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Islamabad, the 06<sup>th</sup> February , 2026

## **NOTIFICATION**

### **TO BE PUBLISHED IN THE GAZETTE OF PAKISTAN PART-I**

Consequent to the approval of the Economic Coordination Committee of the Cabinet vide case No ECC-219/29/2025, dated Dec 18, 2025, duly ratified by the Federal Cabinet vide Case No 211/26/2025, dated Dec 23, 2025, "Revised Term Sheet for Prime Minister's Fan Replacement Program" is issued as **Annex- A**.

Further, in pursuance of the approval, the following actions are required for implementation:

#### **National Energy Efficiency & Conservation Authority (NEECA)**

- Spearheading and leading the Prime Minister's Fan Replacement Program, ensuring overall governance, stakeholder coordination and operational efficiency for nationwide implementation as per the tripartite agreement between the DISCOs, NEECA and participating Banks, and other tripartite agreement between the NEECA registered fan manufacturers, participating Banks and NEECA.
- Implementation of the program through a web-portal housed at the Punjab Information Technology Board (PITB) and integrated with the participating Banks, PITC, DISCOs (including KE), Fan Manufacturers and NEECA.
- Launch awareness campaigns, in consultation with banks and EPS/DISCOs to promote financing and program.
- Monitor and evaluate the impact of the program on energy conservation.

#### **Power Distribution Companies (DISCOs)**

- DISCOs shall provide API-based data access to NEECA's Portal based on approved term sheet for consumer eligibility assessment and facilitate use of its data by participating banks for customer solicitation in accordance with applicable policies and supplementary roles and responsibilities with reference to tripartite agreement.

#### **State Bank of Pakistan (SBP):**

- The State Bank of Pakistan will circulate the features of the program to all commercial banks.
- SBP will facilitate the on boarding of participating banks.
- Devise payment mechanism for processing of claims of the participating banks (including claims against financing by banks during the soft launch) against first loss credit guarantee of the NEECA/Federal Government and obtain concurrence of NEECA/Power Division and Ministry of Finance.

## Ministry of Finance

- The Ministry of Finance will make requisite budgetary allocation for the program.
- The Ministry of Finance will provide necessary facilitation with respect to settlement of credit guarantee claims of participating banks.

The above stakeholders will take immediate necessary steps for operationalization of the scheme "**Prime Minister's Fan Replacement Program**" and furnish the implementation status to the Ministry of Energy (Power Division) as required under Rule 24 of the Rules of Business, 1973.



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### **Copy for information to:-**

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- 5- , CEOs DISCOs KE,



**Umer Vaqar**  
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## High-Level Agreement Framework for Energy Efficient Fan Replacement Program

1	<b>Purpose of Fan Financing Facility</b>	To provide a structured on-bill financing solution for consumers to get the energy-efficient fans (EEFs) through replacement of the already installed fans, promoting energy conservation and efficiency.
2	<b>Target Market</b>	<ul style="list-style-type: none"> <li>a) Residents (i.e. Customer /End user) with verifiable electricity bill and residential addresses.</li> <li>b) EPS's consumers having satisfactory bill payment history and credit history.</li> </ul>
3	<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>a) Valid CNIC holder</li> <li>b) Owner of the residential or commercial property<sup>1</sup></li> <li>c) Current consumer of Electric Power Supplier/ DISCO including the green meter holders<sup>2</sup>, at least for last 24 months<sup>3</sup></li> <li>d) Verifiable electricity bill i.e. CNIC must match either the name or CNIC number on the Bill<sup>4</sup></li> <li>e) PMD verified mobile phone SIM number</li> <li>f) Not more than 4 delayed payments in last 24 months (<i>This will automatically filter out the chunk who has defaulted on payment in last 12 months as the "default" is defined as failure to make bill payment on time for 2 consecutive months<sup>5</sup></i>)</li> <li>g) No installment facility availed in last 24 months</li> <li>h) Clear credit history as per e-CIB or Data Check or other private credit bureaus.</li> <li>i) No Fan Replacement Plan availed in last 18 months.</li> <li>j) In the event of replacement, the existing fan may be retained by the consumer/owner.</li> </ul>
4	<b>Minimum &amp; Maximum Limit</b>	Rs. 10,000/- and Rs. 300,000/- respectively
5	<b>Tenor</b>	6-18 months
6	<b>Pricing</b>	<p>1 Year KIBOR<sup>6</sup> + 2 percent p.a. plus Rs.500/- as additional Muswama profit<sup>7</sup> to be added in the first EMI</p> <p><i>(KIBOR to remain fixed for the whole fan financing period)</i></p> <p>Note: KIBOR to be ascertain as per bank's standard practice</p>
7	<b>Frequency of Repayment (Principal +Profit)</b>	Equal Monthly Installments (EMI) as mention in monthly electricity bills, of FRP customers issued by their respective EPS.
8	<b>Security</b>	<ul style="list-style-type: none"> <li>(a) Personal Guarantee of the customer with customer consent over hypothecation of the financing asset (s) to be taken through acceptance by customer in NOP against customer terms and conditions.</li> </ul> <p><i>(This is in addition to embedded security available to banks through addition of installment amount in the electricity bills or disconnection of electricity). This will serve</i></p>

<sup>1</sup> This shall be established if electricity meter is on the name of customer applying for the financing and CNIC as per the DISCO's record and provided by customer while applying matches

<sup>2</sup> However, adjustment against credit units shall not be allowed.

<sup>3</sup> In terms of billing history data for last 24 months will be accessible such that the last 12 months detail will be provided on monthly basis, and for preceding 13-24 months, the system will confirm the customer's eligibility as Yes or No.

<sup>4</sup> To be performed on NEECA Online Portal

<sup>5</sup> It implies that the consumers with 2 consecutive delayed payments in last 24 months shall not be eligible for this Program.

<sup>6</sup> May be referred the KIBOR of disbursement day or first working day of the month as per convenience and existing practice of participating Banks

<sup>7</sup> For assessing the applicant's credit worthiness through eCIB or private credit bureaus, for PMD check, for conducting NADRA Verisys, etc.

		<p>for bank to go after consumer in case consumer still defaults on the payment of their electricity bill)</p> <p>(b) NEECA/ Federal Government to provide 10 percent first loss credit guarantee to financing bank in case the customer defaults</p>
9	<b>Execution in Phased Manner</b>	<p>a) FRP is to be launched under <b>Phase I</b> i.e. 'PTV Fee like Model'</p> <p>b) Within 4 months of the launch, FRP will become live under <b>Phase II</b> i.e. 'At-source deduction Model'</p> <p>c) Roles &amp; Responsibilities of NEECA, SBP, Banks, Electric Power Suppliers, Fan Manufacturers and the Bill Collecting Agents for each of the Phases are defined separately.</p>
10	<b>Payment Mechanism</b>	<p>a) For Phase I of the Program, for its subscribers where their fan financing is approved, the monthly bills shall only be collected and settled by banks. Bill collections at Pakistan Post or other non-financial institutions shall not be allowed, and in this regard, appropriate guidance and instructions shall be provided on the bills by EPS.</p> <p>b) For Phase II of the Program, the banks through the electric power suppliers, will devise a mechanism with bill collecting agents whereby their fan financing installment/ EMIs are taken away at source as soon as the bill amount is collected by the bill collecting agent. The bill collecting agent shall transfer the financing instalment to respective financing bank and remaining bill amount to EPS.</p> <p>c) Also, in case where deduction was not done at source or where a bill is paid by the customer at post office or other non-financial institution, EPS will settle the payments with the banks by 15th of the following month and 29<sup>TH</sup> of the following month under Phase I and Phase II respectively, as per the terms agreed in agreements.</p> <p>d) SBP will prepare and circulate the payment mechanism against the claims on 10% first loss credit guarantee provided by the Federal Govt.</p>
11	<b>Documents</b>	<p>a) Completed digital Fan Financing application form.</p> <p>b) Digital acknowledgement, of EEF received and installed, from the consumer.</p> <p>c) Digital confirmation from vendor for delivery and installation of EEF.</p> <p>d) Electronic execution of financing agreements, agency and terms &amp; conditions.</p> <p>e) Invoice to be uploaded by vendor after delivery / installation; based on which Bank shall release payment to the vendor.</p> <p>f) Agreement among NEECA, DISCOs and Banks (NDB)</p> <p>g) Agreement among NEECA, Vendors (fan manufacturers) and Banks (NVB).</p>
12	<b>Other Terms &amp; Conditions</b>	<p>a) All parties will ensure compliance with relevant laws and regulations.</p> <p>b) All parties will comply with their roles and responsibilities as per the Shariah Process flow</p> <p>c) Periodic reviews will be conducted to assess the effectiveness of the fan financing scheme and make necessary adjustments, if required.</p> <p>d) This term sheet outlines the basic terms and conditions for fan financing scheme among NEECA, EPS, bill collecting agents and Banks. Detailed agreements and contracts will follow this term sheet to formalize the arrangement.</p> <p>e) An undertaking should be obtained from consumer that in case of any technical issue found in EEFs installed, consumer is to coordinate with vendor directly via NEECA and not the bank.</p> <p>f) Demographic data / information to be made available for reporting purposes.</p>