# Terms of Reference

# for

# Investment Committee member for the Smart Start Program

1. **Background**

The Innovation Fund of the Republic of Serbia (IF) was established by the Law on Innovation Activity to provide funding for innovation in enterprises and supporting the implementation of innovation policy. The Law on Innovation Activity explicitly states that securing funds for supporting innovation is the exclusive activity of the IF, something other types of institutions in the ecosystem do not have explicitly defined as their core activity. The IF plays a pivotal role in Serbia's competitiveness efforts in the SME and research and innovation sectors, and has been providing financing to entities in this domain for a decade.

The success of IF’s programs is reflected in the number of high value-added products, services and technologies developed by IF’s grant beneficiaries, as well as in employment, revenue, export and IP-protection growth in these supported SMEs.

Serbia continues to stimulate further creation and growth of innovative enterprises based on knowledge through private sector start-ups and/or spin-offs, by providing financing for market-oriented innovative technologies, products and services with high commercialization potential. Thus, the IF continues to organize its public calls for its financing programs – Smart Start, Mini Grants, Matching Grants and the Collaborative Grant Scheme, whose cornerstone is an international, independent, merit-based evaluation process which is conducted by the Investment Committee

The function of the Investment Committee is that of a permanent, albeit independent body within the IF’s evaluation process and the Investment Committee is responsible for making the final decision on which projects the IF financially supports (with IF management board consent).

Consequently, the IF has publish the second public call for Smart Start program based on the identified needs and gaps in Serbia’s innovation infrastructure aiming at supporting the earliest inception stages of future innovative enterprises. To accomplish this, the Investment Committee will be needed to assess the most promising projects for this program in Spring 2023.

1. **Objective of the assignment**

This ToR is designed for the purpose of engaging highly qualified professionals to serve as independent Investment Committee members whose role is to assess and select the most promising projects for the **Smart Start Program**.

**Smart Start**

This program serves to support startups and teams looking to incorporate as enterprises in order to pursue development and commercialization of new products, services, technologies and technological processes with high added value. Smart Start provides grant financing of up to EUR 30,000 per project, for projects lasting 4 to 6 months. The goal of the program is to create successful cohorts of early-stage startups with clearly mapped development goals (and preferably a minimum viable product at the end of the grant), a robust business plan and market analysis and a functioning team to lead this endeavor into further growth stages.

The composition of the Investment Committee needs to include 3 members (of which one member is the Chairperson) for the Smart Start Program.

The Investment Committee members need to have proven expertise in any of the following areas:

* Private Industry
* International Entrepreneurship
* International Finance and Venture Capital / Private Equity
* Business Development

1. **Scope of Work**

General roles and responsibilities of the Investment Committee members are as follows:

* Receive access to the applications for review through the IF Portal;
* Each member of the Investment Committee will be provided with the relevant Review Guidelines which will serve as guidance on how to conduct the review and how to provide adequate feedback for the applications which are being evaluated;
* Investment Committee members will discuss each application’s merits during the preselection meeting, taking into account the Peer Reviewer comments and scores and assign a numerical score in the scoring table and make the Preselection decision;
* At the conclusion of the preselection phase, the Investment Committee will prepare a written evaluation (using the online Investment Committee Pre-Selection Form on the IF Portal) for each application assigned;
* Participate at the pitch event and assign a numerical score in the scoring table, and make the final decision for every selected application;
* Prepare a final written evaluation (using the online Investment Committee Financing Decision Form on the IF Portal) for each application presented at the pitch event;
* Conduct the work in the English language, due to the international evaluation process and the contents of the application documents.

Specific roles and responsibilities of the work of the Investment Committee members will be specified in the Smart Start Review Guidelines.

1. **Experience and Qualifications**

Minimum required qualifications of the Investment Committee member:

* Education: University degree – Bachelor’s;
* General work experience:
  + At least 5 years of relevant working experience in entrepreneurship/financing/business development;
  + At least 3 years of working in the startup ecosystem as co-founder/investor/mentor/advisor or ecosystem facilitator;
* Specific work experience:
  + At least 3 years in providing assistance and/or mentoring to startups (individually or as a part of the program/organizational activities);

**AND**

* + Proven track record of at least 2 years of evaluating and investing in startups (VC/angel investing); **AND/OR**
  + Experience as a startup co-founder/C-level manager, with at least 1 exit or proven results in sales (at least EUR 1M in one of the last 3 years of being engaged); **AND/OR**
  + Experience in providing business advisory (business development, growth strategy, sales, fundraising) to at least 10 startups and innovative SMEs (individually/running support programs) in previous 3 years.

1. **Timing and Duration**

The Investment Committee’s work will be performed remotely through the IF online portal with kick off meeting and pre-selection meetings via videotelephony software (e.g. Zoom). The pitch event part of the Final decision phase is typically held in Belgrade at the IF premises, and will be organized in-person or remotely depending on conditions at that time (pandemic or other).

For **Smart Start Program**, the assignment is expected to start in March 2023 and last for up to 5 months. Total time effort needed is up to 20 working days (1 working day equals 8 working hours). The following breakdown of time effort is envisioned:

* For the preselection phase – up to 10 working days (done remotely);
* For the final decision phase including the final pitch event – up to 10 working days (done remotely).

The expected time effort per each Investment Committee member per day is 8 projects (i.e., 8 projects reviewed within one working day).

1. **Reporting Obligations**

The Investment Committee members shall report directly to the IF staff member in charge. Reporting obligations are divided in 2 phases: pre-selection phase and final decision phase. Following deliverables are envisioned for the pre-selection phase and final decision phase for the Smart Start Program:

Pre selection phase:

* Pre-Selection Committee review: a written evaluation includes a detailed summary per evaluation criteria for each project, to be submitted to the IF online Portal;
* Pre-Selection Decision for the Smart Start Program (done in cooperation with IF);
* Response to objection(s) to the outcome of the preselection phase if required.

Final decision phase:

* Approval Decisions: a written evaluation includes a detailed summary per evaluation criteria for each project in this phase, to be submitted to the IF online Portal;
* Final Decision for the Smart Start Program (done in cooperation with IF);
* Response to objection(s) to the outcome of the final decision phase if required.

In accordance with the IF internal procedure, the Pre-Selection Decision and the Final Decision is signed by the Chairperson of the Investment Committee.

In addition, the Investment Committee members should prepare monthly activity reports (timesheets) in which they will summarise key issues and emerging and day-to-day tasks undertaken, as well as working hours spent on all issues and tasks.

1. **Input by the Innovation Fund**

The IF will provide necessary documentation and templates, as well as access to the applications to be reviewed. The IF will also provide full technical support regarding the IF’s online Portal to the Investment Committee members in order to facilitate efficient and satisfactory conditions for accessing the review materials and producing quality reviews.

Review Guidelines will be provided to Investment Committee members. The Review Guidelines will serve as guidance on how to conduct the review and how to provide adequate feedback for the applications which are being evaluated. The Smart Start Program Manual will also be provided to the Investment Committee members.

1. **Terms of Payment**

The payments for services will be made based on the time sheets and deliverables stipulated in the section 6 of this TOR.

The Investment Committee members need to provide invoices for services conducted. The IF will provide the invoice template to the Investment Committee members.

1. **Confidentiality and Conflict of Interest**

The Investment Committee members undertake to comply with the IF Confidentiality Policy and Prevention of Conflict-of-Interest Policy and to maintain confidentiality on all information that is not in the public domain and shall not be involved in another assignment that represents a conflict of interest to this assignment.

**Award criteria/ evaluation:**

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| GENERAL WORK EXPERIENCE | Max. score 30 |
| SPECIFIC WORK EXPERIENCE | Max. score 70 |