



Republic of the Philippines  
**DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**  
**REGION XIII (CARAGA REGION)**  
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DILG RO XIII  
**FILE**

October 10, 2014

registered mail 0258  
**DILG - REGION XIII**  
**RELEASED**  
 DATE: **OCT 20 2014**  
 TIME: 10:19 AM  
 BY: PAB

HON. ENRICO R. CORVERA  
 Municipal Mayor  
 Nasipit, Agusan del Norte

*Dear Mayor Corvera:*

This refers to your request for legal opinion if the LGU can use portion of MDRRM Fund which is specified in the MDRRM Plan for the repayment and amortization of loan from DBP on acquisition of heavy equipment.



Based on the facts presented in your query, we noted that the procurement of heavy equipment, i.e., two units dump truck and one unit TG wheel loader, was included in your MDRRM Plan which in turn was integrated in your Annual Investment Plan, all of which were adopted by the Sangguniang Bayan of Nasipit, Agusan del Norte. We also understand that the equipment would be used as disaster response and rescue equipment.

In view of the foregoing, we have taken a closer look at DILG Memorandum Circular No. 2012-73 subject of which is "Utilization of Local Disaster Risk Reduction and Management Fund (LDRRMF)" together with COA Circular 2002-02 subject being the "Accounting and Reporting Guidelines for the Local Disaster Risk Reduction and Management Fund (LDRRMF) for Local Government Units (LGUs), National Disaster Risk Reduction and Management Fund (NDRRMF) given to LGUs and Receipts from Other Sources". We opine that 70% of the 5% LDRRMF may be used to procure early warning systems, preparedness equipment and other equipage, such as, but not limited to heavy equipment.

We hope to have satisfactorily addressed your concern. This opinion is rendered without prejudice to the decisions that competent higher authorities and the courts may subsequently decree.

Please course through your request for legal opinion in the future through your MLGOO or DILG Provincial Office. Thank you and God bless!

Very truly yours,

  
LILIBETH A. FAMACION, CESO IV  
Regional Director 

cc: *PD Romeo A. Solis*  
*DILG-ADN*