APPENDIX

FIG. 1 OIL PRICES AND PRODUCTION

Nominal Crude Oil Prices

5 per Barrel (U.S.)

Source: Cambridge Energy Research Associates.
January - April 1991
FIG. 2 REAL CRUDE OIL PRICES
(1991 base year)

Real Crude Oil Prices
(1991 base year)

Source: Cambridge Energy Research Associates.
January - April 1991
FIG. 3 WORLD CRUDE OIL PRODUCTION
(1991 base year)

World Crude Oil Production

Source: Cambridge Energy Research Associates.
## STATISTICAL TABLES

**TABLE A-1.** Estimated OPEC Production Capacities, 1980

<table>
<thead>
<tr>
<th>Producer</th>
<th>Million b/d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saudi Arabia</td>
<td>12.0</td>
</tr>
<tr>
<td>Iran</td>
<td>4.0</td>
</tr>
<tr>
<td>Iraq</td>
<td>4.0</td>
</tr>
<tr>
<td>Kuwait</td>
<td>3.0</td>
</tr>
<tr>
<td>Venezuela</td>
<td>2.5</td>
</tr>
<tr>
<td>Nigeria</td>
<td>2.0</td>
</tr>
<tr>
<td>Libya</td>
<td>2.0</td>
</tr>
<tr>
<td>UAE</td>
<td>2.0</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1.5</td>
</tr>
<tr>
<td>Algeria</td>
<td>1.0</td>
</tr>
<tr>
<td>Qatar, Gabon, Ecuador</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35.0</strong></td>
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</table>

Source: Supplement to Middle East Economic Survey, Sept. 29, 1980
TABLE A-2. World Oil Production by Region, 1977-1984

<table>
<thead>
<tr>
<th>Region</th>
<th>1977</th>
<th>% of change</th>
<th>1978</th>
<th>% of change</th>
<th>1979</th>
<th>% of change</th>
<th>1980</th>
<th>% of change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,000</td>
<td>b/d</td>
<td>1,000</td>
<td>b/d</td>
<td>1,000</td>
<td>b/d</td>
<td>1,000</td>
<td>b/d</td>
</tr>
<tr>
<td>North America</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>1,397</td>
<td>+7.2</td>
<td>1,324</td>
<td>+0.2</td>
<td>1,496</td>
<td>+13.9</td>
<td>1,412</td>
<td>-- 5.6</td>
</tr>
<tr>
<td>United States</td>
<td>8,225</td>
<td>+1.4</td>
<td>8,680</td>
<td>+6.1</td>
<td>8,598</td>
<td>-- 1.2</td>
<td>8,569</td>
<td>+0.3</td>
</tr>
<tr>
<td>Latin America</td>
<td>4,505</td>
<td>+3.9</td>
<td>4,757</td>
<td>+5.8</td>
<td>5,257</td>
<td>+10.5</td>
<td>5,586</td>
<td>+6.2</td>
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<tr>
<td>Europe</td>
<td>1,365</td>
<td>+59.1</td>
<td>1,748</td>
<td>+28.1</td>
<td>2,273</td>
<td>+30.0</td>
<td>2,473</td>
<td>+8.9</td>
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<tr>
<td>Africa</td>
<td>6,246</td>
<td>+7.5</td>
<td>6,132</td>
<td>-- 1.6</td>
<td>6,549</td>
<td>+4.1</td>
<td>6,032</td>
<td>-- 9.1</td>
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<tr>
<td>Middle East</td>
<td>22,152</td>
<td>+1.3</td>
<td>21,144</td>
<td>-- 4.5</td>
<td>21,005</td>
<td>+1.4</td>
<td>18,379</td>
<td>--14.5</td>
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<tr>
<td>Asia/Pacific Areas</td>
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<td>2,797</td>
<td>+0.6</td>
<td>2,859</td>
<td>+2.2</td>
<td>2,732</td>
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<td>Total</td>
<td>59,769</td>
<td>+4.4</td>
<td>60,335</td>
<td>+1.2</td>
<td>62,767</td>
<td>+3.7</td>
<td>59,067</td>
<td>-- 5.0</td>
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<table>
<thead>
<tr>
<th>Region</th>
<th>1981</th>
<th>% of change</th>
<th>1982</th>
<th>% of change</th>
<th>1983</th>
<th>% of change</th>
<th>1984</th>
<th>% of change</th>
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<tr>
<td></td>
<td>1,000</td>
<td>b/d</td>
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<td>b/d</td>
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<td>b/d</td>
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<tr>
<td>North America</td>
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<tr>
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<td>--10.9</td>
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<td>---</td>
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<td>6,236</td>
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<td>3,302</td>
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<td>Total</td>
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<td>53,191</td>
<td>--5.1</td>
<td>53,018</td>
<td>--0.5</td>
<td>54,245</td>
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### TABLE A-3. Oil Consumption Statistics 1960-86

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<th>CPEs</th>
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<td>43.9</td>
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<td>14.9</td>
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<td>5.2</td>
<td>47.4</td>
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</tr>
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<td>13.9</td>
<td>5.4</td>
<td>48.9</td>
<td>12.4</td>
</tr>
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<td>14.3</td>
<td>5.4</td>
<td>50.3</td>
<td>12.9</td>
</tr>
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<td>50.9</td>
<td>13.2</td>
</tr>
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<td>13.6</td>
<td>4.9</td>
<td>48.3</td>
<td>13.3</td>
</tr>
<tr>
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<td>12.8</td>
<td>4.7</td>
<td>46.6</td>
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</tr>
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<td>12.2</td>
<td>4.4</td>
<td>45.1</td>
<td>13.4</td>
</tr>
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<td>14.7</td>
<td>11.9</td>
<td>4.4</td>
<td>44.9</td>
<td>13.2</td>
</tr>
<tr>
<td>15.2</td>
<td>12.1</td>
<td>4.6</td>
<td>45.5</td>
<td>13.1</td>
</tr>
<tr>
<td>15.2</td>
<td>11.9</td>
<td>4.4</td>
<td>45.3</td>
<td>13.2</td>
</tr>
<tr>
<td>15.6</td>
<td>12.3</td>
<td>4.4</td>
<td>46.4</td>
<td>13.5</td>
</tr>
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</table>
TABLE –A-4. OPEC MEMBER COUNTRIES

These statistics give an impression of the diversity of OPEC member countries in terms of size, manpower resources and economic resources; and of the part played by oil revenues in their economic structure.

<table>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Iran</td>
<td>45</td>
<td>1650</td>
<td>4.5</td>
<td>93</td>
<td>13.9</td>
<td>24</td>
<td>7</td>
</tr>
<tr>
<td>Iraq</td>
<td>16</td>
<td>440</td>
<td>3.4</td>
<td>72</td>
<td>0.8</td>
<td>26</td>
<td>7</td>
</tr>
<tr>
<td>Kuwait</td>
<td>2</td>
<td>20</td>
<td>9.8</td>
<td>95</td>
<td>1.2</td>
<td>18</td>
<td>6</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>12</td>
<td>2150</td>
<td>6.4</td>
<td>169</td>
<td>4.0</td>
<td>119</td>
<td>21</td>
</tr>
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<td>Venezuela</td>
<td>18</td>
<td>920</td>
<td>3.0</td>
<td>56</td>
<td>2.6</td>
<td>19</td>
<td>7</td>
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<td>Qatar</td>
<td>0.3</td>
<td>10</td>
<td>17.2</td>
<td>5</td>
<td>4.4</td>
<td>5</td>
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<td>167</td>
<td>1900</td>
<td>0.5</td>
<td>9</td>
<td>2.1</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td>Libya</td>
<td>4</td>
<td>1760</td>
<td>4.7</td>
<td>23</td>
<td>0.7</td>
<td>21</td>
<td>5</td>
</tr>
<tr>
<td>UAE</td>
<td>1</td>
<td>80</td>
<td>16.0</td>
<td>97</td>
<td>5.4</td>
<td>19</td>
<td>6</td>
</tr>
<tr>
<td>Algeria</td>
<td>22</td>
<td>2380</td>
<td>3.2</td>
<td>9</td>
<td>3.0</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
<td>Nigeria</td>
<td>116</td>
<td>920</td>
<td>0.5</td>
<td>16</td>
<td>2.4</td>
<td>25</td>
<td>6</td>
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<tr>
<td>Ecuador</td>
<td>10</td>
<td>280</td>
<td>1.1</td>
<td>1</td>
<td>0.1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Gabon</td>
<td>1</td>
<td>270</td>
<td>3.1</td>
<td>1</td>
<td>negl.</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Total Opec reserves as % of world reserves</td>
<td>74</td>
<td>38</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Opec reserves as % of NCW reserves</td>
<td>83</td>
<td>63</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
FIG. 4. THE ORGANIZATION OF OPEC

Administrative Org

Conference

Consultative Meeting

Board of Governors

Secretariat
Secretary General
Deputy Secretary General
Staff

Technical Department
a. Geological Section
b. Production Section
c. Marketing Section
d. Legal Section
e. Economic and Financial Section

Administrative Department

Public Relation Department

Enforcement Department

Economic Commission

Consultant

Working parties

: Adhoc investigative organs

: Supportive function
OPEC ORGANIZATION

OPEC SECRETARIAT

The organization of the Secretariat has changed over the year years but, as with most organizations, its effectiveness has depended on the quality of its staff rather than any particular structure of organization.

The 1960 organization had one peculiarity of omission. There was no Economics section. This was quickly changed when Rouhani appointed Francisco Parra as his Economic Adviser in 1962 and when, in 1964, the Secretariat was reorganized to include an Economics Department (8th Conference) and the Economic Commission was established as a special and separate organ of Opec.

More notably, the original organization had an Enforcement Section. This disappeared in the 1966 reorganization (12th Conference) although already in 1964 it had effectively been transformed into the Legal Department. This reflected the fundamental change in the nature of the Opec organization which occurred after the removal of Rouhani at the end of 1963 and the implicit admission at that time that Opec and its Secretary General would not act, as had been visualized at its creation, as an operating arm of its members.
The Secretariat is, under the current Stature (published in July 1983 incorporating amendments to that date), organized with a Division Research, a Personnel and Administration Department, a Public Information Department, a News Agency and 'any division or department the Conference may see fit to create'. The Division of Research now handles the work that used to be undertaken by the Economics Department.

MEMBERSHIP OF OPEC

It is laid down in the Statutes that:

1. Full Members shall be the Founder Members as well as those countries whose application for membership has been accepted by the Conference.

2. Any other country with a substantial net export of crude petroleum, which has fundamentally similar interests to those of Member Countries, may become a Full Member of the Organization, if accepted by a majority of three-fourths of Full Members, including the concurrent vote of all Founder members.

It is also possible for Opec to admit associate members. These are, technically, countries which do not qualify for membership under the terms of (2) above. Ecuador and Gabon are the only two countries which have been admitted as associate members but both subsequently become full members, managing in some undefined way to add the requisite qualification.
for full membership during their term as associate. Countries were admitted to full membership as follows:

| Founder members, Sept. 1960 | Iran                      |
|                            | Iraq                      |
|                            | Kuwait                    |
|                            | Saudi Arabia              |
|                            | Venezuela                 |
| 2nd Conference, June 1961  | Qatar                     |
| 4th Conference, June 1962  | Indonesia                 |
| 14th Conference, December 1967 | Libya              |
| 18th Conference, July 1969 | Abu Dhabi (transferred to the UAE, 37th Conference, Jan.1974) |
| 24th Conference, July 1971 | Algeria                   |
| 36th Conference, November 1973 | Nigeria            |
| 44th Conference, July 1975 | Ecuador                   |
|                            | Gabon                     |


By invitation of the Republic of Iraq, the Conference of the petroleum Exporting Countries, composed of representatives of the Governments of Iran, Iraq, Kuwait, Saudi Arabia and Venezuela, hereafter called Members, met at Baghdad from the 10th to the 14th September, 1960, and having considered.

That the Members are implementing much needed development programmes to be financed mainly from income derived from their petroleum exports:
That Members must rely on petroleum income to a large degree in order to balance their annual national budgets;

That petroleum is a wasting asset and to the extent that it is depleted must be replaced by other assets;

That all nations of the world, in order to maintain and improve their standards of living, must rely almost entirely on petroleum as a primary source of energy generation;

That any fluctuation in the price of petroleum necessarily affects the implementation of the Member's programmes and results in a dislocation detrimental not only to their own economies, but also to those of all consuming nations have decided to adopt the following Resolutions:

RESOLUTION: 1.1

1. That Members can no longer remain indifferent to the attitude heretofore adopted by the Oil Companies in effecting price modification.

2. That Members shall demand that Oil Companies maintain their prices steady and free from all unnecessary fluctuations; that members shall endeavor, by all means available to them, to restore present prices to the levels prevailing before the reductions; that they shall ensure that if any new circumstances arise which in the estimation of the Oil
Companies necessitate price modifications, the said Companies shall enter into consultation with the Member or Members affected in order fully to explain the circumstances;

3. That Members shall study and formulate a system to ensure the stabilization of prices by among other means, the regulation of production, with due regard to the interests of the producing and of the consuming nations and to the necessity of securing a steady income to the producing countries, an efficient, economic and regular supply of this source of energy to consuming nations, and a fair return of their capital to those investing in the petroleum industry;

4. That if as a result of the application of any unanimous decision of this Conference any sanctions are employed, directly or indirectly, by any interested Company against one or more of the Member Countries, no other Member shall accept any offer of a beneficial treatment, whether in the form of an increase in exports or an improvement in prices, which may be made to it by any such Company or Companies with the intention of discouraging the application of the unanimous decision reached by the Conference.

RESOLUTION 1.2

1. With a view to giving effect to the provisions of Resolution No.1.1 the Conference decides to form a permanent Organization called the Organization of the petroleum Exporting Countries for regular consultation among its Members with a view to co-ordinating and
unifying the policies of the Members and determining among other matters the attitude which Members should adopt whenever circumstances such as those referred to in Paragraph 2 of Resolution No.1.1 have arisen.

2. Countries represented to this Conference shall be the original Members of the organization of the Petroleum Exporting Countries.

3. Any country with a substantial net export of crude petroleum can become a new Member if unanimously accepted by all five original Members of the Organization.

4. The principal aim of the Organization shall be the unification of petroleum policies for the Member Countries and the determination of the best means for safeguarding the interests of Member Countries individually and collectively.

5. The Organization shall hold meetings at least twice a year and if necessary more frequently in the capital of one or other of the Member Countries or elsewhere as may be advisable.

6. (a) In order to organize and administer the work of the Organization there shall be established a Secretariat of the Organization of the petroleum exporting Countries.

(b) A sub-committee of not less than one Member from each Country shall meet in Baghdad not later than the 1st of December 1960 in order to formulate and submit to the next Conference draft rules concerning the structure and functions of the Secretariat; to propose the budget of the Secretariat or the first year; and to study and propose the most suitable location for the Secretariat.
RESOLUTION 1.3

1. Members participating in this Conference shall before September 30th submit the texts of the Resolutions to the appropriate authority in their respective Countries for approval, and as soon as such approval is obtained shall notify the Chairman of the First Conference (Minister of Oil of the Republic of Iraq) accordingly.

2. The Chairman of the Conference shall fix, in conjunction with the other Members, the date and place of the next Conference. Done at Baghdad this 14th day of September, 1960.


1. ORGANIZATION AND OBJECTIVES

Article 1
The Organization of the Petroleum exporting Countries (OPEC), hereinafter referred to as "the Organization" created as a permanent intergovernmental organization in conformity with the Resolutions of the Conference of the Representatives of the Governments of Iran, Iraq, Kuwait, Saudi Arabia and Venezuela, held in Baghdad from September 10 to 14, 1960, shall carry out its functions in accordance with the provisions set forth hereunder.
Article 2

A. The principal aim of the Organization shall be the co-ordination and unification of the petroleum policies of Member Countries and the determination of the best means for safeguarding their interests, individually and collectively.

B. The Organization shall devise ways and means of ensuring the stabilization of prices in international oil markets with a view to eliminating harmful and unnecessary fluctuations.

C. Due regard shall be given at all times to the interests of the producing nations and to the necessity of securing a steady income to the producing countries; an efficient, economic and regular supply of petroleum to consuming nations; and a fair return on their capital to those investing in the Petroleum industry.

Article 3

The Organization shall be guided by the principle of the sovereign equality of its Member Countries. Member Countries shall fulfil, in good health, the obligations assumed by them in accordance with this Statute.

Article 4

If, as a result of the application of any decision of the Organization, sanctions are employed, directly or indirectly, by any interested company or companies against one or more Member Countries, no other member shall accept any offer of a beneficial treatment, whether in the form of an increase in oil experts or in an improvement in prices, which may be made to it by
such interested company or companies with the intention of discouraging the application of the decision of the Organization.

Article 5
The Organization shall have its headquarters at the place the Conference decides upon.

Article 6
English shall be the official language of the Organization.

2. MEMBERSHIP

Article 7
A. Founder Members of the Organization are those countries which were represented at the First Conference, held in Baghdad, and which signed the original agreement of the establishment of the Organization.
B. Full Members shall be the Founder Members as well as those countries whose application for membership has been accepted by the Conference.
C. Any other country with a substantial net export of crude petroleum, which has fundamentally similar interests to those of Member Countries, may become a full Member of the Organization, if accepted by a majority of three-fourths of Full Members, including the concurrent vote of all Founder Members.
D. A net petroleum-exporting country which does not qualify for membership under paragraph C above may nevertheless be admitted as an Associate Member by the Conference under such special conditions
as may be prescribed by the Conference, if accepted by a majority of three-fourths including the concurrent vote of all Founder Members.

No country may be admitted to Associate Membership which does not fundamentally have interested and aims similar to those of Member Countries.

E. Associate Members may be invited by the Conference to attend any meeting of a Conference, the Board of Governors or Consultative Meetings, and to participate in their deliberations without the right to vote. They are, however, fully entitled to benefit from all general facilities of the Secretariat including its publications and library as any Full Member.

F. Whenever the words "Members" or "Member Countries" occur in this Statute, they mean a Full Member of the Organization unless the context otherwise demonstrates to the contrary.

Article 8
A. No Member of the Organization may withdraw from membership without giving notice of its intention to do so to the Conference. Such notice shall take effect at the beginning of the next calendar year after the date of its receipt by the Conference, subject to the Member having at that time fulfilled all financial obligations arising out of its membership.
B. In the event of any country having ceased to be a Member of the Organization, its readmission to membership shall be made in accordance with Article 7, paragraph C.

3. ORGANS

Article 9
The Organizations shall have three organs:
I. The Conference;
II. The Board of Governors; and
III. The Secretariat

I. The Conference

Article 10
The Conference shall be the supreme authority of the Organization.

Article 11
A. The Conference shall consist of delegations representing the member Countries. A delegation may consist of one or more delegates, as well as advisers and observers. When a delegation consists of more than one person, the appointing country shall nominate one person as the head of the delegation.
B. Each Member Country should be represented at all Conferences; however, a quorum of three-quarters of Member Countries shall be necessary for holding a Conference.

C. Each Full Member Country shall have one vote. All decisions of the Conference, other than on procedural matters, shall require the unanimous agreement of all Full Members.

The Conference Resolutions shall become effective after thirty days from the conclusion of the Meeting or after such period as the Conference may decide unless, within the said period, the secretariat receives notification from Member Countries to the contrary.

In the case of a Full Member being absent from the Meeting of the Conference, the Resolutions of the Conference shall become effective unless the Secretariat receives a notification to the contrary from the said Member at least ten days before the date fixed for publication of the resolutions.

D. A non-Member country may be invited to attend a Conference as Observer, if the Conference so decides.

Article 12
The Conference shall hold two ordinary meetings a year. However, an extraordinary meeting of the Conference may be convened at the request of a Member Country by the secretary general, after consultation with the President and approval by a simple majority of the Member Countries. In
the absence of unanimity among Member Countries approving the convening of such a meeting, as to the date and venue of the meeting, they shall be fixed by the secretary General in consultation with the President.

Article 13
The Conference shall normally be held at the head-quarters of the Organization, but it may meet in any of the Member Countries, or elsewhere as may be advisable.

Article 14
A. The Conference shall elect a president and an Alternate President at its first Preliminary Meeting. The Alternate president shall exercise the responsibilities of the president during his absence or when he is unable to carry out his responsibilities.

B. The president shall hold office for the duration of the Meeting of the Conference, and shall retain the title until the next Meeting.

C. The Secretary General shall be the Secretary of the Conference.

Article 15
The Conference shall:

1. formulate the general policy of the Organization and determine the appropriate ways and means of its implementation;

2. decide upon any application for membership of the organization;

3. confirm the appointment of Members of the Board of Governors;
4. direct the Board of Governors to submit reports or make recommendations on any matters of interest to the Organization;
5. consider, or decide upon, the reports and recommendations submitted by the Board of Governors on the affairs of the Organization;
6. consider and decide upon the Budget of the Organization, as submitted by the Board of Governors;
7. consider and decide upon the Statement of Accounts and the Auditor's Report, as submitted by the Board of Governors;
8. call a Consultative Meeting for such members Countries, for such purposes and in such places, when the Conference deems fit;
9. approve any amendments to this Statute;
10. appoint the Chairman of the Board of Governors and an Alternate Chairman:
11 appoint the Secretary General;
12 appoint the Deputy Secretary general; and
13 appoint the Auditor of the Organization for a duration of one year.

Article 16
All matters that are not expressly assigned to other organs of the Organization shall fall within the competence of the Conference.

II. The Board of Governors

Article 17
A. The Board of Governors shall be composed of Governors nominated by the Member Countries and confirmed by the Conference.
B. Each member of the Organization should be represented at all meetings of the Board of Governors; however, a quorum of two thirds shall be necessary for the holding of a meeting.

C. When, for any reason, a Governor is prevented from attending a meeting of the Board of Governors, a substitute ad hoc Governor shall be nominated by the corresponding member country. Such nomination shall not require confirmation by the Conference. At the meetings which he attends the ad hoc Governor shall have the same status as the other Governors, except as regards qualifications for chairmanship of the Board of Governors.

D. Each Governor shall have one vote. A simple majority vote of attending Governors shall be required for decisions of the Board of Governors.

E. The term of office of each Governor shall be two years.

Article 18

A. The Board of Governors shall meet no less than twice each year, at suitable intervals to be determined by the Chairman of the Board, after consultation with the Secretary General.

B. An extraordinary meeting of the Board of Governors may be convened at the request of the Chairman of the Board, the Secretary General, or two-thirds of the Governors.
Article 19

The meetings of the Board of Governors shall be normally be held at the headquarters of the Organization, but they may also be held in any of the Member Countries, or elsewhere as may be advisable.

Article 20

The Board of Governors shall:
1. direct the management of the affairs of the Organization and the implementation of the decisions of the Conference;
2. consider and decide upon any reports submitted by the Secretary General.
3. submit reports and make recommendations to the Conference on the affairs of the Organization;
4. draw up the Budget of the Organization for each calendar year and submit it to the Conference for approval;
5. nominate the Auditor of the Organization for a duration of one year;
6. consider the Statement of Accounts and the Auditor's Report and submit them to the Conference for approval;
7. approve the appointment of Directors of Divisions and Heads of Departments, upon nomination by the member Countries, due consideration being given to the recommendations of the Secretary General;
8. convene an extraordinary meeting of the Conference;
9. nominate a Deputy Secretary General for appointment by the Conference; and
10. prepare the Agenda for the Conference.

Article 21
The Chairman of the Board of Governors and the Alternate Chairman, who shall assume all the responsibilities of the Chairman whenever the Chairman is absent or unable to exercise his responsibilities, shall be appointed by the Conference from among the Governors for a period of one year, in accordance with the principle of alphabetical rotation. The date of membership in the Organization, however, shall take precedence over the principle of alphabetical rotation.

Article 22
The Chairman of the Board of Governors shall:
1. preside over the meetings of the Board of Governors;
2. attend the headquarters of the Organization in preparation for each meeting of the Board of Governors; and
3. represent the Board of Governors at Conference and Consultative Meetings.

Article 23
Should a majority of two-thirds of Governors decide that the continuance of membership of any Governor is detrimental to the interests of the Organization, the Chairman of the Board of Governors shall immediately communicate this decision to the member Country affected, who in turn shall nominate a substitute for the said Governor. The nomination of such
substitute as a Governor before the next meeting of the Board of Governors shall be subject to confirmation by the following Conference.

Article 24
Should a Governor, for any reason, be precluded from continuing in the performance of his functions on the Board of Governors, the corresponding Member Country shall nominate a replacement. The nominated Governor shall assume his functions upon nomination subject to the confirmation by the following Conference.

II. The Secretariat

Article 25
The Secretariat shall carry out the executive functions of the Organization in accordance with the provisions of this Statute under the directions of the Board of Governors.

Article 26
The Secretariat of the Organization shall consist of the Secretary General, the Deputy Secretary General and such staff as may be required. It shall function at the headquarters of the Organization.

Article 27
A. The Secretary General shall be the legally authorized representative of the Organization.
B. The Secretary General shall be the chief officer of the Secretariat, and in that capacity shall have the authority to direct the affairs of the organization, in accordance with directions of the Board of Governors.

Article 28
A. The Conference shall appoint the Secretary General for a period of three years which terms of office may be renewed once for the same period of time. This appointment shall take place upon nomination by Member Countries and after a comparative study of the nominee's qualifications.

The minimum personal requirements for the position of the Secretary General shall be as follows:

a) 35 years of age.

b) A degree from a recognized university in Law, Economics, Science, Engineering or Business Administration.

c) 15 years experience, of which at least 10 years should have been spent in positions directly related to the oil industry, and 5 years in highly responsible executive or managerial positions. Experience in Government-Company relations and in the international aspects of the oil industry is desirable.

Should in any case a unanimous decision not be obtained, the Secretary General, in that case, shall be appointed on rotation basis for a term of two years without prejudice to the required qualifications.
B. The Secretary General shall be a national of one of the member Countries of the Organization.

C. The secretary General shall reside at the headquarters of the Organization.

D. The Secretary General shall be responsible to the Board of Governors for all activities of the Secretariat. The functions of the different departments shall be carried out on his behalf and under his authority and direction.

E. The Secretary General shall attend all meetings of the Board of Governors.

Article 29

The Secretary General shall:

1. organize and administer the work of Organization;

2. ensure that the functions and duties assigned to the different departments of the Secretariat are carried out;

3. prepare reports for submission to each meeting of the Board of Governors concerning matters which call for consideration and decision;

4. inform the Chairman and other Members of the Board of Governors of all activities of the Secretariat, of all studies undertaken and of the progress of the implementation of the Resolutions of the Conference; and

5. ensure the due performance of the duties which may be assigned to the Secretariat by the Conference or the Board of Governors.
Article 30

A. The Deputy Secretary General shall be selected by the Board of Governors from amongst the highly-qualified and experienced national candidates put forward by the Member Countries, for appointment by the Conference by a vote of two-thirds of Full Members including the concurrent vote of at least three Founder Members.

B. The term of service of the Deputy Secretary General shall be for a period of three years. It may be extended for a period of one year or more, at the suggestion of the Board of Governors and with the approval of the Conference.

C. The Deputy Secretary General shall reside permanently at the headquarters of the Organization.

D. The Deputy Secretary General shall be responsible to the Secretary General for the co-ordination of the research and administrative activities of the Secretariat. The functions of the different departments are exercised under the general supervision of the Deputy Secretary General.

E. The Secretary General may delegate some of his authority to the Deputy Secretary General.

F. The Deputy Secretary General shall act for the Secretary General, whenever the latter is absent from headquarters.
Article 31
A. The Directors of Divisions and Heads of Departments shall be appointed by the Secretary General with the approval of the Board of Governors.
B. Officers of the Secretariat, upon nomination by their respective Governments, or by direct recruitment, shall be appointed by the Secretary General in accordance with the Staff Regulations. In making such appointments, the Secretary General shall give due consideration, as far as possible, to an equitable nationality distribution among Members, but such consideration shall not be allowed to impair the efficiency of the Secretariat.

Article 32
The staff of the Secretariat are international employees with an exclusively international character. In the performance of their duties, they shall neither seek nor accept instructions from any government or from any other authority outside the Organization. They shall refrain from any action which might reflect on their position as international employees and they shall undertake to carry out their duties with the sole object of bearing the interests of the Organization in mind.

Article 33
1. The secretary General shall be assisted in the discharge of his duties by the Deputy Secretary General, a Division of Research, a Personnel and Administration Department, a Public Information department, a News
Agency, any division or department the Conference may see fit to create and his own office.

2. The OPEC News Agency (OPECNA) shall be a special Unit responsible for collecting, producing and disseminating news of general interest regarding the Organization and the Member Countries and on energy and related matters.

3. The Office of the Secretary General shall provide him with executive assistance, particularly in carrying out contacts with governments, organizations and delegations; in matters of protocol; in the preparation for and co-ordination of meetings; and other duties assigned by the Secretary General.

4. Notwithstanding the provisions of Article 34, and where the efficient functioning of the divisions and departments of the Secretariat so requires, the Board of Governors may, upon the recommendations of the Secretary General, authorize the Secretary General to transfer functions or minor units from one division or department to another.

Article 34
A. The Division of research shall be responsible for:

1. conducting a continuous programme for research fulfilling the needs of the Organization, placing particular emphasis on energy and related matters;

2. monitoring, forecasting and analyzing developments in the energy and petrochemical industries; and the evaluation of hydrocarbons and products and their non energy uses;
3. analyzing economic and financial issues of significant interest, in particular those related to international financial and monetary matters, and to the international petroleum industry; and
4. maintaining and expanding data services to support the research activities of the Secretariat and those of Member Countries.

B. The Personnel and Administration Department shall:
1. be responsible for all organization methods, the provision of administrative services for all meetings, personnel matters, budgets, accounting and internal control;
2. study and review general administrative policies and industrial relations methods used in the oil industry in Member and other countries, and advise Member Countries of any possible improvements; and
3. the production and distribution of publications and other materials.

Article 35
A. The Secretary General shall commission consultants, as necessary, to advise on special matters or to conduct expert studies when such work cannot be undertaken by the Secretariat.
B. The Secretary General may engage such specialists or experts, regardless of nationality, as the Organization needs, for a period to be approved by the Board of Governors, provided there is a provision for such appointment in the budget.
C. The Secretary General may at any time convene Working Parties to carry out any studies on specific subjects of interest to the Member Countries.
4. CONSULTATIVE MEETINGS AND SPECIALIZED ORGANS

Article 36
A. A Consultative Meeting shall be composed of Heads of Delegations of Member Countries or their representatives.
B. In case a Conference is not in session, a Consultative Meeting may be convened at any time at the request of the President of the Conference.
C. The Agenda of each Consultative Meeting shall be prepared by the President of the Conference, unless it has been previously specified by the Conference itself.
D. The Consultative Meeting may pass decisions or recommendations to be approved by the next Conference unless otherwise authorized by a previous Conference.

Article 37
A. The Conference may establish specialized organs, as circumstances require, in order to assist in resolving certain problems of particular importance. The specialized organs shall functions in accordance with the Resolutions or Statutes prepared to that effect.
B. The specialized organs shall operate within the general framework of the Secretariat of the Organization, both functionally and financially.
C. The specialized organs shall act at all times in accordance with the principles of the Organization, as set out in the Resolutions of the Conference.
5. FINANCIAL PROVISIONS

Article 38
A. The Budget of the Organization shall be drawn up for each calendar year.
B. The Conference, in accepting any Associate Member to the Organization, shall ask it to pay a fixed annual subscription to be considered as its financial contribution to the Organization.
C. Budget appropriations shall be apportioned on an equal basis among all Member Countries, after taking into consideration the annual subscriptions of the Associate Members.

Article 39
A. Each Member Country shall bear all expenses incurred in sending delegations or representatives to Conferences, Consultative Meetings and Working Parties.
B. The Organization shall bear the travelling expenses and remuneration of the Governors who attend the meetings of the Board of Governors.

6. ADDITIONAL PROVISIONS

Article 40
Amendments to this Statute may be proposed by any Member Country. Such proposed amendments shall be considered by the Board of Governors which, if it so decides, shall recommend their adoption to the Conference.
Article 41
All Resolutions contrary to the context of this Statute shall be abrogated.

Article 42
This Statute shall be applied from the 1st May 1965.