

FUND MANAGER SELECTION PROCESS BY A PUBLIC PROCUREMENT PROCEDURE – COMPETITIVE PROCEDURE WITH NEGOTIATION

FOR IMPLEMENTING VENTURE CAPITAL FINANCIAL INSTRUMENT FINANCED BY THE REGIONAL PROGRAMME WEST 2021-2027

Policy Objective 1: A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity

Priority 1: A competitive region through innovation, digitalization and dynamic businesses

Specific objective: RSO1.3 Enhancing sustainable growth and increasing SME competitiveness and job creation in SMEs, including through productive investments

Regional Intervention 1.3.E: Venture Capital Financial Instrument





VENTURE CAPITAL FINANCIAL INSTRUMENT

Total value from RP West	EUR 26.000.000
Beneficiary	The Fund Manager selected following a public procurement procedure – competitive procedure with negotiation, according to Law No 98/2016
RP West contribution to the created Venture Capital Investment Fund	EUR 22.500.000
Minimum amount of additional private investments attracted to the Fund	EUR 9.645.000
Minimum Total Fund Size	EUR 32.145.000
Maximum management fee granted for the implementation of the Financial Instrument	EUR 3.500.000
Objectives	<p>Developing the institutional and funding framework to facilitate the emergence of a unicorn in the West Region;</p> <p>Supporting enterprises with growth potential and high added value of products and services, thus contributing to the economic development of the West Region.</p>
Minimum number of SMEs financed	15
Minimum number of jobs created in the financed SMEs	15
Minimum number of SMEs with higher value added per employee	10



1. CONTEXT

The **West Region Regional Development Agency, as Managing Authority for the Regional Programme West 2021-2027 (RP West)** – MA RP West, will launch a public procurement procedure, for the **selection of a Fund Manager**, in order to implement the **Venture Capital Financial Instrument**. The Fund Manager can participate in the procedure, either individually or in association with other economic operators.

The object of the public procurement procedure is the acquisition **of administration and management services – CPV 66140000-3 Portfolio Management Services**, for a **Venture Capital Investment Fund** to be established by the selected Fund Manager and financed by the Regional Programme West 2021-2027.

2. THE PURPOSE OF THE FINANCIAL INSTRUMENT

By implementing the Venture Capital Financial Instrument, MA RP West aims to:

- Developing the institutional and funding framework to facilitate the emergence of a *unicorn* in the West Region;
- Supporting enterprises with growth potential and high added value of products and services, thus contributing to the economic development of the West Region.

3. FINANCIAL ALLOCATION FROM RP WEST

The total amount allocated from the RP West to the Venture Capital Financial Instrument is **EUR 26.000.000**, of which:

- **EUR 22.500.000** represents **the estimated contribution of PR Vest** to the Venture Capital Investment Fund which will be set up;
- **EUR 3.500.000** represents the maximum amount **of management fee** granted to the Fund Manager, that are subject to the public procurement contract.

4. IMPLEMENTATION OF THE FINANCIAL INSTRUMENT

The Venture Capital Financial Instrument is complementary to the Business Acceleration Financial Instrument, both financed from RP West. Currently, for the Business Acceleration Financial Instrument, the public procurement process is underway for the Fund Manager who will manage the implementation of the operation. Additional details can be found by accessing the link <https://www.vest.ro/accelerare-ecosistem-startup-uri-antreprenoriat-inovare>.



The Venture Capital Financial Instrument will provide equity and/or quasi-equity financing, from the established Fund, to SMEs that have passed the initial stage of development, i.e. are already operating on a market and have long-term growth potential, but are experiencing difficulties in accessing financing according to development opportunities.

The final objective is to change the economic structure of the West Region in the sense of significantly increasing the number of enterprises that produce products and services with high added value and creating an attractive regional business environment for investors.

The financed SMEs operate in one of the 6 smart specialisation areas identified in the West Regional Smart Specialisation Strategy (RIS 3):

- Agriculture and food industry
- Energy efficiency and sustainable construction/buildings
- Manufacturing
- Cultural and creative industries
- ICT and Automotive
- Tourism, Health and Quality of Life.

Funding will be provided through the Venture Capital Financial Instrument, along with technical and managerial support provided post-funding.

The minimum value of an investment from the Fund in an SME will be **EUR 500.000** and can reach **up to EUR 4.000.000**, regardless of how many financing rounds are provided through the Venture Capital Financial Instrument.

5. EXPECTED RESULTS

The implementation of the Venture Capital Financial Instrument will contribute to achieve at least the following **minimum results**:

1. Number of SMEs financed: **15**
2. Number of jobs created in the financed SMEs: **15**
3. Number of SMEs introducing product/service/process innovation: **15**
4. Number of SMEs with higher value added per employee: **10**
5. Number of supported SMEs with international exposure - partnerships, collaborations: **10**
6. MOIC – Multiple of Invested Capital la nivel de Fond: **2,5x**
7. Promote, in any event in which the Fund Manager participates, of the image of ADR West as a supporter of the venture capital market in the West Region and promoter of financial culture, and of the image of the West Region as an attractive and sustainable business environment



6. THE PUBLIC PROCUREMENT PROCEDURE

The applicable public procurement procedure for selecting the Fund Manager for the implementation of the Venture Capital Financial Instrument is the **competitive procedure with negotiation**, organized in accordance with the provisions of Paragraph 4, Articles 80-85 of Law no. 98/2016.

At the procedure can participate the next tenderers:

- an economic operator in its capacity of **Administrator of Alternative Investment Fund** (AIFM)– closed-end AIF, according to Directive 2011/61/EU;
- an association of economic operators**, in accordance with the provisions of art. 53 of Law no. 98/2016, of which at least one is an Administrator of Alternative Investment Funds - closed AFIAs, according to Directive 2011/61/EU, who will be the leader of the association.

The economic operator/Leader of the association must have the capacity of:

- Manager of Alternative Investment Funds (AIFM), established in a member state, registered or authorized in accordance with Directive 2011/61/EU (DAFI) and national legislation.

OR

- Manager of Alternative Investment Funds (AIFM), established in a third country, authorized in accordance with Directive 2011/61/EU (DAFI) or which has obtained prior authorization in accordance with the provisions of art. 37 of Directive 2011/61/EU (DAFI) in the state of reference.

The estimated value of the public procurement is **EUR 3.500.000**, representing the maximum total amount of the management fee.

The public procurement procedure requires the **submission of a participation guarantee**, in accordance with the provisions of Article 154 of Law no.98/2016.

The procedure is carried out through **two phases**:

PHASE I – submission of applications for participation and selection of candidates, by applying the qualification and selection criteria.

The candidate must meet the following **minimum qualification and selection criteria**:

- a. The economic operator/Association must have **an average annual turnover over the last 3 years - 2021-2023, of at least EUR 500.000;**
- b. AIFM must prove that it has provided similar services of administration/management of venture capital fund, demonstrated by making, **in the last 3 years, investments in enterprises, through equity/quasi-equity, of at least EUR 5.000.000.**



The qualification and selection criteria will be scored as follows:

1. Average annual turnover of the candidate for the last 3 years: 2021-2023	Maximum score 40 points
<p>The score will be awarded as follows:</p> <ul style="list-style-type: none"> - The maximum number of points (40 points) will be awarded to the candidate with the highest average annual turnover. - The other candidates will be scored according to the following formula: $\text{Score} = \frac{(\text{Applicant's average annual turnover in EUR} - 500.000 \text{ EUR})}{(\text{Highest average annual turnover in EUR} - 500.000 \text{ EUR})} \times 40$	
2. Experience in undertaking venture capital investments in the last 3 years	Maximum score 60 points
<p>The score will be awarded as follows:</p> <ul style="list-style-type: none"> - The maximum number of points (60 pt.) will be awarded to the candidate with the highest value of investments in enterprises, through equity / quasi-equity. - The other candidates will be scored according to the following formula: $\text{Score} = \frac{(\text{Applicant's value of investments in enterprises, in EUR} - 5.000.000 \text{ EUR})}{(\text{Highest value of investments in enterprises, in EUR} - 5.000.000 \text{ EUR})} \times 60$	

Candidates will be ranked based on their total score, from highest to lowest score. The first five candidates will be invited to participate in the second phase of the procedure. If two or more candidates have the same score, at the 5th place level, all candidates who have the same score will be qualified.

PHASE II, consisting of:

- the submission of initial offer by the candidates selected in the first phase,
- the assessment of their compliance with the minimum requirements established by the contracting authority and of negotiations in order to improve the initial offers,
- the submission of final offers and their evaluation, by applying the award criteria and the evaluation factors.

The negotiation phase is carried out through meetings with each individual Tenderer, respecting the principle of equal treatment and non-discrimination, **in order to improve the initial offer**, namely the technical and financial offer.

The negotiation rounds will take place at the West RDA office in Timișoara. At the request of West RDA, the members of the operational team proposed by the Tenderer will participate in the negotiation rounds, in addition to the Tenderer 's representatives.



The following are not subject to negotiation: the minimum mandatory requirements laid down in the Tender Specifications, the award criteria, and the assessment factors.

Upon completion of the negotiations, the Tenderers **will submit their final offers** within 30 working days.

Through the technical offer, the Tenderer will propose an **operational team** that must meet the following **minimum mandatory criteria:**

1. Minimum 3 key experts, English/Romanian speakers, with experience in venture capital (equity/quasi-equity) investment activity, who will act as members of the investment team, actively participating in the identification, structuring, implementation or monitoring of investments.

Mandatory minimum requirements are:

- **Key expert No 1**, with experience in the specific field of venture capital investments, **participated**, as a private investor, business angel in a financing round and/or as a member of the investment/advisory committee or employee, with tasks specific to the investment activity, of a legal entity whose object of activity is to make venture capital investments in enterprises, **in making investments worth more than EUR 3.000.000** (in any country/region).
- **Key expert No 2**, with experience in the specific field of venture capital investments, **participated**, as a private investor, business angel in a financing round and/or as a member of the investment committee or advisory or employee, with tasks specific to the investment activity, of a legal entity that has as its object of activity the realization of venture capital investments in enterprises, **in the realization of at least two investments amounting to at least EUR 500.000/financed enterprise** (in any country/region).
- **Key expert No 3**, with experience in the specific field of venture capital investments, **participated**, as a private investor, business angel in a financing round and/or as a member of the investment committee or advisory or employee, with tasks specific to the investment activity, of a legal entity whose object of activity is to make venture capital investments in enterprises, **in the realization of at least two exits with MOIC greater than or equal to 2x** (in any country/region).

2. Team leader, English/Romanian speakers, who may be one of the proposed operational team members or another expert.

The minimum mandatory requirement is that the Team leader has **management experience**, on a similar position in terms of responsibilities, of **at least three years** in at least one Investment Fund/Investment Committee of a legal entity.

Note: *The proposed key experts and the Team leader cannot be key experts/lead in the proposed operational team for the implementation of the Business Acceleration Financial Instrument.*



According to the Tender Specifications, the Tenderers must meet the following mandatory minimum **requirements**:

- a. In order to carry out risk capital investments in SMEs, **the selected Fund Manager shall establish and authorise/register an Alternative Investment Fund - AIF, closed-end fund**, established in accordance with Directive 2011/61/EU, in Romania or in another Member State of the European Union, in accordance with the legislation applicable in that Member State.

The indicative duration of the Fund will be **8 years**, with the possibility of extension for maximum 2 years, in rounds of 1 year each.

The investment period from the funding provided by PR Vest is from the moment of the establishment of the Fund until **31.12.2029 at the latest**.

- b. **The Fund Manager** shall provide an own contribution to the Fund amounting to at least **3%** of the total size of the Fund (*skin in the game*). This percentage of the Fund Manager's own contribution, assumed through the final technical offer, must subsequently be ensured at the level of each investment made in a Final Recipient.

The selected Fund Manager will attract commitments and/or funds from **Independent Private Investors**, at Fund level, amounting to at least **27%** of the Total Fund Size.

Thus, considering PR Vest's contribution to the Fund of at least EUR 22.500.000, **the total expected size of the Fund is at least EUR 32.145.000**.

The private contribution may not be less than **30%** of the initial expected size of the Fund.

This **minimum percentage of 30%** private contribution will subsequently be maintained **at the level of each investment made in a Final Recipient**.

- c. Will propose **a methodology for managing investment flows and portfolio that integrates the use of digital technologies** in the aspects regarding the investment activity carried out through the Fund.
- d. Will make the investments from the Venture Capital Financial Instrument according to the practices applicable in the field, which means, among other things, that it must **act with the diligence of a professional manager, in good faith, avoiding conflicts of interest and applying the best practices in the field and regulatory oversight**. It must also comply with the relevant standards and applicable legislation, national and European, regarding the prevention of money laundering, the fight against terrorism and tax fraud.
- e. To propose an **investment strategy aligned with the objectives of the RP West financial instrument**, identifying the market in which it will operate, its size and potential for development, regional challenges and how to address them, investment opportunities and SMEs most likely to be successful, methods to attract independent private investors, winding-up provisions for the financial instrument, including the return of resources to MA RP West;





- f. To implement a **consistent investment policy appropriate** to the financial interests of MA RP West, ensuring portfolio diversification (sectoral, final recipients, geographical, etc.), applying sound portfolio management and risk diversification, while respecting the standards applicable to the venture capital investment field.
- g. To present a **marketing strategy** for the implementation of Venture Capital Financial Instrument;
- h. To have an adequate **organizational and governance structure**, correlated with the typology of the specific activities carried out;
- i. To establish a **regional organizational structure** - regional office - located in West Region, in Timisoara, in the location provided by West RDA, a structure that will include at least 2 of the nominated experts or 1 nominated expert and the team-leader. At the level of this structure, communication in Romanian language will be mandatory ensured. Also, an adequate physical presence will be ensured for performing the tasks specific to the implementation of the Venture Capital Financial Instrument (meetings with potential investors, enterprises, various interested parties, media, etc.)
- j. To provide the necessary publicity, information and communication regarding the activity of the Venture Capital Financial Instrument.

Awarding criteria

The award criterion is "*the best price-quality ratio*" and will be applied in relation to the final Financial Offer and qualitative components of the Final Technical Offer submitted by the Tenderers in the public procurement procedure.

The tender evaluation grid is:

	Assessment factors	Maximum score
A.	FINANCIAL OFFER	10 points
B.	TECHNICAL OFFER	90 points
TOTAL A+B		100 points

CALCULATION METHOD FOR SCORING THE OFFERS:

- A. The score for the assessment factor „**FINANCIAL OFFER**” shall be awarded as follows:
 - i. for the lowest total price tendered: the maximum score allocated to the evaluation criterion, namely 10 points;
 - ii. for a higher price than that referred to in point (a), the score shall be awarded as follows:

$$\text{Financial Score of the Current Offer} = [\text{Minimum price/current offer price}] \times 10$$

The prices to be compared for scoring are the total prices offered exclusive of VAT.



B. Score for the assessment factor „**TECHNICAL OFFER**” shall be awarded as follows:

1. Proposed investment strategy		Criterion 1 maximum score: 45 points.	
Sub-criterion 1.1: Investment portfolio and flow management methodology integrates the use of digital technologies (e.g. electronic applications/software/digital platforms) in the aspects regarding the investment activity carried out through the Fund	Maximum sub-criterion score 1.1: 8 points		
	Maximum score 8 points.		
	<i>Grading</i>	<i>Score</i>	
<i>The Tenderer uses an electronic application/platform (or more) that integrates a significant part of the aspects related to the investment flow and portfolio, starting from the description of the enterprise under analysis, the business plan, selection criteria, the decision-making process, due diligence, investment rounds, the exit process and waterfall distribution, monitoring, reporting, risk management, cyber security, document archiving, etc.</i>	Very good	8 points	
<i>The Tenderer uses an electronic application/platform (or more) that integrates a sufficient part of the aspects related to the investment flow and portfolio, starting from the description of the enterprise under analysis, the business plan, selection criteria, the decision-making process, due diligence, investment rounds, the exit process and waterfall distribution, monitoring, reporting, risk management, cyber security, document archiving, etc.</i>	Good	5 points	
<i>The Tenderer uses an electronic application/platform (or more) that integrates a small part of the aspects related to the investment flow and portfolio, starting from the description of the enterprise under analysis, the business plan, selection criteria, the decision-making process, due diligence, investment rounds, the exit process and waterfall distribution, monitoring, reporting, risk management, cyber security, document archiving, etc.</i>	Acceptable	2 points	
Sub-criterion 1.2: The Fund Manager's own contribution (<i>skin in the game</i>), as a percentage of the Total Fund Size, proposed in the Offer.	Maximum score for sub-criterion 1.2: 7 points		
The points are awarded as follows: <ul style="list-style-type: none"> - The maximum number of points (7 points) will be awarded to the Tenderer who proposes <i>the highest own contribution of the Fund Manager</i>; - The other Tenderers will be scored according to the following formula: 			
$\text{Score} = \frac{(\text{Own contribution proposed by the Tenderer (\%)} - 3\%) \times 7}{(\text{Highest proposed own contribution (\%)} - 3\%)}$			
Sub-criterion 1.3: Private Contribution of Independent Private Investors as a percentage of the Total Fund Size, proposed in the Offer.	Maximum score for sub-criterion 1.3: 10 points		



The points are awarded as follows:

- **The maximum number of points (10 points)** will be awarded to the Tenderer *with the highest private contribution proposed*.
- **The other Tenderers** will be scored according to the following formula:

$$\text{Score} = \frac{(\text{Private contribution proposed by the Tenderer (\%)} - 27\%) \times 10}{(\text{Highest proposed private contribution (\%)} - 27\%)}$$

Sub-criterion 1.4: Profit distribution

Maximum score for sub-criterion 1.4: 10 points

1.4.a The proposed minimum required rate of return (hurdle rate) to ensure a profitable rate of return for the Managing Authority and the other private investors contributing to the Fund.

Maximum score: 5 points

Minimum rate of return above 6%

Grading	Points
Very good	5 points
Good	3 points
Acceptable	1 points

Minimum rate of return greater than 5% and less than or equal to 6%.

Minimum rate of return greater than 4% and less than or equal to 5%

1.4.b. Percentage proposed by the Tenderer for participation in the profits of the AIF (carried interest)

Maximum score: 5 points

The points are awarded as follows:

- **The maximum number of points (5 points)** will be awarded to the Tenderer who proposes *the lowest carried interest*.
- **The other Tenderers** will be scored according to the following formula:

$$\text{Score} = \frac{(23\% - \text{carried interest proposed by the Tenderer (\%)} \times 5}{(23\% - \text{lowest carried interest (\%)})}$$

Sub-criterion 1.5: Expected results

Maximum score for sub-criterion 1.5: 10 points

1.5.a. Number of SMEs financed following the implementation of the Venture Capital Financial Instrument

Maximum score: 10 points

The points are awarded as follows:

- **The maximum number of points (10 points)** will be awarded to the Tenderer who proposes *the highest number of SMEs financed in the Venture Capital Financial Instrument*.
- **The other Tenderers** will be scored according to the following formula:

$$\text{Score} = \frac{(\text{No. of financed SMEs, proposed by the Tenderer} - 15) \times 10}{(\text{Highest number proposed of financed SMEs} - 15)}$$

2. Professional capacity of the operational team proposed by the Tenderer

Maximum score criterion 2: 45 points

Sub-criterion 2.1: Key expert No. 1, with experience in the specific field of venture capital investments, **participated**, as a private investor, business angel in a financing round and/or as a member of a management team, member of the investment/advisory committee or employee, with tasks specific to the investment activity, of a legal entity whose object of activity is the realization of venture capital

Maximum score for sub-criterion 2.1: 15 points





investments in enterprises, **in the realization of investments in a cumulative value of more than EUR 3.000.000** (in any country/region).

The points are awarded as follows:

- **The maximum number of points (15 points)** will be awarded to the Tenderer who has the expert *with the highest cumulative value of the investments made*;
- For a cumulative value greater than or equal to EUR 11.000.000, the **maximum score of 15 points will be awarded**;
- **for the other Tenderers**, if the expert has made investments with a cumulative value of between EUR 3.000.001 and less than EUR 11.000.000, the score will be calculated according to the following formula:

$$\text{Score} = \frac{(\text{the cumulative value of investments made by the expert} - \text{EUR } 3.000.000) \times 15}{(\text{the highest cumulative value of investments made by an expert} * - \text{EUR } 3.000.000)}$$

Note: * if the highest cumulated value of the investments made by an expert is higher than 11.000.000 EUR, the value of 11.000.000 EUR will be used in the calculation of the score

Sub-criterion 2.2: Key expert No. 2, with experience in the specific field of venture capital investments, **participated**, as a private investor, business angel in a financing round and/or as a member of a management team, member of the investment committee or advisory or employee, with tasks specific to the investment activity, of a legal entity whose object of activity is the realization of venture capital investments in enterprises, **in the realization of at least two investments amounting to at least EUR 500.000 per financed enterprise** (in any country/region).

Maximum score for sub-criterion 2.2: 15 points

The points are awarded as follows:

- **The maximum number of points (15 points)** will be awarded to the Tenderer who has the expert *with the highest number of investments equal to or greater than EUR 500.000 for each enterprise*
- For a number of investments greater than or equal to 20, the **maximum score of 15 points** will be awarded.
- **for other Tenderers** where the expert has made between 3 and 19 investments, the score will be calculated on the basis of the following formula:

$$\text{Score} = \frac{(\text{Number of investments} \geq \text{EUR } 500.000 \text{ realized by expert} - 2) \times 15}{(\text{Highest number of investments} \geq \text{EUR } 500.000 \text{ made by one expert} * - 2)}$$

Note: * if the highest number of investments is greater than 20, the value of 20 will be used in the score calculation.

Sub-criterion: Key expert No. 3, with experience in the specific field of venture capital investments, **participated**, as a private investor, business angel in a financing round and/or as a member of a management team, member of the investment committee or advisory or employee, with tasks specific to the investment activity, of a legal entity whose object of activity is to make venture capital investments in enterprises, **in the realization of at least two exits with MOIC greater than or equal to 2x** (in any country/region).

Maximum score for sub-criterion 2.3: 15 points



The score is awarded as follows:

- **The maximum number of points (15 points)** will be awarded to the Tenderer who has the expert with *the highest number of exits with MOIC greater than or equal to 2x completed*.
- For a number of exits greater than or equal to 10, the **maximum score of 15 points will be** awarded.
- **for the other tenderers** where the expert has made between 3 and 10 investments, the score will be calculated on the basis of the following formula:

$$\text{Score} = \frac{(\text{Number of exits with MOIC greater than or equal to } 2x - 2) \times 15}{(\text{Highest number of exits with MOIC greater than or equal to } 2x * -2)}$$

Note: * if the highest number of investments is more than 10 in the calculation of the score, the value of 10 will be used.

7. ELIGIBLE INVESTMENTS

The Fund Manager shall make **equity/quasi-equity investments** from the established Venture Capital Fund in selected SMEs.

Such Investments should be made only in SMEs, defined according to Law no. 346/2004, which at the time of the initial investment are not traded on a stock exchange, are not in difficulty and have their registered office and the economic activity for which the investment will be made located in the West Region.

The financed investments must fall within the areas of smart specialisation specified in the Regional Strategy for Smart Specialisation of West Region 2021-2027 (RIS 3) and comply with **the conditions for the financing not to constitute State aid**, namely:

- the Fund Manager, the Independent Private Investors and MA RP West bear, at all times, the losses and benefits according to their contributions (proportionately). Investments are made on *pari passu* terms between public and private investors. An investment is considered **pari passu** when it is carried out under the same terms and conditions by public and private investors, in which both categories of operators intervene simultaneously. Therefore, the mechanism of waterfall distribution cannot use a preferential treatment of private investors.
- there is an economically significant participation of independent private investors **in each supported SME**, i.e. at least **30%** of the venture capital investment is provided by Private Investors, of which at least 3% is the contribution of the Fund Manager (*skin in the game*).

The potential for investments in SMEs will be identified, verified, and evaluated by the Fund Manager. The latter will undertake a *due diligence* process, for each funding opportunity, on key elements such as a detailed business plan containing information about products, sales and profitability, development, assessment of the viability of the investment and a clear exit strategy, etc.

The investments will be granted following an analysis of the SME's application for equity investment support, based on transparent, objective, and mandatory criteria applicable



to all SMEs, established by the Fund Manager and approved by the Investors' Assembly, which shall include, but not be limited to, the following:

- a. The contribution to the objectives of the RP West and the capacity to contribute to the expected output and results indicators;
- b. compliance with the RIS 3 smart specialization domains;
- c. compliance with the Fund's investment strategy;
- d. capacity to enter new markets (internationalization);
- e. competitive advantages over other competitors;
- f. potential customers;
- g. capacity for growth, sales and profitability;
- h. ability, coherence and determination of the management team;
- i. viability of the investment and the potential return;
- j. potential exit strategy.

8. OTHER TOPICS

After the signing of the public procurement contract, the selected Fund Manager will will **submit an application for funding**, in the MySMIS2021/SMIS2021+ information system, within the call for projects to be launched by the MA RP West for the *Regional Intervention IR 1.3. E Financial Instruments*, under the conditions for accessing the funds set out in the Funding Applicant's Guide for the Venture Capital Financial Instrument. After this, a **Financing Agreement** will be signed between the Fund Manager and West RDA as Managing Authority RP West, which will define the rights and obligations of the parties.

After signing the Financing Agreement, MA RP West can pay, at the request of the Fund Manager, **an advance of up to 30% of the value of the Business Acceleration Financial Instrument**. For the advance requested, the Fund Manager will submit a **guarantee instrument**, which can be a bank guarantee letter issued by a credit institution/banking company in the European Union or an insurance policy issued by an insurance company in the European Union. The conditions for the payment of this advance will be laid down in the Financing Agreement.

This document represents a **document for public consultation**, prepared by the West Region Regional Development Agency, as Managing Authority for the West Regional Programme 2021-2027.

The public consultation period is **15 working days** from the date of publication on the West RDA and West PR website, from **12.11.2024** until **02.12.2024**, 18:00 hour.

Observations and proposals can be sent to the email address: consultare@adrvest.ro.

