

MP-IDSA *Issue Brief*

Diversification of the Philippines' Strategic Partnerships

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Summary

The Philippines is pursuing strategic diversification by maintaining its alliance with the US while expanding defence partnerships with like-minded countries such as Japan, Australia and India to enhance deterrence and reduce overdependence on a single partner. The approach is primarily driven by China's expansionist behaviour in the South China Sea.

Introduction

The Philippines has been transforming its foreign and security policy in recent times amidst a complex security environment in the Indo-Pacific region. While Manila has traditionally relied on the US for external deterrence, it is now actively diversifying its security partnerships. Rising tensions in the South China Sea, coupled with China’s assertive behaviour and grey-zone operations, have prompted the Philippines to widen further its defence and diplomatic engagement beyond its ally, the US.

Manila is building a resilient and multidimensional security architecture by deepening its security cooperation with like-minded countries such as India, Japan and Australia. The diversification is primarily aimed at enhancing defence capabilities, maritime domain awareness and strengthening the country’s position in a complex Indo-Pacific region.

Why Diversification Matters

Located between the South China Sea (SCS) and the Western Pacific Ocean, the Philippines is an archipelagic nation and a strategic chokepoint for China and the United States. The geostrategic location of the Philippines makes it central to the strategic and great-power competition between China and the US. Beijing views the archipelago as crucial for access to the Pacific and for limiting the military presence of its rival powers in its periphery. For the US, the Philippines is a key element of the First Island Chain, whose location helps constrain China’s naval expansion while also offering strategic depth for potential operations in Taiwan’s defence, which is situated less than 200 kms away.¹

China occupied Mischief Reef in 1995, which is within the Philippines’ claimed Exclusive Economic Zone (EEZ).² Relations between China and the Philippines have been shaped by tensions and maritime confrontations in the SCS since 1995. Several Southeast Asian nations have sought to balance their territorial disputes with economic engagement with China; the Philippines has adopted a rules-based approach by challenging Beijing’s claims before the Permanent Court of Arbitration (PCA) in The Hague. The 2016 tribunal ruling favoured the Philippines, further strengthening Manila’s position and garnering international support for upholding international law.³

¹ Michael E. O’Hanlon and Andrew Yeo, “[Geostrategic Competition and Overseas Basing in East China and First Island Chain](#)”, Brookings Institute, February 2023.

² Leszek Buszynski, “[What’s Happening in the South China Sea?](#)”, *The Strategist*, ASPI, 7 May 2015.

³ Mengzhen Liu, “[The 2016 South China Sea Arbitration and the Limits of International Law](#)”, *The Diplomat*, 22 July 2025.

The foreign policy of the former President of the Philippines, Rodrigo Duterte (2016–2022), was more conciliatory towards China, focusing on economic engagement and dialogue. However, since 2022, under President Marcos Jr., foreign policy has been more assertive as he revitalised the country’s alliance with the US and also exposed China’s behaviour in the SCS.

The Philippines has a strong alliance with the US through its 1951 Mutual Defence Treaty (MDT), which is also a cornerstone of the Philippine external defence. This year also marks the 75th anniversary of their defence treaty.⁴ The Philippines relies on the US security umbrella for intelligence support, training, military assistance and deterrence against external threats. Agreements between the two countries include the Visiting Forces Agreement (VFA) of 1998 and the Enhanced Defence Cooperation Agreement (EDCA), institutionalising deeper military cooperation. The EDCA, signed in 2014, provides for increased rotational presence of the US forces in the Philippines and seeks to support the Philippines’ military modernisation programme.⁵ The EDCA also includes an additional site at the northernmost frontier of the Philippines, close to the Taiwan Strait.

Both countries also signed the General Security of Military Information Agreement (GSOMIA), a framework that facilitates the exchange of classified military information between them.⁶ Moreover, joint military exercises between the US and the Philippines have expanded, such as the Balikatan Exercise. These developments underscore that Manila has been deepening its alliance with Washington.

However, the evolving and complex strategic environment has shown that a strong bilateral alliance with the US alone is insufficient to address the security challenges the Philippines faces. China’s assertive actions in the SCS, grey-zone operations by the China Coast Guard, and rampant coercive activities around Philippine-occupied features have highlighted the limitations of relying solely on a single alliance partner. This evolving threat dynamic has prompted Manila to adopt a broader concept of deterrence. The Philippines has sought to build a network of capable security partners that can contribute to maritime security, capacity-building and operational interoperability. Beyond its alliance with the US, the Philippines has expanded its engagement with Indo-Pacific middle powers such as Japan, Australia and India.

Moreover, since launching the three-phase Horizon military modernisation programme in 2013, Manila has been working within that framework to upgrade its

⁴ [“Mutual Defense Treaty Between the United States and the Republic of the Philippines; August 30, 1951”](#), The Avalon Project, Yale Law School.

⁵ Carl Thayer, [“Analyzing the US-Philippines Enhanced Defense Cooperation Agreement”](#), *The Diplomat*, 2 May 2014.

⁶ Priam Nepomuceno, [“PH, US Sign Military Intel-sharing Pact”](#), *Philippine News Agency*, 18 November 2024.

defence capabilities. The Philippines is in the third stage of its ‘Horizons’ military modernisation initiative. As part of the programme, the Philippines has set aside US\$ 35 billion over the next 10 years.⁷ Defence Secretary Gilberto Teodoro Jr. declared the adoption of the third phase of the AFP Modernisation Programme, Revised Horizon (Re-Horizon) 3, on 23 January 2024.

Diversification is also a form of strategic risk management and implies strengthening security ties with other middle powers to reduce the risk of overdependence on a single partner. Several Southeast Asian countries, such as Malaysia and Vietnam, focus on hedging, in which states avoid choosing sides and maintain active neutrality. The Philippines, therefore, pursues a different approach of diversification, especially under the Marcos Jr. administration. Furthermore, expanding defence and security ties with middle-power countries provides Manila with avenues for capability development, maritime cooperation and diplomatic support. Multiple security partnerships also strengthen the Philippines’ position by internationalising the support for a rules-based maritime order.

During Duterte's Presidency (2016–2022), despite the President's attempts to downplay the arbitration in favour of a rapprochement with China, the Philippines released its first security policy document, the ‘National Security Policy’ (NSP).⁸ The NSP kept domestic security as the priority, and the country's right to protect its EEZ was the 4th item on the agenda. However, the new NSP (2023–2028) prioritised National Sovereignty and Territorial Integrity.⁹ This further highlighted that Manila is undergoing a shift towards an outward-oriented security by focusing on strengthening military cooperation, information sharing, technology transfers and joint patrols to enhance defence capabilities.

Japan and the Philippines

Japan occupies a significant position among Manila’s emerging defence partners. Relations between the Philippines and Japan were historically primarily centred on trade and infrastructure investment. However, shared concerns and interests in the region regarding China’s maritime activities and the stability of the SCS have transformed their relationship into a robust strategic partnership. Both Japan and the Philippines are island countries and part of the ‘First Island Chain’, and therefore rely heavily on keeping the sea lanes of communication (SLOC) open.

⁷ Haena Jo, [“Philippines Military Modernisation: Revamped But Not Resolved”](#), IISS, 23 June 2025.

⁸ Frances Mangosing, [“Duterte Administration Releases National Security Strategy”](#), *Inquirer*, 18 July 2018.

⁹ Joshua Bernard B. Espeña, [“Evolving, Not Evading: The Philippines’ National Security Policy and Its Strategic Calculus in Taiwan”](#), Global Taiwan Institute, 4 October 2023.

Japan became the first strategic partner of the Philippines in 2009, and, reflecting shared threat perceptions of an expansionist China, it has become an important security partner through defence equipment transfers, capacity-building, and coast guard assistance.¹⁰ Manila is also the first beneficiary of Tokyo’s 2023 Official Security Assistance (OSA) programme, and Japan provided coastal radar systems under this framework (as a 600 million yen grant).¹¹ During Abe’s administration, Japan also transferred patrol vessels to the Philippine Coast Guard as part of its ODA, further strengthening the Strategic Partnership between the two countries.

A landmark move in defence ties between Japan and the Philippines was the signing of the Reciprocal Access Agreement (RAA) in July 2024, following several rounds of talks and negotiations.¹² This is also Japan’s first RAA with a Southeast Asian country, which further demonstrates the importance of deepening security and defence ties between the two countries.

The RAA has been built on the momentum of initiatives taken by the Marcos administration and also the inaugural Japan–Philippines–United States trilateral summit in April 2024. The agreement helps Tokyo deepen its cooperation with the Armed Forces of the Philippines through military exercises and maritime security coordination. From a broader regional perspective, the RAA also reinforces security ties among the US, Japan and the Philippines through their trilateral framework. Japan’s participation in exercises like Balikatan integrates Japan into this regional security cooperation. This agreement further reflects an active effort by both nations to safeguard their maritime interests and enhance regional stability.

The strengthening of Japan–Philippines defence cooperation also aligns closely with Tokyo’s broader Free and Open Indo-Pacific (FOIP) vision. In 2024, Japan also expanded OSA support to the Philippines with an additional 1.6 billion yen for rigid-hulled inflatable boats and coastal radar systems.¹³ The Philippines and Japan also signed an Acquisition and Cross-Servicing Agreement (ACSA) in January 2026, which is seen as complementing the RAA. ACSA is considering establishing a mechanism for the reciprocal provision of supplies and services between the armed forces of both countries. This includes food, water, medical services and maintenance services.

¹⁰ Aries A. Arugay, [“Traversing Turbulent Waters: The Philippines rigid-hulled’ Evolving Indo-Pacific Strategy”](#), National Institute for Defence Studies (NIDS), Japan, 2025.

¹¹ Aaron-Matthew Lariosa, [“Japan Grants Security Assistance to the Philippines, Looks to Enhance Military Cooperation”](#), *USNI News*, 9 November 2023.

¹² Aries A. Arugay, [“Traversing Turbulent Waters: The Philippines’ Evolving Indo-Pacific Strategy”](#), National Institute for Defence Studies (NIDS), Japan, 2025.

¹³ Joyce Ann L. Rocamora, [“PH to Get P611-M Defense Equipment from Japan”](#), *Philippine News Agency*, 5 December 2024.

Recently, in May 2026, President Marcos visited Japan to mark the 70th anniversary of their diplomatic ties.¹⁴ His visit also broadened the scope of their security partnership amidst Japan’s security role under its FOIP vision. Unlike traditional military powers, Japan is seen as a reliable and non-threatening actor that focuses on capacity-building and rules-based maritime governance. The Philippines’ reliance on Japan as a security partner allows Manila to strengthen its deterrence capabilities. Japan’s role further shows that the Philippines’ diversification is about complementing the alliance with partners that possess specialised capabilities.

Australia and the Philippines

Australia has emerged as an important security partner of the Philippines, reflecting a shared commitment to maintaining a rules-based Indo-Pacific. Their defence cooperation has expanded significantly in recent years in response to China’s assertiveness in the SCS. Both Canberra and Manila have strengthened defence ties through military exercises, agreements, maritime cooperation and capacity-building. Their ties initially focused on humanitarian and disaster-relief (HADR) cooperation and have now evolved into a broader strategic relationship. Australia supported the Philippines during crises such as the Battle of Marawi and disaster relief operations following Typhoon Yolanda.¹⁵ These experiences established trust and operational familiarity between the two armed forces.

The Status of the Visiting Forces Agreement (SOVFA), ratified in 2012, facilitated joint military exercises and interoperability. Since 2014, Australia has also been the first country after the US to have attended the Balikatan Joint exercises with the AFP and the US military. The evolution of their ties continued with the establishment of a Comprehensive Partnership in 2015, which institutionalised regular ministerial dialogues. Canberra has also supported the Philippines’ approach to China’s actions in the SCS and favoured Manila in the 2016 ruling of the Permanent Court of Arbitration. The Philippines and Australia also conduct the bilateral Exercise Alon, which focuses on amphibious operations, maritime security, and interoperability, and has improved the Philippines’ operational readiness.

In 2023, both countries elevated their ties further to a strategic partnership, which also encompasses cooperation on emerging technologies and non-traditional security.¹⁶ Both countries also began conducting joint patrols in the SCS in 2023, demonstrating a commitment to maritime security cooperation. Furthermore,

¹⁴ “[Japan-Philippines Summit Meeting](#)”, Prime Minister’s Office of Japan, 28 May 2026.

¹⁵ Samuel J. Cox, “[Australian Assistance to the Philippines: Beyond the Here and Now](#)”, *The Strategist ASPI*, 2 May 2018.

¹⁶ Sebastian Strangio, “[Australia, Philippines Agree to Upgrade Bilateral Relationship](#)”, *The Diplomat*, 11 September 2023.

Australia plays a key role in strengthening sectors of the Philippine economy, especially shipbuilding, where firms like Austal have established an industrial presence.¹⁷

Recently, on 7 August 2026, both countries also reaffirmed their commitment to strengthen defence cooperation during the 3rd Philippine–Australia Defence Ministers’ Meeting, as this year also marks 80 years of their diplomatic ties.¹⁸ For Australia, the security of Southeast Asian countries is integral to broader Indo-Pacific stability, and a capable Philippines will further strengthen collective resilience and the management of maritime disputes in accordance with international law.

Australia and the Philippines have evolved their ties into a strategic partnership that addresses both domestic and strategic needs. Moreover, Australia’s importance lies in its role as a middle power committed to preserving a rules-based order, and, through defence cooperation, the Philippines gains access to advanced military training and strategic support. From the Philippines’ perspective, the defence partnership focuses on delivering concrete deterrence rather than just assurance.

India and the Philippines

The growing defence relationship between India and the Philippines also represents a significant development in Manila’s diversification of security partnerships. India became a full dialogue partner of ASEAN in 1995 at a time when Prime Minister Narasimha Rao’s Look-East Policy emphasised closer cooperation with Southeast Asia. In 2004, the 1st India–Philippines security dialogue was held, and the 2006 Agreement on Defence Cooperation marked a shift in their security ties. It was in 2014, after Prime Minister Narendra Modi launched the Act-East Policy, that India–Philippines security ties gained momentum amid the strategic realities of the Indo-Pacific and China’s maritime activities. The mutual concerns have brought both countries closer together, including on maintaining a free and open Indo-Pacific.

A landmark turning point in their defence ties was in 2022 when the Philippines became the first international buyer of the BrahMos missile system and purchased three batteries of the shore-based anti-ship variant in the form of a three-batch contract (US\$ 375 million).¹⁹ The implementation gained momentum during 2024–2026 with delivery of missile batteries, operator training and deployment support.

¹⁷ Anna Leah Gonzales, [“Aussie Shipbuilder in Talks With PCG for Dev’t of Vessels”](#), *Philippine News Agency*, 15 September 2024.

¹⁸ [“Joint Statement from Australia-Philippines Defence Ministers’ Meeting”](#), Australian Government.

¹⁹ Raj Basu, [“Philippines-India Ties Strengthen: Focus on Defence, Economy, and People-to-People Connections”](#), *Defence.in*, 17 June 2024.

The BrahMos missile supplied to the Philippines consists of shore-based anti-ship missile batteries for protecting coastal territories.

The defence relationship gained momentum through defence exports and maritime cooperation and also symbolised India’s emergence as a credible defence supplier in Southeast Asia. The missile deal enhances Philippine coastal defence capabilities and also showcases Manila’s intention to diversify its sources of military equipment beyond Western suppliers.

This month marks exactly a year since President Ferdinand Marcos’ first state visit to New Delhi in August 2025. During the visit, Marcos and PM Modi launched the ‘India–Philippines Strategic Partnership’ to elevate their ties further, marking 75 years of their diplomatic ties and also announcing a five-year Plan of Action (2025–2029) to guide the trajectory of cooperation further.²⁰ This includes cooperation through activities such as dialogue mechanisms, defence co-development and co-production, joint training and intelligence-sharing. The visit also hinted at the Philippines’ interest in acquiring Indian defence hardware to reinforce its defence cooperation. India’s contribution lies in strengthening the Philippines’ indigenous deterrence and defence capabilities, thereby demonstrating the logic of the Philippines’ security diversification.

Apart from Japan, Australia and India, South Korea, a US ally, also represents an important dimension of the Philippines’ security diversification through defence-industrial cooperation and military modernisation. South Korea has been one of Manila’s top defence suppliers, playing a vital role in bolstering the Philippines’ maritime capabilities. For instance, the Philippines acquired two corvettes and six offshore patrol vessels from Hyundai Heavy Industries and plans to acquire additional ships and fighter jets by 2028.²¹

Implications for Regional Security

The Philippines’ diversification strategy reflects a broader trend towards network-based security cooperation associated with minilaterals. States are increasingly seeking flexible partnerships that involve defence exercises, maritime coordination and intelligence sharing. The Philippines has a longstanding treaty alliance with the US along with the expanding network of partnerships with countries like Japan, India and Australia. This approach strengthens deterrence in the SCS as the growing

²⁰ [“Declaration on the Establishment of a Strategic Partnership between the Government of the Republic of India and the Government of the Republic of the Philippines”](#), Press Information Bureau, Prime Minister’s Office, Government of India, 5 August 2025.

²¹ Aaron-Matthew Lariosa, [“HD HHI Pitches Horizon 3 Frigates, Corvettes and White Hulls to Manila”](#), *Naval News*, 15 November 2024.

involvement of other partners creates layers of support around the US–Philippines alliance. This network is also described as a ‘web of deterrence’ in which deterrence is reinforced through overlapping relationships.

For decades, the Armed Forces of the Philippines (AFP) was oriented towards internal security. At the same time, the growing importance of the SCS has prompted Manila to shift towards its territorial defence and external security. Therefore, Manila has adopted a capability-specific approach regarding security partnerships. The US provides advanced military cooperation, Japan contributes maritime surveillance and coast-capabilities, Australia provides operational interoperability, and India contributes coastal defence capabilities. This further enables the Philippines to address capability gaps while avoiding complete dependence on a single security partner.

The expanding security partnerships with the Philippines also indicate that ASEAN is considered insufficient to address the security challenges in the SCS. ASEAN, as a multilateral framework, relies on consensus-based decision-making, which can make it difficult to develop a unified response. While ASEAN remains important for dialogue and regional diplomacy, individual countries rely on bilateral and minilateral frameworks to address specific security issues. ASEAN provides an inclusive institutional framework, while smaller frameworks (bilateral and minilateral) offer practical mechanisms for defence cooperation.

Moreover, another important implication is strengthening the rules-based order. The Philippines has sought to frame its SCS disputes within the framework of international law through UNCLOS. Countries like Japan, Australia, India and the US express support for and adhere to freedom of navigation and peaceful dispute resolution; the SCS becomes a part of the wider discussion regarding the credibility of international maritime norms. The diversification seeks to increase Manila’s strategic options and resilience while also maintaining a security alignment with the US and other like-minded partners.

Potential Challenges and Way Forward

The growing presence of external powers in the Philippines could reinforce China’s view that Manila is participating in a US-led containment strategy, leading to stronger Chinese diplomatic pressure and grey-zone coercion. Managing multiple defence relationships requires financial resources and institutional capacity. If partnerships are developed independently without coordination, the Philippines could also face difficulties in integrating military systems and defence technologies. Diversification should be accompanied by continued investment in the Philippines’ defence-industrial base, military capabilities and maritime institutions.

The Philippines’ role as this year’s ASEAN Chair also presents both an opportunity and a challenge. As ASEAN Chair, the Philippines is expected to facilitate consensus among ASEAN’s diverse membership. The Philippines is also one of the most vocal members of ASEAN regarding China’s activities in the SCS. At the same time, several ASEAN members maintain economic ties with Beijing. They may be reluctant to adopt positions that could be seen as supporting a US-led balancing coalition against China. Manila should focus on internationalising support for maritime rules without allowing ASEAN to become divided along US–China strategic lines, thereby maintaining ASEAN unity.

Regarding domestic political stability in the Philippines, the political alliance between President Marcos and Vice President Sara Duterte has broken down. Duterte is currently facing an impeachment trial over allegations including misuse of public funds and betrayal of public trust.²² Duterte’s political base remains associated with former President Rodrigo Duterte, who sought closer economic and political engagement with China and adopted a cautious approach towards the US. This also creates a risk that, amid changes in domestic political coalitions and the 2028 presidential election, the defence agreements, military exercises and strategic ties with middle powers may be affected. Sara Duterte’s impeachment trial would determine whether she is legally able to contest the 2028 elections.

These domestic dynamics create uncertainty about the future direction of the Philippines’ foreign policy. However, China’s rampant activities in the SCS provide a concrete reason for Manila to retain security cooperation with Washington and other regional powers. Manila needs to adopt a cautious approach that balances deterrence and diplomacy. It must ensure that diversification is focused on maritime resilience and territorial defence rather than on an offensive coalition against China.

The Philippine security diversification contributes to a multilayered Indo-Pacific security architecture, strengthens collective deterrence, and improves Philippine defence capabilities. Therefore, the Philippines’ approach reflects an effort to complement the US alliance by diversifying its security and defence partnerships and creating a networked security architecture to respond to conventional and grey-zone challenges. It shows how a smaller Indo-Pacific country can combine alliance commitment, external balancing and capability diversification. It remains to be seen whether this approach of the Philippines will work in the long term.

²² Keith Clores, “[Ridon Looks for Duterte Anew: Face Impeachment Trial and the Truth](#)”, *Inquirer*, 3 August 2026.

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