
NRF COMMUNIQUE

To: NRF Stakeholder Community

From: National Research Foundation

Subject: Future of the Incentive Funding for Rated Researchers Programme

Following several interactions over the past year with Deputy Vice Chancellors responsible for research and innovation, Directors of Research, presentations and discussions to Designated Authorities at the 2016 Research Administrators' Workshop, the DVC Research Forum on 2 June 2017 in Stellenbosch, and more recently, with the Research and Innovation Strategy Group (RISG) of Universities South Africa (USAf) in Pretoria, and a presentation to a joint meeting of RISG and DVCs (Research) of HEIs on 14 September 2017 at ORTIA at which this Communique was presented and noted, the NRF is pleased to announce that it has decided to retain the Incentive Funding for Rated Researchers Programme. However, the funding model has been revised and will become effective from the 2018 academic year. This revision is in part due to financial constraints and the need for the NRF to re-align its investments to more strategically advance its mandate. Savings that will accrue through this revision will continue to be used for supporting the various categories of researchers on a competitive basis. Details of the revised funding model and some background to these developments are provided in this communication. The NRF expresses its sincere appreciation to you for your continued partnership and support, and for your understanding.

In the early 1980s the process and system of rating individuals in South Africa was established by the NRF's predecessor, the Foundation for Research Development (FRD). Its primary purpose was to act as a measure of research quality to foreground the 'track record' parameter in the evaluation of specific research proposals and decision process for the awarding of grants. The objective was to use international benchmarks in evaluating a researcher's recent outputs and recognition in the belief that this would be a reliable predictor of likely scientific outputs, outcomes and impacts of proposed research and related future knowledge production activities. The NRF Evaluation and Rating system was further regarded as a benchmarking tool for the applicant's personal development, and for the institution. Thus, highly-rated scholars were allocated large grants in a system with top-down priority setting, and through this rating process and system, one's research career would evolve.

While well-established in the natural sciences and engineering, the extension of the rating system to the humanities, social sciences and law came into effect in 2002. Application for, and participation in, the evaluation and rating system has always been voluntary. At different times of the existence of the rating system there have been important exceptions. For instance in its early history, eligibility for long-term (i.e., five-year) grants from the NRF were limited to rated scientists after an initial maximum of three two-year grants. By 2003/4 automatic allocation of large grants to highly rated persons and a direct link between rating and funding was no longer the norm. In recent years some universities and other research-performing organizations in South Africa have used the rating status as one of the criteria for purposes related to personal promotion; resource allocation; "performance" awards; and employment retention.

In 2004 an institutional review of the NRF covering the period 1999 to 2004 was conducted. The six-member review panel in its report made thirteen recommendations, one of which relates to the evaluation and rating of individual researchers. The recommendation specifically stated:

- a. *A sector-driven task group should reconsider the rating system, in terms of its fundamental purpose and utility; and*
- b. *The Higher Education sector should convene this task group, invite input from all stakeholders, and report to the NRF.*

In 2007, Higher Education South Africa (HESA - now known as Universities South Africa – USAf) conducted a review of the NRF’s evaluation and rating system. Following this review, HESA acknowledged and endorsed the value that the evaluation and rating of individuals add to the NRF’s research support and advancement vision. The report of the Review recommended that the NRF re-establishes the evaluation and rating system link to funding. Based on this recommendation, the Incentive Funding for Rated Researchers Programme was created attaching monetary amounts to the rating outcomes. This funding was targeted at incentivizing excellent research. Collateral objectives included the encouragement of researchers to:

- Subject themselves for rating;
- Maintain their ratings once they are rated; and
- Attain higher ratings until they reach the top rating (A1).

The Incentive Funding for Rated Researchers Programme came into effect in 2008. The NRF was mindful of the fact that the levels of individual monetary awards were relatively small and in some cases unlikely to support fully-fledged/large size research projects. At the same time, the NRF was convinced that however small the incentive awards may be, researchers could use the funds to supplement other funding; attend conferences; pay research assistants; etc.¹. Incentive funding is awarded annually (calendar or academic year) to rated researchers who hold a valid NRF rating for the duration of their rating and based on their current broad rating category. There is flexibility built into the administration of the funds to allow researchers to use the funds in various ways in keeping their research activities afloat during the occasions when other funding is scarce.

To facilitate this process, the NRF intentionally avoided a complex application procedure to access these funds. Unlike other NRF funding instruments that require grant applicants to explain in detail how research funds are to be used based on a budget, the Incentive Funding for Rated Researchers Programme does not require this extent of motivation. Eligible researchers are simply required to submit a request for funding with a general description of use – general “academic-research” related. As in other NRF funding programmes, grant-holders are required and expected to submit Annual Progress Reports (APRs) where detailed information should be provided on how the funds were utilised.

Since 2008, the NRF has invested R 816 944 793-00 in this Programme. This investment has seen the number of rated researchers increase from 1 684 in 2008 to 3 689 in 2017. The number of rated researchers increased by 119% in 10 years, with an increase of 43.5% of A-rated researchers and 91.3% of B-rated researchers in this same period. While this increase in number of applications for rating cannot be fully attributed to the establishment of this programme, it certainly has had a significant influence.

During this 10 year period, the annual baseline income of the NRF’s Research and Innovation Support and Advancement (RISA) business division has grown from R 283.3 million to R 316.7 million (i.e., 11.8%). Initially, the Incentive Funding for Rated Researchers Programme was funded from the R 72 million that had been saved from the termination of the Focus Area Programmes in 2011, and since then the allocation has grown by an additional 93.1% bringing the total investment to R158.5 million. Despite the anecdotal

¹ A study to assess the difference (impact) of IPRR for researchers has been initiated

positive benefits of the programme, the costs of supporting it are simply not sustainable in the long term, especially in a constrained fiscal environment. The numbers of rated researchers increase each year and the costs of supporting them increase exponentially. This is in the midst of failure to adequately or fully support the same rated researchers for the multi-year research projects through research funding instruments like the Competitive Programme for Rated Researchers (CPRR) and Competitive Support for Unrated Researchers (CSUR) funding instruments. Further, the NRF is constrained by their inability to support new initiatives like those for the support of persons that are neither eligible for CPRR and CSUR nor the Thuthuka funding instrument.

The NRF 2017 Annual Incentive Funding for Rated Researchers Programme call stated in part that: *“The NRF is in the process of reviewing the nature, form and levels of funding for the Incentive Funding for Rated Researchers grants. The changes will be announced in due course.”*

We hereby provide you with the revised changes to the Incentive Funding for Rated Researchers Programme:

- **In 2018:**

Category	Incentive	Period of incentive
ALL newly rated researchers (with no previous NRF valid rating) with rating categories “A” and “B”	R50 000	Once-off grant over duration of NRF rating
ALL newly rated researchers (with no previous NRF valid rating) with rating categories “C” and “Y”	Two tranches of R50 000	Two grants over duration of NRF rating
ALL “P” rated researchers	R50 000 per year	Annual grant for the duration of the NRF rating
Persons who re-submit for rating at the end of their current rating and retain a rating	R30 000	Once-off grant over duration of NRF rating
ALL researchers with a valid NRF rating without incentive funding	R30 000	Once-off grant of R30 000 when they apply in January 2018
ALL rated researchers who under the current Incentive Funding for Rated Researchers Programme, receive different levels of grants	R30 000	Once-off grant of R30 000 until re-submission for rating

- Researchers will have to indicate in the application form at the time of completing the form, when these funds will be required over the duration of their NRF rating;
- The university contribution for the “Y” rated researchers will no longer be necessary;
- The university contribution for the “P” rated researchers will no longer be necessary;
- The NRF will adjust the current budgets accordingly, for the remainder of the NRF rating; and
- Grant-holders whose incentive funding was valid beyond 2018, should indicate via the research office in what year the once-off R30 000 will be required.

- **In 2019 and going forward:**

Category	Incentive	Period of incentive
ALL “P” rated researchers	R50 000 per year	Annual grant for the duration of the NRF rating
Newly rated researchers with no previous valid NRF rating	R50 000	Once-off grant over duration of NRF rating
Researchers who improve their rating between main categories (i.e., Y to C/B; P to C/B/A; C to B and B to A and not between the sub categories within each of the broad categories, e.g., C3 to C2; C2 to C1; etc.)	R50 000	Once-off grant over duration of NRF rating
Persons who re-submit for rating at the end of their current rating and retain a rating	R30 000	Once-off grant over duration of NRF rating
C and Y rated researchers who only received their first tranche (R40 000 and R20 000 respectively) of Incentive Funding in 2017	R30 000	Once-off grant over the remaining duration of NRF rating
ALL rated researchers who under the current Incentive Funding for Rated Researchers Programme, receive different levels of grants	R30 000	Once-off grant of R30 000 until re-submission for rating

- Researchers will have to indicate in the application form at the time of completing the form, when these funds will be required over the duration of their NRF rating;

- The university contribution for Y rated researchers will not be necessary;
- All researchers awarded the once-off incentive funding shall be required to clearly indicated in the application form the year(s) in which funding should be disbursed, and no adjustments will be allowed;
- No carry forward shall be allowed in any event; and
- The application process and the purpose for which grants are to be used will remain the same.

In summary, the Incentive Funding for Rated Researchers Programme is not being discontinued but has been revised and re-aligned in response to changes in the funding landscape and in order to enable the NRF to more strategically resource the advancement of its mandate. The NRF will invest the “savings” that will accrue through the revised programme model in other NRF funding interventions to benefit researchers and further advance the NRF mandate. It must also be noted and emphasised that the support for newly established and young researchers, rating categories “C” and “Y” will be provided through two tranches of funding over the rating period, and that those (Y and C) rated in 2017 will not be “left out of pocket”.

The NRF sincerely thanks you for your support and understanding and wish you well in your future research endeavours.

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