIP). At the same time, the trilateral among the US, Japan, and the Philippines provides a focused security framework in the SCS. The trilateral framework also enables more operational military coordination among the treaty allies, while the Quad emphasises non-traditional security cooperation.

Both frameworks strongly advocate for freedom of navigation and the peaceful resolution of disputes, and Japan’s participation in both has reflected its growing strategic role in security partnerships. Therefore, the US–Japan–Philippines trilateral partnership strengthens the broader networked security architecture emerging across the Indo-Pacific region by further creating region-specific mechanisms of cooperation.

Conclusion

China has criticised the drills as provocative and sees the expansion of trilateral and bilateral cooperation through Balikatan 2026 as a containment strategy, potentially leading to increased military posturing and heightened tensions in contested areas such as the Taiwan Strait and the SCS. Moreover, the political transition in the Philippines could affect the continuity of defence cooperation, as different administrations adopt varying foreign policy approaches towards the US and China.

¹⁶ Lisa Curtis and Ryan Claffey, “[U.S.-Japan-Philippines Trilateral Cooperation](#)”, Center for a New American Society (CNAS), 17 March 2026.

Japan’s participation, meanwhile, in such security initiatives is still shaped by its constitutional constraints, despite its proactive defence posture. Legal restrictions and political sensitivities continue to limit the scope of Japan's direct military engagement.

The Balikatan exercise shows how the Philippines is closely drawn into the broader Indo-Pacific security architecture shaped by deterrence and strategic access. It also provides the Philippines with exposure to advanced defence technologies, cyber and air defence practices, and humanitarian assistance missions, which further enhance the modernisation of the Philippine military amid evolving, complex security challenges. The challenge for Manila is to deepen security partnerships while maintaining economic stability.

The US, Japan and the Philippines must further institutionalise their cooperation to deepen deterrence around the disputed areas by regularly holding the leader-level summits and dialogues. The three countries should also integrate their national evacuation plans to strengthen regional preparedness in the event of a contingency involving Taiwan.

The Balikatan Exercise 2026 is a transformational moment in the Indo-Pacific security dynamics. Japan's active involvement has underscored the institutionalisation of trilateral defence cooperation. The growing alignment among the three countries reflects a mutual commitment to maintain a stable and rules-based order. It also shows the complexities of balancing deterrence along with diplomacy in a region that requires cooperation and competition. The success of joint exercises like the Balikatan will depend on its ability to remain inclusive and strategically calibrated.

About the Author



Ms. Simran Walia is Research Analyst at the Manohar Parrikar Institute for Defence Studies and Analyses, New Delhi.

Manohar Parrikar Institute for Defence Studies and Analyses is a non-partisan, autonomous body dedicated to objective research and policy relevant studies on all aspects of defence and security. Its mission is to promote national and international security through the generation and dissemination of knowledge on defence and security-related issues.

Disclaimer: Views expressed in Manohar Parrikar IDSA's publications and on its website are those of the authors and do not necessarily reflect the views of the Manohar Parrikar IDSA or the Government of India.

© Manohar Parrikar Institute for Defence Studies and Analyses (MP-IDSA) 2026