

Achievements and limitations in China-Philippines relations in the first two decades of the twenty-first century

Tran Thai Bao

Yersin University of Da Lat

Corresponding Author:

Tran Thai Bao

Yersin University of Da Lat

27 Ton That Tung Street, Ward 8, Da Lat City, Lam Dong, Vietnam

E-mail: josbaocmf1010@gmail.com

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Abstract

Since 1975, when diplomatic relations were established between the Philippines and China, despite challenges, an essential alliance has strengthened and endured. Filipino strategic philosophy and flexible foreign policy towards China helps the two countries maintain stable cooperative relations at bilateral and regional levels. This article clarifies achievements and limitations in China-Philippines relations in the first two decades of the twenty-first century.

Keywords: Philippines, China, achievements, cooperation

1. Introduction

Philippines-China relations have undergone dramatic developments that no ASEAN country has ever experienced in relations with China in the period 2001-2021. However, this relationship has also achieved important milestones. Although there have been years of tension, even facing the risk of armed conflict in the South China Sea, overall, Philippine-China relations have developed much more comprehensively and deeply than in previous years. Some traditional areas of cooperation have been deepened, while many new areas of cooperation have been opened, including security and defense cooperation. In the period 2001-2021, the Philippines and China have launched the process of economic integration with each other through jointly implementing the plan to build the ASEAN-China Free Trade Area (ACFTA) which was implemented by both sides since January 2004. The legal foundation for the development of this relationship has been supplemented to become more solid. There is no longer any field where the Philippines and China have not signed some cooperation document at different legal levels from Treaties, Agreements to Memoranda of Understanding. Thanks to that thick legal foundation, Philippines-China relations quickly recovered and developed after experiencing harsh challenges during the administration of President B. Aquino III. In the political and diplomatic relations between the Philippines and China, many achievements have been achieved, overcoming all obstacles to get closer to each other despite the fact that many unresolved problems between the two sides have been achieved. More and more visits at all levels are taking place between the two sides. During those visits, the two sides have achieved many good results and signed many bilateral and multilateral cooperation programs. The two sides also promoted the launch of a comprehensive strategic partnership and brought many outstanding achievements. In the field of security, the Philippines and China have cooperated in both traditional and non-traditional security. Traditional security cooperation is focused on containing conflicts in the South China Sea, while non-traditional security cooperation is promoted in joint activities on fighting epidemics, transnational crimes and overcoming consequences. In the economic field, cooperation activities are focused on building an increasingly strong trade relationship between the Philippines and China. The two sides have signed many agreements and programs to implement trade exchanges, encourage investment and develop infrastructure. In agreements and cooperation mechanisms, the two sides have implemented preferential tariffs for goods and services and investment promotion. Another remarkable achievement in Philippines-China

relations is reflected in the bustle of people-to-people exchanges. This success is thanks to the twinned relationships between the localities of the two countries, the two-way tourism flow, especially the flow of visitors from China, and the cultural and artistic exchange activities conducted in these events. Golden period of Philippines-China relations.

2. Philippine-China relations have developed comprehensively, covering all fields

The Philippines and China are two countries that are geographically close, but different in most aspects from political regime, level of development, culture and society. In the context of widespread globalization, especially since the beginning In the 21st century, the above differences are not a major obstacle to the development of relations of peaceful coexistence and cooperation for mutual development between countries, including the Philippines and China. In terms of territorial size and overall national strength, the Philippines is a small country, while China is a large, rising country. In deed, this is not a major barrier to the development of cooperative relations between the two countries. The main obstacle to this relationship is the dispute between the two countries in the South China (which the Philippines calls the West Sea) and the Philippines' traditional alliance with the United States, China's main competitor in the Asia-Pacific during the Cold War period and even today. However, due to the shared interests of peace and stability in Southeast Asia, which both countries need and the great and practical benefits that cooperation can bring them.

In the political and diplomatic field, the Philippine and Chinese government leaders are determined to overcome all barriers to move the two countries' relations forward. Their tireless efforts have brought encouraging results. From the coldness that lasted for many years from the official establishment of diplomatic relations (March 1975) until the late 20th century, in November 2018, Philippine-China relations were upgraded to Comprehensive Strategic Partnership. This is a very high level in international relations. With this upgrade, Philippines-China relations are only lower than the Philippines' relationship with the US. If we compare the relations of other ASEAN countries with China, the Philippines-China strategic partnership was established later. ¹However, this is a great step forward, if we look back at the problems left by history in Philippine-China relations and the negative impacts from the development of US-Philippine relations during the same period.²

¹ Malaysia and Indonesia established a strategic partnership with China in 2013

² We will address these issues in the following section

Along with gradually upgrading relations, high-level visits are increasingly carried out. If before 2001, Philippine leaders rarely visited China,³ then under the administration of President Gloria Arroyo and President Duterte, state visits to China have become more frequent. Ms. Gloria Macapagal-Arroyo paid two official visits to China, in November 2001 and September 2004. During her first visit (from January 20-21, 2001), the female President of the Philippines held bilateral talks with other leaders in China such as General Secretary and President Jiang Zemin; Chairman of the State Department Li Peng and Prime Minister Zhu Rong Co. During that visit, eight important bilateral agreements between the Philippines and China were signed. Following her official trip to China, she attended the APEC Summit held in Shanghai from October 20-21, 2001 and met with Chinese President Jiang Zemin. In addition to the above state⁴ visits, Ms. G. Arroyo also conducted many visits to Beijing and many localities in China.

Under the administration of President Benigno Aquino III - the political-security relationship between the two countries became tense due to the Philippines suing China related to Beijing's nine-dash line claim in the South China Sea and high-level visits were stopped, except for the first visit (after Aquino III came to power) which took place in August 2011.

Official visits to China have become unprecedentedly bustling under President Rodrigo Duterte. During 6 years in power, Mr. Duterte visited China 5 times: October 2016, May 2017, April 2018, April 2019 and September 8-9, 2019. Such frequent visits show the extremely warm political and diplomatic relations that Manila wants to give to Beijing.

On China's side, from 2001 to 2021, high-level visits to the Philippines were fewer in number, and the distance between trips was also longer. Indeed, 6 years after Prime Minister Li Peng's visit to the Philippines (December 1990), Chinese President Jiang Zemin visited the Philippines (November 1996). Even when the relationship between the two countries was in a "golden period" during the years of President G. Arroyo or President R. Duterte, Chinese leaders did not make many visits to the Philippines. However, each of their visits creates important turning points in the relationship between the two countries. Most notable was

³ President Marcos visited China in May 1975; President Corazon Aquino visited in April 1988, President Fidel Ramos visited in April 1993

⁴ In April 2007, President Arroyo attended the annual conference of the Bac Ngao Forum for Asia. In June 2007, she visited Chengdu and Chongqing and in October, she attended the Special Olympics in Shanghai and visited Antai, Shandong Province; In August 2008, General Arroyo attended the opening ceremony of the Olympics in Beijing. and visit Chengdu; October 2008. General Arroyo attended ASEM in China and visited Wuhan and Hangzhou.

the visit of Chinese President Xi Jinping in November 2018. In Manila, relations between the two countries were upgraded to a comprehensive strategic partnership.

Another noteworthy point in the visits of Chinese leaders to the Philippines is that the interval between visits has been shortened compared to previous periods. From President Hu Jintao's visit to Premier Wen Jiabao's visit there were only two years. If not for the political and security tensions in the years 2013-2016, perhaps it would not have been until 2018 for Chinese President Xi Jinping to come to Manila for an official visit to the Philippines.

In addition to visits by the heads of the two countries, many other high-level visits are also held with higher frequency. That fact shows the increasingly profound development in Philippine-China relations.

In the field of Security-Defense, the development of political-diplomatic relations has increased mutual trust between the Philippines and China, creating opportunities for the two sides to expand cooperation into the field of security-National defense, a sensitive field, was not included in the cooperation agenda between the Philippines and China before 2001. In April 2002, Philippine Defense Secretary Reyes visited China. Two months later, the Philippine Fleet visited China for the first time. In 2004, Narciso Abaya, General Staff of the Armed Forces of the Philippines, and Defense Secretary Avelino Cruz visited China one after another. During those visits, the two sides established an annual defense consultation mechanism.

The first defense and security consultation with Philippine Deputy Defense Secretary Antonio Santos. Until 2007, three Philippine-China defense and security consultation roundtables were conducted between the two sides in Beijing and Manila. In October, China's North Sea Fleet visited the Philippines and conducted joint security and non-communication exercises.

In the economic field, the trade cooperation relationship between the Philippines and China in the period 2001-2021 has had remarkable developments in scale and nature compared to the previous period. The key point of this development is that both countries find common points and their own interests in the context of globalization, integration and development of the world. Through high-level visits, bilateral agreements on economic, cultural and social cooperation are established. Regarding the import and export situation, entering the 21st century, the Philippines and China have increased their contact more and more flexibly, and both sides believe that the relationship between the two countries is

entering a “golden age”. President Arroyo is the first President in Philippine history to recognize that China plays a particularly important and indispensable role in the global economic development process.

Thus, increasing and more flexible contact with China has made the economy between the two countries progress according to “new winds”. Trade relations between the two countries have achieved many significant achievements, especially in the field of import and export.

Table 1 Philippines – China trade from 2001 -2010

Billion: Billion USD

Financial year	Export	Import	Bilateral trade balance	Total trade turnover
2001	792	975	-183	1,767
2002	1,355	1,251	104	2,606
2003	2,144	1,797	347	3,941
2004	2,653	2,659	-6	5,312
2005	4,076	2,972	1,104	7,048
2006	4,627	3,647	980	8,274
2007	5,749	4,001	1748	9,750
2008	5,466	4,245	1221	9,711
2009	2,933	3,807	-874	6,740
2010	5,724	4,627	1097	10,351

Source: Philippines Statistical Yearbook (PSY) (2005) and Philippines Statistical Yearbook (PSY) (2011)

The export situation of Philippine products to China is increasingly promising. Specifically, exports from the Philippines to China reached 792 billion USD in 2001. The export level increased rapidly and reached 5.749 billion USD in 2007, and this was also the highest level during President Arroyo’s two terms.

Since President Benigno Aquino III took office, visits to China have taken place more frequently to promote the stable, long-term and sustainable development of China-Philippines cooperation. A Joint Action Plan for China-Philippines Strategic Cooperation signed on October 29, 2009 is considered a testament to this good development (China-Philippines Joint Press Release). Since 2010, two-way trade turnover has continuously increased rapidly,

although before that both the Philippines and China were affected by the global economic crisis, causing trade relations between the two sides to decline significantly. Overcoming those difficulties, in 2010, bilateral trade turnover reached 27.7 billion USD, an increase of 35% compared to 2009 and China became the third largest trading partner of the Philippines (Wang Qishan, 2021). The export situation tends to decrease, from 7.025 billion USD in 2013 to 6.372 billion USD in 2016, the level of deficit is increasing, the trade balance is tilted towards China with an increasing trend. For example, at the end of 2016, the total trade turnover between the two countries, according to the Philippine Bureau of Statistics, was 21.937 billion USD, an increase of 45% compared to 2013. From the perspective of trade balance, it shows that, The trade deficit is increasing, from -1.047 billion USD in 2013 to 9.193 billion USD in 2016, an increase of 9 times compared to the same period in 2013 (See Table 1).

Table 2 Philippines - China trade period 2013 - 2016

(Unit: Billion USD)

Year	Total trade turnover	Export	Import	Balance of trade Bilateral
2013	15,097	7,025	8,072	-1,047
2014	18,336	8,467	9,869	-1,402
2015	17,644	6,174	11,470	-5,296
2016	21,937	6,372	15,565	-9,193

Source: Philippine Statistical Yearbook, 2017.

From 2016 to 2018, China always maintained its position as the leading trading partner in the Philippines. In general, the market share of Philippines-China bilateral turnover in the Philippines' total annual trade is quite high and occupies an important position.

Also according to the Philippine Board of Investments, in 2019 China was the Philippines' leading trade partner, export market and import source. Bilateral trade between the Philippines and China reached nearly 50 billion USD, an average growth of 17% over the past 5 years. Exports to China increased from 18.4 billion USD in 2018, to 19.5 billion USD in 2019 while imports increased by 16.02% in 2019 (Philippines-China Business Relations, 2021). Some of the items in the top export sectors are electronics, minerals, fresh foods, electricity, chemicals, machinery, fashion accessories, transportation

and other industrial products. Also in 2019, China approved the import of fresh young coconuts and Hass avocados from the Philippines, adding to the Philippines' fresh fruit basket for export to China.

Regarding investment cooperation, The Philippines-an archipelagic country is facing financial difficulties, the economy is still facing many difficulties, and people's lives are still backward. In the context of globalization trends, to improve economic competitiveness, ability to respond to natural disasters and also fight against radical Islamic groups and terrorists at home and abroad, the Philippines has continuously Using different diplomatic tools and policies to attract foreign support, that's why when entering the 21st century, the Philippines has continuously opened its doors, welcoming investors, including foreign investors. investors from China.

FDI capital from China into the Philippines is increasing: in 2001, total FDI capital from China into the Philippines reached 209.39 million USD, and this number increased by 11.27% at the end of President Arroyo (2004). However, in the second term of President G. Arroyo, China's FDI capital into the Philippines seriously decreased, this number reached 134.34 million USD, a decrease of 28% compared to the previous year. The opposition of the Opposition Party and social movements is said to be the cause of the decline in FDI capital from China.

Thus, during the leadership period of President R. Duterte, economic relations between the Philippines and China have developed rapidly. With policies of prioritizing economics and promoting trade cooperation, the two sides have achieved many encouraging achievements. These results have motivated both countries to continue strengthening economic cooperation, despite the difficulties posed by territorial disputes. However, looking back on more than 20 years of trade and investment cooperation between the Philippines and China, it can be said that cooperation between the two countries depends on developments in the security and political situation. China's commercial investment has not really met the needs and development plans of the Philippines. Environmental issues have not been paid attention towards sustainable development.



Figure 1 Total FDI capital from China into the Philippines in the period 2016-2019

Source: Total FDI stock from China to the Philippines. By Statista, 2023.

(<https://www.statista.com/statistics/720978/outward-fdi-stock-from-china-to-the-Philippines/>)

As we enter the second decade of the 21st century, Philippine-China relations are no longer as developed as they were under President Arroyo. But thanks to efforts from both sides, economic relations between the two countries have achieved certain successes. Political tensions between China and the Philippines related to the South China Sea issue under President Benigno Aquino III have complicated political and diplomatic relations between the two countries. However, statistics show that these disputes do not much affect trade growth between the two countries, while two-way investment has decreased significantly.

Recently, there have been many opinions that are not very optimistic about the Philippines-China relationship because increasing disagreements between the two countries will inevitably lead to competition and conflict. But the changes in the policies of the two sides, as well as the dependence on international and regional factors, have greatly influenced this relationship, forcing the two countries to pay attention to peace and security. Besides, the most common strategic interests of the Philippines and China come from the bilateral economic relationship, therefore, in the coming time, there is a basis to believe that the relationship between the two sides will continue to develop in a positive direction.

3. Consolidate and expand the legal basis for Philippines-China relations

Since establishing diplomatic relations with each other, the Philippines and China have paid attention to building a legal foundation for the development of their relationship. Until 2001, the two countries signed many cooperation documents such as the 1975 General Trade Agreement; 1978 Science and Technology Cooperation Agreement, Postal Agreement; Air Services Agreement 1979; Cultural Agreement 1979; Investment Promotion and Protection Agreement 1992; Tariff Agreement 1999; Treaty on Mutual Legal Assistance in Criminal Matters 2000...

Above agreements have created a legal basis for Philippines-China cooperation in trade, investment, culture and crime prevention. As the need for bilateral cooperation is increasing, especially since entering the 21st century, the Philippines and China have signed a series of cooperation agreements to expand cooperation into new fields or deepen cooperation. than the old areas of cooperation. Cooperation agreements signed from 2001 to present include: Memorandum of Understanding on Sports Cooperation 2001; Memorandum of Understanding on Information Technology Cooperation 2001; Memorandum of Understanding on Cooperation in Suppressing Transnational Crime (2001); Extradition Treaty 2001; Treaty against Illicit Trafficking and Misuse of Drugs 2001; Memorandum of Understanding on Tourism Cooperation 2002; Memorandum of understanding on cooperation ocean 2005; Convention on Cooperation on Youth Affairs 2005; Memorandum of Understanding on Cooperation in Sanitation and Quarantine 2007; Memorandum of Understanding on Educational Cooperation 2007; Convention on the Protection of Cultural Heritage 2007; Memorandum of understanding on cooperation in sanitation, 2007.

Looking at the list of agreements, MoUs and treaties signed between the Philippines and China since 2001, we can see not only an increase in the number of cooperation documents compared to the previous period, but also the increase in legal value of many cooperation documents. Before 2001, Philippine-China cooperation documents were only agreements and memoranda of understanding and had no treaties or cooperation agreements. Only since 2001 have cooperation documents had strong legal weight such as the Extradition Treat; Treaty against Illicit Trafficking and Abuse of Drugs; The 2005 Convention on Cooperation on Youth Issues... was recently signed. This is one of the great achievements that the Philippines-China relationship has reaped after 20 years of active interaction and cooperation.

4. People-to-people exchanges between the two countries have become busier than ever

As cooperative relations become more and more extensive, exchanges between businesses, youth, students and people of the two countries also become bustling, especially during the administration of presidents G. Arroyo and G. Duterte. Programs to introduce Philippine culture in China, activities of Confucius Institutes in the Philippines as well as festivals organized by both sides on each other's territory have helped the people of both sides have the opportunity to understand and appreciate each other's traditional cultural values. That understanding, in turn, has inspired learning about each other between the two peoples. Twinning activities between 24 cities and provinces of the Philippines and China also make an important contribution to promoting exchanges and mutual understanding between the people of the two countries, in general, and between localities of the two countries in particular.

For both the Philippines and China, tourism is identified as a "key" economic sector-the country's "smokeless" industry, contributing greatly to the economic development of these two countries. In the first two decades of the 21st century, bilateral cooperation between the Philippines and China in the field of tourism has achieved certain results for both countries.

Tourism activities between China and the Philippines have grown rapidly since Mr. Duterte implemented a policy of closer contact with this country. On October 20, 2016, Philippine Secretary of Tourism Wanda Teo and Director General of China National Tourism Administration Li Jinzao signed a memorandum of understanding (MOU) on tourism cooperation in Beijing (Rappler, 2016). Accordingly, the cooperation contents have been discussed, agreed upon and included in the long-term cooperation content by the two sides, in order to promote tourism cooperation to attract more tourists from the two countries to each other. Also in the spirit of tourism cooperation between the two countries, the Philippine Department of Tourism has received a number of contracts with a number of Philippine art performances at two main offices in China, one in Beijing and one in Shanghai.

One of the factors promoting the choice of Chinese people to travel in the Philippines is that most companies, businesses, and travel agencies in the Philippines are founded and managed by Chinese people. This plays an important role in helping Chinese tourists come to the Philippines feel safe and confident. Although many of these people are from Fujian province and speak only Hokkien (Fukien/Hokkien), most travel agencies, hotels and resorts

have Chinese employees, they said. Mandarin Chinese is very good. In addition, the Philippines has a system of hotels, resorts, and restaurants fully equipped with modern facilities, meeting the needs of tourists at prices suitable for all budgets.

Also in 2014, the Philippine Bureau of Tourism launched the logo and website, “It’s More Fun in the Philippines” as a marketing campaign for tourists and expatriates worldwide. Accordingly, visitors will get a list of all tourist destinations, a database system of hotels, resorts and travel agencies in the Philippines. From there, visitors will proactively plan long trips and experiences in the Philippines in an economical and effective way. Therefore, this is one of the reasons why Chinese tourists come to the Philippines every day. By November 2021 - The Philippine Consulate General in Chongqing, on behalf of the Philippine Embassy in Beijing, welcomes the launch of “Trilippines”, a comprehensive mobile application dedicated to products and services Philippines tourism service for mainland Chinese tourists (chongqingpcg, 2021). Philippine Consul General in Chongqing Florida Ann Camille P. Mayo appreciated the partnership between the two countries for keeping up with trends in smart tourism. Ms. Florida Ann Camille P. Mayo also thanked the creators of Trilippines for their foresight and appreciated their trust in Philippine tourism despite the current border restrictions. “When pent-up Chinese travel demand meets pent-up Filipino hospitality, we will all be there - Philippine foreign service agencies and DOT offices in China, Philippines Airlines, Cebu Pacific and Trilippines - to help open the route to our long-awaited travelers from the mainland (Department of Foreign Affairs, 2021).

According to data released by the Department of Tourism (DOT, Departement of Tourims), China is one of the Philippines’ largest tourism markets. Despite the maritime dispute with the Philippines, the number of Chinese visitors to the country peaked at 490,841 in 2015 - 24% higher than in 2014 and also the third largest market after Korea and America. After two years of efforts since President Rodrigo Duterte took office in 2016, China-Philippines relations have made positive changes and created good development momentum. China is currently the largest trading partner, largest export market, largest source of imports and second largest source of tourists for the Philippines (Li & Ramses, 2018). According to the Philippine Department of Tourism, Tourism revenue totaled \$9.31 billion in 2019, up 20.81% from the \$7.71 billion in 2018. Based on data from the Office of Planning Tourism Development, Research and Information Management, the leading customer market is South Korea with the highest tourism spending with about 2,614,685,263 USD, followed by China

with 2,330,491,557 USD and the US with 1,208,907,514 USD (Rocamora, 2020). Tourism Secretary Bernadette Romulo-Puyat also said the continuously increasing numbers demonstrate the fruits of strong collaborative efforts by government, industry and civil society in realizing the goals of the National Tourism Development Program 2016-1022 (NTDP) the country's sustainable and inclusive tourism master plan designed to promote the livelihoods of marginalized stakeholders and spread benefits to rural areas (Xinhua News Agency, 2020). Accordingly, the number of tourists from the Philippines to China is increasing day by day. According to statistics published by the Ministry of Culture and Tourism, in 2013 there were only 996 thousand visitors, but by 2018 it had increased to 1.205 million people.

Table 3 Number of Chinese tourists coming to the Philippines in the period 2008-2020

(Unit: thousand people)

Year	Quantity
2008	163,689
2009	155,019
2010	187,446
2011	243,137
2012	250,883
2013	426,352
2014	394,951
2015	490,841
2016	675,663
2017	968,447
2018	1,257,962
2019	1,743,309
2020	170,432

Source: Philippine Department of Tourism (n.d.)

Philippine Ambassador to China Mr. Jose Romana, the number of tourists and businessmen applying for visas to enter the Philippines increased by a record 200% and affirmed the “golden days of the tourism industry”. The Philippine calendar is back. Mr. Jose Romana also added that during times of tense China-Philippine relations, Chinese people came to Southeast Asia to travel but did not come to the Philippines. Up to now, Chinese

media has also reported the situation in the Philippines more comprehensively, therefore, tourists and businessmen come to the Philippines every day. In 2017, the Philippines welcomed nearly 1 million Chinese visitors. The Chinese Embassy in the Philippines used the term to describe this situation as “Chinese citizens’ visas to the Philippines are already flooded”. Meanwhile, from January to December 2016, the number of Chinese tourists to the Philippines reached 675,663, an increase of 37.65% compared to 2015.

From the above analysis, it can be seen that China is always one of the key customer markets of the Philippines. Meanwhile, Philippine visitors to China also grew steadily. Many destinations in the Philippines have become favorite destinations for Chinese tourists, especially Chinese tourists love this type of beach resort in the Philippines. Tourism cooperation between the two countries is also demonstrated through many activities such as participating in tourism fairs, welcoming tourism survey delegations from businesses and the press, and coordinating to organize tourism introduction and promotion programs. market dynamics. Cooperation activities in the fields of culture and tourism have contributed to tightening the friendship between the Philippines and China.

Firstly, it can be said that the process of cultural and educational cooperation between the Philippines and China in the first decades of the 21st century has achieved many great achievements in many fields in general and especially for the Vietnamese. culture-education. The cooperation process has had a positive impact on the relationship between the two countries, helping to strengthen their relationship and creating a premise for harmonious cooperation and mutual support in other fields. Although there are still some negative points affecting both countries, especially in the South China Sea issue, they are not significant and can be completely improved.

Second, in the first decades of the 21st century, the governments of the two countries have tried to create conditions for the people of the two countries to have the opportunity to access and interact with each other’s cultures. The people of the two countries also have many things in common both culturally and socially, and the two sides have also achieved more achievements when cooperating in this field. The clearest evidence is through cultural, artistic, sports, tourism, culinary, and charity exchange activities in the Philippines as well as China. At the same time, many Memorandums of Understanding and cooperation have been signed to further promote mutual cooperation and support.

Third, if in 2009, revenue from tourism was 2.235 billion USD, (see chart), by 2018 Philippine tourism marked a new milestone of 8,260,913 visitors, an increase of 15.24% compared to the previous year. 7,168,467 visits This number reaches the target of 8.2 million in the National Tourism Development Plan 2017-2022. Among them, China is the second largest source of visitors with 1,743,309 arrivals in 2019, an increase of 38.58% compared to the number of arrivals in 2018. In 2019, China was the only market to reach a record of one million. to NAIA, the Nation’s main gateway. Furthermore, similar to the Korean market, the reopening of Boracay has attracted many Chinese tourists as the number of visitors from China to Kalibo increased dramatically by 155.64% (Tourism Department, 2020). Also at this time, the Philippine Department of Tourism (DOT) said Chinese tourists spent a total of 2.33 billion USD when visiting the Philippines in 2019. DOT data shows a total of 1.74 million visitors. Chinese tourists visited the Philippines in 2019, an increase of 38.58% compared to 2018 .

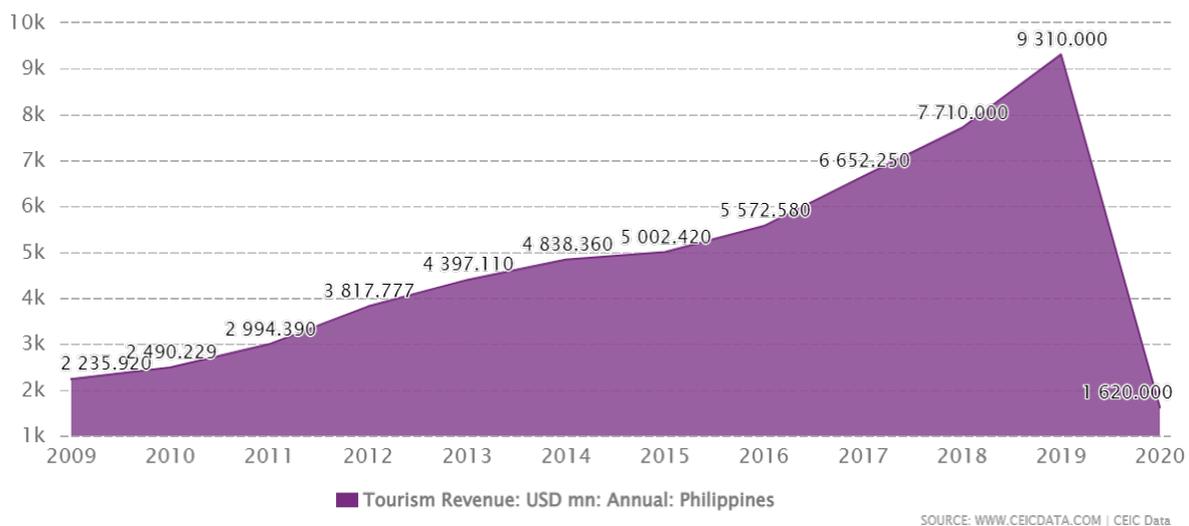


Figure 2 Philippines’s Tourism Revenue 2009-2020

Source: Philippines Tourism Revenue. by CEIC, n.d.

(<https://www.ceicdata.com/en/indicator/philippines/tourism-revenue>)

According to DOT, the Philippines’ all-time highest number of international tourist arrivals was 8.2 million in 2019, contributing 9.31 billion USD in tourist revenue, 20.81% higher than the figure of 7.71 billion USD in 2018 (Xinhua, 2019). However, in December 2019, the COVID-19 pandemic affected the tourism industry due to the epidemic prevention measures applied, in addition to fear, tourist demand decreased significantly. The Philippine tourism industry

has been seriously affected, as the government has imposed travel restrictions in an effort to prevent the spread of the pandemic.

Above factors created an unprecedented bustle in people-to-people relations between the Philippines and China, especially during the years when the Philippines and China experienced the “golden period” in relations between the two countries. In 2019, with a total of 1.74 million visitors, China ranked second among a total of 8.26 million foreign tourists visiting the Philippines (Adobomagazine, 2023). In addition to visiting each other’s country, different social classes of the two countries also conduct exchange trips, learn from each other’s development experiences, and help each other when facing difficulties. The friendly and cooperative relationship between the people of the Philippines and China has contributed to deepening the relationship between the two countries. That is a guarantee for the stability of this relationship, even when it goes through the most turbulent years.

5. Some limitations in Philippine-China relations

Besides the above encouraging achievements, in the process of development, Philippines-China relations also give rise to a number of complex problems that are not easy to overcome. Unlike Thailand’s relationship with China, the country has also had to face problems left by history, being a traditional ally of the US in Southeast Asia), Philippines-China relations developed with major ups and downs. If under the administration of presidents Gloria Arroyo and Duterte, relations between the two countries developed strongly and became increasingly extensive, then under the administration of President B. Aquino III (2012-2016), Philippine relations-China has become tense, even hostile. This situation not only appears in political-diplomatic, security-defense relations but also in the economic field. High-level exchanges between the two sides were stopped. China did not even invite President B. Aquino to attend the ASEAN-China Trade Exhibition, held in Nanning in October 2013, while The invitation was sent to all heads of state of the remaining ASEAN member countries. In the field of national security and defense, tensions in relations between China and the Philippines peaked in April 2012. The direct cause was the discovery by the Philippine Navy of Chinese fishermen fishing in the waters surrounding Scarborough Reef (called Huangyan in China). On April 10, 2012, two large Chinese ships equipped with modern equipment were dispatched to protect fishermen. Armed clashes occurred between the two sides and neither side intended to withdraw its troops from the disputed area. Political and security tensions between the Philippines

and China have negatively impacted economic relations between the two sides. In March 2016, a few months before the PCA's ruling on the South China Sea case, Chinese consumers destroyed 35 tons of Philippine bananas, citing the discovery that a chemical used in fertilizer was too high compared to standards. level of this country. In that case, Filipino farmers suffered losses of 33,000 USD (Truong Luu, 2016). Total two-way trade between the Philippines and China in 2015 reached 17 billion USD, significantly down from 30 billion USD at the end of 2011 (Truong Luu, 2016), that is, before the dispute at Scarborough Shoal. In the field of investment, China ranks third among countries investing capital in the Philippine economy. After the 2012 dispute and especially since Manila sued Beijing before the PCA on January 22, 2013, the total amount of Chinese direct investment in construction projects was from nearly 8 billion USD at the end of the year. 2011 dropped to 251 million USD exactly one year later (Thanh Ha, 2016). Another sanction that Beijing imposed on Manila was to completely cut down on recruitment programs for Filipino workers to work in China. The economic consequences of tense political and security relations with China due to the Philippines unilaterally suing Beijing have forced the successor President B. Aquino III, Mr. Rodrigo Duterte, to adjust his policy towards China. in general, and policies regarding the sovereignty dispute in the South China Sea between the two countries in particular. As a result, relations between the Philippines and China have gradually improved and reached their peak in 2018, when the two sides upgraded to a comprehensive strategic partnership.

6. Conclusion

Philippines-China relations (2001-2021) have achieved many great achievements. This is a rapidly developing relationship, covering many different fields, at both bilateral and multilateral levels. This is most clearly reflected in the development of economic and diplomatic cooperation. The results in these two areas have promoted bilateral relations, brought benefits to both sides, and contributed to increasing mutual trust and understanding between the Philippines and China. The increasingly strong development of the two countries' relationship, especially since the two sides decided to upgrade the relationship to the level of strategic partnership, has further vibrant this relationship since entering the 21st century. The Philippines has been attracting resources from China to realize its development goals. Meanwhile, China has restored its dominant influence over the US in the Philippines, especially in the political and security field. At the same time, the benefits to be gained from the relationship with

the Philippines are enormous. China's influence is at an unprecedented level in all areas of Filipino life. Thanks to proactive cooperation, China has expanded its commodity market and gained access to the country's rich natural raw materials and cheap labor. In addition to attracting more resources for development from China, the Philippines' position in ASEAN has been enhanced not only because the country is often a pioneer in implementing ASEAN-China cooperation projects but also from independence of opinion and positive contributions to finding solutions to the East Sea issue. With China's support, the Philippines' ambition to become a great power in the Southeast region and reach out to Asia has more favorable conditions to pursue. For China, the impact of close relations with the Philippines has brought them many economic, political and cultural benefits. The Chinese issue is no longer a political-ethnic issue in the Philippines. Never before have traditional Chinese cultural values been honored and widely promoted in the Philippines as they are today. The adjustment of the Philippines' foreign policy towards China has added impetus to Southeast Asian countries' relations with China. Cooperation activities between these two countries in recent times, in general, have been aimed at implementing cooperation projects between ASEAN and China at the national level.

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