

## CREATING A SPECIAL REVOLVING FUND FOR PURPOSES OF FOREIGN ASSISTED PROJECTS APPLICABLE TO LOCAL GOVERNMENTS

*PRESIDENTIAL DECREE NO. 1914, March 29, 1984*

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/dd7849ed694a/>

---

WHEREAS, it is the stated policy of the National Government to promote self-reliance of local governments in undertaking then" socio-economic development programs;

WHEREAS, in pursuance of this national policy, various international institutions are providing assistance to the Local Governments, thru the National Government;

Whereas, there is a need to establish an effective system to make available to the Local Governments these international assistance;

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

SECTION 1. The Municipal Development Fund—There is hereby created a Revolving Fund to be known as the Municipal Development Fund, hereinafter called MDF, which shall be made available to Local Governments (provinces, cities/municipalities) thru the Ministry of Finance. The Ministry of Finance and local government concerned shall enter into appropriate agreement setting forth the terms and conditions thereof.

SEC. 2. Sources and Operations of Fund—The MDF shall be capitalized and funded by proceeds of foreign loans, assistance or grants which are to be made available to the Local Government for specific purposes, project components and activities set forth in international agreements, entered or to be entered into by the Government of the Philippines with foreign governments and international institutions (IBRD, ADB, USAID, etc). Foreign loans and assistance released and credited to the MDF shall be covered by Advice of Allotment and Cash Disbursement Ceiling. Funds from the MDF shall be made available to the local governments as loans which shall be treated as trust fund and amortized by the local governments, out of their general fund sources. The amortization (interests and principal) made by the local governments to the MDF shall form part of and accrue to the MDF and shall be made automatically available for relending to finance other similar projects of the local governments. The local governments shall include in their annual/supplemental budget the proceeds of loan from the MDF, their utilization as well as amortization.

SEC. 3. For purposes of the proceeding and following section of this Decree, a Central Project Office (CPO) under the policy directions of a Steering Committee or similar appropriate organizations shall be established as required in international agreements, provided that MOF, OBM, MLG, MPWH and NEDA shall be members in the said Committee. Financial policies, lend terms and technical requirements for MDF financing shall be approved by the committee in accordance with the provisions af international agreement.

SEC. 4. Administration of Fund—The Ministry of Finance shall administer the MDF provided that the Land Bank, Development Bank of the Philippines or the Bureau of Treasury may be designated by the. Minister of Finance as the depository, disbursing and collecting agent of the MDF subject to the terms, conditions and guidelines as the

Minister of Finance may prescribe and in accordance with the provisions of international and other implementing agreement.

SEC. 5. Detailed implementing guidelines and procedures for the Month and the provisions of this Decree shall be promulgated by the Steering Committee and in accordance with the provisions of international agreement entered or to be entered into by the Philippine Government in respect of MDF.

SEC. 6. Any existing provisions of law, rules, regulations or other issuances in conflict or are inconsistent herewith are hereby repealed or modified accordingly.

SEC. 7. This decree shall take effect upon approval.

Done in the City of Manila, this 29th day of March, 1984.

(Sgd.) FERDINAND E. MARCOS  
President of the Philippines

By the President:

(Sgd.) JUAN C. TIVERA  
Presidential Executive Assistant

**ABOUT BATAS.ORG**

# Study smarter at BATAS.org

*The Philippine bar review and law-school companion built around how your brain actually remembers.*

**The complete Philippine law library - free for everyone.**

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

**Audio case-brief lectures.**

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

**Bar review built on the science of memory.**

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

**The full law-school curriculum.**

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

**Mock exams that tell you where you stand.**

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

**A study planner that keeps you on pace.**

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

**Start free at <https://batas.org>**

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.