

**PROGRAM PEROLEHAN IMPAK SOSIAL KERAJAAN  
(PPISK)  
FREQUENTLY ASKED QUESTIONS (FAQs)**

**Program Perolehan Impak Sosial Kerajaan (PPISK)** is an impact-driven public social procurement programme which aims to leverage on the purchasing power of the Government in driving positive social and environmental outcomes in the country. It is a pilot programme announced during the Budget 2021 as a proof-of-concept to introduce social procurement across all Government entities as well as to provide a platform to access the capacity and capability of social impact businesses, for e.g. SEs and other social innovators in providing impact-driven products and/or services.

**What is Social Procurement?**

- The use of purchasing power to nurture opportunities that create social and/or environmental impact or value above and beyond those of the products and/or services consumed.

**What are Social Enterprises (SEs)?**

- Businesses that proactively create a positive social or environmental impact in a financially sustainable manner.

**How can Social Procurement create impact?**

- Every time products and/or services are bought from a social enterprise or an impact-driven organisation, positive societal change is also created. The consumption of impact-driven products and/or services ensures a flow of income/intangible benefits to target beneficiaries supported by the social enterprises or impact-driven organisations in a sustainable manner.

## **What is the purpose of the PPISK?**

- Key objectives of PPISK are as follows:
  - Reward social impact businesses including social enterprises (SEs) and social innovators (SIs) who offer measurable social benefit as part of the projects, products and/or services being procured;
  - Create fair opportunities or level playing field for social impact businesses with impact-driven solutions to compete for contracts and further develop their business models/products/services;
  - Support social impact businesses to grow and attract impact investors via proven track record of long term government contracts; and
  - Increase awareness on and encourage impact-driven consumption to recognise social impact businesses as part of the cogwheel to develop the Malaysian Economy with sustainable growth and equitable society.

## **How does PPISK work?**

- Applicants who are validated by MaGIC under PPIS will be onboarded to e-Perolehan, i.e. the Government of Malaysia's e-procurement system and, upon approval, be listed as a vendor to the government for procurement opportunities.

## **What are the procurement opportunities or benefits under PPISK?**

- Approved PPISK applicants will be onboarded to e-Perolehan system and, upon approval, be entitled to the following benefits:
  - When procurement needs arise, priority will be given towards products and/or services which are readily available and offered by approved PPISK applicants on e-Perolehan.
  - PPISK applicants are able to obtain direct procurement opportunities of up to RM20,000 per transaction, without any limit to number of transactions per annum as well as potential to join open tender exercises if eligible.

- Validated PPISK applicants will be exempted from the e-Perolehan requirements of:
  - Operating in a business premise; and
  - Submission of latest EPF contributions for employees\*

*\*please refer to the PPISK validation application form for info required to be submitted*

#### **Who are the parties involved in implementing PPISK?**

- PPISK is an initiative by the e-Perolehn unit under the Ministry of Finance (MoF).
- Malaysian Research Accelerator for Technology and Innovation (MRANTI) is appointed to administer and evaluate PPISK applications for approval by and on behalf of MoF.

#### **When will PPISK be implemented and for how long?**

- PPISK pilot programme has been open for applications starting 15 April 2021 until 31 December 2022.

#### **What are the range of products and/or services covered under PPISK?**

- No specific categories of products and/or services designated under PPISK, as long as they are provided by verified and/or approved organisations onboarded to the PPISK and relevant to the needs and/or demand of the ministries.
- In general, products and/or services are categorised as follows:
  - Basic: Discretionary goods and services
    - Food and Beverages
    - Gift and Merchandise
    - Arts and Entertainment
    - Tourism and Leisure Activities
    - Sports and Fitness
    - Laundry & Cleaning Services

- Advanced: Commercial goods and services
  - Industrial Materials
  - Training and Education Programmes
  - Healthcare Related Services
  - Other Value-Add Services

### **Are there any costs involved for application?**

- Yes, there will be fee of RM450.00 for registration or renewal of Akaun MoF on e-Perolehan and upon approval, has validity of 3 years. However, applicants can choose to register with Akaun Asas with Free of Charge registration\*

*\*for suppliers to transact with the Federal Government for goods and services (Non-Consultant) up to RM20,000, and only Malaysian citizens with I/C (MyKAD) are allowed to register.*

### **What is the application process for PPISK?**

- Applicants shall submit their applications via an online platform identified by MaGIC
- Within 14 working days, MaGIC will process, assess and verify applicants' eligibility in accordance with application criteria
- Upon successful validation by MaGIC, applicants are required to submit registration for Akaun MoF or Akaun Asas under e-Perolehan portal for approval
- Upon approval, e-Perolehan unit will onboard approved applicants, together with their selected products and/or services, as vendors on the e-Perolehan system and allocate designated special code for tracking and monitoring purposes
- Upon completion of onboarding, approved applicants can proceed with procurement dealings directly with the Government.

## Who can apply for PPISK?

Category	Eligibility Criteria
Accredited Social Enterprise	<ul style="list-style-type: none"> <li>SE accredited under the SE Accreditation (SE.A) spearheaded by the Ministry of Entrepreneur and Cooperatives Development (MECD)</li> <li>The SE.A Guidelines defined that the SEs are entitled which: <ul style="list-style-type: none"> <li>Have a clear stated social or environmental goal;</li> <li>Allocate a significant amount of resources towards achieving their social or environmental goal by fulfilling one of the following: <ul style="list-style-type: none"> <li>At least 50% of workforce from target beneficiary group;</li> <li>Minimum 35% of business costs is spent on achieving environmental mission or channeled towards providing income, training and/or subsidised goods/services to target beneficiaries group;</li> <li>At least 50% of profits distributed back to business operation to achieve social/environmental mission</li> </ul> </li> <li>Are equipped with a sustainable business model for long term impact, e.g. more than 50% of the total annual revenue is earned as opposed to contributions or grants for greater access to resources, capital and growth opportunities.</li> </ul> </li> </ul>

Category	Eligibility Criteria
<b>Non-Accredited Social Enterprise</b>	<ul style="list-style-type: none"> <li>Other social impact businesses fulfilling the following criteria: <ul style="list-style-type: none"> <li>Will be required to register with MaGIC;</li> <li>Has clear social or environmental goal;</li> <li>Allocates a significant amount of resources towards achieving their social or environmental goal by fulfilling one of the following: <ul style="list-style-type: none"> <li>At least 30% of workplace from target beneficiary group;</li> <li>Minimum 15% of business costs is spent on achieving environmental mission or channeled towards providing income, training and/or subsidised goods/services to target beneficiaries group;</li> <li>At least 30% of profits distributed back to business operation to achieve social/environmental missions; and</li> </ul> </li> <li>Is equipped with a sustainable business model for long term impact, e.g. more than 30% of the total annual revenue is earned as opposed to contributions or grants</li> </ul> </li> </ul>

#### Who can be onboarded to e-Perolehan?

- Applicants with:
  - Validated social impact business model as assessed and evaluated by MaGIC
  - Market ready range of products and/or services relevant and feasible for procurement by the Government

- Evidence of adherence to e-Perolehan criteria:
  - Minimum paid-up capital of RM2,500
  - Valid bank account under organisation name
  - Registered under the stipulated law (SSM/ROS/SKM/State Registrar)
  - Minimum of one (1) employee

#### **What should I do upon verification by MaGIC?**

- Upon verification by MaGIC, the applicant may proceed to e-Perolehan website for official registration as supplier that will subject to:
  - The requirement of an application fee up to a maximum of RM450 to be registered as a vendor under e-Perolehan; and
  - Terms and conditions applied. Visit e-Perolehan registration.

#### **How do I track on my procurement opportunities or order lists?**

- The applicant must log in regularly to the e-Perolehan database for management and fulfillment of procurement opportunities from the Government.

#### **Do I need a designated contact person for e-Perolehan registration matters?**

- Yes, the applicant must appoint an authorised representative to liaise with the e-Perolehan officer for the registration process.

#### **Are there any reported requirements under PPISK?**

- Yes, the applicant is required to submit annual updates on the procurement progress, including impact data as determined by MaGIC, via a platform/instrument identified by MaGIC.

**Can I submit different list of products and/or services to e-Perolehan other than those submitted to MaGIC for verification?**

- No, applicant must submit the same list of products and/or services to MaGIC for verification and to e-Perolehan for registration.

**Is re-application allowed?**

- Rejected application are allowed for reapplication upon fulfilling the eligibility criteria.

**How will my application data and information be treated?**

- Upon submission of an application including personal data information, applicants are deemed to agree with MaGIC's data privacy policy and declare all information provided is true and correct. All applications and submission will be treated in strict confidence and process for PPISK purposes only.

**Any recourse to PPISK application?**

- MaGIC and MoF reserves the right to revoke any approved applications, at any point of time, in the event that information and evidences are available to confirm the following:
  - Wilful misrepresentation of information during application;
  - Involvement of fraud or money laundering activities; and/or
  - Massive drift or significant changes from the intended objectives and outcome as represented during application.

**Have a question not covered by the FAQs?**

- Please send your inquiries to [socialimpact@mymagic.my](mailto:socialimpact@mymagic.my).

**Where can I obtain information to apply for PPISK?**

- Please visit Program Perolehan Impak Sosial Kerajaan (PPISK) website at <https://www.mymagic.my/ppisk/en>.