

Markup Waiver Scheme (MWS) for Subsistence Farmers

- (i) MWS will be offered to the borrowers of farm sectors having subsistence landholding and to small farmers of non-farm sectors in flood affected areas as declared by NDMA/PDMA during recent floods 2022. These borrowers have been defined in SBP's Report on Indicative Credit limits and Eligible items for Agriculture Financing (<https://www.sbp.org.pk/acd/2022/CL1-Annex.pdf>).
- (ii) Banks/MFBs will waive-off the entire amount of markup due till September 30, 2022 against outstanding agriculture loans (principal plus markup) up to Rs 500,000/- that were regular as on June 30, 2022 and reschedule/restructure the principal amount of loans for up to one year in calamity-notified areas.
- (iii) 50% of the cost of above waiver of markup will be borne by the Government of Pakistan (GoP) through budgetary allocation whereas 50% will be borne by the concerned Banks/MFBs themselves. In this regard, banks/MFBs shall submit their markup subsidy claims on prescribed format (**Format-1**) duly audited by their Internal Audit Department to Director DFSD SBP BSC Head Office Karachi till **January 15, 2023**.
- (iv) DFSD, SBP BSC shall scrutinize subsidy claims of Banks/MFBs within 15 working days after receipt of complete information for onward submission to Finance Division - Ministry of Finance (MoF).