

**[ EXECUTIVE ORDER NO. 556, June 17, 2006 ]**

**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 MACAPAGAL-ARROYO**, President 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 known to be a haven for a money laundering;

**Section 6.** All government agencies, including the PNOC, may award a contract, including the Camago-Malampaya 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