

ROYAL AUSTRALIAN NAVY

# SEA POWER

## SOUNDINGS



Issue 24, 2021

## **Exploring the Philippines and Australia's Maritime Security Cooperation against Terrorism and other Transnational Crimes**

By Lieutenant Colonel Hernane Abayon

Lieutenant Colonel Abayon attended the Sea Power Centre of Australia as a Visiting Navy Fellow.

ROYAL AUSTRALIAN NAVY

# SEA POWER

## SOUNDINGS



Issue 24, 2021

© Commonwealth of Australia 2021

This work is copyright. You may download, display, print, and reproduce this material in unaltered form only (retaining this notice and imagery metadata) for your personal, non-commercial use, or use within your organisation. This material cannot be used to imply an endorsement from, or an association with, the Department of Defence. Apart from any use as permitted under the Copyright Act 1968, all other rights are reserved.





## Introduction

Most of the world's surface is occupied by water. Oceans occupy two-thirds of the earth's total area, but most countries focus on land-based initiatives, and efforts to secure the maritime domain are relegated to the side-lines. Sea blindness and continental thinking still dominate the thoughts and perceptions of our national policy- and decision-makers, as well as senior leaders in the military and other stakeholders, both state and non-state, who have maritime-related interests. Due to this prevailing political environment and milieu, the protection of the sea and other littoral and offshore areas is not given importance and priority. Due to this security negligence and complacency, the seas and its environs have become the conduit and seascape of unscrupulous individuals who ply their illicit trades along sea lanes and routes crucial to freedom of navigation, trade and commerce. Transnational crimes and other non-traditional military threats – such as kidnapping, piracy, sea-jacking or robbery at sea, gunrunning, drugs and human trafficking – weaken national, regional and global security. Moreover, the entry into the picture of global terrorism exacerbates the heightening apprehension of countries/states whose security concerns are heavily reliant on oceans, and securing its respective maritime domain becomes a challenging and near to impossible task to all maritime stakeholders.<sup>1</sup>

The Philippines plays an important geopolitical role in the Indo-Pacific region because it occupies a geostrategic location among the Americas, Oceania and Asia. It connects Southeast Asia and Northeast Asia. Most of the world's important sea and shipping routes between Australia and China pass through the Sulu Sea in the Philippine Archipelago, a reality that compels Australia to maintain and enhance closer relationships with the Philippines. Furthermore, the two nations are linked through common regional concerns and shared interests in promoting maritime security under the international rules-based order, as well as a shared responsibility to take part in regional humanitarian assistance and disaster response missions. Economic integration also links these two maritime states.

The Philippine Navy (PN), anchoring on one of the key features of its operational strategy, the Active Archipelagic Defence Strategy (AADS), promotes maritime cooperation to support its operations. Through this initiative, the gaps in capability and capacity could be filled in, especially given the navy's long-standing engagement with the Royal Australian Navy (RAN), one of the most advanced navies in the region. The PN contributes to regional security and stability by collaborating with other navies in the region.<sup>2</sup>

Before the signing of the Status of Visiting Forces Agreement (SOVFA) in 2007, which was ratified by the Philippine Senate on 24 July 2012, and subsequently entered into force on 28



September 2012, Australia and the Philippines had already signed the Memorandum of Understanding on Cooperative Defence Activities, which came into effect on 22 August 1995, and later Terms of Reference (TOR) for the establishment of the Joint Defence Cooperation Committee (JDCC) and the Defence Cooperation Working Group (DCWG), whose joint meetings are conducted annually. These groups also guide subsequent various joint cooperative activities. To further develop bilateral defence relations and advance the military activities of the two countries, biennial Navy to Navy Strategy Talks between the Philippines and Australia were established under the TOR. This TOR is not intended to create a binding international agreement between the participants or the Republic of the Philippines and the Government of Australia. All activities under this TOR will be carried out by respective laws, regulations and policies of both armed forces.<sup>3</sup> Subsequently, the Memorandum of Understanding (MOU) on Cooperation to Combat International Terrorism and the Memorandum of Understanding on Combating Transnational Crime were signed in 2003 to jointly address maritime terrorism, piracy, arms smuggling, human trafficking, kidnapping and the proliferation of drugs and other contraband.

This paper explores maritime security cooperation between Australia and the Philippines to find out how their collaborative efforts would benefit the two states in terms of addressing the threat of terrorism and other transnational crimes, not only in their respective sovereignties and borders but also in their respective allied countries in the Indo-Asia-Pacific or Indo-Pacific region.

I also delve into the long-standing and mature Philippine and Australian strategic defence relationship, especially in the context of the extensive history of cooperation and mutual support between the two states' navies (the PN and RAN). Moreover, this paper will also examine the aforesaid cooperation with particular emphasis on the SOVFA, taking stock of its strategic achievements and identifying some capability gaps, and operational challenges and opportunities in the two states' bilateral relationship.

### **Early maritime security cooperation**

Maritime sovereign states like Australia and the Philippines rely on the security of their maritime domains to enjoy economic prosperity and survive as nation states. The maritime interrelatedness is linked with aspects of common strategic space, with their interests in maritime and security endeavours often intertwined. The strategic location of the Philippines draws regional powers like Australia and the United States to establish a foothold on this maritime nation to protect their maritime, security and commerce/trade interests in the Indo-Asia-Pacific/Indo-Pacific region. The strategic importance of the Philippines makes her an



enviable and sought-after regional partner. Australia's commonality with the Philippines in addressing maritime and security issues, including their shared interest in countering terrorism in the region, entails Australia actively engaging with the Armed Forces of the Philippines and the Department of National Defence. This engagement will centre on the fields of maritime security, counter-terrorism, law and leadership, airworthiness and logistics. The bilateral partnership is not on an equal footing in terms of the capabilities of the two states' militaries, Australia having the upper hand. However, the intention is to narrow the gap by Australia supporting the Philippines' capability development through targeted training and capacity assistance, such as the current program to gift two amphibious vessels and offering an additional three for sale to the Philippines.<sup>4</sup>

To solidify the security cooperation between Australia and the Philippines, the two nations signed the SOVFA on 31 May 2007, regarded as the most important security milestone of Philippines foreign and security relations after the Mutual Defence Treaty with the United States signed in Washington D.C. on 30 August 1951. For its part, Australia regarded the SOVFA as a logical and legal means to increase Australian security assistance as one way of promoting maritime security in not only Southeast Asia but also in the Indo-Pacific region. Even though there were earlier agreements between the two states on security cooperation, the SOVFA of 2007 gives justification to Australia to increase its assistance to its counterpart in capacity building for port security and border control operations to prevent terrorist attacks and deter illicit and unscrupulous acts in the critical sea lines of communication (SLOC) of Southeast Asia.<sup>5</sup>

Recent years have seen a dramatically changing milieu transpiring in the Indo-Asia-Pacific or Indo-Pacific region, with a shift of strategic focus of global and regional powers like the United States and Australia from the Middle East to this region, which is considered to be a vital focus of economic power and prosperity thanks to Asia's sustained economic growth. With this pivotal movement, of the United States in particular, China's military assertiveness, especially in the East and South China Sea, is challenged by US support for allied claimant-countries such as Japan, Vietnam, Taiwan and the Philippines. This situation presents Australia, as a key strategic and treaty ally of the United States, with a dilemma in terms of how to deal with China, the main military and economic competitor of the United States in the Asia-Pacific. Moreover, the Australian Government is also addressing this shift of focus to the Indo-Pacific by strengthening its defence and security cooperation with other countries in the region.

Connections – but not official diplomatic relations – between Australia and the Philippines date back to the 19th century. Official diplomatic relations were only established in 1946 just



after the Philippines was granted independence from US colonial rule. This earlier relationship came into being when Australian missionaries gained a foothold on Philippine soil through spreading the Christian faith. Even before the granting of Philippine independence on 4 July 1946, the two states had already established a form of maritime security cooperation. During World War II, the RAN joined with the Allied forces in the war against the Japanese imperial forces in the Philippines. After the United States granted independence to the Philippines, Australia immediately opened its consular office in Manila, and through the Colombo Plan, which was established in 1951, joined the United States in actively helping the Philippines' post-war economic rehabilitation, reconstruction and recovery efforts. It was also in 1951 when the Philippines opened its defence attaché in Australia. Moreover, during the Cold War, the two states' security cooperation was strengthened and enhanced when as member states of the South East Asia Treaty Organization (SEATO), and in tandem with the United States, they helped efforts to halt the expanding influence of communism in Southeast Asia. In 1973, Australia and the Philippines entered into a defence cooperation program. When the Philippine-American Military Bases Agreement was terminated in 1991, security relations between Australia and the Philippines were strengthened.

This security partnership was highlighted by a series of bilateral security dialogues and culminated with the signing of the Philippines–Australia Defence Cooperation Agreement in 1995. With this agreement in force, the two maritime states jointly conducted several defence-related activities, such as the Maritime Training Activities (MTA), 'Exercise LUMBAS' which was officially started in 2002, MARSURVEX (Maritime Surveillance Exercise) and the Australian-hosted multilateral Fleet Concentration Period Exercise 'KAKADU'. In March 2003, the two states agreed to collaborate in addressing the clear and present danger in the region – this being, terrorism.

Four months later, another agreement was forged for combating transnational crime, such as human and drug trafficking, maritime piracy and sea-jacking, gunrunning, kidnapping, smuggling and the like. These agreements and common shared interests in maritime security have become the drivers in enhancing Philippines–Australia relations, culminating in the signing of the SOVFA.<sup>6</sup>

### **Maritime security cooperation in the aftermath of 11 September 2001**

After the 9/11 event, which made every country of the world awake to the threat of terrorism, the maritime security of Australia and the Philippines was improved and enhanced. This was bolstered when Australia gave the Philippine military A\$10 million over the period 2003–08 for counter-terrorism efforts and other related initiatives, like strengthening maritime border



control and port security against terrorism. In June 2005, the maritime stakeholders of the two states held a maritime security seminar, tackling issues and concerns related to their maritime security cooperation. One outcome was a needs analysis for the Philippines conducted by the RAN.

This analysis gave Australia a clear understanding of what kind of maritime security assistance could be provided to the Philippines. Cooperation between the two states focused on the Philippine Port Security Capacity Building Project; the Army Watercraft Project; and the Coast Watch South Project.

### **Maritime security cooperation during and after the Marawi crisis**

During the 2017 Marawi Siege, troops of the Armed Forces of the Philippines (AFP) found it very challenging to retake the besieged city from its 'do or die' Islamic Maute defenders. The AFP troops were inexperienced in urban warfare and lacked capabilities in countering improvised explosive devices (IED). Australia offered to deploy Australian Defence Force (ADF) personnel with significant training and counter-IED experience from operations in Afghanistan. After operations in Marawi, these personnel offered urban warfare and counter explosive/ordnance training and technical assistance to Philippine security forces. As well, two Australian AP-3C Orion surveillance aircraft operated in the Main Battle Area (MBA) of Marawi.

The two platforms boosted the Intelligence, Surveillance and Reconnaissance (ISR) capabilities of the AFP, augmented the situational awareness of troops on the ground and denied the enemy target acquisition on the former. The assistance provided by Australia, in conjunction with the United States, was one of the game changers that led to the ultimate defeat of the terrorists and the eventual retaking of Marawi. The siege was a reminder that Australia and the Philippines have a long history of cooperation on defence education and training, both under the Defence Cooperation Program and through joint exercises. Australia is the second-largest provider in military education for the AFP, after the United States.

Just weeks after the culmination of the Marawi crisis in the last week of October 2017, the Australian Government sent ADF personnel to help train Filipino soldiers in urban warfare and other strategies. This initiative was sustained through deploying ADF mobile training teams to key areas in Luzon and Visayas islands. Furthermore, Australian Prime Minister Malcolm Turnbull said when he visited Manila on 14 November 2017 that Australia and the Philippines are in the same fight against terrorism. Turnbull remarked that the 'threat of terrorism, of Islamic terrorism, is a global one and it is all connected', thereby underlining the need for better cooperation against the threat of terrorism.



These remarks by the Prime Minister of Australia concerning the campaign against the ISIS-aligned Maute group offered a clear acknowledgement that terrorism is a global menace and that countries like Australia and the Philippines must join together to address it. At stake is potential destruction of infrastructure, vital installations and economies, as well as the creation of a climate of fear and terror in countries not only in the Indo-Pacific (Asia-Pacific) region but also those in other parts of the world.

The scourge of terrorism was further enunciated by the President of the Philippines: ‘Terrorism is everywhere. No nation has escaped from the clutches of the evil of the [Islamic State] ideology dedicated to just kill human beings and destroy places.’<sup>7</sup>

### **Joint maritime security cooperation to address terrorism and other transnational crimes**

- **Current and previous initiatives on counter-terrorism and other transnational crimes**

To further boost counter-terrorism efforts and continuously address terrorism in the area of responsibility of the Naval Forces Western Mindanao (NFWM) of the PN after the Marawi crisis, a joint maritime security exercise was launched on 12 March 2018 in Zamboanga City, Mindanao, between the two navies to address the threat of terrorism in Southeast Asia. Two RAN Armidale-class patrol boats, HMAS *Broome* and HMAS *Launceston*, arrived at Zamboanga port on 12 March 2018 to conduct combined maritime security exercises with PN frigates to improve regional maritime security. Maritime security had been compromised by spates of kidnapping and hijacking incidents targeting foreign and local cargo vessels plying the Sulu Sea and Sibutu Strait, mostly perpetrated by the ISIS-aligned kidnap-for-ransom terrorist organisation, Abu Sayyaf Group. According to Mat Kimberley, Australia’s deputy head of mission to the Philippines, the extensive defence cooperation in terms of technical support, intelligence sharing and Subject-Matter Expertise Exchange (SMEE) was beneficial to both maritime states. As evidenced by the flushing out of Maute terrorists from Marawi, the deepened cooperation also put at bay the rising threat of ISIS in Southeast Asia and the rest of the Indo-Pacific region. As stressed by Rear Admiral Rene Medina AFP, Commander, NFWM, the combined maritime security engagement that his command and the visiting RAN personnel would be undertaking might improve inter-operability between the two navies, as well as enhance the deepening cooperation between the ADF and the AFP and their respective maritime stakeholders.<sup>8</sup>

- **Joint maritime patrols in the area of responsibility of Naval Forces Western Mindanao of the Philippine Navy**



NFWM's Second Maritime Security Engagement exercise with the RAN took place in the waters off Basilan, Sulu and Tawi-Tawi, with the aim of enhancing both forces' anti-piracy and anti-terrorism capabilities.

The activity lasted for 21 days during which time both navies conducted maritime patrols in NFWM's area of responsibility, especially in the Basilan Strait, the Sulu Sea and Sibutu Strait where kidnapping, human and drug trafficking, piracy/seajacking, gun-running and illegal fishing often occur. These joint engagements were beneficial in particular to the PN because of the opportunity to enhance its capabilities to combat maritime terrorism and other transnational crimes. Both navies improved their inter-operability and joint capabilities in the conduct of maritime security-related endeavours.

Moreover, these engagements contributed to a dramatic reduction in kidnapping incidents. As Rear Admiral Medina, Commander of NFWM pointed out, Australia and the Philippines and other countries in Southeast Asia and the whole of the Indo-Pacific region share common concerns in ensuring safer seas and trade routes for our seafarers and respective communities. He further emphasised that piracy and terrorism in the southern Philippines, especially in the porous maritime borders in the Sulu Sea (with Malaysia) as well as in the Celebes Sea (with Indonesia), are the concerns of the Philippines and its immediate neighbours as well as all countries in the Indo-Pacific region.<sup>9</sup>

- **Strengthening port security: Australia and Philippines strengthen port security**

The Philippine Government aims to improve port operations in the Philippines, especially by implementing strategies to deter the proliferation of illicit activities such as drug and human trafficking, gun-running, and the smuggling of other contraband by unscrupulous individuals and crime syndicates operating in some ports of the Philippines. On 19 March 2004, the government, with the support of the Australian Government, held live simulation exercises at Cebu International Port to evaluate the operational readiness of local ports in handling security-related incidents.

Participants in this scenario-driven exercise were the primary stakeholders, the Philippine Office for Transportation Security (OTS), the Cebu Ports Authority, and the Philippine Coast Guard. A series of scenarios included simultaneous attacks on port facilities. The exercise served as the culminating activity of the Philippines–Australia Port Security Capacity Building Project (PAPSB), which is managed by the Australian Department of Infrastructure, Transport, Regional Development and Local Government. This project was bankrolled by the Australian Agency for International Development (AusAID) as one parts of the A\$10 million, Counter-Terrorism Assistance Package earmarked for the Philippines from 2003 to 2010.



This financial aid package seeks to strengthen the capacity of key government agencies to prevent terrorist threats, with a particular focus on law enforcement, border control, port security and regional cooperation among allied countries in the Indo-Pacific region.<sup>10</sup>

- **Coast Watch South Project**

Occupying an important geostrategic location between the Americas, Oceania and Asia, the Philippines is an indispensable regional partner to Australia. The country serves as a bridge between Southeast Asia and Northeast Asia. Most of the world's important trade and shipping routes pass through Philippine waters, including the Sulu Sea, the site of illegal and sometimes terrorist activities.

The Coast Watch South Project was conceived to protect this vulnerable trade route in the Sulu Sea, and came into fruition with assistance from the Australian and US Governments. Since Australia's and the Philippines' respective interests converge in the Sulu and Celebes Seas, this project is a great opportunity for Australia to give a higher level of assistance to the Philippines to improve its maritime domain awareness and maritime security capabilities. The Coast Watch South Project is the largest maritime security project between the two nations. One of its aims is to help optimise the use of existing resources and capabilities for maritime law enforcement operations and the capability of Philippine maritime security forces to monitor the transit of people in the Celebes, Sulu and Sulawesi Seas.

A vital goal of this project is to counter terrorism and other transnational crimes, especially terrorists and criminals using routes along the porous borders on those tri-seas. Australian assistance aims to further develop Philippine maritime surveillance and interdiction capabilities by centralising surveillance and response mechanisms to secure maritime borders in Mindanao. The project covers various corridors, comprising Zamboanga Peninsula, Basilan, Sulu, Tawi-Tawi; Davao Gulf and General Santos seaward going to North Sulawesi Island, Indonesia; and the southern part of Palawan and Balabac Islands going to Banggi Island and Sabah.

### **Defence engagements/bilateral agreements and treaties**

Philippine–Australia defence relations have flourished since World War II with regular dialogues to create mechanisms to support the bilateral partnership. These mechanisms are the Philippines–Australia Ministerial Meeting (PAMM), Senior Officials Meeting (SOM), Philippine–Australia Bilateral Counter Terrorism Consultations (BCTC), High-Level Consultations on Development Cooperation (HLC), Joint Defence Cooperation Committee (JDCC) and Defence Cooperation Working Group (DCWG) dialogues.



The Philippines and Australia, according to the preambles of the SOVFA, have pursued the purpose and objectives of the Memorandum of Understanding (MOU) between the two governments on Cooperative Defence Activities signed on 22 August 1995 in Canberra. It states that cooperation between the Philippines and Australia promotes their common security interests and notes that, from time to time, by arrangement between the Philippines and Australia, elements of the forces of one party may be sent to visit the territory of the other party. The SOVFA established the status of Visiting Forces of the Sending Party when in the territory of the Receiving Party, and acknowledged the parties' intention in fulfilling their international commitment.<sup>11</sup>

In accordance with the SOVFA, in 2016, Australia extended maritime security assistance to the Philippines in the form of surface platforms. The Philippines purchased three former Australian landing craft, HMAS *Balikpapan* (L-126), *Wewak* (L-130) and *Betano* (L-133). These Balikpapan-class landing craft heavy (LCH) vessels arrived in Liloan, Cebu, on 26 March 2016. The three vessels were sold to Manila for a 'friendship price' of 726 million pesos (US\$16.5 million) – by market standards, a giveaway price.

The LCHs were among five vessels the Philippines acquired from Australia. The other two are the BRP *Ivatan* (formerly HMAS *Tarakan*) and BRP *Batak* (formerly HMAS *Brunei*), which were donated and commissioned into the PN in 2015. The vessels are to be used for humanitarian assistance and disaster relief (HADR) operations. Australia saw the need for such vessels after experiencing a shortage of these platforms during relief operations when the Eastern Visayas (Samar-Leyte Provinces) was hit by Typhoon Hainan (local name Yolanda), which decimated and ravaged whole towns and villages in the region in November 2013. ADF personnel were also dispatched to the affected areas to help the victims of the storm, which left more than 7,350 people dead and missing. Beyond HADR operations, the acquisition of these surface assets will also boost the capabilities of the Armed Forces Philippines, one of the weakest military powers in the region, in conducting maritime and naval/ territorial defence operations.<sup>12</sup>

Relative to this, the SOVFA is an agreement that encompasses real-world issues, including immigration and customs; measures for visiting forces to wear uniforms while in the other country; and criminal and civil jurisdiction over these visiting forces while in the other country. Australia and the Philippines signed the Agreement on 31 May 2007. Ratification of the Agreement by the Philippines was on 24 July 2012. The Philippine Senate passed the resolution for SOVFA on second reading with seven negative votes. Australia has similar agreements with, among others, Malaysia, Papua New Guinea, Singapore and the United States. Two months later, the defence agreement entered into force.



ADF personnel participated in Exercise BALIKATAN 2016, the foremost annual multi-faceted exercise hosted by the Armed Forces of the Philippines and the US Pacific Command. Exercise BALIKATAN 2016 included 86 ADF personnel, with contributions from, among others, a 30-strong Special Forces element from the 2nd Commando Regiment. An RAAF AP-3C Orion maritime patrol aircraft and crew also joined in supporting maintenance personnel drawn from 92 Wing.

Exercise LUMBAS, the maritime training activity between the PN and the RAN, is conducted annually to enhance cooperation between the two navies in the varied fields of maritime interdiction operations, interagency operations, anti-piracy, anti-kidnapping, anti-terrorism, disaster response, human and drug trafficking and the like.

During Typhoon Haiyan/Yolanda, the Australian Government responded instantly with the deployment of ADF assets such as a C-17A Globemaster and a C-130J Hercules aircraft, and an amphibious ship on HADR operations to the ravaged and hard hit communities of Samar and Leyte Provinces. A 37-member Australian Medical Assistance Team established a 50-bed field hospital with surgical capability next to Tacloban City Airport in Leyte Province.

Australian law enforcement agencies have been working closely with their Philippine counterparts for over 30 years. Successful operational partnerships between the Australian and Philippine agencies include joint international investigations into terrorist events such as the Makati bus bombing, the Glorietta Mall bombing and the Superferry bombing. AFP and Philippine law enforcement agencies frequently work together to dismantle major transnational drug and gun smuggling syndicates targeting both the Philippines and Australia, as well as identifying, disrupting and prosecuting numerous multinational child abuse syndicates. In 2015, Australian and Philippine law enforcement agencies successfully dismantled an international paedophile ring in Mindanao. The operation, conducted by the National Bureau of Investigation (NBI) with Philippine National Police (PNP) and AFP support, gained positive worldwide publicity for Philippine law enforcement agencies in their fight against child abuse. An Australian *60 Minutes* program on this operation won a 2015 Walkley Award. The success of the two countries' law enforcement cooperation is based on trust, mutual respect and common interest.

The defence engagement between the two maritime states narrows down to three major initiatives: maritime security; counter-terrorism; and assistance to the Philippine defence modernisation program. In like manner, the SOVFA enhanced the already deep relationship between Australia and the Philippines. Some of the milestones of the agreement are focused on opportunities to further training, advance exercises and promote deeper people-to-people ties. Australia prioritises education and training in engaging with their Philippine counterpart.



The AFP personnel are beneficiaries of these academic and educational endeavours at Australia's training and educational institutions, and some of them study at Australia's universities.

The two states also strengthened their relationship through disaster risk management and in humanitarian assistance, with Australia assisting the Philippine Government and its communities in preparing for, coping with and recovering from natural disasters. Moreover, an important program between Australia and the Philippine Bureau of Immigration is their cooperation to counter smuggling, human trafficking and other forms of illegal migration. The two countries signed a Memorandum of Understanding in 2005 to share expertise on effective border control to detect, deter and disrupt human trafficking and other forms of irregular migration.<sup>13</sup>

The Association of Southeast Nations (ASEAN)–Australia Dialogue Relations was established in 1974, but it reached a significant milestone in 2007 with the adoption of the Joint Declaration on ASEAN–Australia Comprehensive Partnership that charts the direction of ASEAN relations in the years to come. Australia participates in several consultative meetings with ASEAN, including the ASEAN Regional Forum (ARF), the ASEAN Defence Ministers Meeting Plus, the East Asia Summit, the Expanded ASEAN Maritime Forum, the Post Ministerial Conferences and the Senior Officials' Meeting on Transnational Crime. Australia has been actively participating in and supporting the ARF's work on counter-terrorism, transnational crime, disaster relief, maritime security, non-proliferation and disarmament, and preventive diplomacy. In 2015–16, Australia co-chaired (with Singapore) the ARF Experts and Eminent Persons Meeting, and the ARF workshop on National Maritime Single Points of Contacts with the Philippines and also worked with Malaysia on the proposed ARF Directory of Cyber Points of Contact.<sup>14</sup>

### **Strategic and operational achievements**

Australia is strongly and passionately committed to helping the Philippines to enhance its maritime security capability. To prove its genuine concern, in 2006, even as an observer, Australia participated in Exercise BALIKATAN (which means 'shoulder to shoulder'). This activity is the largest joint military exercise between the Philippines and the United States. The signing of the SOVFA in the following year was the culmination of the two maritime states' commitment to advancing their common maritime security interests. Former Philippine President Gloria Macapagal Arroyo praised Australia's partnership with the Philippines, stating that Australia is one of the most important security regional partners in the Indo-Pacific region. Furthermore, the main intention of the Philippine Government in signing the SOVFA was to get more military assistance because it regards Australia as its



most important and reliable partner after the United States. As evidence of its good faith in this bilateral agreement, Australia donated 28 airboats to the AFP worth US\$4 million. These platforms were to boost the AFP's capability in fighting terrorism and other transnational crimes and promote its maritime security.

### **Australia–Philippines common strategic perspectives**

Since the two states are maritime in their geographic make-up, the duo has commonalities in their perspectives in addressing security maritime issues. These concerns converge and drive them to cooperate and deepen their bilateral engagement. These concerns focus on the following: alliance with the United States; the challenge of China's growing and rising military might and its subtle intention of Asian hegemony; disputes in the South China Sea (West Philippine Sea from a Philippine geographical perspective); the China–Taiwan issue; and non-traditional/military threats such as terrorism, drug and human trafficking, gun-running, seajacking, kidnapping, cyber-related crimes, child prostitution and other forms of contraband; natural and man-made disasters. These multifarious issues have been addressed by these nations' bilateral maritime security cooperation through the SOVFA whose embedded interest is to promote maritime security in Southeast Asia in particular and the whole of the Indo-Pacific region in general.

### **Military and security alliance with the United States**

Australia's and the Philippines' interests converge in many ways; but especially in the shared desire of each Nation to counter terrorist activity. Thus, Australia has extended help to its regional partner through technical assistance given by ADF experts in urban warfare and counter-IED operations and by providing surveillance aircraft to help Philippine troops locate Maute terrorists. This convergence of effort reflects the equal commitment of different Nations to defeat terrorism and to ensure the security of the Philippines, the ASEAN countries more broadly, and the Indo-Pacific region in general. Importantly, security extends beyond peace, to involve larger ideas of stability and economic prosperity.

### **China's rising economic power and the growth of its military might**

Australia and the Philippines also share some apprehension insofar as the rise of China has potential to foment instability in the Indo-Pacific. The Philippines and Australia have diplomatic and trade relations with China but are wary of China's increasing economic power because economic spill-overs have the potential to stimulate investment in China's already considerable military power. According to a *Defence Update 2007*, it is a fact that China's



economic growth has benefited the global community, however, Australia and the Philippines believe that China's assertiveness could also create tension in the Indo-Pacific region.<sup>15</sup>

### **The threat of maritime terrorism**

Australia and the Philippines have common strategic interests in combating maritime terrorism in Southeast Asia. The Marawi crisis was a reminder to the ASEAN countries and other regional powers like the United States, China, Australia and India, that terrorism is not a problem for a single state, irrespective of its political persuasion and ideology, because terrorism has no borders or geographical barriers. It will strike anywhere like a thief in the night. And to deter its proliferation and invasiveness to the social consciousness of the states' affected societies, the node of its nexus must be cut off. This goal can be achieved only if countries in the Indo-Pacific region strengthen cooperation and joint partnership in addressing this scourge head-on.

With the defeat of the Islamic State elements of the terrorist leadership transferred to the East Asia Wilayah (province). This province comprises Singapore, Malaysia, Indonesia, the Philippines, southern Thailand, Myanmar (Burma) and Japan.

More than the relocation of a mere few people, the transfer of terrorists to the East Asia Wilayah entailed the transfer of an established terrorist network. According to SouthFront.org, 1000–1500 Malaysian and Indonesian mujahedeen (holy warriors)/militants pledged allegiance to ISIS, and ISIS has transported 1000 of them. Most of these militants reached mainland Mindanao during the Marawi Siege using the backdoor route of the porous Philippines–Malaysia–Indonesia tri-border on the Sulu and Celebes Seas.

Where ISIS cannot establish the caliphate in Malaysia and Indonesia because of their predominantly Sunni Muslim population and stricter laws on terrorist activities, the Philippines might offer a more fertile ground due to the Mindanao question, the dearth of government services, corruption, and a soft approach to terrorism. So how might terrorism best be countered?

The counter-terrorism campaign in Marawi against the Maute-Abu Sayyaf-BIFF Group was land-based, but its implication is purely maritime terrorism. Most of their foreign fighters entered the Philippines through maritime routes. Likewise, some of the terrorists' combat service support and reinforcement emanating from Malaysia, Indonesia and the Philippines' provinces of Basilan, Sulu and Tawi-Tawi were mainly sea-based. Terrorism and transnational crimes are interconnected, as shown by the activities of Philippines' home-grown ISIS-aligned Abu Sayyaf Group (ASG): their kidnapping sprees at the tourist resort in



Sipadan, Malaysia, and on Dos Palmas Resort in Palawan, the Philippines, in 2001; their bombing of MV *Super Ferry 14* on 27 February 2004 after it left Manila Bay, resulting to the deaths of 116 passengers and the wounding of 300 others; and their other piracy/kidnapping activities targeting commercial and cargo ships plying the Sulu-Celebes-Sulawesi Seas gaining ransom money and worldwide notoriety. Through social media and face-to-face contact, they espoused Jihadist ideology to gain more adherents to their cause. These incidents create apprehension that shipping and ports may face a terrorist attack. Incidents of piracy in Southeast Asian waters make maritime terrorism the centrepiece challenge to regional maritime security. A good example of this occurred on 26 March 2003 with the robbery of the Indonesian chemical tanker *Dewi Madrim* off the coast of Sumatra, which appeared to maritime stakeholders to be an attempt by terrorists to learn how to navigate a ship in preparation for future attacks at sea.

Australia and the Philippines, each heavily dependent upon the maritime domain, and upon maritime trade, share common concerns about maritime terrorism. The Philippines, an archipelago of 7,107 islands with one of the world's longest coastlines, is especially mindful of the sea, and the relation of the oceans to the land where people live. Filipinos have a reputation as excellent seafarers and are the first choice among international shipping lines and companies for crew. The point being, both Australia and the Philippines share a natural affinity with the sea, and a natural interest in working cooperatively to secure good order. Collaboration is the key, and especially consequential since Australia (one of the region's strongest maritime powers) is well-positioned to help the Philippines enhancing maritime security along the Sulu-Celebes Sea frontier.<sup>16</sup>

### **Disputes in the South China Sea/West Philippine Sea**

The South China Sea, or to the Filipinos, West Philippine Sea, lies in the northern extent of the Indo-west Pacific. The disputed islands here are collectively known as the Spratlys; composed of no less than 190 islets, reefs and rocks, they cover an area of about 390,000 sq. km, and the surrounding waters contain rich marine and fisheries resources as well as potential gas and oil deposits. The Spratlys are claimed in their entirety by China, Taiwan and Vietnam, while portions are claimed by Malaysia and the Philippines. If a dispute over the islands is not handled sanely, the consequence could be an escalation of hostilities, especially to regional powers like China and the United States, which have great maritime and strategic interests in the region because their major trade routes pass through the area. And if the situation escalates, threats to freedom of navigation in the area would greatly affect the regional economy, especially to Southeast Asian countries whose economic survival relies on secure access to the maritime domain.



Australia and the Philippines firmly believe there should be code of conduct covering the South China Sea so that disputes among claimant countries can be amicably settled and brewing hostilities among protagonists averted. This is the sort of shared belief and practical partnership which enhances regional maritime security.<sup>17</sup>

### **Non-traditional security threats**

Non-traditional security threats, such as transnational crimes, pose maritime security risks to states in the Indo-Pacific region. Piracy, sea-jacking, armed robbery of ships, drug trafficking, people smuggling and gunrunning can wreak havoc on a state's economy, stunting the growth of revenues from maritime trade-related profits. James Warren of the Asia Research Institute at the University of Singapore suggests that piracy in Southeast Asia costs around US\$25 billion a year. And likely, piracy and other transnational crimes will increase their ravaging cost to Southeast Asian economies.

### **Major challenges to Australia–Philippine maritime security cooperation**

There have been strategic achievements concerning the maritime security cooperation between the two maritime states, especially with the implementation of the SOVFA, which has been in force since 28 September 2012. Yet there are issues and concerns that challenge the two regional partners' joint endeavours and initiatives. Among them are the following:

1. One key challenge on the maritime security cooperation between the two states is that the Armed Forces of the Philippines (AFP) is pre-occupied by internal security operations (ISO) and territorial defence operations (TDO), relegating the principal role of the military to the side-lines. Despite the Philippines being a maritime nation, the Defence and AFP leadership are still locked in a continental or land-based strategy, for they are still dominated by senior army leaders who do not properly grasp the nuance of maritime operations.
2. There is an apprehension, especially among the left-leaning groups and communist-linked individuals, that the presence of Australian troops conducting military or naval exercises in the Philippines is an invasion of the country's sovereignty, even though it is explicitly stated in the Philippine constitution that foreign troops are prohibited in engaging or participating in combat operations. The participation of ADF personnel during the five-month Marawi Siege in 2017 demonstrated that the visiting troops' role



was limited to giving technical assistance and training to Filipino troops, not actual combat.

3. The SOVFA provided visiting ADF troops temporary structures for troop billeting, classroom instruction, support and messing to be used by both Philippine and Australian troops during naval exercises. Philippine Opposition leaders, especially the party-list representatives, the Communist Party of the Philippines-National Democratic Front and their leftist cohorts, perceive this as a cover to allow the visiting troops to actively engage in combat operations.
4. There is a challenge on jurisdictional grounds about how to settle any supposed violations or crimes committed by Australian troops while deployed in the Philippines. But the Philippines' Department of Justice assured the critics that the Philippine Judicial System will take good care of any errant visiting ADF personnel if a violation of Philippine laws takes place.
5. There is an issue about how to achieve mutual inter-operability between the ADF and the AFP. Australia's military is one of the strongest in the Indo-Pacific region, while the Philippines' is one of the weakest. Inter-operability in this instance is limited because military capabilities between these two maritime states are not on an equal footing.

### **Analysis/assessment**

Despite the defence and maritime security agreements and cooperative activities engaged in by the two maritime states, including the SOVFA of 2007, there is ample evidence that terrorism and other transnational crimes continue to pose a significant threat to both Australia and the Philippines. There is then, a need to intensify the International Defence and Security Engagement between the Philippines in order to secure the national interests of the Philippines and in order to build up regional good order.

An especial area of cooperation might be along the Celebes-Sulu Sea frontier where both nations have maritime trade and security interests in common. The AFP in general and the PN in particular should leverage all available opportunities offered by the existing treaties and agreements with Australia to identify and upgrade capability gaps. To do, the Philippines needs a whole-of-nation maritime strategy approach in order secure the Philippines from the



threat of maritime terrorism, transnational crimes, breach of territorial integrity and sovereignty rights and incursions into its EEZ.

The common threat of terrorism and other transnational crimes cannot be addressed within the provisions of the existing treaties and agreements. These evils of the contemporary times could only be addressed head-on if the countries belonging to the Indo-Pacific region collaborate to stamp them out. The Marawi crisis was a wake-up call not only to the Philippines and ASEAN countries but to all states in the region.

The maritime security agreement with Australia has improved the Philippines' capability for maritime domain awareness. This awareness gave evidence that the Philippines' EEZ has been encroached on and violated in terms of the provisions of the United Nations Convention on the Law of the Sea. Given this predicament, the Philippines should leverage available diplomatic instruments with Australia to ensure that its sovereign rights in its EEZ will not be challenged.

### **Conclusion**

Practical security cooperation between the Philippines and Australia from World War II up to the signing of the SOVFA in 2007 corroborates the real-world benefit of collaboration between the two Nations. Australia is helping to increase the capacity of the PN to secure maritime borders against various threats, especially from ISIS and Jemaah Islamiyah terrorists and other international terrorist groups which have used the porous borders of the Sulu-Celebes Sea frontier as transport corridors for their terroristic plans. As well, the benefit of cooperation is in the development of the Philippines' armed forces. Engagement with the Australian Defence Force will have a very constructive effect upon development of the Philippines' armed forces, especially the PN. Further, through partnership the Philippines can leverage Australian diplomatic influence to help protect its sovereignty and EEZ rights from being violated.

Additionally, the Philippines and Australia share strong alliances with the United States. Each of these Nations share a commitment to the global rules-based order, including freedom of navigation and overflight. The Marawi crisis in which the US provided technical assistance and ISR support to Philippine troops was an indication of the good partnership between two old allies. The Philippines' deepening defence relationship with Australia is a most relevant and timely development, given its focus on maritime security.



The favourable decision of the Permanent Court of Arbitration on the protest of the Philippines at China's overwhelming claims over the South China Sea/West Philippine Sea affirmed the foreign policy position of the Duterte Administration in this regard.

More generally, Australia's defence relations with the Philippines reflect a shared awareness that national security and national interest depend upon the security and stability in the maritime domain. Thus, and logically, partnership the PN shares with the RAN will be a central to the continuing strong relationship between the two Nations. Regionally, the relationship shared between our navies and our nations will ripple constructively to involve the ASEAN nations,

### Recommendations

To continuously sustain, deepen, improve and explore the existing bilateral defence relationship between Australia and the Philippines especially to the RAN and the PN, below are some of the recommendations culled from the previous analysis and assessment:

- Establish Protocol/Action Plan or Implementing Rules and Regulations (IRR) by operationalising Australia–Philippines SOVFA.
- Develop a more purposive RAN–PN engagement plan and identify target areas for capacity and capability building with the RAN.
- Rationalise the policy of education and training programs.
- Identify salient activities that advocate support of Maritime Domain and Situational Awareness with the RAN.

### Endnotes

---

<sup>1</sup> Banlaoi, Rommel C., 'Philippine–Australia Maritime Security Cooperation and the Status of Visiting Forces Agreement,' in Andrew Forbes (ed.), *Australia and Maritime Interests: At Home and in the Region* (Canberra: Sea Power Centre, Australia, 2008).

<sup>2</sup> Country Assessment on Australia Defence Engagement Opportunities for the Philippine Navy, Office of Naval Strategic Studies (ONSS), and Philippine Navy, dated October 2015.

<sup>3</sup> Terms of Reference (TOR) for Navy–Navy Talks between the Philippine Navy and the Royal Australian Navy respectively, signed 2 December 2015 by Vice Admiral Caesar C. Taccad, AFP, Flag Officer In Command, Philippine Navy, and on 17 December 2015 by Vice Admiral Tim Barret, AO, CSC, RAN, Chief of Navy, Royal Australian Navy.



---

<sup>4</sup> Country Assessment on Australia-Defence Engagement Opportunities for the Philippine Navy, by the Philippine Navy's Office of Naval Strategic Studies, October 2015.

<sup>5</sup> Philippine-Australia Maritime Security Cooperation and the Status of Visiting Forces Agreement.

<sup>6</sup> Agreement between the Government of the Republic of the Philippines and the Government of Australia concerning the Status of Visiting Forces of each State in the Territory of the other State.

<sup>7</sup> Philippine President Rodrigo Roa Duterte, Presidential speech in Bacolod City, Philippines, 23 October 2017.

<sup>8</sup> Rosalado, R.J., ABS-CBN News, posted: 12 March 2018, 08:33 pm.

<sup>9</sup> 'Australian Navy Conducts Anti-Piracy Patrols in Philippines,' 22 March 2018, <http://www.mysailing.com.au/cruising/australian-navy-conducts-anti-piracy-patrols-in-philippines>.

<sup>10</sup> [Philippines.embassy.gov.au>mnla](http://philippines.embassy.gov.au/mnla).

<sup>11</sup> Status of Visiting Forces Agreement, Article 5, Combined Training, Exercises and Other Activities.

<sup>12</sup> *The Jakarta Post*, posted: Monday, 2 February 2015, 06:48 pm.

<sup>13</sup> Australia-Philippines Relations, *Wikipedia*, [https://en.wikipedia.org/wiki/Australia-Philippines\\_relations](https://en.wikipedia.org/wiki/Australia-Philippines_relations).

<sup>14</sup> ASEAN, 'Overview ASEAN-Australia Dialogue Relations,' [https://asean.org/storage/2012/05/Overview-of-ASEAN-Australia-DR\\_as-of-April-2017-clean-fin.pdf](https://asean.org/storage/2012/05/Overview-of-ASEAN-Australia-DR_as-of-April-2017-clean-fin.pdf).

<sup>15</sup> Banlaoi, Rommel C., 'Philippine-Australia Maritime Security Cooperation and the Status of Visiting Forces Agreement.'

<sup>16</sup> Banlaoi, Rommel C., 'Philippine-Australia Maritime Security Cooperation and the Status of Visiting Forces Agreement.'

<sup>17</sup> Banlaoi, Rommel C., 'Philippine-Australia Maritime Security Cooperation and the Status of Visiting Forces Agreement.'