

## LOAN TERMS AND CONDITIONS

Categories	Cities		Provinces		Municipalities		Repayment Period	Financing Threshold
	1 <sup>st</sup> -3 <sup>rd</sup>	4 <sup>th</sup> -6 <sup>th</sup>	1 <sup>st</sup> -3 <sup>rd</sup>	4 <sup>th</sup> -6 <sup>th</sup>	1 <sup>st</sup> -3 <sup>rd</sup>	4 <sup>th</sup> -6 <sup>th</sup>		
C1:Soft Component	Not Applicable		1.5%	1.5%	0.5%-1%	0%	3 years (no grace period)	P20 Million (Provinces) P10 Million (Municipalities/Cities)
C1:Infrastructure			3.0%				15 years inclusive of 3 year grace period on the	Maximum of 60% of the Borrowing Capacity
C2			0%				3 years (no grace period)	No Threshold
C3:Soft Component	1.50%		1.5%		0.5%-1%	0%	3 years (no grace period)	P20 Million (Provinces) P10 Million (Municipalities/Cities)
C3:Infrastructure			3.0%				15 years inclusive of 3 year grace period on the	Maximum of 60% of the Borrowing Capacity

Note: C.3 Can be accessed within 5 years at the time of the occurrence of calamity or disaster

## APPLICATION REQUIREMENTS

1. Letter of Intent duly signed by the Local Chief Executive;
2. *Sangguniang* Resolution affirming the interest of the LGU to apply, negotiate and borrow funds from the DOF-MDFO for the implementation of the subproject;
3. Feasibility Study/Project Proposal;
4. Commitment Letter; and
5. Certificate of Net Debt Service and Borrowing Capacity issued by the Bureau of Local Government Finance (BLGF).

For more information, please write or call:

**THE EXECUTIVE DIRECTOR**  
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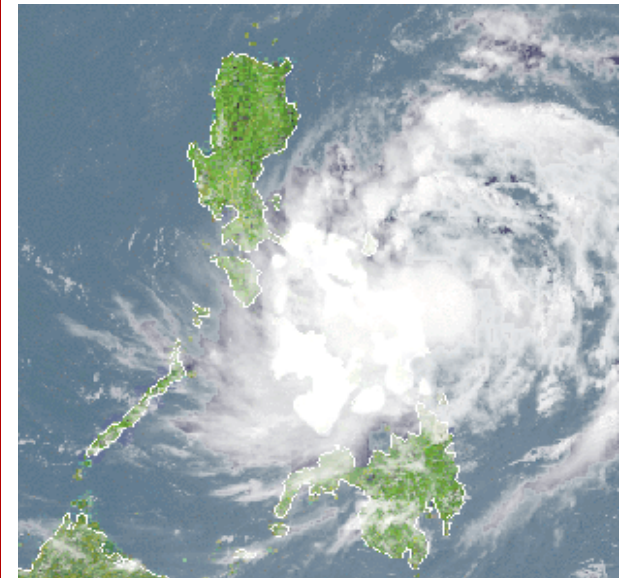
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Department of Finance

MUNICIPAL DEVELOPMENT FUND OFFICE

# DISASTER MANAGEMENT ASSISTANCE FUND



## OVERVIEW

In line with the government's program of strengthening the country's disaster control capability the Municipal Development Fund Office-Policy Governing Board (MDFO-PGB) created the **Disaster Management Assistance Fund (DMAF)**. It aims to provide financing support to mitigation and prevention, response and relief, and recovery and rehabilitation initiatives of Local Government Units (LGUs).

## OBJECTIVES

1. Provide timely financial support to LGUs disaster management programs;
2. Enhance community resilience to natural hazards;
3. Promote economic growth through disaster risk management; and
4. Attract supplemental funding from local and international donors.

## FUND CATEGORIES AND ELIGIBLE SUBPROJECTS

**Category 1 (C1)** caters to financing disaster prevention and mitigation initiatives of all Provinces and Municipalities.

### *Soft Component*

DRM-related training/capacity building activities; Hazard Mapping; Vulnerability

Assessment; Risk Mapping; Conduct of local assessment to LGU capacity and vulnerability to natural disasters; Cost to be incurred in preparing for Mainstreaming of Climate Change and DRR into local development plans and programs; Preparation of Comprehensive Land Use Plan; Development of Local Disaster Risk Reduction and Management Plan (LDRRMP); Contingency Planning; Conduct of community drills/exercises; Augmentation for health-related epidemics (i.e., outbreaks on diarrhea, dengue, etc.); and Development of IEC and other advocacy materials.

### *Infrastructure*

Reforestation, Afforestation, Rehabilitation of declared watersheds, and establishment of "green areas", Funding hazard resistant construction and engineering works.

### *Exclusive for Municipalities*

Slope stabilization and riverbank projects, Construction of Seawalls, Embankments that eliminate flood risks.

**Category 2 (C2)** provides financing to life-saving activities for all LGUs in response to a natural disaster as well as immediate post natural hazard events.

Food (basic food needs such as: rice, canned goods, sugar, etc), Water (for drinking, sanitation, and medical purposes), Clothing, Temporary shelter to house evacuees, Medicine, Emergency tools.

The LGU can also apply for a **Stand by Credit Facility** to ensure that the fund could be tapped immediately for response and relief in time of calamities

**Category 3 (C3)** addresses the funding needs of all LGUs aiming early to long term recovery and restoration initiatives for communities to build back better.

### *Soft Component*

Training on small-scale livelihood projects, counseling, capacity building, and other mental health care services due to trauma brought about by disaster/calamity and other activities as deemed relevant by the LGU and MDFO appraisal team; and Augmentation for health-related epidemics (i.e., outbreaks on diarrhea, dengue, etc).

### *Infrastructure*

Repair and reconstruction of critical facilities (water supply systems, public market, permanent low-cost shelter, bridges, health centers, and the like), Basic Infrastructure (school buildings, agricultural facilities, and similar projects); Resettlement/Reconstruction of low-cost permanent shelters (housing).