

BY THE PRESIDENT OF THE PHILIPPINES**EXECUTIVE ORDER NO. 556****AMENDING EXECUTIVE ORDER NO. 473 AND REQUIRING THE
EXPLORATION, DEVELOPMENT AND PRODUCTION OF CRUDE OIL
FROM THE CAMAGO-MALAMPAYA RESERVOIR TO BE UNDERTAKEN
THROUGH BIDDING**

WHEREAS, Executive Order No. 473 tasked the Department of Energy (DOE) to pursue the immediate exploration, development and production of crude oil from the Camago-Malampaya Reservoir;

WHEREAS, transparency is a government policy

WHEREAS, it is government policy to bid out projects unless only one qualified bidder emerges from a published invitation to bid;

NOW, THEREFORE, I, GLORIA M. ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

Section 1. There shall be no "farm-in" or "farm-out" contracts awarded by any government agency, including the Philippine National Oil Company (PNOC), including the contract for the exploration, development and production of crude oil from the Camago-Malampaya Reservoir.

Section 2. All government agencies, including the PNOC, shall follow a strict bidding procedure in forging partnership with interested parties, including the Camago-Malampaya Reservoir venture.

Section 3. The corporate identity and of any partner tapped by any government agency, including the PNOC, must be beyond question.

Section 4. The paid-up capital of any partner tapped by any government agency, including the PNOC, must clearly show financial capability to undertake the subject venture;

Section 5. No government agency, including the PNOC, may enter into a contract with a company registered in a jurisdiction know to be a haven for money laundering;



Section 6. All government agencies, including the PNOC, may award a contract, including the Camago-Malamapaya Reservoir venture, only to a true principal group and not to a trader/broker.

Section 7. Any and all negotiations or arrangements entered into by any government agency, including the PNOC, which violate this Executive Order, shall be immediately discontinued or cancelled.

Section 8. All other executive issuances, rules and regulations or parts thereof, including Executive Order No. 473, which are inconsistent with the provision of this Executive Order are hereby repealed, amended or modified accordingly.

Section 9. This Executive Order shall take effect immediately following its publication in the Official Gazette or in a newspaper of general circulation.

Done in the City of Manila this 17th day of June, in the year of Our Lord, Two Thousand and Six.

Gloria M. Araya

By the President:

Eduardo R. Ermita

EDUARDO R. ERMITA
Executive Secretary



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