

## PREFACE

The Research Grants Council (RGC) was established in January 1991. It operates under the aegis of the University Grants Committee (UGC) to advise the Government on the needs of the institutions of higher education in Hong Kong in the field of academic research and provide funding for diverse research projects and activities. The RGC has grown from modest beginnings in 1991 with a budget of only \$100 million to a principal funding agency in the higher-education arena in Hong Kong with an annual budget of \$1.2 billion in 2016/17. The surge in funding has enabled the RGC to set up a diversity of funding schemes to meet the needs of different groups of researchers. UGC is pleased with the development of quality research in Hong Kong in the past two decades. But we must be forward-looking in order to cope with the changes and aspirations of the higher education sector. The need for a review to ensure that the operation of the RGC would continue to meet the sector's needs has therefore emerged.

2. With the introduction of a number of new funding schemes offering different levels of research support to both the UGC and the self-financing sectors in recent years, the number of research grants applications handled by the RGC has continued on an upward trend. To meet the challenges arising from the increasing number of applications and growing complexity of the selection mechanism, the RGC started to work on a consultancy study proposal in 2014. The UGC later decided to conduct the review in two phases. The Phase I Review will examine macro issues such as the portfolio balance of the research funding schemes administered by the RGC, the RGC's structure and good practice in overseas funding agencies. The Phase II Review will study operational issues such as the quality of the assessment and monitoring processes conducted by the RGC assessment panels and committees. The outcome of the RGC Review will assist the RGC in formulating a strategic plan to further streamline its operation and enhance its efficiency and effectiveness in the use of competitive research funding.

3. In April 2016, the matter was considered by the UGC which decided that a task force should be set up under the Research Group (RG) (a standing committee of the UGC) to take up the Phase I Review so as to safeguard the independence and credibility of the review. In July 2016, the

Task Force on the Review of RGC (Phase I) (the Task Force) was set up under the RG to oversee the implementation of the Phase I Review. Assisted by an external consultant RAND Europe, an independent not-for-profit research institute which has outstanding experience in the areas of research funding and assessment, the Task Force concluded the Phase I Review and presented its findings and recommendations in this report to the UGC in May 2017. The Task Force report consists of an introduction, a consultancy report which covers the detailed findings, and conclusions and recommendations from the Task Force.

4. UGC is pleased to receive this evidence-based report which is very timely and offers many insights for the development of the RGC. In particular, many issues examined in the Phase I Review coincided with the concerns raised by a recent audit review. The Committee is fortunate to have had valuable inputs from a wide range of stakeholders in our survey and online consultation from October to December 2016, which included researchers and institutional management of both the UGC and self-financing degree awarding sectors, RGC Council/Committee/Panel Members, the Legislative Council Members, related government bodies, other research funders in Hong Kong, private research users such as trade associations, think tanks and non-governmental organizations. The consultant also held face-to-face focus group discussions with different groups of stakeholders. We are delighted to learn that participants of the consultation highly welcome this review.

5. Finally, I would like to convey my personal gratitude to Professor Rick Rylance, Convenor of the Task Force on the Review of RGC (Phase I), and to the other members of the Task Force, for their wisdom and immense contribution in taking forward this review. The Phase II Review which aims to examine the micro issues will soon commence. I am confident that the RGC will take the review recommendations on board and make continuous improvement in fulfilling its objectives.

Professor Sir David Eastwood  
Convenor, Research Group  
University Grants Committee