Well, good afternoon, everyone.

First of all, thanks to my good friend and counterpart, Defense Secretary Voltaire Gazmin. I've met and worked together with Voltaire on many occasions over a long time, and he's a capable leader for the Philippines and strong partner for our alliance. He and I met today a little bit earlier with Foreign Affairs Secretary Almendras, who is present, I believe. And I appreciate that.

And I met earlier, also today with President Aquino. I appreciate that, as well. I thanked them all for their leadership here, and their longtime friendship with the United States. We had productive discussions about the many steps forward we're taking together, including a few new ones I'll announce in a moment.

These are based on the recent Philippine decision on our Enhanced Defense Cooperation Agreement, EDCA, and the commencement of the U.S. maritime security initiative, which together occasion my visit here at this time. Each will help strengthen our 65 year old alliance, and deepen our military-to-military cooperation at a time of great change in the Asia-Pacific.

And of course, not all of that change is positive. Indeed, in the South China Sea, China's actions in particular are causing anxiety and raising regional tensions. Countries across the Asia-Pacific are voicing concern with China's land reclamation, which stands out in size and scope, as well as its militarization in the South China Sea. They're voicing those concerns publicly and privately, at the highest levels, in regional meetings and also in global fora. And many of those countries, both longstanding allies and new partners are reaching out anew to the United States to uphold the rules and principles that have allowed the region to thrive for some many decades.

Rules and principles that include peaceful resolution of disputes, the ability of countries to make their own security and economic choices, free from coercion and intimidation, and freedom of navigation and overflight. And we are answering that call.

We're standing with these countries. We're helping them build capacity. We're affirming our commitment to their and the region's security with increased posture. We're supporting their request for intensified regional diplomacy, not increase tensions. We're standing up for those rules and principles.

We're making important new investments in U.S. defense technology and we're continuing to fly, sail and operate wherever international law allows. And we always will. Here, any everywhere. Nothing will deter us from defending our core interests and freedom of navigation and overflight.

Of course our two countries share much history and many common ties with this nation and its people. And as President Obama has made clear, our commitment to the Philippines is ironclad.
This alliance, and others like it, nurtured over decades, tested in crisis and built on shared interests, values and sacrifice form the bedrock of our role in the Asia-Pacific, and accordingly, the stability and security that have helped so many here and around the Asia-Pacific to rise and to prosper.

Our alliance recently took two major steps forward that make this visit so fruitful, as I said. First, the EDCA and second, the U.S. Maritime Security Initiative. As part of the historic progress we are making in EDCA's implementation, we're supporting the modernization of the Philippines Armed Forces and strengthening our mutual defense, an arrangement that will allow U.S. forces, at the invitation of the government of the Philippines, to conduct high-impact, high-value rotational training exercises and activities.

These rotations and activities will improve our ability to work together and quickly respond to any manner of crisis, manmade or natural disaster, like Typhoon Haiyan in 2013. We recently announced the initial EDCA-agreed locations where we will make complementary investments to upgrade infrastructure.

A raid throughout the archipelago, these five sites will each offer the opportunity for us to do more together and I will visit one of them, Antonio Bautista Airbase, in the southwest on Palawan. Now the maritime security initiative, which I announced at last year's Shangri-La dialogue, represents a $425 million five-year commitment by the Department of Defense to help countries like the Philippines to share information, identify potential threats and work collaboratively to address common challenges in the region's waters. We've just released the first tranche of this money and nearly 80 percent of it, a little bit more than 80 percent of it, almost $42 million, will be coming here to the Philippines. With these steps, the U.S.-Philippines alliance is as close as it has been in years.

Tomorrow I will speak at the closing ceremony at Exercise Balikatan 2016. Our premier bilateral exercise with the Philippines. Balikatan means, and I say this because some of our American press might not be familiar, shoulder to shoulder. In this past week, more than 7000 personnel from both of our countries have stood shoulder to shoulder getting better by working together.

Like EDCA and the Maritime Security Initiative, this year's exercise has once again enhanced our alliance and the defense of the Philippines. With this progress and at a time of change in the region and challenges to the principles our two nations hold dear, we've agreed to three additional steps that we're announcing today.

First, last month we commenced joint maritime patrols in the South China Sea. These patrols, an alliance decision at our two-plus-two ministerial, which Voltaire and I held with our respective secretaries of foreign affairs in Washington in January. These patrols will continue to help build our interoperability and improve the Philippines Navy, even as these patrols contribute to the safety and security of the region's waters.

Second, a contingent of U.S. aircraft and their crews and pilots that participated in Balikatan will remain behind at Clark Airbase. We'll do this, in fact, on a regular basis. The initial contingent, five A10 Thunderbolt aircraft, three H60G Pave Hawk helicopters and one MC130H Combat Talon aircraft. And 200 airmen, including pilots, will continue joint training, conduct flight operations in the area, including the South China Sea, and lay the foundation for joint air patrols to complement ongoing maritime patrols.
And third, a command-and-control node made up of American personnel here for the exercise will also remain behind. They will continue exercising combined U.S.-Philippines command-and-control capabilities and support increased cooperative activities in the region.

With these steps we’re making a strong alliance even stronger. Our efforts to do more together demonstrate America’s unbreakable commitment to the defense of this nation, the stability and security of the Asia-Pacific and the principles that have helped so many in the region to rise and prosper. And that is not a new commitment. That’s not something new this year. But it is one we have met decade after decade.

My first stop in the Philippines today was to lay a wreath at the Manila American Cemetery where I saw, row after row, a striking reminder of the number of Americans who have fought with our friends and allies, including the Philippines, to defend the principles and the values we share and help establish and maintain in the Asia-Pacific to sustain its stability and its security.

They were not alone, however. Members of the Philippines Armed Forces have done the same. And I would like to express my condolences on behalf of the United States for the combat losses suffered last week. Our thoughts and prayers go out to the families and to the Philippines Armed Forces and to the entire nation.

Like those buried at the American Cemetery, these fallen Philippines allies have made the ultimate sacrifice. As we remember those lost, it falls to all of us to carry on their mission, to continue defending our countries, to continue upholding the stability and security of the region and to continue building a better world for our children.

Thank you.