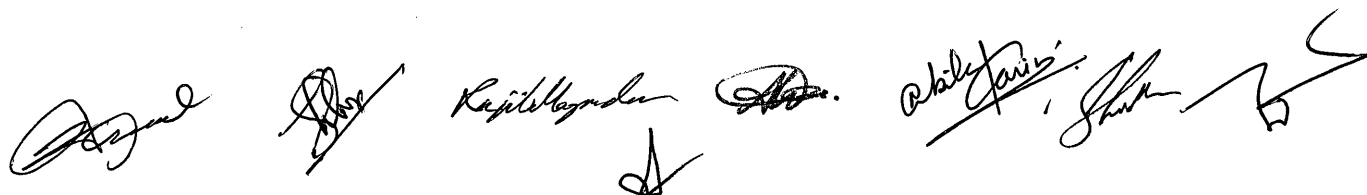# STANDARD OPERATING PROCEDURE (SOP) FOR THE SELECTION PROCESS OF THE iDEA PRE-SEED GRANT

OBJECTIVE/PURPOSE

The objective of this Standard Operating Procedure (SOP) is to establish a structured, transparent, and accountable process for screening startup applications for the iDEA Pre-Seed Grant, aligning with the current Development Project Proposal (DPP) by outlining clear steps, criteria, and evaluation methods.

CORRESPONDENCE OR ENQUIRIES

Project Director
Innovation Design and Entrepreneurship Academy (iDEA) project
Bangladesh Computer Council (BCC),
ICT Division
Agargaong, Dhaka 1207

STANDARD OPERATING PROCEDURE (SOP)
FOR THE SELECTION PROCESS

1. INTRODUCTION

This Standard Operating Procedure (SOP) establishes a formalized and transparent framework for the comprehensive management of the iDEA Pre-Seed Grant selection process. It governs the entire lifecycle of the programme, from initial application submission through to final selection, funding allocation, and ongoing performance monitoring of portfolio startups. This SOP ensures:

- **Procedural Integrity:** Follow robust, transparent, and verifiable processes at all stages.
- **Fair Decision-Making:** Apply objective criteria with multi-committee review to remove biasness.
- **Consistent Alignment:** Ensure all activities align with the strategic goals of the iDEA project's DPP.
- **Identification & Mentoring:** Actively find and mentor high-potential, innovative startups.
- **Socio-Economic Development:** Strengthen the startup ecosystem to drive economic growth, job creation, and social development.

2. OFFICIAL CORRESPONDENCE

All official correspondence, formal inquiries, or requests for clarification regarding this SOP and its associated processes shall be formally directed, in writing, to the designated authority:

Project Director
Innovation Design and Entrepreneurship Academy (iDEA) Project
Bangladesh Computer Council (BCC), ICT Division
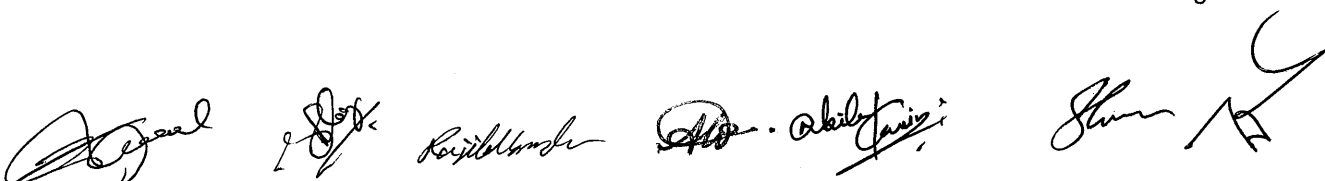ICT Tower, Agargaon, Dhaka 1207, Bangladesh.
Email: pdidea@bcc.gov.bd

3. SOP AUTHORIZATION AND GOVERNANCE FRAMEWORK

Approving Authority: Information and Communication Technology (ICT) Division, Government of the People's Republic of Bangladesh

Implementation Date: (Date of approval of the SOP)

Effective Until: Approved Project Period

4. SCOPE OF APPLICABILITY AND JURISDICTION

This SOP is legally binding and applies to all personnel, designated committees, and relevant stakeholders directly or indirectly involved in the administration, evaluation, and monitoring of the iDEA Pre-Seed Grant process. This includes, but is not limited to:

- iDEA Project personnel
- Primary Screening Team (PST)
- Selection Committee (SC)
- Performance Monitoring Team (PMT)
- Performance Monitoring Committee (PMC)

This SOP will govern all the grant-related processes for the following party/parties:
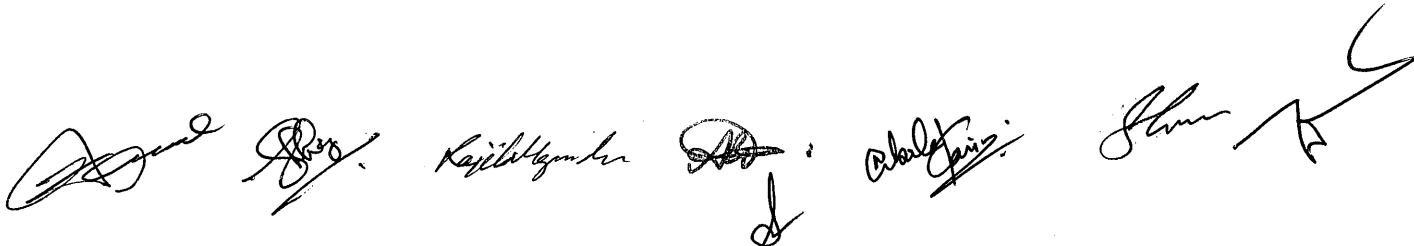- Applicants
- Portfolio Startups of the iDEA Project

The complete iDEA Pre-Seed Grant lifecycle covered by this SOP includes:

- Application Processing
- Evaluation and Categorization
- Selection and Award Decisions
- Fund Disbursement Mechanisms
- Milestone Tracking and Verification
- Performance Monitoring and Reporting
- Graduation or Rejection Procedures for Portfolio Startups
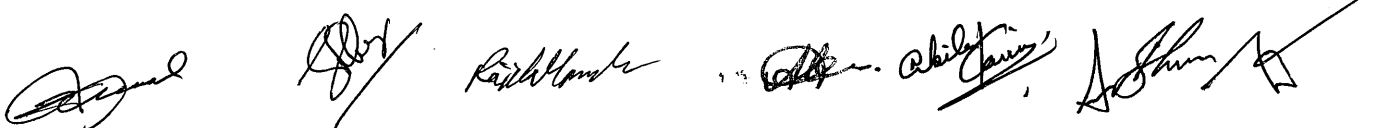
5. DEFINITIONS AND TERMINOLOGY

For this SOP, the following terms are defined:

- **Applicant:** Any individual who is a Bangladeshi national, or a company formally registered under the laws of Bangladesh, with majority ownership (at least 51%) held by Bangladeshi citizens.
- **Startup Application:** A complete submission via the iDEA application portal, including the founder's profile, concept brief, product/service description, unique selling proposition (USP), traction, a video pitch, iDEA-prescribed pitch deck, and consent to the terms and conditions.
- **iDEA Pre-Seed Grant:** An early-stage financial grant for entrepreneurial ventures focused on developing and validating innovative ideas with market potential. Maximum financial assistance is BDT 10.00 Lakhs, with preference given to projects focused on a Proof of Concept (PoC), Minimum Viable Product (MVP), or functional prototype.
- **Primary Screening Team (PST):** Team responsible for initial review, categorization, and assessment of submitted applications, preparing summary reports, and notifying applicants. The PST forwards shortlisted applications to the SC.
- **Selection Committee (SC):** A group of eminent professionals/officials (as per DPP) who evaluate live pitches from applicants and recommend prospective startups, deciding on the grant amount and tranche structure.

- **Portfolio Startup:** A startup that has completed the evaluation process, received official iDEA Pre-Seed Grant approval from the SC, and submitted all required documents for fund disbursement.
- **Pitch Deck:** A structured visual presentation summarizing the startup's key aspects, adhering to the official iDEA template, covering problem, solution, market size, team information, traction, financial projections, technology and call to action.
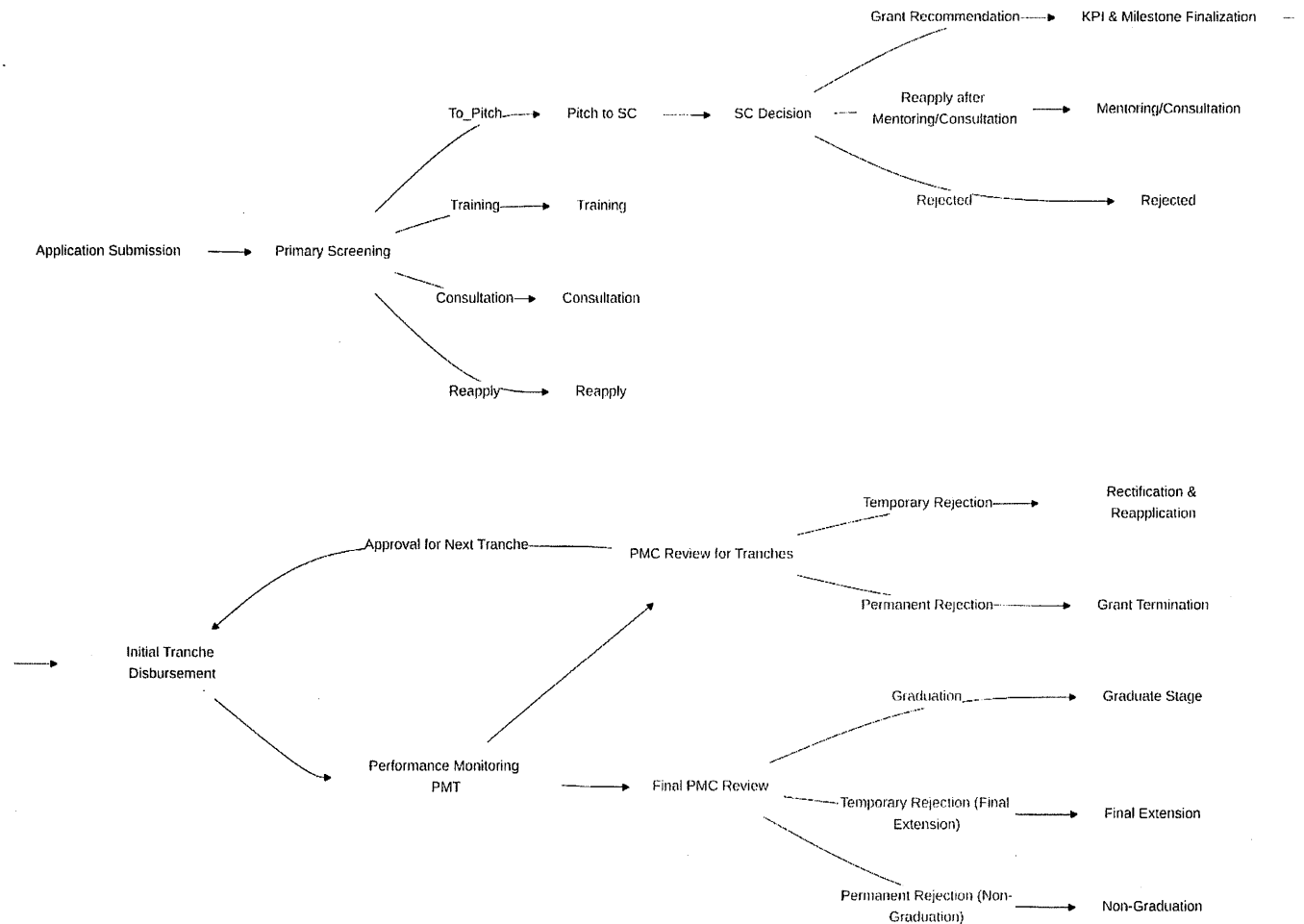- **Key Performance Indicator (KPI):** Quantifiable metrics used to monitor and evaluate the progress, performance, and overall success of a Portfolio Startup against its stated objectives and milestones.
- **Expense-Based Milestone:** A verifiable checkpoint related to the utilization of disbursed grant funds for approved operational expenses, confirmed through financial documentation.
- **Result-Based Milestone:** A specific, measurable, and tangible achievement related to the startup's performance and growth, demonstrating concrete business progress (e.g., user acquisition, revenue generation, completion of the product/service under their grant).
- **Performance Monitoring Report:** A formal document outlining agreed-upon KPIs, specific milestones (expense-based and result-based), and corresponding timelines. This report serves as the legally binding grant agreement and primary reference for performance evaluation and tranche disbursement.
- **Performance Monitoring Team (PMT):** An internal iDEA team responsible for continuous monitoring of Portfolio Startups' progress, reviewing Performance Monitoring Reports, and assessing eligibility for appearing before PMC.
- **Performance Monitoring Committee (PMC):** A specialized, independent committee (as per DPP) responsible for objective review of a Portfolio Startup's progress against KPIs and milestones, making recommendations for subsequent tranche disbursements or graduation status.
- **Graduate Stage:** The final, successful status conferred by the PMC upon a Portfolio Startup that has fulfilled all contractual obligations and achieved all predefined milestones and grant terms.
- **Proof of Concept (PoC):** A preliminary model or experiment demonstrating the feasibility and potential of an idea or theory.
- **Minimum Viable Product (MVP):** A basic product version with essential features to satisfy early adopters and gather validated learning.
- **Traction:** Quantifiable evidence of early market acceptance and validation of a startup's product or service (e.g., user growth, revenue, customer testimonials).
- **Impact:** The prospective positive social and economic outcome of the startup's innovative solution for Bangladesh, including job creation, technological advancements, and improved living standards.

6. SELECTION PROCESS OVERVIEW

The iDEA Pre-Seed Grant selection process is a multi-stage evaluation designed to identify and support high-potential entrepreneurial ventures. The overall process flow is illustrated in the diagram below:

```
                                                          Grant Recommendation ----▶  KPI & Milestone Finalization  ---

                                                          Reapply after
                    To_Pitch ----▶   Pitch to SC  ----▶  SC Decision  ----   Mentoring/Consultation  ----▶  Mentoring/Consultation

                    Training ----▶   Training                                  Rejected ----------------▶  Rejected

Application Submission ----▶  Primary Screening

                    Consultation ----▶  Consultation

                    Reapply ----▶   Reapply
```

```
                                                                  Temporary Rejection ----▶   Rectification &
                                                                                               Reapplication
              Approval for Next Tranche -----------  PMC Review for Tranches

                                                                  Permanent Rejection --------▶  Grant Termination

Initial Tranche
Disbursement                                                        Graduation ------------▶   Graduate Stage

              Performance Monitoring
              PMT            ----▶   Final PMC Review  ------- Temporary Rejection (Final  --------▶  Final Extension
                                                              Extension)

                                                              Permanent Rejection (Non-  --------▶  Non-Graduation
                                                              Graduation)
```

7.0 PRIMARY SCREENING AND EVALUATION PROCESS

7.1 Application Submission

All prospective startups must submit applications through the official online iDEA portal. The portal ensures a standardized process requiring completion of all mandatory fields and upload of specified supporting documents. Applications are processed on a regular, year-round basis within the project period.

7.2 Primary Screening Process

The Primary Screening Team evaluates all applications based on the following criteria:
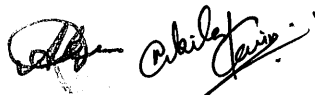
7.2.1 Eligibility Criteria

Failure to meet any of these criteria will make the applicant ineligible:

- **Ownership and Founder Composition:**
  - Minimum 51% ownership by Bangladeshi nationals.
  - A standard startup team should ideally have at least three members (Founder/Co-Founders and others).
  - Preference is given to startups with young founders (as per national youth policies) and/or female founders.
- **Prior Funding Restrictions:**
  - Applicants must not have previously received any direct funding from the iDEA programme or any other government fund or investment from the People's Republic of Bangladesh.
  - Applicants must agree to an online disclaimer form attesting that no founder or key personnel are involved with existing iDEA portfolio startups or have received other direct government funding/awards (excluding prize money or award, subsidized working space, founder allowances, lab access, or prototyping facilities).
  - All information provided must be accurate, true and verifiable. Failure to prove authenticity at any stage may result in grant cancellation.
  - The Selection Committee's decision is final.
  - If a funded startup is found to be ineligible in any stage after selection, the authority can revoke the grant to maintain fairness and transparency.
- **Alignment with National Priorities:**
  - The business idea, product, or service must support and contribute to Sustainable Economic Growth/Development, Environmental Sustainability, Climate Change Readiness, Digital Transformation, etc.

7.2.2 iDEA Evaluation Metrics

The proposed business idea is rigorously evaluated based on:

- **Business Concept:** Innovative solution addressing a defined market challenge and Bangladesh's socio-economic needs, contributing to sustainable development.
- **Feasibility:** Proven technical, operational, and financial viability with early validation through prototypes or market feedback.
- **Strategy:** Clear business, technical, and financial plans targeting high-potential markets, ensuring scalability, efficiency, and profitability.
- **Implementation Plan:** Milestone-based roadmap with monitoring, evaluation, and integrated risk mitigation.
- **Management Team:** Skilled, experienced founders with strong commitment and complementary expertise.
- **Other Success Factors:** High market traction potential, alignment with national priorities, strategic partnerships, adaptability, and growth vision.

7.3 Application Categorization Framework

Following pre-screening, each application is assigned one of the following statuses:

- **Select for Pitching (To_Pitch):** Assigned to applications that successfully pass primary screening and demonstrate significant potential, shortlisted for formal presentation to the Selection Committee.
- **Consultation:** Applied to applications with ambiguous, ineligible, or missing/misleading major components in the pitch deck, or lacking a valid legal framework. Applicants are advised to seek direct consultation with iDEA project experts for guidance and revisions.
- **Training:** Designated for applications with ambiguous business ideas/products/services or poorly formed pitch decks. Applicants are referred to a scheduled iDEA training programme on startup basics, idea conversion, and pitching for funds/grants.
- **Reapply:** For applications with missing data or documents, invalid/incomplete pitch decks, missing/incomplete founder information, or business ideas not fitting a standard startup model (e.g., CMSME). Such applications require correction and resubmission.
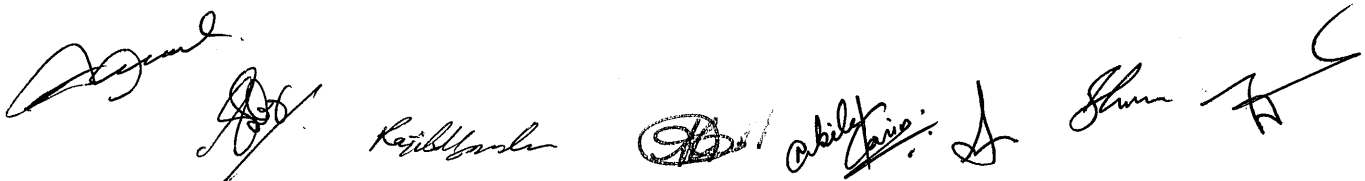
7.4 Shortlist for Pitching

Only applications formally categorized as "To_Pitch" are considered for shortlisting and subsequent invitation to present to the Selection Committee.

7.5 Official Notification Protocol

All applicants are formally notified of their application status (To_Pitch, Training, Consultation, or Re-apply) via the designated online portal and official email correspondence, typically immediately after the PST's decision.

7.6 Record Keeping

All data, including submission details, evaluation scores, committee decisions, and official communications, are meticulously maintained and securely stored in a centralized online database. Appropriate access controls protect this database to ensure data integrity, confidentiality, and a transparent audit trail.

8. SELECTION PROCEDURES

8.1 Reporting and Formal Notification

After primary screening, a comprehensive summary report is prepared for all shortlisted applications. All applicants are formally notified of their status via the online platform and official email. The online platform provides a dedicated interface for real-time application status tracking. The PST ensures timely notification.

8.2 Pitching Session Protocol

Shortlisted applicants are required to attend scheduled online or hybrid pitching sessions. Failure to attend two (2) consecutive sessions without prior formal notification and valid justification will result in immediate disqualification from the current grant application cycle and may lead to a temporary or permanent prohibition from future iDEA grant applications.

8.3 Pitching Session

Shortlisted startups are formally invited to present their business case to the Selection Committee. Each startup is allocated a specific time slot (currently 4 minutes) for presentation, followed by a 10-minute Q&A segment with committee members. The Selection Committee evaluates startup applications based on key criteria to identify high-potential ventures:

- **Team Strength:** Expertise, experience, complementary skills, leadership, commitment, and execution capability.
- **Market Opportunity:** Clarity of target market, size, growth potential, accessibility, and competitiveness.
- **Innovation & Feasibility:** Novelty, originality, technological uniqueness, potential for disruption, and defensible advantages (IP, proprietary data, algorithms, network effects).
- **Business Model & Financials:** Revenue potential, cost structure, scalability, sustainability, and robustness of financial projections.
- **Traction & Early Validation:** Evidence of prototype development, PoC, MVP, user feedback, or early market engagement.
- **Socio-Economic Impact:** Potential contribution to Bangladesh's social and economic development, job creation, and innovation ecosystem.

8.4 Selection Committee Quorum Requirement

A quorum of at least 7 out of 13 members, including the Chair/Co-chair, is required for Selection Committee meetings.

8.5 Selection Committee Decision Outcomes

Following pitching and deliberation, the Selection Committee renders one of the following decisions:

- **Grant Recommendation:** The startup is formally recommended for the iDEA Pre-Seed Grant. The SC determines the precise total grant amount (maximum BDT 10 Lakhs) in tranches based

on readiness and proposed milestones. Approved startups are officially designated as "iDEA Portfolio Startups" and become eligible for a formal grant agreement.

- **Reapply after Mentoring/Consultation:** For startups demonstrating potential but with shortcomings. Formally rejected for the current cycle, but encouraged to seek mentoring and consultation from iDEA and the selection committee.
- **Rejected:** The startup is deemed unsuitable for the iDEA Pre-Seed Grant at present. This decision is final for the current application cycle.

8.6 Re-application Policy

Applicants whose submissions were formally "Rejected" in a previous cycle may reapply if they change or pivot their model. Subsequent applications must be new and distinct submissions, demonstrating significant revisions and improvements addressing prior deficiencies. Re-applicants are strongly advised to seek consultation or training from iDEA consultants/resources before resubmission.

9. GRANT DISBURSEMENT PROCESS

9.1 Key Performance Indicator (KPI) and Milestone Finalization

At this stage, the iDEA team and the newly funded startup finalize specific, measurable, achievable, relevant, and time-bound KPIs and associated milestones.
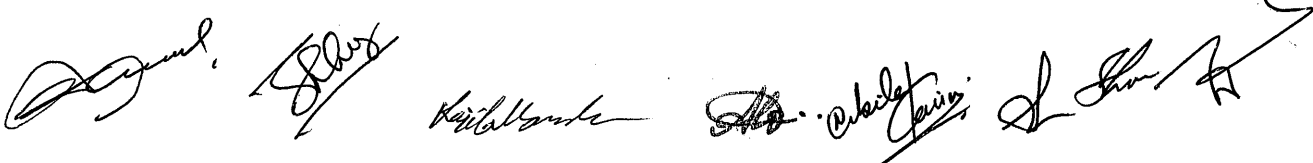
9.2 Startup Details and KPI report

The finalized KPIs and milestones along with the Startup's brief business summary are formally documented in the "Startup Details and KPI report". This report requires bilateral signature by authorized representatives of both the Portfolio Startup and the iDEA project authority, serving as the base of the grant and startup obligations. It must be submitted by the approved startup after SC approval.

9.3 Legal Agreement between the Startup and iDEA Project

A formal agreement between the iDEA Project and the approved startup is signed specifying the terms of funding and support. iDEA provides staged funding, mentoring, and guidance based on milestones, while the Startup must use funds responsibly, maintain records, submit reports, attend sessions, and follow professional standards. Misuse of funds may result in legal action. Any changes require written consent. The agreement ensures transparency, accountability, and the Startup's success.

9.4 Initial Tranche Disbursement

Upon successful signing of the legal agreement, the first tranche (recommended by SC) of the approved grant amount is disbursed to the Portfolio Startup, initiating the funding phase.

10. PERFORMANCE MONITORING AND GRADUATION PROCESS

10.1 Performance Monitoring Team (PMT)

The PMT, an internal iDEA team, periodically monitors and tracks Portfolio Startups' progress by reviewing Performance Monitoring Reports. Based on these reports, the PMT evaluates eligibility for PMC meetings for subsequent tranche releases or Graduate Stage status. The PMT's assessment is a prerequisite for scheduling a PMC meeting.

10.2 PMC Review

The PMC independently verifies Portfolio Startups' progress against agreed-upon KPIs and milestones. A PMC meeting is called when the PMT determines eligibility and submits a formal request with a detailed progress report for the next grant tranche or graduation consideration. Upon receiving a request for a subsequent tranche (2nd or 3rd), and after PMT confirmation of eligibility, the PMC convenes to evaluate the Portfolio Startup's accomplishment of stipulated milestones. This involves reviewing documentation, progress reports, and potentially direct interaction with the startup team.
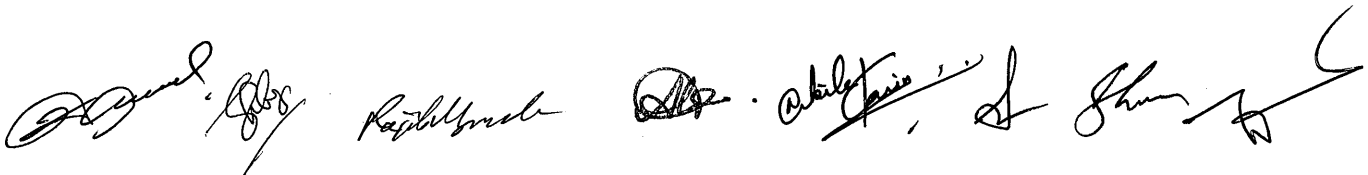
10.3 Decision Outcomes of PMC Review

Based on its review, the PMC renders one of the following decisions:

- **Approval for Next Tranche:** If the PMC determines that the Portfolio Startup has demonstrably met all predefined milestones for the current tranche, it formally recommends immediate release of the subsequent grant tranche.
- **Temporary Rejection:** If the PMC determines that milestones are not fully met or minor deficiencies exist, the request is temporarily rejected. The startup receives specific feedback and a defined timeframe (e.g., 30-60 calendar days) to address deficiencies. Mentoring may be recommended. Reapplication for a PMC meeting is permitted after PMT re-evaluation.
- **Permanent Rejection (Grant Termination):** In cases of severe and persistent lack of progress, mismanagement of funds, non-compliance, or deviation from objectives without justification, the PMC reserves the right to permanently reject the next tranche request, resulting in immediate grant termination of further funding.
- **Graduation:** If the PMC determines that the Portfolio Startup has successfully fulfilled all contractual obligations, achieved all predefined KPIs and milestones, and demonstrated overall programme success, the committee formally declares the startup to have reached the "Graduate Stage."

10.4 Documentation Requirements for PMC Meetings

For every PMC meeting (for subsequent tranches or graduation), Portfolio Startups must submit comprehensive documentation to the PMT for initial review:

- Detailed progress report outlining achievements against each KPI and milestone.
- Comprehensive expense report detailing utilization of previously disbursed grant funds, with verifiable proofs of expenditure (invoices, receipts, bank statements).

- Robust supporting evidence for all claimed result-based milestones (screenshots, analytics, partnerships, media mentions, revenue statements).

11. PERFORMANCE EVALUATION FRAMEWORK

The evaluation process by all involved entities (PMT and PMC) is guided by a holistic and balanced assessment across the following critical dimensions:

- **Milestone Achievement:** Track progress against agreed project milestones, deliverables, and timelines.
- **Fund Utilization:** Assess proper and efficient use of grant funds, adherence to budget, and financial reporting accuracy.
- **Operational Performance:** Monitor execution of the implementation plan, product development, and service delivery.
- **KPI Tracking:** Evaluate key performance indicators (user growth, revenue, engagement, partnerships) agreed in the project plan.
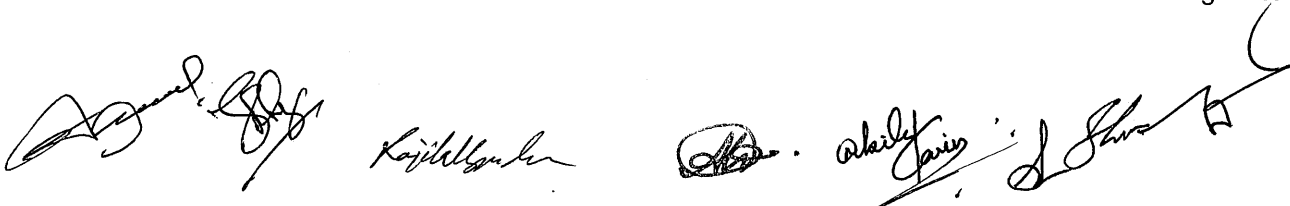
12. TRANSPARENCY AND ACCOUNTABILITY PROTOCOLS

To uphold the highest standards of integrity and fairness, the following protocols are strictly adhered to:

- **Fairness in the Process:** The entire process is conducted with utmost fairness, objectivity, and impartiality. Decisions are based solely on merit and adherence to stipulated criteria, free from undue influence or bias.
- **Independent Committee Structure:** To ensure checks and balances, members serving the initial process are not included in the Selection Committee for the same application cycle. Similarly, PMT members are not part of the PMC when evaluating the same startup. This structural independence prevents conflicts of interest and ensures distinct evaluation layers.
- **Confidentiality Mandate:** All PST, SC, PMT, PMC members, and iDEA project staff involved in the grant process must sign a Non-Disclosure Agreement (NDA), binding them to strict confidentiality regarding proprietary information, business plans, and personal data of applicants and portfolio startups.
- **Ethical Conduct and Conflict of Interest:** All committee members and iDEA project staff adhere to the highest ethical standards. Any potential or perceived conflict of interest (personal, financial, professional) must be immediately declared to the Project Director. Individuals with declared conflicts will not participate in evaluating or deciding on the application.
- **Comprehensive Audit Trail:** All committee/official decisions, individual and collective evaluation scores, and official communications are meticulously logged and securely stored in a centralized, immutable database. This ensures full traceability and accountability.
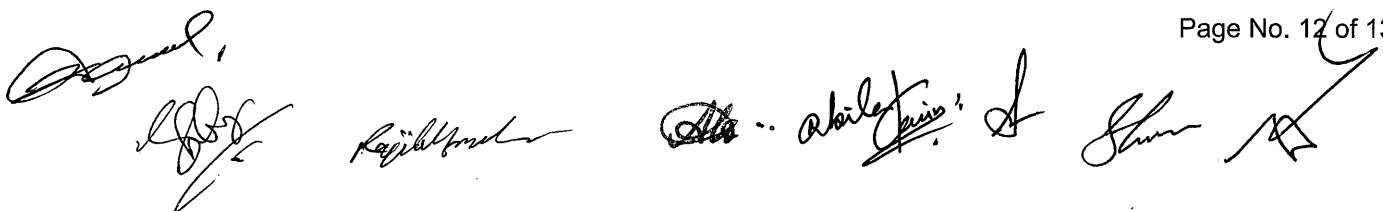
13. REVIEW AND UPDATE OF THE SOP

This SOP is a live document, subject to periodic review and amendment to ensure continued relevance, effectiveness, and alignment with evolving best practices and project objectives. A formal annual review is conducted by the iDEA project management in consultation with the ICT Division. Amendments may be proposed to reflect:

- Emerging best practices in startup ecosystem development and grant management.
- Changes in national innovation and entrepreneurial policies or strategic priorities.
- Constructive feedback from the startup ecosystem, applicants, portfolio startups, committees, and internal stakeholders.

All proposed amendments undergo a formal approval process by the ICT Division before official gazetting and implementation.

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