

**[ PRESIDENTIAL DECREE NO. 1821, January 16,  
1981 ]**

**FURTHER AMENDING REPUBLIC ACT FOUR THOUSAND EIGHT  
HUNDRED SIXTY, AS AMENDED (FOREIGN BORROWING ACT).**

**WHEREAS,** some international financial institutions have imposed additional conditions for the grant of concessional loans, one of which is the guarantee by the Borrower that the assets of the Lender in the Borrower's territory shall not be subject to expropriation, nationalization or similar action;

**WHEREAS,** it is necessary for the Philippines to be able to procure foreign loans required for national development from as many sources as possible so as to get the most advantageous terms;

**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 that:

**SECTION 1.** A new section to be known as Section 4â€œB is hereby inserted between Section 4-A and Section 5 of Republic Act Four Thousand Eight Hundred Sixty, as amended, which shall read as follows:

**"SECTION 4-B.** The President may, upon recommendation of the Minister of Finance in consultation with the National Economic and Development Authority, agree to a provision in a loan agreement or contract for the availment or utilization of the proceeds of foreign loans or credits concluded with a foreign government or with an international lending institution owned by a foreign government pursuant to the provisions of this Act, exempting the assets of such foreign government or lending institution in the Philippines from expropriation, sequestration, nationalization, seizure or similar measures."

**SEC. 2.** Any provision of existing law, decree, order, rule or regulation inconsistent with the provisions of this Decree is hereby repealed or modified accordingly.

**SEC. 3.** This Decree shall take effect immediately.

Done in the City of Manila, this 16th day of January, in the year of Our Lord, nineteen hundred and eighty-one.

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

By the President:

**(Sgd.) JOAQUIN T.  
VENUS, JR.**

Deputy Presidential  
Executive Assistant