

[REPUBLIC ACT NO. 899, June 20, 1953]

**AN ACT CREATING A REVOLVING FUND FOR THE
CONSTRUCTION, RECONSTRUCTION OR IMPROVEMENT OF
IRRIGATION SYSTEMS**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Revolving fund.*—The sum of twenty million pesos is hereby authorized to be appropriated, out of any funds in the National Treasury not otherwise appropriated, and placed to the credit of a Special Fund, hereby created, in the National Treasury, to be known as "Irrigation Revolving Fund."

SEC. 2. *Administration of fund.*—The "Irrigation Revolving Fund" shall be administered by the Secretary of Public Works and Communications and shall be used exclusively for the construction of new irrigation systems and for the reconstruction or improvement of existing private or communal irrigation systems.

SEC. 3. *Application of interested parties.*—Any land owner or planter interested in, or any group of such persons constituted to carry out, the construction, reconstruction or improvement of an irrigation system shall apply to the Secretary of Public Works and Communications for the financing of such project to the extent of ninety *per centum* of the cost thereof, payable by the applicant in ten equal annual installments beginning with the first crop year after the completion of the project plus interest at .four per centum per annum. The applicant shall, in his application submit his plans, specifications and itemized estimates of the work involved as well as such other pertinent information as the Secretary may require in connection therewith.

SEC. 4. *Processing of applications.*—The Secretary of public Works and Communications will process such applications, may require such changes in the plans, specifications and estimates as he shall deem due and proper and, if the proposal merits his approval pursuant to the provisions of this Act, shall advise the applicant of such approval. The applicant shall forthwith accomplish and submit to the Secretary, on forms duly prescribed for the purpose, the application for the loan, supporting such application with the required evidence of the availability of the applicants funds for such project equivalent to at least ten *per centum* of the approved estimated cost of the project.

SEC. 5. *Construction work.*—The approved work on any project shall be undertaken by the applicant under the technical supervision of the Director of Public Works, who shall certify periodically to the quality of the work and the percentage of completion of the project: Provided, That no certification for less than ten *per centum* of the total cost of the work shall be released by the Director for the purpose of releasing sums from the Revolving Fund, pursuant to section six hereof.