

[PRESIDENTIAL DECREE NO. 781, August 25, 1975]

FURTHER AMENDING SECTION 17 OF PRESIDENTIAL DECREE NO. 87, AS AMENDED, OTHERWISE KNOWN AS THE "OIL EXPLORATION AND DEVELOPMENT ACT OF 1972."

WHEREAS, in order to give impetus to the policy of the state to hasten the discovery and production of indigenous petroleum through the utilization of government and/or private resources, Presidential Decree No. 87 was amended by Presidential Decree No. 469 to reconstitute the membership of the Petroleum Board thereby providing a common forum for coordinating at the policy level the activities and plans of the Petroleum Board and the Philippine National Oil Company, the two principal agencies of the government responsible for carrying out the aforesaid national policy;

WHEREAS, it is advisable that the President of the Philippine National Oil Company should desist from acting as Chairman of the Petroleum Board whenever matters involving the Philippine National Oil Company are being deliberated upon by the Board.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines by virtue of the powers vested in me by the Constitution of the Philippines do hereby decree and order the following as part of the law of the land:

SECTION 1. Section 17 of Presidential Decree No. 87, as amended, is hereby further amended by adding a second paragraph which section shall read as follows:

"**SEC. 17**—There is hereby created a Petroleum Board Composed of the President of the Philippine National Oil Company, as Chairman and the Secretary of National Defense, the Executive Secretary, the Secretary of Natural Resources, the Secretary of Finance, the Secretary of Justice, the Secretary of Industry, the Governor of the Central Bank and the Director of Mines as members. The Board shall designate and appoint its Executive Director."

"The President of the Philippine National Oil Company shall relinquish the chairmanship of the board and abstain from participating in the deliberations whenever matters involving the Philippine National Oil Company directly or indirectly resulting in a conflict of interest are presented for consideration of the Board. In such cases, a temporary presiding officer shall be elected from the members of the Board."

SEC. 2. This Decree shall take effect upon its approval.

Done in the City of Manila, this 25th day of August, in the year of Our Lord, nineteen hundred and seventy-five.

(Sgd.) **FERDINAND E. MARCOS**
President