EXPLANATORY NOTE

Presently, the Philippines is dependent on imported crude oil for our country's energy needs. However, the prices of traditional sources of energy continue to soar. The government utilized other sources of energy such as hydroelectric and geothermal energy but sadly these are not enough to supply our energy needs. There is, therefore, a need to explore and develop other alternative sources of energy in order to solve our current energy crisis.

As stated in Section 10, Article XIV of the 1987 Constitution, "Science and Technology are essential for national development and progress. The State shall give priority to research and development, invention, innovation, and their utilization to science and technology education, training and services. It shall support indigenous appropriate and self-reliant scientific and technological capabilities and their application to the country's capabilities and their application to the productive system and national life."

The Philippines has a total of 36,289 km of coastline and is surrounded by different bodies of water. As such, the Philippines' geographical location may prove to be conducive to the establishment of Ocean Energy as it is surrounded by abundant bodies of water. Ocean Energy can be tapped as an inexhaustible, cheap, and environmentally safe source of energy. Also, due to the advancement in technology, these alternative sources of energy are becoming more competitive economically with traditional sources of energy.

Since Ocean Energy is a relatively new technology in the country, its potential use as an economical, safe and efficient energy source is generally unknown to the consuming public. It is therefore, necessary to create a government entity that would initiate and promote public acceptance of this new technology. Hence, this bill seeks to establish the Ocean Energy Development Authority that would initiate and promote the use and development of Ocean Energy in the country. It is envisioned that with the use of Ocean Energy the country will be able
to address the growing energy demands of the society as well as to promote consciousness among the Filipino people in protecting the environment.

Hence, approval of this bill is earnestly requested.

MANUEL DG. CABOCHAN III
Representative
Magdalo Para sa Pilipino Party-List
AN ACT

ESTABLISHING THE OCEAN ENERGY DEVELOPMENT AUTHORITY AND
APPROPRIATING FUNDS THEREFOR

Be it enacted by the Senate and House of Representative of the Philippines in Congress
Assembled:

SECTION 1. There is hereby created the Ocean Energy Development Authority
described in this Act, which shall undertake to do researches and promote the
development and utilization of ocean energy.

SEC. 2. The powers and functions of the Authority shall be vested in Board of
Directors consisting of a Chairman and four (4) members who shall be appointed by the
President of the Philippines with the consent of the Commission on Appointments. The chairman
and the two (2) members shall serve for a term of four (4) years, while the remaining two (2)
members shall be ex-officio members, who shall be composed of the Secretary of Energy and
the Secretary of Science and Technology. They shall receive compensation as may be fixed by
the President of the Philippines which shall not exceed with those given to Commissioners of a
Constitutional Body. No person shall be appointed Chairman or members of the board unless he
is a natural born Filipino citizen at least thirty (30) years of age, of good moral character, and
must be of recognized competence in the fields of science and technology.

SEC. 3. The Board of Directors shall have the following duties and responsibilities:

a) Prepare and issue rules and regulations as it considers necessary for the effective
discharge of its function;

b) Direct the management, operations, and administration of the authority;

c) Adopt and use corporate seal;

d) Make contracts;
e) Sue and be sued;
f) Appoint such officers and employees as are not otherwise provided for in this Act, to
define their duties, fix their compensation, discipline, and dismiss anyone of them for
cause, subject to the Civil Service Commission rules and regulations; and
g) Exercise such incidental powers as shall be necessary to carry on the functions of the
authority.

SEC. 4. The Authority shall have the following powers and functions:

a) Conduct extensive research on the different types and sources of Ocean Energy;
b) Formulate a comprehensive policy for the research, development, and utilization of
   Ocean Energy;
c) Implement the government program on the allocation, distribution, and sale of the
different Ocean Energy Resources; and
d) Perform such other powers and functions as may be necessary to carry out the
   provisions of this Act.

SEC. 5. The chairman shall be the Chief Operating Officer. In case of absence or
whenever the Chairman is unable to act, the Board shall designate who among its members shall
act as the Chairman.

SEC. 6. The amount necessary for the effective implementation of this Act shall be charged
to the appropriation for the Department of Science and Technology under the current General
Appropriation Act. Thereafter such sum as may be necessary for continuous operation of the
Authority shall be included in the annual General Appropriation Act.

SEC. 7. This Act shall take effect fifteen (15) days after its publication in the Official
Gazette or in at least two (2) newspapers of general circulation.

Approved,