

CAKNA Scheme Pilot Project

*Funding Facility for
Federal Government Procurement and Services Contract offered by
Participating Banks
(Effective Date: 1st March 2021 to 28th February 2022)*

Objektif:

1. Briefing on CAKNA Scheme ;
2. Questions and answers on the implementation of the CAKNA Scheme;

Parties involved:

Procurement of Supplies and Services for:-

Ministry of Health (MOH)

Ministry of Education (MOE)

Ministry of Higher Education (MOHE)

Ministry of Communication and Multimedia (MCMM)

Participating Financial Institutions:



30 April 2021, Friday 10.00am

Introduction: CAKNA Scheme

Characteristics of the CAKNA Scheme

CAKNA Scheme is a facility offered by financial institutions to assist the cash flow of Companies that obtain Federal Government contracts.

- An initiative that helps the Company's sustainability of operations as well as expedite payments to suppliers and employees, to smooth the movement of the economic chain, thereby assisting the country's economic growth.
- Involves a tripartite arrangement involving the Company, the Participating Bank and the Ministry (and various related agencies issuing the contract) as the Principal..
- The Company sells invoices (submitted to the Principal) to the Bank, for initial payment without increasing the Company's level of indebtedness (using the "non-recourse receivable purchase" facility).
- The rights to the invoice are transferred from the Company to the Bank through a Deed of Assignment or DOA signed by all three parties
- Utilize existing infrastructure to ensure fast and efficient implementation..



Procurement of Supplies and Services Year 2021

Offered for existing and/ or new supply and services procurement contracts offered in 2021.



Immediate Payment

Alternative sources of financing for the Company to obtain working capital in advance for the invoices submitted, without having to wait for payment by the Government.



Up to 100% Invoice Value

The company is eligible for the facility up to 100% of the value of the invoice submitted to the Government (after deducting the current charge rate by the bank).

The company must also meet the terms and conditions based on the Letter of Acceptance (SST) or a contract enforced by the Government.

Differences between CAKNA Scheme and Existing Financing Facilities

Mak Cik Kiah Sdn Bhd is a supplier company that has obtained a supply contract under the Ministry of Health Malaysia (MOH) amounting to RM300,000.00. Mak Cik Kiah Sdn Bhd. Is considering and evaluating financing facilities that is currently available by Government procurement, among of them are the Factoring facility, the Contract Financing Scheme by MARA and the CAKNA Scheme. Mak Cik Kiah Sdn Bhd has made a payment simulation and made a comparison between these three financing facilities. The results of the comparison are as follows. What is Mak Cik Kiah Sdn Bhd's choice?

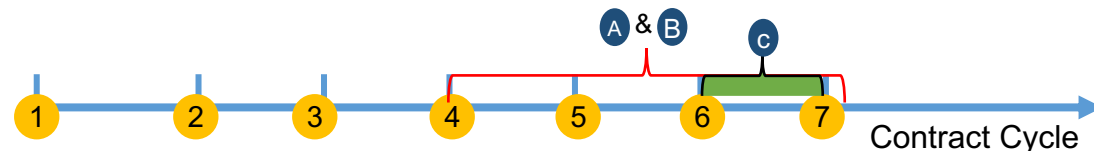
	A	B	C
	FACTORING	MARA	CAKNA
Funding Limits	80% from invoice value	65% from invoice value maximum of RM1juta	Up to 100% of invoice value
Funding period	Up to 180 days	According to Contract	14 days from invoice approved and verified with payment amount and date
Recourse to Mak Cik Kiah	Yes	Yes	No
Profit Rate	Base Funding Rate+ Profit Margin (~10% per annum /0.83% per month)	6% per annum (0.50% per month)	*5% per annum (0.41% per month)
Other charges - Handling Charges	1% from Invoice Value	No	*No
Security/Collateral	Subject to Factoring company	Up to RM250,000 – No More than RM250,000 :- (i) Personal Guarantee;(ii) Land/Building	No
Amount to be received	RM237,000.00	RM 195,000.00	RM299,424.66
Total Cost Paid	**RM3,895/ RM64.92 daily	**RM1,923.28/RM32.05 daily	RM575.34/RM41.10 daily
Balance after contract payment received	RM56,104.11	RM103,076.72	RM0

Note:

* Varies by Participant Bank

** Based on 60 days financing

*** Comparative calculations are simulations for discussion only.



CAKNA Scheme Process Flow

A - FACILITY APPLICATION

(After the contract offer is given to the Company)



**Ministry/
Agencies**



Company
(Successful
Tenderer)



Bank

1

Issuing (via eP):

- SST
- Download Standards DOA for the Company to complete

2

Submit the facility application to the selected Bank by enclosing:

- Application form and original copy of SST
- DOA (signed by the Company)

The Company can obtain information regarding the facilities offered by contacting the Bank of choice.

3

Giving approval within 10 working days

5

- Sign the DOA within 3 working days and submit it back to the Bank for 'perfection' such as stamping

4

Submit the application to the Ministry (and inform the Company) along with:

- Company's counter -signed SST
- Facility Offer Letter by the bank
- DOA - 3 copies (signed by the Company and the Bank)

CAKNA Scheme Process Flow

B - PAYMENT

(After the contract is executed by the Company)



**Ministry/
Agencies**

2 Process and approve invoices, as well as notify the approval to the Bank within 2 working days after approval

- 1**
- Issue and upload invoices after DO has been approved by the Ministry (via eP)
 - Make a payment request and send a copy to the Bank:
 - Invoices; and
 - Approved DO



Company
(Successfull
Tenderer)

3 Process the application, and contact the Ministry's help desk to confirm the invoice and payment value

4 Make payment to the Company upon receipt of invoice confirmation. Payment notice will be made to the Company

5 Make payment to the Bank according to the original maturity date of the invoice and inform the payment details to the Bank within 1 working day after payment



Bank

Summary of Scheme CAKNA

Key Value Propositions

- Easy Access to Quick Funding
- No collateral required
- Competitive Pricing
- Non-Recourse Structure
- Funding up to 100% of Invoice Value



Assist Cash flow

Purchase of invoices that have been certified by the Ministry

4 Participating Islamic Banks

1. Maybank Islamic Berhad
2. CIMB Islamic Berhad
3. RHB Islamic Bank
4. MBSB Bank



Pilot Phase

1 March 2021 until 28 February 2022



Limited to Supply of Goods and Services Contract

Goods and Services Contracts only under ePerolehan



4 Participating Ministries

4 Ministries during Pilot Phase:

- (1) Ministry of Health (MOH)
- (2) Ministry of Education (MOE)
- (3) Ministry of Higher Education (MOHE)
- (4) Ministry of Communication and Multimedia (MCMC)

Get your invoices paid by 5 simple steps

STEP 5

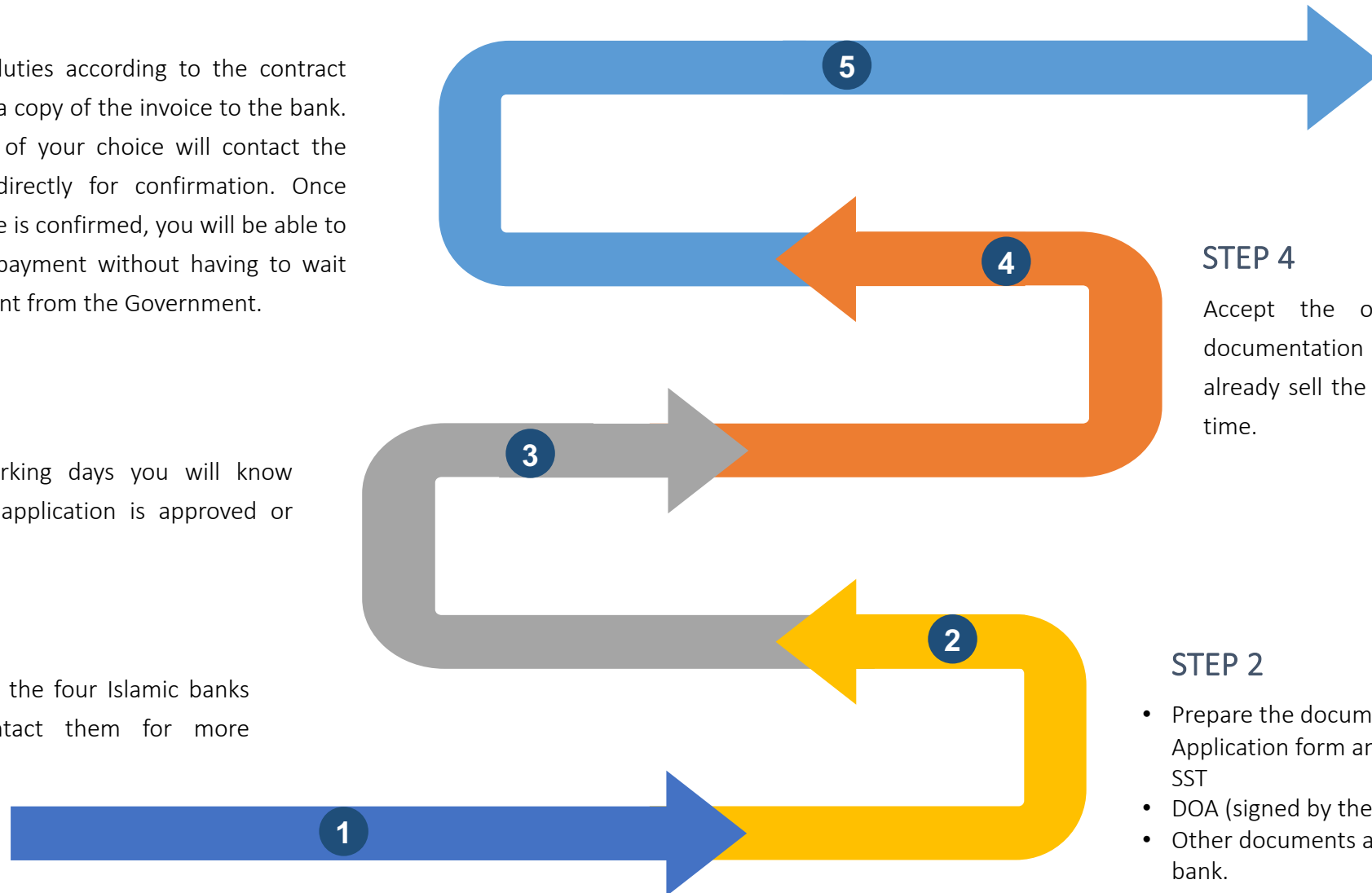
Perform duties according to the contract and send a copy of the invoice to the bank. The bank of your choice will contact the Ministry directly for confirmation. Once the invoice is confirmed, you will be able to get your payment without having to wait for payment from the Government.

STEP 3

Within 10 working days you will know whether your application is approved or not.

STEP 1

Visit the portals of the four Islamic banks involved and contact them for more information.



STEP 4

Accept the offer and complete the documentation process and you can already sell the invoice to the bank at any time.

STEP 2

- Prepare the documents as below:-
Application form and original copy of SST
- DOA (signed by the Company)
- Other documents as required by the bank.

Skim CAKNA:

Kemudahan Pembiayaan untuk Syarikat yang Memperoleh Kontrak Kerajaan Persekutuan (KKM, KPM, KPT dan KKMM) oleh Institusi Perbankan

Pembiayaan Segera pada Kadar Kompetitif



Ciri-Ciri



1 Perolehan Bekalan dan Perkhidmatan Tahun 2021

Fasiliti pembiayaan ini ditawarkan kepada semua syarikat yang mendapat kontrak Kerajaan bagi **perolehan bekalan dan perkhidmatan** ("supply and services") **sedia ada dan/atau baru** yang ditawarkan pada tahun 2021.

2 Pembiayaan Segera

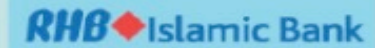
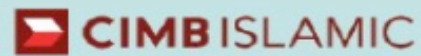
Kemudahan di bawah Skim CAKNA ini merupakan **satu sumber pembiayaan alternatif** kepada syarikat untuk mendapatkan modal pusingan lebih awal bagi invois yang dikemukakan, **tanpa perlu menunggu pembayaran** oleh Kerajaan.



3 Sehingga 100% Nilai Invois

Di bawah Skim ini, syarikat layak untuk mendapatkan **fasiliti sehingga 100% daripada nilai invois** yang dikemukakan kepada Kerajaan (selepas ditolak kadar caj semasa oleh pihak bank). Bagi mendapatkan kemudahan ini, syarikat tersebut hendaklah **memenuhi syarat dan terma berdasarkan Surat Setuju Terima (SST)** atau **kontrak yang dikuatkuasakan** oleh pihak Kerajaan.

Untuk maklumat lanjut, syarikat-syarikat yang berminat boleh menghubungi Institusi Perbankan berikut:



**CIMB Islamic
Bank Berhad**



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**MBSB
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