The shape of things to come

The evolution of transnational education: data, definitions, opportunities and impacts analysis

Going Global 2013

Foreword

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This British Council research maps the evolutionary development of transnational education and assesses the environmental factors that are most conducive to the successful delivery of TNE.
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The global education market is changing rapidly. The number of students choosing an overseas education continues to increase, but there are now many more destinations and modes of delivery from which to choose. The differences between educational sectors, institutions and the landscape of particular countries are increasingly blurred: countries which traditionally held a role as a source of international students have become study destinations and play host to international students; new alliances both international and national are being formed; and private and corporate sectors are increasingly active as providers.

This is the second report in *The shape of things to come* series and it maps the evolutionary development of transnational education (TNE). It investigates the extent to which TNE has supported host countries' education agendas over time and in different parts of the world, and assesses the regulatory and market environment in 25 different countries and administrative regions to assess the factors that are most conducive to the successful delivery of TNE.

TNE is often associated with branch campuses in new countries but it can take many different forms and can be delivered through a variety of modes. This study presents some of the attempts that have been made to outline or map TNE, and explores the challenges presented by defining or trying to create a taxonomy of the various delivery models.

As the apparent growth in TNE continues, the TNE Opportunities Matrix developed as part of *The shape of things to come* (volume 2) identifies countries where the regulatory environment and the demand environment for TNE converge sufficiently to indicate significant potential for TNE providers. This holistic assessment across 25 countries and administrative regions could also prove valuable to aspiring TNE host countries looking to create the conditions to emulate the success of others.

Existing literature on TNE tends to cover areas such as the quality of teaching, the student experience, campus developments and the role of education hubs. Case studies of three host countries (China, Malaysia and UAE) fill a gap in the literature as they go beyond this to consider the degree of interaction between the various TNE models, local culture and political contexts.

There are many different motivations for a country to build TNE opportunities, whether it involves the aspiration to become an education hub, to develop TNE as a niche market or as a way of increasing education availability and choice for local or regional students. The case studies presented highlight the importance for provider institutions to be sensitive to local needs and to understand the main rationales and objectives of TNE in host countries.

We continue to build on our knowledge and expertise in the area of transnational education, much of which is encapsulated here. At Going Global 2014 we will launch the findings of a study conducted by the British Council and other partners which investigates the academic, economic, social and cultural impact of TNE on host countries.

As the UK's international organisation for cultural relations and educational opportunities, internationalisation of education is at the heart of what the British Council does. We remain committed to supporting the UK education sector in its internationalisation activities through attracting the brightest students and scholars to the UK to study and to conduct research, and into UK institutions' TNE programmes; supporting the mobility of UK students to experience international education; aiding the international marketing of UK institutions; facilitating global teaching and research partnerships; and by engaging actively in policy debates in the UK and around the globe. TNE will remain a critical part of the international education agenda for many years to come and we are committed to supporting UK institutions and their present and potential partners in the development and delivery of quality transnational education.

Acknowledgements

Contents

Executive summary

Transnational Education (TNE) is a component of the wider phenomenon of the internationalisation of education. The general principal of TNE is that students can study towards a foreign qualification without leaving their home country; meaning that the programmes and providers cross national and regional borders, not generally the student. While robust data is generally lacking, available evidence suggests that TNE is continuing to expand and that modes of delivery and policy approaches to TNE continue to evolve on a country-by-country basis. This report summarises the findings of an ambitious programme of research to achieve the following objectives:

1   Review existing definitions and descriptions of TNE and its various delivery modes, and conduct an exhaustive search of national and international sources of TNE data.

2   Develop an analytical framework to establish which host countries have the most favourable environments for TNE operations to establish and/or develop.

3   Assess the impacts of TNE on the host country, focusing on academic, economic, human resource development, socio-cultural and status outcomes.

TNE data and definitions

The research identifies numerous efforts to define TNE by multilateral agencies – such as the Council of Europe, UNESCO/OECD and the INQAAHE – and national agencies such as the China Ministry of Education, Australian Education International and DAAD in Germany. Some definitions place an emphasis on TNE as an education export, others emphasise its collaborative characteristics and others take a more holistic view by including references to projects, research and ideas crossing national and regional borders. Overall, however, the general principal of the student being based in a different country to the awarding institution is well established. In recent years, more emphasis has been placed on defining the various delivery modes of TNE. There are some differing views as to which modes of delivery are considered as TNE. For example, the Australian definition does not include distance learning and DAAD does not consider joint degrees as TNE. In practice, providing exact definitions for the various delivery modes of TNE is difficult and this report does not attempt to do so. Instead, a working description for the modes of TNE covered in this report are presented in Table 3. Most of the existing definitions and descriptions of TNE have been produced by sending countries. There is a need for sending and host countries to work together to develop definitions that have relevance from both perspectives.

The research identifies three sending countries (Australia, Germany and UK) and six host countries and administrative regions (China, Hong Kong, Malaysia, Mauritius, Thailand and Vietnam) that are producing TNE data. The data is presented in Tables 4 and 5 respectively. All three sending countries use different data collection techniques, and report the data in different ways. Therefore, the data is not directly comparable across countries. The host countries collate their data from TNE programmes registered with their ministries of education (MoE) – with the exception of Thailand, where the data was sourced via a one-off survey. None of the host countries use the same terminology to describe the data, and only Vietnam actually refers to 'TNE programmes'. This again highlights the difficulty with making cross country comparisons.

TNE Opportunities Matrix

The Opportunities Matrix is an analytical framework developed to identify countries with the most favourable prospects as hosts of TNE programmes over the next two to three years. The indicators developed aim to shed light on the various approaches taken to facilitate and manage TNE by reviewing the national policies and regulations in place. The Opportunities Matrix also investigates factors likely to impact on the demand environment for TNE and compares the mobility environments of the study countries and administrative regions. The overall opportunity groups are presented as follows, with countries offering 'well above average' opportunity listed in group 1 and 'well below average' opportunity listed in group 5.

Group 1 Well above average	Group 2 Above average	Group 3 Average	Group 4 Below average	Group 5 Well below average
Hong Kong	Qatar	Botswana	Brazil	Nepal
Malaysia	South Korea	Bahrain	Indonesia	Sri Lanka
Singapore		China	Mexico	
UAE		India	Nigeria	
		Mauritius	Pakistan	
		Oman	Poland	
		Spain	Russia	
		Thailand	Turkey	
		Vietnam		

- Policy environment

The policy environment category assesses the extent to which host country governments have implemented policies and processes to facilitate and manage inbound TNE. Existence of a dedicated agency (or agencies) with responsibility for TNE is an important differentiator between the higher and lower grouped countries. Almost half of the countries have no ministerial department or separate body with any significant level of responsibility for TNE. This reflects the fact that TNE is simply not a policy priority in these countries. In many countries the policy focus remains squarely on student mobility. Surprisingly, none of the 24 countries and one special administrative region (hereafter referred to as 'study countries') appear to have published an internationalisation strategy document, much less a strategy document focused specifically on TNE. This emphasises the generally fragmented policy approach that host countries have in place to manage and facilitate TNE. Part of the reason for this fragmented approach is that TNE is often framed within a number of national contexts: educational, economic, international relations, etc.

The establishment of education cities and economic free zones dedicated to education and training represents major commitments to develop TNE in some countries. Use of incentives by host countries to attract TNE providers and programmes is an important feature of the TNE policy landscape. Of the 25 study countries, 13 provide some form of incentive for foreign providers to establish TNE operations. Countries offering the largest incentives are generally those with genuine ambitions to develop international education hubs.

Encouragingly, only four of the 25 study countries/regions are without any regulatory basis for the establishment of an international branch campus (IBC) – India, Nepal, Sri Lanka and Turkey. Getting parliamentary approval in the host country for the establishment of IBCs can meet significant social and political resistance. In some counties where regulations are in place, the process for receiving accreditation can be onerous (China and Nigeria) or requirements are vague in detail (Indonesia

and Thailand). In some cases the regulations place significant restrictions on sending higher education institutions (HEIs) – China and Vietnam.

TNE is currently developing in a number of countries (for example, Nepal and Sri Lanka) without any formal regulatory framework in place. The evidence from this research suggests a complex push-and-pull relationship between TNE activity and TNE regulations, where TNE activity reaches a certain critical mass and elicits a regulatory response from the government. While TNE regulations are not a requirement for TNE activity to take place, they have an important role to play in relation to quality assurance and recognition of qualification and for ensuring the sustainability of TNE going forward. The top opportunity markets identified in this research are those with, or moving towards, a system of robust policy and regulatory oversight.

About two thirds of the study countries have some TNE quality assurance (QA) systems in place. The research identifies a number of different, and sometimes overlapping, approaches to QA: registration of TNE programmes with host country MoE; requiring that the TNE provider is accredited in the home country; the TNE provider must get approval/license from the host country MoE to operate; TNE is considered as part of the host education system and approved TNE providers are QA reviewed and accredited the same as domestic HEIs. Unsurprisingly, the most active/long-standing host countries for TNE are generally those with the most robust QA systems in place, but there are exceptions. One of the positive by-products of a robust QA system is an improvement in collection and reporting of TNE data – although data availability in general is woefully inadequate.

It is important that host country recognition bodies make efforts to publicly communicate their recognition and acceptance of TNE as a form of education. Overall, the research shows that this is an area of relative weakness in the study countries. None of the 25 study countries appear to communicate directly with the labour market or higher education sector regarding their acceptance of TNE qualifications. However, one host country and one special

administrative region do stand out for their efforts to recognise TNE qualifications: Malaysia and Hong Kong. Bilateral degree recognition agreements play an important role in the recognition of international qualifications, but in many countries it is left to the discretion of individual institutions/organisations to decide upon recognition of foreign qualifications.

- Market environment

The market environment category considers factors which are likely to affect the demand for TNE programmes in the host country. Since TNE qualifications are generally more expensive than domestic education provision, affordability – via GDP per capita – is included as an indicator of demand. The data shows that, in general, the most mature TNE host countries have relatively high GDP per capita ratios. However, this is by no means a clear cut story.

Services as a percentage of GDP and tertiary age population as a percentage of total population appear to bear little or no relationship to TNE activity. It is interesting to note the high rates of economic growth forecast for the countries overall. Fourteen of the 25 countries are forecast to experience more than four per cent annual economic growth from 2012–14. While a blunt measure of opportunity, this data suggests that economic growth will remain accommodative to TNE activity for the next two years, particularly in Asian countries such as China, Sri Lanka, India, Indonesia, Vietnam and Thailand. However, the labour markets in Botswana, Spain, Poland, Nepal and Nigeria will remain tough for all graduates – including TNE graduates – to find jobs over the next two years.

Survey data produced by the World Economic Forum suggests that the mature TNE hosts are perceived as having relatively high quality domestic higher education systems. Sending HEIs, therefore, appear to be locating in host countries with relatively high quality education systems, which makes sense, especially for collaborative forms of TNE. Government spending on the host higher education (HE) system appears to have little or no bearing on TNE activity levels or TNE policies, but spending data is frequently out of date by over five years.

Broadband penetration rate was included as a proxy measure for development of IT infrastructure. High quality IT and library facilities are important for the delivery of TNE programmes. On this measure, the Asian countries of South Korea, Hong Kong and Singapore dominate. However, Malaysia stands out as having a low penetration, comparable with Vietnam and Brazil.

The private sector higher education enrolment rate was included in acknowledgement of the dominant role that private/for-profit HEIs have historically played in the development of TNE in host countries. Overall, the data suggests a positive, but weak, relationship between private sector involvement and TNE activity (based on available data), with some notable exceptions. The research also suggests that higher levels of societal development (as measured by the United Nations Human Development Index) are positively correlated with TNE activity.

Four countries score two opportunity groups higher in the market category compared with the policy category: Spain, India, Poland and Turkey. These countries appear to have average or above average (Spain) demand conditions for TNE, but are without the supporting TNE polices. Should such polices improve; these countries may become increasingly attractive host locations for TNE.

• Mobility environment

Countries that have already achieved some critical mass as hosts of TNE are likely to be those that will continue in this direction and therefore offer opportunity as TNE hosts going forward. However, determining whether countries have achieved traction is difficult in the absence of published TNE data. This category uses international branch campus activity and student mobility activity as proxy measures of proclivity for attracting TNE providers and programmes. While a number of the relatively well known TNE countries do feature in the top groups, two new countries are brought into the mix on these measures: Botswana and India. According to Observatory for Borderless Higher Education (OBHE) data, the top five host countries for IBCs in 2012 were UAE, China, Singapore, Malaysia and Qatar. Only three countries in the study did not host an IBC in 2012, according to the OBHE

definition: Pakistan, Oman and Brazil. Interestingly, India is recorded as hosting nine IBCs, without having a formal regulatory structure in place for their establishment. Of the 25 countries in the study, India is the only major sender of IBCs, having 21 abroad in 2012, according to OBHE data.

Four countries stand out with respect to inbound international student mobility ratios. In Qatar and UAE, inbound students represent a staggering 40 per cent and 39 per cent respectively of the total domestic student population. In Bahrain and Singapore, inbound students represent over 20 per cent of the domestic student population. The top international student receiving countries are also among the top senders of domestic students abroad. However, Botswana and Mauritius lead on this measure with outbound student ratios of 50 per cent and 30 per cent respectively. This represents a lack of domestic higher education capacity in these countries, pointing to opportunity for foreign HE providers.

The impact of TNE on host countries

Given the relative absence of attention given to host countries in the TNE literature, the report focuses on the impact of TNE on receiving countries in general and for three countries in particular – China, Malaysia and UAE. The outcomes and impact of TNE can bring both benefits and potential risks and are individualised for each country. Impacts are directly related to driving rationales and goals, and for the majority of countries national TNE policies do not exist making it difficult to compare desired outcomes with actual impact. Five impact categories are analysed: academic, economic, human resource development, socio-cultural, and status.

Providing increased access for specific segments of the population is prevalent in both Malaysia and UAE but the access agenda is being eclipsed by a greater emphasis on economic rationales and outcomes. However, economic impacts can differ significantly. For instance, Malaysia foresees international student recruitment and TNE as a means to increase revenue while UAE perceives TNE as a way to develop an educated

and skilled workforce pivotal to developing a service and knowledge-based economy. At this point in time, TNE, especially international branch campuses, is not attracting foreign direct investment in terms of physical or equipment infrastructure but it is an area of potential development and worthy of close monitoring.

China is currently using TNE for academic capacity building in terms of knowledge transfer from foreign partners for modernising and improving teaching practices, quality assurance standards, programme and curriculum development, and academic management and governance matters. By contrast UAE does not give the same emphasis to academic capacity building for local institutions as there are very few twinning and franchise programmes between UAE domestic HEIs and foreign partners.

Common to all three countries is TNE's impact on human resources development. Malaysia, and to a lesser extent China, emphasise the importance of using TNE for professional development of the teaching and research staff at domestic institutions while UAE stresses the importance of using TNE to develop and retain a skilled workforce. Malaysia and China are conscious of the perceived status benefits from collaboration with high ranking elite foreign partners and UAE clearly wants to increase its competitiveness and status as a regional education hub. The social-cultural impacts are acknowledged as being important but are more difficult to grasp and measure.

There is not 'one way' or a 'universal right way' for a country to approach TNE, there are a variety of approaches. Each host country must develop its own path to ensure that TNE complements its domestic higher education system and meets the articulated goals and outcomes for international collaboration and provision. This will ensure that the outcomes and impact of TNE are relevant to local and national needs and priorities.

1. Introduction

1.1 Background

This report follows on from *The shape of things to come: higher education trends and emerging opportunities to 2020*[1], published as part of British Council's international education conference, Going Global 2012. While the previous report analysed international student mobility and international research collaboration, this report looks at transnational education – specifically programme and provider mobility – with a focus on host countries. The two reports are independent of each other and represent a continuum of research commissioned by the British Council into different facets of the internationalisation of high education. The main findings of this report were presented at Going Global 2013 in Dubai in March 2013.

TNE is becoming an increasingly important component of internationalisation. While robust data is generally lacking, available evidence suggests that TNE is continuing to expand and that modes of delivery and policy approaches to TNE continue to evolve on a country-by-country basis. The UK now reports having more international students studying for UK degrees located outside the UK than inside[2]. A handful of TNE host countries have started to publish TNE data in the past two to three years and indications are that TNE programmes are expanding quickly. Efforts by a number of host countries to develop regional education hubs, and the use of incentives to attract foreign universities and programmes are also testament to the growing relevance of TNE.

There are several underlying factors that account for the increasing prevalence of TNE programmes, including rising income levels in developing countries, improvements in technology and the importance of intercultural skills requirements in an increasingly globalised and interdependent world. At the country level, the drivers and rationales for TNE are often different for sending and host countries. For example, sending countries are often interested in generating revenue or developing international research linkages, while host countries are often interested in expanding domestic capacity or developing new academic programmes and administrative processes. The interesting point is that both sets of objectives can be achieved when sending and host countries work together.

Global tertiary enrolment is forecast by UNESCO to increase by 21 million between 2011 and 2020[3]. However, historic trend data on outbound mobility rates suggest that only about two per cent of these students will travel abroad for study. In many of the developing countries where demand for tertiary education is expanding fastest, domestic education systems are not expanding quickly enough to meet projected demand. TNE, therefore, offers significant opportunity, both for sending and receiving countries, as a mechanism to meet demand.

On the other hand, the challenges are many. Ensuring that TNE programmes are of a high quality and that qualifications are recognised by employers and the wider education sector is of critical importance to the success of TNE. The challenge for the sending country/HEIs is to understand the local operating environment and the various approaches adopted by host countries to facilitate and manage TNE. The challenge for the host country/HEIs is to understand what they want to achieve from TNE and how to maximise the benefits that it offers. In practice, host country environments and objectives differ markedly across countries. This report attempts to make sense of what is a vastly heterogeneous component of internationalisation, by considering questions such as: which host countries have the most conducive environments for TNE? What are the different regulatory approaches to facilitating and managing TNE? Are there common market characteristics across relatively active TNE countries? What are the impacts of TNE on the host country?

1.2 Report structure

The report has five chapters. This introductory chapter provides background to the research, explains where it fits with other British Council research and why TNE is becoming an increasingly hot topic.

Chapter 2, 'TNE data and definitions', provides an overview of the terminology used throughout the report. It also presents the results of an exhaustive search for international and national sources of TNE data.

Chapter 3, 'TNE Opportunities Matrix', presents an analytical framework which assigns the 24 study countries and one special administrative region to one of five TNE opportunity groups. This chapter also analyses the main characteristics, trends and themes that emerge from the Matrix to better understand what sets the different country groupings apart and to evaluate relationships and correlations across the data set.

Chapter 4, 'Impacts of TNE on host countries', presents the results of three case studies that analyse the evolution and current status of transnational education provision within China, Malaysia and United Arab Emirates and assess the impact and benefits from the host country perspective.

Chapter 5, 'Main findings and conclusions', highlights the main take-away messages of the report.

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[1] British Council (2012) The shape of things to come: higher education trends and emerging opportunities to 2020. Available online at: http://ihe.britishcouncil.org/educationintelligence/shape-of-things-to-come

[2] UK Higher Education Statistics Agency, January 2013. www.hesa.ac.uk/index.php?option=com_content&task=view&id=2667&Itemid=161

[3] British Council (2012) The shape of things to come: higher education trends and emerging opportunities to 2020. http://ihe.britishcouncil.org/educationintelligence/shape-of-things-to-come

2. TNE data and definitions

2. TNE data and definitions

2.1 Introduction

Transnational education (TNE) is a component of the wider phenomenon of the internationalisation of education and is sometimes referred to by synonymous terms such as 'cross-border', 'offshore' or 'borderless' education.[4] The general principal of TNE is that students can study towards a foreign qualification without leaving their home country; meaning that the programmes and providers cross national and regional borders, not generally the student. In practice, there are many different delivery mechanisms for TNE programmes, for example independent provision via IBCs, and collaborative provision via joint/double degrees, articulation, franchise and validation arrangements. And some arrangements can involve multiple or overlapping modes of delivery. It is no surprise therefore that developing a robust definition for TNE is no easy task.

This chapter presents the various attempts at defining TNE, discusses some of the main definitional issues and provides a topography of the main delivery modes of TNE. The intention is not to provide a new definition of TNE, but rather to provide an analytical backdrop to the following chapters. The chapter also discusses all available published TNE data sources as part of the research. Therefore, this chapter has two main objectives:

- Establish and explain the terminology used in the following chapters, thereby providing clarity about what is covered in the research.
- Provide an overview of TNE data sourced as part of the research, as this data has informed the TNE delivery modes selected for review in the research. Presenting the data is also intended to contribute to improving data collection systems in the future.

2.2 Definitions and descriptions of TNE

Over the past two decades, there have been various attempts by multilateral agencies to define TNE (or its synonymous term, cross-border education). Examples of definitions are listed in Table 1.

Table 1: Multilateral definitions of TNE

Name of institution	Year	Definition
1. Global Alliance for TNE[5] (GATE)	1997	'Transnational Education denotes any teaching or learning activity in which the students are in a different country (the host country) to that in which the institution providing the education is based (the home country). This situation requires that national boundaries be crossed by information about the education, and by staff and/or educational materials.'
2. Council of Europe 'Lisbon Recognition Convention'[6]	2002	Defines TNE as 'All types of higher education study programmes, or sets of courses of study, or educational services (including those of distance education) in which the learners are located in a country different from the one where the awarding institution is based.'
3. UNESCO/OECD 'Guidelines for quality provision in cross-border education'[7]	2005	'Cross-border higher education includes higher education that takes place in situations where the teacher, student, programme, institution/provider or course materials cross national jurisdictional borders. Cross-border higher education may include higher education by public/private and not-for-profit/for-profit providers. It encompasses a wide range of modalities, in a continuum from face-to-face (taking various forms such as students travelling abroad and campuses abroad) to distance learning (using a range of technologies and including e-learning).'
4. INQAAHE[8]	2010	TNE 'includes distance education courses offered by higher education providers located in another country, joint programs offered between a local provider and a foreign institution, franchised courses offered with or without involvement of staff members from the parent institution, and foreign campuses of institutions developed with or without local partnerships.'

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[4] Knight, J. (2005) Borderless, Offshore, Transnational and Cross-border Education: Definition and Data Dilemmas. Report for Observatory for Borderless Higher Education. London. UK

[5] Australian Universities Quality Agency www.auqa.edu.au/files/otherpublications/quality_assurance_of_transnational_higher_education_the_experiences_of_australia_and_india.pdf page 4

[6] Council of Europe www.coe.int/t/dg4/highereducation/recognition/code%20of%20good%20practice_EN.asp

[7] UNESCO www.unesco.org/education/guidelines_E.indd.pdf

[8] Australian Universities Quality Agency www.auqa.edu.au/files/otherpublications/quality_assurance_of_transnational_higher_education_the_experiences_of_australia_and_india.pdf page 7.

The 1997 GATE definition introduced the concept of the students being located in a different country to the institution providing the education. Otherwise the definition was quite generic in nature, referring to 'any teaching or learning activity' and 'information about the education', rather than education itself, crossing a national boundary. The 2002 Council of Europe definition was more specific, referring to 'higher education study programmes'. It also introduced distance learning into the definition and identified the importance of the 'awarding institution', as opposed to the institution providing the education, being located in a different country to the learners. This definition represents the closest there is to an internationally agreed definition for TNE and is the primary definition used in this report.

The UNESCO/OECD 2005 definition for cross-border education states that cross-border education may include public/ private and not-for-profit/for-profit providers. This definition is closely aligned with the General Agreement on Trade in Services (GATS) classification of trade in services. The 2010 International Network for Quality Assurance Agencies in Higher Education (INQAAHE) definition simply refers to a number of delivery modes: distance education, joint programmes, franchised courses, and foreign campuses developed with or without local partnerships. This reflects a trend towards becoming more specific about defining the various TNE delivery modes.

In addition, there have been attempts by various national education bodies to define TNE. With the exception of China, host countries do not appear to have produced definitions for TNE or its other synonymous terms. The most detailed definitions/ descriptions sourced are listed in Table 2.

Table 2: National definitions of TNE

Name of institution	Year	Definition
1. China Ministry of Education [9]	1995	TNE defined as 'Those foreign corporate, individuals, and related international organisations in cooperation with educational institutions or other social organisations with corporate status in China, jointly establish education institutions in China, recruit Chinese citizens as major educational objectives, and undertake education and teaching activities.'
2. Australian Department of Education and Science [10]	2005	'Australian transnational education and training, also known as offshore or cross-border education and training, refers to the delivery and/or assessment of programs/courses by an accredited Australian provider in a country other than Australia, where delivery includes a face-to-face component... As distinct from education and training provided in a purely distance mode, transnational education and training includes a physical presence of instructors offshore, either directly by the Australian provider, or indirectly through a formal agreement with a local institution/organisation.'
3. British Council [11]	2006	'Transnational education refers to education provision from one country offered in another. It does not include the traditional international student recruitment market where students travel to another country for their studies. Transnational education includes a wide variety of delivery modes including distance and e-learning; validation and franchising arrangements; twinning and other collaborative provision.'
4. Dr Jane Knight – University of Toronto [12]	2007	Defines cross-border education as 'the movement of people, knowledge, programs, providers, ideas, curricula, projects, research and services across national or regional jurisdictional borders. Cross-border education is a subset of internationalization and can be part of development cooperation projects, academic exchange programs and commercial initiatives. Cross-border is a term that is often used interchangeably with other terms such as transnational, offshore, and borderless education. While there are some conceptual differences among these terms, they usually refer to similar types of activities: franchise, branch campus, virtual universities and double/joint degree'.
5. Education New Zealand Trust [13]	2007	TNE defined as 'the delivery of New Zealand formal educational qualifications by New Zealand providers outside New Zealand's shores.'
6. German Academic Exchange Service (DAAD) [14]	2012	DAAD emphasises the issue of academic responsibility in its definition of transnational education. Accordingly, in German TNE projects, the German university acts as educational provider and sets the standards for curricula and academic quality benchmarks, within an otherwise mutually cooperative frame-work (sourced from DAAD document).

9 China Ministry of Education www.crs.jsj.edu.cn/index.php/default/index

10 Australian Education International https://aei.gov.au/About-AEI/Offshore-Support/Documents/TNE%20Good%20Practice%20Guide%20FINAL.PDF

11 British Council https://siem.britishcouncil.org/service-catalogue/transnational-education

12 Knight, J. (2007) Cross-border Tertiary Education: An Introduction in Cross-border Tertiary Education: A way Towards Capacity Development. OECD, World Bank and NUFFIC. Paris, France pp. 21–46.

13 Education New Zealand, 2007 Good practice in Transnational Education http://mams.rmit.edu.au/b0fsg6huol3q1.pdf page 3.

14 DAAD (2012) Transnational Education: Made in Germany.

It is interesting to note that China developed a definition for TNE ('Zhongwai Hezuo Banxue' in Chinese) as far back as 1995. The definition refers to jointly established institutions in China, in keeping with the establishment criteria for foreign HEIs to partner with local Chinese HEIs. Knight's 2007 definition of cross-border education positions it within the broader phenomenon of internationalisation, and identifies the various forms of education that cross national and regional borders. In addition to 'people, providers and programmes', Knight specifies 'curriculum, knowledge, ideas, research and projects' crossing borders. This definition also lists a number of TNE delivery modes: franchise, branch campus, virtual universities and double/joint degree. A similar definition was adopted by OECD/UNESCO in 2005, as per Table 1. The Australian and New Zealand definitions refer specifically to TNE as an export activity, which would seem to place less emphasis on collaboration between the sending and receiving country. Also of note is the fact that the Australian definition differentiates between distance learning and TNE, whereas the British Council definition includes distance learning as one of the TNE delivery modes. DAAD has a particular view of TNE that involves the German HEIs exercising a large degree of academic responsibility over the programme. For this reason, joint degree programmes are not considered as a form of TNE by DAAD.

The current study includes the following elements of the above definitions:

1   TNE includes independently delivered programmes, and not only those in co-operation with institutions in the host country.

2   The study focuses primarily on programme and provider mobility.

3   TNE is not only considered as an export activity, but includes collaborative arrangements such as joint and double degrees.

4   While distance learning is considered to be TNE, it is not covered in this report.

2.3 TNE delivery modes

As is clear from the multilateral and national definitions presented above, TNE can take many different forms or modes of delivery. Providing exact definitions for the various forms of TNE is difficult for a number of reasons:

1   Lack of data. Very few host countries collect data on TNE programmes on offer to their tertiary students. Without such data, it's difficult to understand exactly how the programmes are being delivered.

2   Terminology differences. Different countries and institutions have a different perspective, depending on whether they are senders or hosts of TNE programmes. This means they often use different terms to describe the same activity. For example, what's referred to as a 'franchise' arrangement by a sending HEI may be referred to as a 'top-up' arrangement by the host HEI.

3   Use of generic terms. In both sending and host countries, one TNE delivery mode may be used generically to refer to all modes of delivery. For example, twinning, collaborative programmes and joint degrees.

4   Overlapping and evolutionary nature of TNE delivery modes. The various TNE delivery modes are not mutually exclusive. An individual arrangement may involve elements of two or more delivery modes. Also, the increasing role of ICT has provided for increasingly innovative ways for HEIs to collaborate.

Drew and McCaig [15] identified two main bases for understanding the various modes of TNE:

1   The nature of the contractual arrangements.

2   The learning, teaching and assessment (LTA) provision.

In collaborative forms of TNE, contractual arrangements refer to the contract or agreement in place between the sending and host HEIs. These agreements are analogous to the common terms used to describe the various TNE delivery modes, e.g. twinning agreement, franchise agreement, and articulation agreement. Of interest here is to which HEI the student is registered, as this can help differentiate between the various modes of TNE. For example, under a franchise agreement, the student is typically registered with the host HEI; with an articulation arrangement, the student is initially registered with the host HEI, but transfers to the sending HEI. With independent TNE provision, the student can only 'belong' to the sending HEI.

The LTA provision refers to the methods used to deliver the programmes, i.e. via staff permanently based in a branch campus, flying faculty, distance or blended learning. Given the potential for overlap, LTA provision, by itself, is not an optimum way to differentiate between the various TNE modes. The best approach to describing – as opposed to defining – the various TNE delivery modes involves elements of both the contractual and LTA arrangements.

HE institutions and quality assurance agencies provide the most detailed definitions for the various TNE modes. For example, UK QAA Quality Code for Higher Education (2010); [16] University College Dublin Collaborative Programmes Guide (2012). [17] The OBHE definition for IBCs is widely used. Based on a comprehensive literature review and experience of gathering and reporting TNE data, the following topography of TNE was used for the current project.

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[15] Centre for Research and Evaluation (2007) Models of UK TNE provision.

[16] www.qaa.ac.uk/assuringstandardsandquality/quality-code/Pages/default.aspx

[17] www.ucd.ie/registry/academicsecretariat/progsn.htm

Table 3: Description of main TNE delivery modes

Name of institution	Definition
1. International branch campus	The sending HEI establishes a stand-alone satellite operation known as an international branch campus (IBC) in the host country and is responsible for all aspects of recruiting, admission, programme delivery and awarding of the qualification. In addition to faculty employed from the parent institution, the IBC may employ local and/or international faculty to assist with teaching. Quality assurance of the programme is the responsibility of the sending HEI and is often subject to additional accreditation processes by the host country.
2. Franchise/twinning programmes	A sending HEI authorises a host HEI to deliver its (sending HEI) programme, with no curricular input by the host institution. The qualification is awarded and quality assured by the sending institution. The host HEI has primary responsibility for delivery of the programme but the sending HEI may assist with delivery of the programme by providing flying teaching faculty. Recruitment of students and provision of facilities (library, classrooms, IT) is provided by the host HEI. Franchise programmes are typically 3+0 or 4+0 with all study taking place in the host country. Where the student completes the study in the sending country, e.g. 2+1, this is commonly known as a twinning programme.
3. Articulation agreements	Allow host country students who have completed a specified curriculum (award not of the sending HEI) to apply to a sending country programme (either being taught in the sending or host country) and enrol with 'advanced standing'. (These agreements are sometime considered as a mechanism to recruit international students, but are included here as TNE due to the input the sending HEI has into the pre-articulation curriculum studied at the host HEI).
4. Double/dual degree programmes	Two or more partner institutions in different countries collaborate to design and deliver a common programme. Mobility of students and faculty between the partner HEIs varies by programme. The student receives a qualification from each partner institution. This results in a student receiving two or more qualifications for completion of one programme.
5. Joint degree programmes	The joint degree programme is similar to the double/dual degree programme in that two or more HEIs collaborate to design and deliver a new programme. The sole difference is that students receive one qualification which includes the badges of each partner institution on the award.
6. Validation programmes	The process by which a sending HEI judges that a programme developed and delivered by a host HEI is of an appropriate quality and standard to lead to a degree from the sending HEI. The host HEI can develop a programme to meet local needs with the sending HEI contributing its quality assurance processes.
7. Other (not covered in this study)	Access/feeder programmes, credit transfer/study abroad programmes, short-term or partial credit programmes, distance learning programmes/ virtual universities, tuition providers/ teaching centres, bi-national campuses, independent campuses, corporate training and intermediary agencies.

Since sending countries have produced the greatest body of information and data to draw from, the above descriptions may be biased towards a sending HEI perspective. However, the research project suggests that many of the above terms are in use in host countries. Although in some cases, one delivery mode can be used generically in reference to all TNE activity. The 'Other' category details a number of TNE delivery modes not covered in this report.

2.4 TNE data

According to the research project, there are three sending countries and six host countries and special administrative regions (hereafter referred to as 'host countries') publishing TNE data. Table 4 summarises the data published by the sending countries.

Table 4: Sending country TNE data

Country	Agency	Year	TNE data	Top partners for TNE programmes
1. UK	Higher Education Statistics Agency [18] (HESA)	2011–12	1,395 'TNE programmes' plus 73 'overseas campuses'; 454,473 'TNE students' enrolled (ex DL)	Malaysia, Singapore, Pakistan, China, and Hong Kong
2. Australia	Australian Education International [19] (AEI)	2011–12	394 'TNE programmes with 140 'local HEIs'; 80,458 'off-shore students' enrolled (ex DL)	China, Singapore, Malaysia, Vietnam and Hong Kong
3. Germany	German Academic Exchange Service [20] (DAAD)	2012	200 'Double degrees, two 'IBCs' and six 'German backed universities'; estimate of 20,000 'TNE students' enrolled.	US, China, Russia, Canada and South Korea

All three sending countries use different data collection techniques, and report the data in different ways. Therefore, the data is not directly comparable across countries. In the UK and Australia, HEIs are legally required to submit TNE data to the government. In Germany, the vast majority of TNE activity receives funding from DAAD, therefore data is held centrally by DAAD. Students enrolled on distance learning programmes are not included in the above table.

The UK HESA data represents the most comprehensive national data source available for TNE. Programme and enrolment data is collected and reported according to four main categories of TNE: IBCs, collaborative TNE registered with UK HEI, collaborative TNE registered with host HEI, and distance learning. According to the data, only three per cent of the 454,000 students were enrolled in UK IBCs, with 97 per cent enrolled on collaborative TNE

programmes in 2011–12. Of these, approximately 78 per cent were registered with the foreign HEI and 22 per cent were registered with the UK HEI. It is not possible to distinguish clearly the various collaborative modes of TNE, for example joint/double degrees, articulation and validation from the data reported.

AEI publishes details of Australian universities' offshore activity. The data includes the name of the Australian sending HEI, the name of the host country partner institution (if it is a collaborative arrangement), the course level (bachelor/master's) and qualification (bachelor of business and tourism). The data is graphically well presented and provides a good overview of Australian branch campus activity, but student enrolment data is not reported for each TNE programme. It is also not possible to distinguish between the various collaborative modes of TNE.

According to data published on the DAAD website, Germany has approximately 200 double degrees, two IBCs (Singapore and China) and six German backed (also known as German Bi-national) universities (Egypt, Jordan, Oman, Vietnam, Kazakhstan and Turkey). With German backed universities, a consortium of German universities, rather than a single university, usually collaborates with the foreign university. DAAD supports a small number of joint degrees programmes, however, they are not seen as TNE programmes because the German university does not exercise overall academic responsibility. It certainly is more difficult to use terms such as 'sending' and 'host' countries when discussing joint and double degrees. Although, there is little doubt that Germany is the 'sending' country in relation to its double degree programmes.

Table 5 summarises the TNE data published by host countries and special administrative regions.

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[18] British Council analysis of HESA Aggregate Overseas Record (2013).

[19] Australian Education International. http://auslist.deewr.gov.au/InteractiveMapSearch/InteractiveSearch.aspx?AspxAutoDetectCookieSupport=1

[20] DAAD www.daad.de/hochschulen/hochschulprojekte-ausland/hochschulen-ausland/18490.de.html

Table 5: Host country/special administrative region TNE data

Country	Agency	Year	TNE data	Top partners for TNE programmes
1. China	Ministry of Education[21]	2013	730 'co-operative education programmes' and 55 'co-operative education institutions'	UK, US, Russia, Australia and Canada
2. Hong Kong	Education Bureau[22]	2013	1,144 'non-local programmes'	UK, Australia and US
3. Malaysia	Malaysian Qualifications Agency[23] (MQA)	2012	563 'accredited foreign programmes' and 8 'IBCs'	UK, Australia and US
4. Mauritius	Tertiary Education Commission[24]	2013	254 'programmes awarded by foreign providers'	UK, France and India
5. Thailand	Higher Education Commission[25]	2011	128 'collaborative degree programmes'	China, US, Germany, Australia and Canada
6. Vietnam	Ministry of Education and Training[26]	2011	179 'TNE programmes'	France, Australia, UK, US and Taiwan

Again, the TNE data in the above table is not directly comparable across countries, and should be considered as a guide only. As an indication of this, none of the above host countries use the same term to describe the data, and only Vietnam actually refers to 'TNE programmes'. With the exception of Thailand – where the data was sourced via a survey commissioned by the HEC – all of the above data relates to TNE programmes accredited by the MoE or relevant body in the host country. A significant proportion of TNE programmes operate in all countries without formal accreditation. The published data for China, Hong Kong and Mauritius is updated periodically on the respective websites. The Malaysian data is not published, but was provided by the MQA as representing those listed on the Qualification Register as at December 2012. The Thailand data is

based on a 2011 survey conducted by the HEC. The Vietnam data was published in a 2011 summary document produced by Nguyen Tat Thank University and NTT Institute of International Education with data provided by the MoET. This data is not publicly available, as the relevant link on the website has been down for the duration of this research project.[27]

In addition to the countries above, the Council for Private Education in Singapore reports that there are nine foreign branch campuses in Singapore and 30 foreign HEIs in collaboration with the two local Singaporean universities. There is also evidence that Tecom Investments is collating TNE programmes data in Dubai with a view to publishing the data. Based on data published by OBHE, Dubai is the top location for IBCs, hosting 37 in 2012.

While the TNE data in Table 5 above is not directly comparable, it does provide an approximate basis on which to compare activity levels. The data broadly corresponds with sending data produced by the UK and Australia that shows China, Hong Kong and Malaysia as major host countries for TNE programmes. The UK and Australian data also suggests that Singapore is a major host country for TNE programmes.

[21] China Ministry of Education www.crs.jsj.edu.cn/index.php/default/index/sort/1006

[22] Hong Kong Education Bureau www.edb.gov.hk/en/edu-system/postsecondary/non-local-higher-professional-edu/course/registered-course.html

[23] Data provided by Malaysian Qualifications Agency.

[24] Tertiary Education Commission http://tec.intnet.mu/programme.php?instid=1

[25] Thailand Higher Education Commission. www.inter.mua.go.th/main2/files/file/collaborative%20degree%20program%202011.pdf

[26] British Council. http://ihe.britishcouncil.org/sites/default/files/going_global/session_attachments/5.PEA10%20-%20Paul%20Penfold.pdf

[27] www.vied.vn/en/content/internationalprograms/licensedprograms.aspx

3. TNE Opportunities Matrix

3. TNE Opportunities Matrix

3.1 Introduction

The Opportunities Matrix is an analytical framework developed to identify countries with the most favourable prospects as hosts of TNE programmes over the next two to three years. The Opportunities Matrix addresses the need to better understand and compare TNE environments across a range of host countries. Ten indicators were developed as proxies for opportunity. Opportunity is considered primarily from the sending country perspective, and refers to host countries with the most favourable environments for the establishment and/or expansion of TNE programmes.

The indicators developed aim to shed light on the various approaches taken to facilitate and manage TNE by reviewing the national policies and regulations in place in host countries. The Opportunities Matrix also investigates factors likely to impact on the demand environment for TNE, focusing on economic, infrastructure, socio-cultural and business environment indicators. Finally, the framework compares the mobility environments of the 25 study countries, with indicators on student mobility and international branch campus mobility.

Three main objectives of the Opportunities Matrix are:

1   Develop an analytical framework to assign 25 selected host countries to one of five 'opportunity groups' based on analysis of their regulatory, market and mobility environments.

2   Analyse the main characteristics, trends and themes that emerge from the Opportunities Matrix to better understand what sets the different opportunity groupings apart and to evaluate relationships and correlations across the data set.

3   Develop main findings and conclusions targeted at HEIs and policy makers in sending and host countries.

The analytical framework is referred to as a Matrix to emphasise the fact that countries are not ranked from 1–25, but rather are assigned to opportunity groups, based on their score in relation to the mean score of all countries. This is in recognition of the relatively subjective nature of the research, where claims of which country scores top or bottom are subject to significant uncertainty. In addition to focusing on country groupings, the Matrix considers the horizontal trends, themes and correlations across the full data set, giving the framework a rectangular character.

3.2 Methodology

The Opportunities Matrix framework was developed by McNamara Economic Research (MCER) and draws from a previous study commissioned by the British Council, the 'International Education Index' (IEI), published as part of the 'Global Gauge'[28] report in 2011. The IEI measured the extent to which the policy environments in 11 study countries were positioned to engage with, and benefit from, the internationalisation of higher education. The IEI considered internationalisation in a relatively broad sense, focusing on policies relating to student, academic, programme and provider mobility, from both the sending and receiving country perspective.

The Opportunities Matrix differs from the IEI as it focuses specifically on receiving countries, and policies relating to 'inbound' programme and provider mobility. In addition to the TNE policy environment category, the Opportunities Matrix includes a category on the market environment for TNE, and another on the mobility environment. The framework design draws on available recent literature in this field, including reports from leading authorities on the topic, such as the OECD, UNESCO, OBHE and leading international higher education academics.

3.21 Category 1: the policy environment

The policy environment category assesses the extent to which host country governments have implemented policies and processes to facilitate and manage inbound TNE. The main body of evidence for this category involved government publications/websites and higher education legislation and regulations. In economics jargon, this category may be considered as the 'supply side' of the analysis. It contains four indicators, scored on the basis of 13 underlying qualitative scoring criteria. The scoring criteria take the form of questions, for example; *has a detailed strategy been developed for the establishment or expansion of TNE initiatives?* A three-point scoring system was used, with answer options of 'Yes', 'No' or 'Partly'. The 'Partly' option allows for grey areas, where the country partly meets criteria, with clear guidelines as to when this could be used. For example, *there is a strategy in place, but it only covers a few areas or it is out of date/ has yet to be implemented.* A number of indicators and scoring criteria from the International Education Index were re-used in the Opportunities Matrix policy category; others were edited to focus specifically on TNE and receiving countries; and a few new scoring criteria were developed. All policy indicators were scored by the MCER project team, primarily via secondary research of host country government reports and websites, and in some cases via request for information from policy makers and higher education practitioners and academics in the host country. The indicators and scoring criteria used are presented in Table 6.

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[28] British Council http://ihe.britishcouncil.org/educationintelligence/products/global-gauge

Table 6: Policy environment framework

Indicator	Scoring criteria
1. TNE strategy	Dedicated international education body with TNE remit. Evidence of TNE host strategy. TNE incentives.
2. Establishment of TNE operations	Permission/regulations for foreign institutions to establish. Permission/regulations for establishment of TNE programmes. Clarity of establishment regulations. Academic visas or assistance with inbound faculty mobility.
3. Quality assurance and accreditation	Quality assurance of foreign institutions. Quality assurance of TNE programmes. International collaboration on quality assurance.
4. Recognition of TNE	TNE guidelines or codes of practice. Recognition of TNE qualifications. International collaboration on recognition of qualifications.

3.22 Category 2: the market environment

The market environment category considers factors which are likely to affect the demand for TNE programmes in the host country. The category contains four indicators, scored on the basis of 19 underlying scoring criteria: 13 quantitative and six qualitative (highlighted in purple text in the following table). In contrast to the policy environment above, the qualitative indicators in the market environment category were not scored by MCER analysts, but were sourced from the World Bank and World Economic Forum.

The indicators were chosen by MCER on the basis of a literature review of recent research in this area, dialogue with British Council project co-ordinators and internal project team discussion. Sourcing internationally comparable data across all 25 study countries presented a challenge and a number of indicators originally identified were not possible to include, for example the ratio of tertiary level places to secondary level graduates, political history and geographic location of the host country. The indicators, scoring criteria and main sources used, are presented in Table 7.

Table 7: Market environment framework

Indicator	Scoring criteria	Main source
1. Macro/demographic	GDP per capita (current, US$) GDP growth, 2012–14 Unemployment rate, 2011 Services (% GDP) Tertiary age cohort (15–24) as % total population	World Bank [29] Oxford Economics [30] Oxford Economics World Bank Oxford Economics
2. Infrastructure	Tertiary education spend as % GDP Tertiary school enrolment rate Private HE enrolment, as % of total Broadband penetration rate Quality of higher education system Quality of air transport infrastructure	UNESCO Institute for Statistics [31] World Bank UNESCO Institute for Statistics World Bank World Economic Forum, Executive Opinion Survey [32] World Economic Forum, Executive Opinion Survey
3. Socio-cultural	Human development index Number of international primary schools Ratio of female to male tertiary enrolment rate Brain circulation	United Nations [33] ISC Research [34] Word Bank World Economic Forum, Executive Opinion Survey
4. Business environment	Ease of doing business Government control of corruption Government effectiveness Business costs of crime and violence	World Bank World Bank, Worldwide Governance Indicators [35] World Bank, Worldwide Governance Indicators World Economic Forum, Executive Opinion Survey

3.23 Category 3: the mobility environment

The mobility environment category assesses the degree to which host countries are already internationalised, as evidenced by student mobility and international branch campus mobility. The logic here is that countries that have already reached some critical mass with one form of internationalisation are likely to be those that will continue to internationalise in other forms, including TNE. This category contains two indicators, scored on the basis of four underlying scoring criteria, all quantitative. There are some limitations to the data which should be noted.

- The UNESCO data on student mobility relates to programmes of at least a full academic year in duration. Therefore, one semester programmes are not included.

- The OBHE data is based on a specific definition of an international branch campus, such that 237 of these institutions are recorded worldwide. In practice, there are thousands of TNE arrangements – such as twinning – which have an element of institutional mobility.

- Due to lack of data availability, it was not possible to include indicators on the number of TNE programmes and numbers of students enrolled on TNE programmes in the host countries.

[29] The World Bank http://data.worldbank.org
[30] Oxford Economics www.oxfordeconomics.com
[31] UNESCO Institute for Statistics www.uis.unesco.org/Pages/default.aspx
[32] World Economic Forum https://wefsurvey.org/index.php?sid=28226&intro=0
[33] United Nations http://hdr.undp.org/en/statistics
[34] ISC Research www.iscresearch.com
[35] World Bank http://data.worldbank.org/data-catalog/worldwide-governance-indicators

Table 8: Mobility environment framework

Indicator	Scoring criteria	Main source
1. Student mobility	Inbound student mobility rate Outbound student mobility rate	UNESCO Institute for Statistics UNESCO Institute for Statistics
2. International branch campus mobility	Inbound branch campuses Outbound branch campuses	Observatory on Borderless Higher Education Observatory on Borderless Higher Education

3.24 TNE Opportunities Matrix structure

The overall structure of the Matrix, with categories, indicators and weights, is presented in Table 9.

Table 9: TNE Opportunity Matrix structure

Category	Indicator	Weight
1. Policy environment	1. TNE strategy 2. Establishment of TNE operations 3. Quality assurance of TNE 4. Recognition of TNE	40%
2. Market environment	1. Macro/demographic 2. Infrastructure 3. Socio-cultural 4. Business environment	40%
3. Mobility environment	1. Student mobility 2. International branch campus mobility	20%
Overall Opportunities Matrix score		100%

3.25 Country selection

The intention from the outset was to throw the net as wide as possible with regard to country selection, given available resources and time constraints. An initial long list of 52 [36] potential TNE host countries was selected via discussion between the MCER project team and the British Council. A mix of countries was selected on the basis of regional location; small, medium and large population centres; and low, medium and high income levels. In practice, selecting more than 50 countries would become an increasingly abstract exercise, given the increasing difficulty of finding any significant evidence of TNE activity. A final list of 25 countries was selected for inclusion in the study on the basis of the following criteria:

1 Observed inbound student mobility (UNESCO) and international branch campus activity (OBHE).

2 Countries with a reputation/history as hosts of TNE and countries with recent examples of hosting relatively high profile TNE initiatives.

3 Identification of new or emerging TNE host countries of interest via internal project team discussion.

The following 24 countries and one special administrative region (Hong Kong) hereafter referred to as 'study countries' were selected:

Table 10: Host countries included in study

Asia	Europe	Middle East/Gulf	Africa	Americas
China	Poland	Bahrain	Botswana	Brazil
Hong Kong	Russia	Oman	Mauritius	Mexico
India	Spain	Qatar	Nigeria	
Indonesia	Turkey	UAE		
Malaysia				
Nepal				
Pakistan				
Singapore				
South Korea				
Sri Lanka				
Thailand				
Vietnam				

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[36] See Appendix B for list of initial 52 countries.

3.3 Policy environment results

3.31 Introduction

The TNE policy environment varies considerably across the 25 study host countries analysed. Some countries have over 20 years' experience importing foreign education institutions and programmes, and their regulatory systems are relatively well developed to facilitate and manage this process; other countries are new to TNE and have considerably less experience. However, for many countries in the study, TNE is simply not a policy priority. They may be at an earlier stage of internationalisation, where the focus remains on promoting student mobility. In some cases, countries may have a lack of interest in TNE for cultural or ideological reasons. Whatever the policy position, all countries in the study have some experience of importing foreign programmes, and indications are that this trend will continue into the future.

TNE regulations are important to sending HEIs because they provide clarity on the establishment procedures for TNE programmes, whether they will be approved by the host ministry of education (or relevant body) and which modes of TNE are more likely to succeed. Regulations provide a signal to sending HEIs about the commitment of the host government to quality assurance and recognition of foreign qualifications. Overall, existence and implementation of regulations promote confidence and assurance that investments in time and resources by sending and host HEIs will yield results.

A robust regulatory framework also communicates the host country perspective on TNE, what the government hopes to achieve by engaging with international universities. Host countries that take a strategic approach to TNE stand the best chance of realising the potential benefits it offers and ensuring its sustainability.

Table 11: TNE policy opportunity groups

Group 1	Group 2	Group 3	Group 4	Group 5
Hong Kong	Bahrain	Botswana	Brazil	India
Malaysia	China	Nigeria	Indonesia	Nepal
Singapore	Mauritius	Oman	Mexico	Poland
UAE	Qatar	Pakistan	Spain	Sri Lanka
	South Korea	Russia		Turkey
		Thailand		
		Vietnam		

According to the analytical framework, Hong Kong, Malaysia, Singapore and UAE score in opportunity group 1 for the TNE policy environment. It is perhaps not surprising that these relatively mature TNE hosts score well above average, having most experience with TNE and therefore having more time and imperative to develop TNE policies and regulations. What is of most interest is to understand exactly why they score in group 1, what sets them apart from other potential host countries and whether lower or mid grouped countries are making progress in this direction. The indicators, the underlying scoring criteria and the research findings are discussed below.

3.32 TNE strategy

Existence of a dedicated agency (or agencies) with responsibility for TNE is an important differentiator between the higher and lower grouped countries in the strategy indicator. In Malaysia, for example, the Private Higher Education Management Sector[37] (part of the Ministry of Education) has overall responsibility for TNE; in Singapore, the Economic Development Board[38] is responsible for attracting foreign universities and programmes. In some cases, the disaggregated and overlapping nature of responsibility for TNE suggests an uncoordinated policy approach. In other cases, the dedicated agencies appear to have limited power or responsibility. Almost half of the countries have no ministerial department or separate body with any significant level of responsibility for TNE. This reflects the fact that TNE is simply not a policy priority in these countries. In many countries, for example Brazil, Turkey, Poland and Indonesia, the policy focus remains squarely on student mobility and TNE is not a hot topic.

Surprisingly, none of the 25 countries appear to have published an internationalisation strategy document, much less a strategy document focused specifically on TNE. This is in contrast to a number of the main TNE sending countries – UK, Australia and Germany – where detailed internationalisation strategies, including a focus on TNE, have been published by government. This emphasises the generally fragmented policy approach that characterises many host countries, causing many challenges in terms of managing and facilitating TNE. Part of the reason for this fragmented approach is that TNE is often framed within a number of national contexts: educational, economic, trade, international relations, etc. In a number of countries/regions (Singapore, Hong Kong, and UAE – Dubai) inbound TNE is promoted by economic oriented agencies. Even in Malaysia, the government's overriding objective of TNE appears to be more economic than educational. Other countries like China and Vietnam appear to be more interested in the academic and knowledge transfer outcomes that TNE can confer on the domestic HEI system.

While government TNE strategy documents are lacking, the establishment of international education cities and zones represents a major commitment to develop TNE in some countries. In Qatar, for example, the Qatar Foundation[39] has responsibility for the development of the country's Education City which is home to ten international branch campuses. South Korea is developing the Songdo Global University Campus[40] in the Incheon Free Economic Zone. This initiative seeks to attract prestigious foreign universities and a number of foreign campuses (mostly US) are at advanced stages of development. Mauritius[41] also appears to be making genuine progress towards positioning itself as a regional hub. Other countries in the study have announced their aspirations to become major regional hubs, but for various reasons have not realised this ambition. Economic difficulties in Botswana, due to the global financial crisis, put their hub plans on hold for a few years, but recent evidence suggests that progress is again underway. Bahrain appears to have changed tack, adopting a more cautious approach to ensure that existing TNE provision is of a sufficiently high quality before progressing further with hub development. Sri Lanka has stated its intention to become the 'most cost-effective and quality higher education hub in Asia'[42]; however, additional implementation details are not available.

Use of incentives by host countries to attract TNE providers and programmes is a very important feature of the TNE policy landscape. Thirteen of the 25 study countries provide some form of incentives for foreign providers to establish TNE operations. Countries offering the largest incentives are generally those with genuine ambitions to develop international education hubs. Qatar has provided purpose-built facilities, operational funding, scholarships and research endowments to selected foreign universities. Mauritius offers low tax rates, no restriction on foreign ownership and free repatriation of profits to the home country. In Singapore, the Lee Kong Chian School of Medicine – a joint campus between Imperial College London and Nanyang Technological University, opened in 2013 – received a substantial Singapore government grant. In other countries, incentives exist, but are less generous. For example, in Hong Kong, accredited TNE programmes are eligible for government funding. In Spain, incentives have been provided at state level (for example, Valencia state government provided a land grant to the Berkeley School of Music to establish a branch campus) but not at national level.

3.33 TNE establishment regulations

The Opportunities Matrix differentiates between regulations[43] in place to establish independently delivered TNE programmes (international branch campuses) versus collaborative TNE programmes (joint, double, franchise, etc.). Encouragingly,

[37] Malaysian Ministry of Higher Education http://jpt.mohe.gov.my/IPT/GettingStarted2011/2-3_OP2.pdf

[38] Singapore Economic Development Board www.edb.gov.sg/content/edb/en/why-singapore/about-singapore/strategy/home-for-talent.html

[39] Qatar Foundation www.qf.edu.qa/education

[40] Songdo Global University, South Korea www.sgu.or.kr/sgu/eng/main.htm

[41] Mauritius Medine Education Village www.medineproperty.com/en/project-details/43

[42] Sri Lanka Ministry of Higher Education www.mohe.gov.lk

[43] Regulations refer to written instruments or pieces of legislation containing rules that have the force of law.

21 of the 25 host countries have some regulatory basis for the establishment of an IBC. Nepal, Sri Lanka and Turkey have no such regulations in place and India purposefully disallows the establishment of IBCs. The regulations are often buried within the private HEI legislation and can be difficult to find and even more difficult to interpret. The federal policy approach to higher education in Brazil and Spain makes the overall regulatory situation complex and difficult to review. A major issue for sending HEIs relates to the lack of transparency in how the establishment regulations are applied; Nigeria, Russia, and Brazil being prime examples.

In some counties the process for receiving accreditation can be onerous (China and Nigeria) or requirements are vague in detail (Indonesia and Thailand). In some cases the regulations place significant restrictions on sending HEIs: China requires that foreign HEIs partner with local Chinese HEIs and disallows repatriation of profits; Vietnam specifies minimum levels of investment per student, student–teacher ratios and sets out curricular requirements.

Nineteen of the 25 host countries have regulations providing for the establishment of collaborative TNE programmes, the exceptions being Nepal, Poland, Russia, Spain, Sri Lanka and Turkey. Oman, for example, actively encourages franchised higher education in the private sector. Again, the regulations are relatively restrictive in some countries, for example franchise programmes are not permitted in India; double degrees in Malaysia and joint degrees in Russia fall outside the respective regulations. In Bahrain, programmes must be in line with the needs of the economy (applied science subjects are favoured over the humanities). In Brazil, there is evidence that TNE programmes must be validated

by local Brazilian HEIs offering equivalent courses at the corresponding level. In Qatar, collaborative TNE programmes must 'take into account the values and culture of Qatari society'.[44]

It is interesting to note a lack of regulations in place governing collaborative TNE programmes in all four European countries in the study: Poland, Russia, Spain and Turkey – although Poland, Russia and Spain do have legislation in place that provides for the establishment of IBCs. Yet all of these countries do engage in various forms of collaborative TNE, often under European Union programmes such as Tempus or Erasmus Mundus or bi-national funded programmes such as those in place between Germany (DAAD) and Russia. Lack of national regulations, therefore, appears to be circumvented by European level regulatory architecture (for example the Bologna process for recognition of qualifications, Council of Europe/UNESCO guidelines for cross-border education).

Indeed this raises an important observation more generally, that TNE regulations are not a prerequisite for TNE to develop. TNE is currently developing in a number of countries (for example Nepal and Sri Lanka) without any formal regulatory framework in place. India only adopted regulations for collaborative forms of TNE in 2012 – but retains a ban on IBCs – despite having significant levels of link-ups between foreign and domestic HEIs. The evidence from this research suggests a complex push-and-pull relationship between TNE activity and TNE regulations, where TNE activity reaches a certain critical mass and elicits a regulatory response from the government. While TNE regulations are not a requirement for TNE activity to take place, they have an important role to play in relation to registration, licensing, accreditation, quality assurance and recognition of qualifications

and for ensuring the sustainability of TNE going forward. Opportunity group one markets identified in this research are those with, or moving towards, a system of robust policy and regulatory oversight.

It must be recognised that getting parliamentary approval in the host country for the establishment of international branch campuses can meet significant social and political resistance. The Sri Lankan government backed down on its Private University Bill in 2012 in the face of considerable public opposition amid fears relating to the perceived privatisation of higher education[45]. In India, the 2010 Foreign Education Intuitions Bill continues to be debated in parliament. Indonesia managed to pass its 2012 Higher Education Bill[46], officially opening up Indonesia to foreign branch campuses for the first time. However, the Bill faced considerable opposition in political, academic and media circles over concerns about opening up domestic institutions to international competition and potentially compromising the political, religious and cultural underpinnings of the state[47]. Turkey has yet to debate such a bill, but current proposals are reported to include conditions requiring foreign HEIs operating in Turkey to recruit a minimum quota of international students.[48]

Only three countries have immigration policies in place that actively encourage inbound faculty mobility: China, Malaysia and South Korea. China has a special channel for 'foreign experts' to apply for residency visas, allowing teachers to teach in China and bring their spouses and families[49]; Malaysia has unrestricted employment of foreign knowledge workers for HEIs operating within the education free zone[50]; South Korea encourage HEIs to employ foreign faculty by linking government funding programmes with numbers of foreign professors employed.[51]

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[44] Qatar Supreme Education Council www.sec.gov.qa/En/SECInstitutes/HigherEducationInstitute/Documents/licensingStandardsEn.pdf page 10

[45] University World News www.universityworldnews.com/article.php?story=201201181711262

[46] Australian Education International www.aei.gov.au/International-network/indonesia/PolicyUpdates-Indonesia/Documents/DRAFT%20HIGHER%20 EDUCATION%20BILL%20(3).pdf

[47] The Pie News http://thepienews.com/news/indonesia-opens-up-to-foreign-universities

[48] Levant Education Group http://levanteducationgroup.com/2012/11/01/turkish-government-opens-the-door-for-foreign-universities

[49] Beijing International www.ebeijing.gov.cn/Elementals/InBeijing/LivingInBJ/ResidencePermit/t1017429.htm

[50] Malaysian Prime Minister's Department, Administrative Modernisation and Management Planning Unit, Getting Started: Private Higher Education Business in Malaysia (2010)

[51] South Korea National Research Foundation www.nrf.re.kr/nrf_eng_cms/show.jsp?show_no=94&check_no=89&c_relation=0&c_relation2=0

In Qatar[52] and UAE[53] the government provides ad hoc assistance in fast-tracking the visa application process for foreign faculty based in the IBCs. Russia reduced the red tape on hiring foreign faculty in 2012 by abolishing the requirement for foreign faculty to obtain special permission from the MoE to teach in Russia.[52] Other countries focus on attracting certain types of researchers (for example scientific researchers in Thailand and Turkey), or researchers from certain countries, (for example US researchers in Vietnam). However, 15 of the 25 study countries do not actively facilitate inbound faculty mobility. This is an important consideration for sending HEIs, given the importance of fly-in fly-out faculty for delivery of TNE programmes.

3.34 Quality assurance of TNE

As with TNE establishment regulations, discussed above, the Opportunities Matrix assigns separate scoring for quality assurance of independent versus collaborative TNE programmes. In practice, about one third of the study countries have little or no TNE QA systems in place at all. Where QA systems are in place, they generally cover both independent and collaborative programmes. However, this is influenced by the prevalent mode of TNE in the country. China, for example, only permits collaborative forms of TNE, and the QA system reflects this. In the UAE, TNE is almost entirely represented by IBCs, and therefore the QA system does not focus on collaborative forms of TNE.

Unsurprisingly, the most active/long-standing host countries for TNE are generally those with the most robust QA systems in place. Malaysia recognises TNE as being 'part' of the Malaysian higher education system, and all IBCs are monitored and accredited by the Malaysian Qualifications Agency.[55] In one of the more innovative approaches to QA observed, IBCs in Malaysia that have undergone a number of successful QA reviews can apply for 'self-accrediting' status, which grants them greater autonomy to introduce new programmes. In Hong Kong, accredited TNE programmes enjoy similar status to locally-accredited programmes, and are listed on the Qualifications Register.[56] Singapore has separate QA bodies for public[57] and private HEIs[58] engaged in TNE and QA enforcement appears quite stringent.

The level of TNE activity is not always indicative of QA systems being in place. South Korea appears to be a moderately active host of TNE programmes, and has established two education free zones (the Songdo Global University Campus and Jeju Global Education City[59]), but surprisingly has no national agency with responsibility for QA of TNE. This issue is well flagged in the country by TNE higher education commentators, but doesn't look set to change in the immediate future.[60] Bahrain, although not a leading host country for TNE, has a relatively well developed QA system, with periodic reviews of private HEIs – including foreign HEIs and the programmes they deliver.[61] These reviews appear to be thorough – reviewing curriculum, academic standards, teaching staff, and

internal quality assurance systems – and the Higher Education Review Unit issues recommendations on the back of these reviews. In Russia, private universities, including foreign HEIs, may voluntarily apply for accreditation by the National Accreditation Agency, at which point the state takes responsibility for QA, but there is little evidence of this happening. Qatar's approach is to ensure that foreign HEIs delivering programmes in Qatar are accredited in their home country, but it does not have its own TNE QA system.[62]

One of the positive by-products of a robust QA system is an improvement in collection and reporting of TNE data – although data availability in general is woefully inadequate. Three of the four countries in opportunity group one collect and report TNE programme data (discussed in Chapter 2), largely on the back of QA requirements to register TNE programmes with the MoE (or relevant body) for approval and accreditation purposes.

The Opportunities Matrix also includes a scoring criterion on whether national QA agencies take an active part in international collaboration on quality assurance standards for international higher education. Whilst not relating to TNE specifically, QA collaboration on higher education standards more generally has obvious positive implications for QA of TNE. One of the main forums for QA collaboration is via international QA networks. In addition to one global network – the International Network for Quality Assurance Agencies in Higher Education (INQAAHE) — the research identified ten regional QA agencies.

[52] Interview with Qatar Foundation, January 2013.

[53] Interview with Dubai Knowledge and Human Development Agency, January 2013.

[54] University World News www.universityworldnews.com/article.php?story=20111202223553456

[55] Malaysian Qualifications Agency Act 2007, Chapter 3 (sections 56–60).

[56] Hong Kong Council for Accreditation of Academic and Vocational Qualifications www.hkcaa.edu.hk/en/services/accreditation/non-local-learning-programmes

[57] Singapore Ministry of Education www.moe.gov.sg/about/org-structure/hed/#heqa-section

[58] Singapore Council for Private Education www.cpe.gov.sg

[59] Jeju Global Education City website http://english.jeju.go.kr/index.php/contents/living/Education/education-city

[60] Byun and Kim (2011); Byun and Um (2012).

[61] Bahrain Ministry of Education http://moedu.gov.bh/hec/page.aspx?page_key=Instit-Revw&lang=en

[62] Qatar Supreme Education Council www.sec.gov.qa/En/SECInstitutes/HigherEducationInstitute/Documents/licensingStandardsEn.pdf

Table 12: Regional higher education quality assurance networks

Regional quality assurance network
1. African Quality Assurance Network (AfQN)
2. Arab Network for Quality Assurance in Higher Education (ANQAHE)
3. Asia Pacific Quality Network (APQN)
4. ASEAN Quality Assurance Network (AQAN)
5. Association of Quality Assurance Agencies of the Islamic World (AQAAIQ)
6. Caribbean Area Network for Quality Assurance in Tertiary Education (CANQATE)
7. Central Asian Network for Quality Assurance and Accreditation (CANQA)
8. Central and Eastern European Network for Quality Assurance Agencies in Higher Education (CEENQA)
9. Eurasian Quality Assurance Network (EQAN)
10. European Association for Quality Assurance in Higher Education (ENQA)

Only one of the study countries is not a member of an international QA network (Qatar), and many are members of several, for example the Russian National Accreditation Agency (NAA) is a member of five of the above QA networks[63]. In some countries, QA responsibilities can overlap several national and/or regional agencies. For example, in China, the Higher Education Evaluation Centre (HEEC) and the Shanghai Education Evaluation Institute (SEEI) are full members of (INQAAHE) and the China Academic Degree and Graduate Education Development Centre (CADGEDC) is a full member of APQN. In addition to membership of networks, participation levels were assessed; as evidenced by attendance at conference events, delivery of presentations, submission of research papers and adoptions of international QA

regulations and codes of practice into national documentation.

A number of countries demonstrate genuine commitment to sharing of QA knowledge and experience, and adoption of international best practice. Hong Kong actively shares its knowledge and experience of TNE QA through a variety of channels: for example webinars, TNE forums, and conferences. QA systems in Bahrain, Oman, Malaysia and UAE have clearly been influenced by the INQAAHE's Guidelines of Good Practice[64] ENQA's Guidelines for Quality Assurance[65], and in the UAE's case, by the common core standards for quality review endorsed by the ANQAHE[66]. OECD members such as Mexico, Spain, Poland, and Turkey have adopted the OECD/UNESCO 'Guidelines

on Quality Provision in Cross-Border Higher Education'[67]. The research findings highlight the importance of the guidelines and codes of practice produced by the international QA networks and multinational agencies such as OECD/UNESCO.

Bilateral Memoranda of Understanding (MoUs) on QA, which often involve sharing of best practice and joint development of QA toolkits, do not appear to be very common, but a few examples were found: China has QA MoUs in place with Japan and Hong Kong; Hong Kong signed a MoU with Scotland in 2012; Malaysia and Taiwan signed a joint statement of confidence on each other's QA outcomes in 2012. Overall, however, the focus for international collaboration on QA is generally via regional networks as opposed to bilateral activity.

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[63] Membership of international quality assurance networks as at March 2013.

[64] INQAAHE www.inqaahe.org/main/capacity-building-39/guidelines-of-good-practice-51

[65] ENQA www.enqa.eu/files/ESG_3edition%20(2).pdf

[66] UAE Commission for Academic Accreditation www.caa.ae/caaweb/images/Standards2011.pdf

[67] OECD www.oecd.org/edu/skills-beyond-school/35779480.pdf

3.35 Recognition of TNE qualifications

While TNE is expanding quickly across the world, in most countries it still represents a small proportion of total HE activity. Achieving a foreign qualification without leaving the home country is not a familiar concept for many employers and for some education providers. Therefore, it is important that host country recognition bodies make efforts to publicly communicate their recognition and acceptance of TNE as a form of education.

Overall, the research shows that this is an area of relative weakness in the study countries. None of the 25 host countries appear to communicate directly with the labour market or higher education sector regarding their acceptance of TNE qualifications. This is not very surprising since sending TNE countries are also quite weak in this area. However, two host countries do stand out for their efforts to recognise TNE qualifications: Hong Kong and Malaysia.

Hong Kong is the only host to have produced a Code of Practice for 'non-local courses'[68], which makes specific reference to collaborative arrangements, franchising and validation. Accredited non-local programmes are given similar status to locally-accredited programmes, are recognised under the Qualifications Framework and are placed on the National Qualifications Register. However, it is left to the discretion of individual employers, organisations, or educational institutions to decide whether they want to accept the professional opinion of the HKCAAVQ in considering applications for employment or study purposes. Malaysia endorses TNE by officially recognising it as being part of the national higher education system. This relatively blunt approach may be less than optimal, however, as it blurs rather than clarifies the lines between non-TNE and TNE programmes.

Given the overall lack of evidence on recognition of TNE qualifications, the research also focused on recognition of foreign qualifications more generally (non-TNE), as a proxy for progress towards TNE recognition. While there is more going here, in many countries it is still left to the discretion of individual institutions/organisations to decide upon recognition of foreign qualifications. Singapore has no specific qualification agency that certifies foreign qualifications equivalency to domestic ones. In South Korea, recognition of foreign degrees is at the discretion of individual institutions, via case by case memorandums of understanding and bilateral agreements between domestic and foreign institutions.

Bilateral degree recognition agreements play an important role in the recognition of international qualifications. China has 39 such agreements in place, the first in 1988 with Sri Lanka and the most recent with Malaysia in 2011. It is also interesting to note a number of trilateral degree recognition agreements in place: India having one with Brazil and South Africa, and South Korea having one with China and Japan. Regional agreements are also important. Since 2010, Spain has multilateral agreements on recognition of joint programmes with the likes of CTI (France), NVAO (The Netherlands) and PKA (Poland).

The European countries in the study (Poland, Spain, Turkey and Russia) are all signatories to the Bologna Process and the Council of Europe/UNESCO conventions on academic recognition, which seek to ensure recognition and comparability of qualifications and development of a European Higher Education Area. Brazil has signed up to a common accreditation mechanism with its five MERCOSUR neighbours that should in theory make degrees more comparable across the respective borders. In 2012, Russia moved away from a system of bilateral degree recognition agreements (which were mostly focused on former Soviet Republics) towards a system of recognising qualifications from 'leading' foreign universities. This is consistent with a trend identified in the research where host countries are targeting high status foreign universities – often using global university rankings as a proxy for quality[69].

3.4 Market environment results

3.41 Introduction

Whereas the policy environment focuses on government policies and regulations to facilitate TNE, the market environment focuses on factors affecting the demand for TNE in the host country. Developing indicators of demand for any product or service is a challenging undertaking, and this was no different for TNE. Part of the difficulty relates to TNE being a small proportion of overall higher education activity, making it difficult to use national level indicators of demand, since TNE may only have relevance for a relatively small cohort of the population.

Whilst acknowledging the considerable challenges, the market environment category is based on four indicators: economic/demographic; infrastructure; socio-cultural, and business environment. A number of indicators used in the framework do not appear to have had major influence so far, however, it is likely they will be important as TNE develops.

[68] Hong Kong Education Bureau www.edb.gov.hk/attachment/en/edu-system/postsecondary/non-local-higher-professional-edu/code_of_practice.pdf
[69] International Association of Universities www.iau-aiu.net/content/international-handbook-universities-%E2%80%93-2012

Table 13: Market environment opportunity groups

Group 1	Group 2	Group 3	Group 4	Group 5
Hong Kong	Malaysia	Bahrain	Botswana	Nepal
Singapore	Qatar	China	Brazil	Nigeria
South Korea	Spain	India	Indonesia	
UAE		Mauritius	Pakistan	
		Mexico	Russia	
		Oman	Sri Lanka	
		Poland	Vietnam	
		Thailand		
		Turkey		

Note: countries highlighted in purple score two opportunity groups higher in the market environment category compared with the policy environment category. The only country to score two opportunity groups lower in the market environment category compared with the policy environment category (Nigeria) is highlighted in green.

Three of the countries/administrative regions in opportunity group 2 in the policy environment also scored in group 1 in the market environment: Hong Kong, Singapore and UAE. Malaysia drops down one group, South Korea moves up a group, and Qatar scores in group 2 for both the policy and market categories. This overlap between the two categories supports the proposition that these countries offer above average opportunity as hosts of TNE.

Four countries score two opportunity groups higher in the market category compared with the policy category: Spain, India, Poland and Turkey (highlighted in purple in the table above). These countries appear to have average or above average (Spain) demand conditions for TNE, but are without the supporting TNE polices. Should such polices improve; these countries may become increasingly attractive host locations for TNE.

3.42 Economic and demographic

Two of the scoring criteria used in the economic and demographic indicator are biased towards wealthier countries (GDP per capita and services as percentage of GDP). Since TNE qualifications are generally more expensive than domestic education provision, affordability – via GDP per capita – is included as an indicator of demand. The data shows that, in general, the most mature TNE host countries (as evidenced by available TNE data, anecdotal evidence and the policy environment discussed above) have relatively high GDP per capita ratios. However, this is by no means a clear cut story. Spain has three times the level of GDP per capita of Malaysia, yet TNE represents a far greater proportion of HE activity in Malaysia. Also, large population centres like China and India will have a significant number of households that can afford to pay for an international education. Overall, however, there does appear to be a positive relationship between economic development and observed TNE activity.

GDP per capita
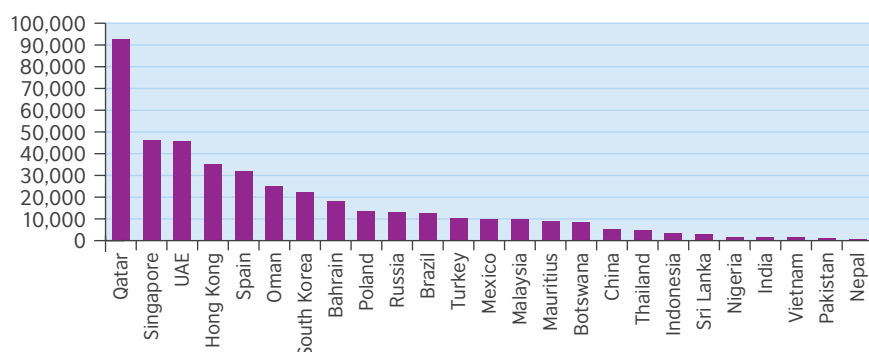
Source: Oxford Economics

Services as a percentage of GDP is included on the premise that demand for TNE programmes is higher in service driven economies. This is a rather large assumption to make and the data provides mixed signals. Hong Kong and Singapore score top on this criterion with services/GDP ratios of 93 per cent and 73 per cent respectively, compared with Nigeria, the lowest ratio, at 27 per cent. However, for the countries in between, services as a percentage of GDP seems to bear little or no relationship with their status as TNE hosts.

As a service, TNE primarily targets the university age population. Therefore this age cohort was included as an indicator of demand. The age cohort 15–24 was used for international data comparability. The data ranges from Oman – where 15–24 year olds account for 22 per cent of the total population – to Spain, where they only account for 10 per cent. Again, the data is difficult to interpret, with many of the mature TNE countries having relatively low tertiary age ratios. As TNE develops in scale, this will possibly become a more important indicator.

It is interesting to note the high rates of economic growth forecast for the countries overall. Fourteen of the 25 countries are forecast to experience more than four per cent annual economic growth from 2012–14. China is forecast to grow fastest, at 8.2 per cent annual growth over the period. Spain is the only country forecast to contract over the period, with annual average contraction of 0.8 per cent. While a blunt measure of opportunity, this data suggests that economic growth will remain accommodative to TNE activity for the next two years, particularly in Asian countries such as China, Sri Lanka, India, Indonesia, Vietnam and Thailand.

The labour market, however, will remain weak in a number of countries. Unemployment rates in 2012 were high in the following countries: Botswana (59 per cent), Spain (25 per cent), Poland (13 per cent), Nepal (12 per cent) and Nigeria (12 per cent). These countries will remain tough markets for all graduates – including TNE graduates – to find jobs, at least over the next two years. On the other hand, some of the mature TNE countries – UAE, Singapore, and Malaysia – experienced unemployment rates of below three per cent in 2012.

3.43 Infrastructure

The infrastructure indicator is a strong predictor (correlation coefficient 0.93) of where countries score overall in the market environment category, but the underlying story is complex and one of contrasts.

The World Economic Forum[70] produces executive survey data on perceptions of the quality of higher education systems across the world. On this measure, the top five study countries are Singapore, Qatar, Malaysia, UAE and Hong Kong, all relatively mature TNE markets. This suggests that sending HEIs are choosing host countries with relatively high quality education systems, which makes sense, especially for collaborative forms of TNE.

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[70] World Economic Forum www.weforum.org/issues/global-competitiveness

Chart 2: Perceived quality of higher education system
Quality of education system
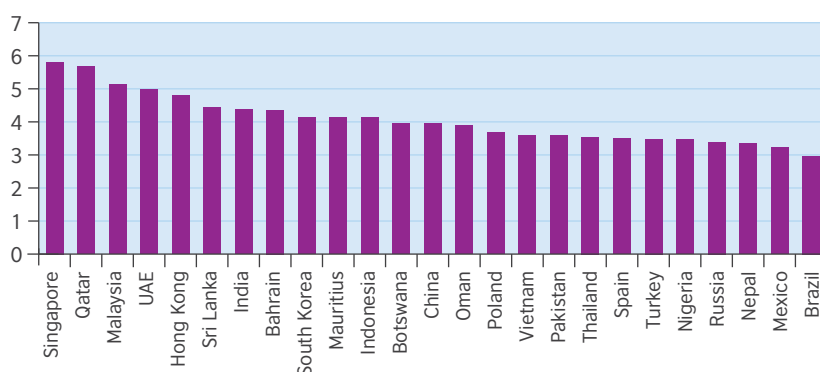
Source: World Economic Forum, 2012

On the other hand, government spending on the HE system – which may hypothetically be considered as another proxy for quality – appears to have little or no bearing on TNE activity levels or TNE policies. As discussed in the policy section, funding for TNE may be unrelated to overall higher education spending, since it often comes from economic development agencies and international relations departments. Also, HE spending data is out of date in many of the study countries, often by more than five years.

Broadband penetration rate was included as a proxy measure for development of IT infrastructure. High quality IT and library facilities are important for delivery of TNE programmes. Sending HEIs often require IT systems upgrades as a condition of collaboration with host country HEIs. On this measure, Asian countries dominate: South Korea (37 per cent), Hong Kong (32 per cent) and Singapore (26 per cent). Spain (24 per cent) is the only other country to have over 20 per cent broadband penetration rates. While these countries are relatively wealthy, there is only a weak

relationship overall between GDP per capita and broadband diffusion. Malaysia stands out as having a low penetration rate of seven per cent, comparable with Vietnam and Brazil.

The private sector HE enrolment rate was included in acknowledgement of the dominant role that private/for-profit HEIs have historically played in development of TNE in host countries. Overall, the data suggests a positive (but weak) relationship between private sector involvement and TNE activity (based on available data), with some notable exceptions. Brazil, at 73 per cent, has the second highest rate of private sector enrolment, yet is a relatively undeveloped host of TNE. Conversely, Hong Kong has a private sector enrolment rate of only 17 per cent, and is one of the most developed hosts of TNE. In practice, ideological considerations as to whether education is a public or private good, often dictate which sector provides HE. Also, definitions of private HEIs can be misleading, with private HEIs partially funded by government in many countries.

3.44 Socio-cultural indicator

The socio-cultural environment and its relationship with TNE is difficult to assess. Criteria such as historical connections between countries and English language competency are clearly important – since English is the main language of TNE instruction – but were not assessed as part of this research due to the paucity of data.

The United Nations Human Development Index[71] (HDI) measures societal development via measures of life expectancy, expected years of schooling and income per capita at purchasing power parity (which takes account of the cost of living). This criterion is biased towards wealthy countries and the scores range from Hong Kong (0.90) to Nepal and Nigeria (both 0.46). In general, the data suggests that higher scores on this measure are indicative of higher TNE activity levels.

[71] United National Development Programme http://hdr.undp.org/en/humandev

Chart 3: Human development index

HDI
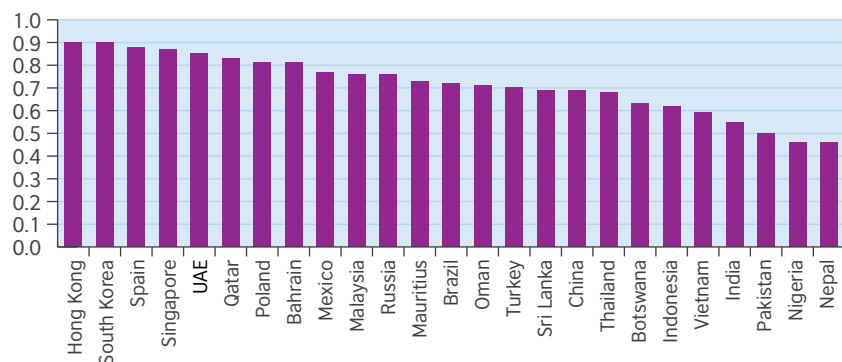
Source: United Nations, 2011

The World Economic Forum produces survey data of business executive perceptions on whether countries attract and retain talented people. The survey scoring options range from one–seven, where 'one' indicates that the best and brightest normally leave to pursue opportunities in other countries, and 'seven' indicates that there are many opportunities for talented people within the country. From the 25 study countries analysed, Singapore, Qatar, UAE and Hong Kong are perceived as countries that attract the most talent, while Nepal, Russia, Poland, Turkey and Vietnam are perceived as losing the most talent. It is interesting to note that Brazil is perceived as a country that is attracting talent, yet is not significantly engaged in TNE.

Another scoring criterion used in the socio-cultural environment is the number of international English-medium primary schools in the host country, since graduates of these schools have already been through a foreign education curriculum. ISC Research[72] reports data on numbers of English-medium international primary schools in countries across the world. The data shows that UAE had the highest number of international primary schools in 2012 (376), despite having one of the smallest populations in the study. This is undoubtedly due to the high proportion of expatriates living and working in Dubai. Big population centres such as Pakistan, India and China also score high, having over 300 international schools, and this is likely due to historic links between these countries and the UK. Indonesia appears to be relatively familiar with English based education at primary level, but as yet is relatively unengaged with TNE.

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[72] ISC Research www.iscresearch.com/home.aspx

Chart 4: Number of international English speaking primary schools
No. of international primary schools
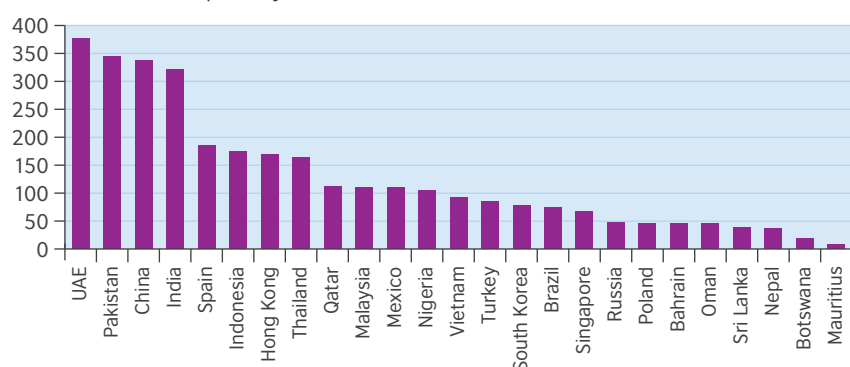
Source: ISC Research, 2012

The balance between male and female enrolment in HE is included as a scoring criterion because aggregate demand for TNE is a function of both male and female enrolment. Countries with more equal participation rates are interpreted as having a greater cultural affinity with higher education, and thus offering greater opportunity to prospective sending HEIs. While some countries such as Vietnam, Singapore and Mexico have relatively balanced enrolment – and thus score high on this criterion – the Middle East countries of Qatar and UAE are hugely imbalanced towards female enrolment. For example, in Qatar, there are over five women for every man enrolled in higher education. Indeed, in nine of the top ten most imbalanced countries, female enrolment exceeds male enrolment. Nepal is the notable exception, having 2.5 men enrolled for every woman enrolled.

3.45 Business environment

The business environment assesses the overall operating environment for foreign HEIs delivering TNE programmes in the host country. This indicator includes scoring criteria from the World Bank on 'ease of doing business', 'level of corruption', and 'efficacy of government'. The World Bank's 'ease of doing business' score is presented below. The data suggests that a number of relatively inactive TNE countries may present quite difficult operating environments.

Chart 5: Ease of doing business and the business costs of crime and violence
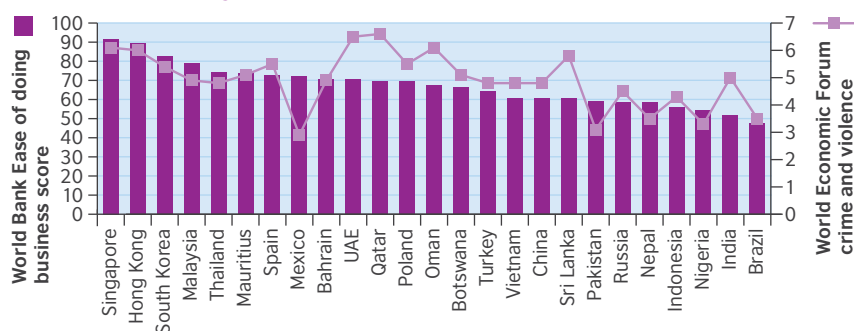
Source: World Bank and World Economic Forum, 2012

The business environment indicator also includes World Economic Forum data on perceptions of the business costs of crime and violence. This data places Qatar, UAE and Oman as among the safest places to conduct business, which has positive implications for ensuring the safety of faculty and international students based in these countries.

3.5 Mobility environment results

3.51 Introduction

Countries that have already achieved some critical mass as hosts of TNE are likely to be those that will continue in this direction and therefore offer opportunity as TNE hosts going forward (an assumption here is that capacity has not yet been reached). However, determining whether countries have achieved traction is difficult in the absence of published TNE data. As discussed in Chapter 1, only six of the 25 host countries are publishing TNE data and this data is not directly comparable across countries. Critically, data is not available from any of the study countries on aggregate numbers of students enrolled on TNE programmes. The only internationally comparable data sourced by the authors of this report are those produced by the OBHE[73] on international branch campuses, which provide a useful overview of which countries are the main hosts and senders of IBCs. However, there are questions about how their definition is interpreted in, and by, host countries, resulting in confusion about what constitutes an IBC.

In the general absence of TNE data, other measures of internationalisation are used. International student mobility is the oldest and best known form of internationalisation, and relatively good data is published by UNESCO Institute for Statistics.[74] Countries with high levels of inbound or outbound student mobility are already exposed to international education systems, potentially making them more open to TNE programmes. Academic mobility is another dimension of internationalisation that would be interesting to compare across countries; unfortunately data is not available.

This category therefore uses the OBHE data on IBCs and UNESCO data on student mobility to compare the mobility environment across the study countries. Inbound and outbound student mobility is measured as a ratio of the domestic student population in the host country. The use of ratios does tend to favour smaller countries, since small absolute changes in student flows can have a big impact on ratios. However, this approach was used to give a relative sense of the proportion of student mobility, and for cross-country benchmarking purposes.

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[73] Observatory on Borderless Higher Education www.obhe.ac.uk/documents/view_details?id=894
[74] UNESCO Institute for Statistics www.uis.unesco.org

Table 14: Mobility environment country groups

Group 1	Group 2	Group 3	Group 4	Group 5
Botswana	Bahrain	Hong Kong	Indonesia	Brazil
India	China	Mauritius	Mexico	Oman
Qatar	Malaysia	Russia	Nepal	
UAE	Singapore	South Korea	Nigeria	
		Spain	Pakistan	
		Thailand	Poland	
		Turkey	Sri Lanka	
			Vietnam	

While a number of the relatively well known TNE countries do feature in the opportunity groups 1 and 2, two new countries are brought into the mix: Botswana and India. Oman and Brazil appear to be the least internationalised according to the criteria used, but in the absence of TNE programme data, it is difficult to say with certainty. As discussed in the policy section in this chapter, Oman does actively encourage franchised higher education in the private sector.

3.52 International branch campuses

Chart 6: Hosts of international branch campuses
Host IBCs
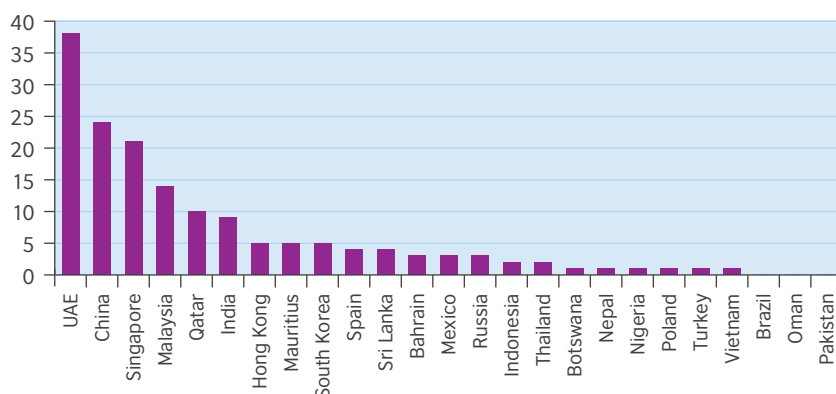
Source: OBHE, 2012

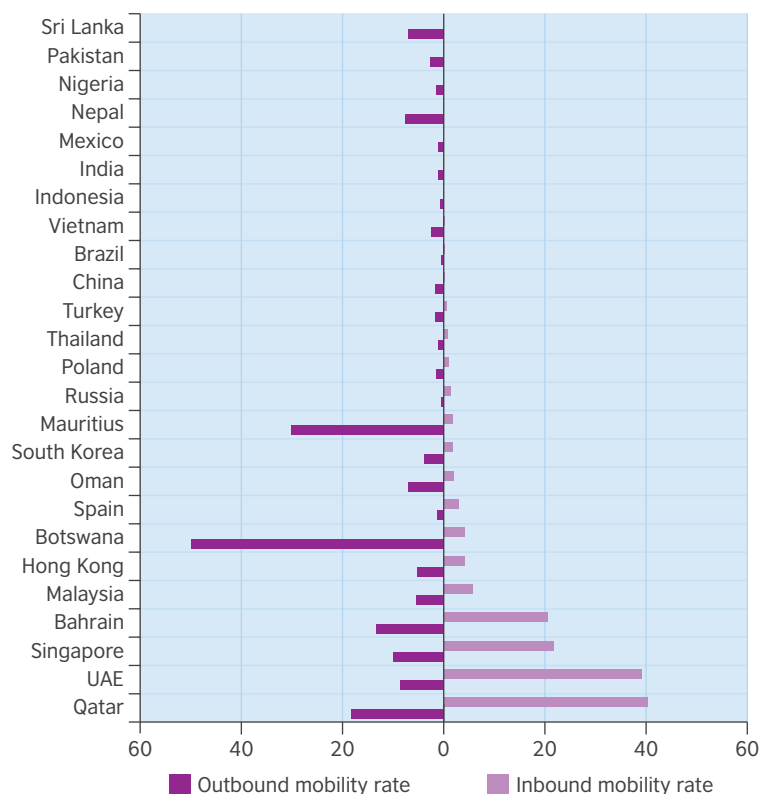According to OBHE data, UAE was the leading host of IBCs in 2012, with a total of 37 in operation. However, as discussed in the following chapter on the impacts of TNE, other modes of TNE are not prevalent in UAE. China is recorded as hosting 17 IBCs, with a further seven under development. All IBCs in China must partner with local HEIs and are subject to relatively strict operating conditions. Only three countries in the study did not host an IBC in 2012, as per the OBHE definition: Pakistan, Oman and Brazil.

Interestingly, India is recorded as hosting nine IBCs, while officially disallowing their establishment. This raises the prospect as to how many more IBCs would be established if the Foreign Education Intuitions Bill is ever passed. As discussed in the policy section in this chapter, India did introduce regulations for collaborative forms of TNE in 2012.

Of the 25 countries in the study, India is the only major sender of IBCs, having 21 abroad in 2012, according to OBHE data. Malaysia and China are recorded as having three and two IBCs abroad respectively. So while host countries are often both major senders and receivers of international students, the same does not seem to be the case for IBCs.

3.53 International student mobility

Chart 7: Inbound and outbound student mobility ratios

Four countries stand out with respect to in-bound international student mobility ratios. In Qatar and UAE, inbound students represent a staggering 40 per cent and 39 per cent respectively of the total domestic student population. Much of this is explained by the significant expatriate populations in both countries and the strict citizenship laws in place. In Bahrain and Singapore, inbound students represent over 20 per cent of the domestic student population. As discussed in the policy section, three of these countries (Bahrain being the exception) have worked hard to position themselves as regional HE hubs and this also partially explains the high international student ratios.

As stated above, using ratios instead of absolute numbers of international students does favour smaller countries. The top four countries on this measure have populations ranging from 1.3m in Qatar to 8m in UAE. Malaysia – with a population of 30 million – has also been successful at establishing itself as a regional HE hub, where international students represent six per cent of the domestic student population and TNE programmes represent an estimated 15 per cent of total HE programmes.

The top international student receiving countries are also among the top senders of domestic students abroad. However, Botswana and Mauritius lead on this measure with outbound student ratios of 50 per cent and 30 per cent respectively. This represents a lack of domestic HE capacity in these countries, pointing to an opportunity for foreign HE providers. Again, ratios mask the absolute levels of activity. According to UNESCO data, Botswana had approximately 8,500 'internationally mobile' students abroad in 2010, compared with 560,000 Chinese 'internationally mobile' students abroad the same year.

3.6 Overall results

The overall Opportunities Matrix country groupings are presented in the table and chart below. These groups are based on a composite score derived from aggregation of the three categories: policy environment, market environment and mobility environment.

Table 15: Overall Opportunities Matrix opportunity groups

Group 1	Group 2	Group 3	Group 4	Group 5
Hong Kong	Qatar	Botswana	Brazil	Nepal
Malaysia	South Korea	Bahrain	Indonesia	Sri Lanka
Singapore		China	Mexico	
UAE		India	Nigeria	
		Mauritius	Pakistan	
		Oman	Poland	
		Spain	Russia	
		Thailand	Turkey	
		Vietnam		

COUNTRY HEAT MAP OF OPPORTUNITY

Key

Opportunity group 1: Well above average ■

Opportunity group 2: Above average ■

Opportunity group 3: Average ■

Opportunity group 4: Below average ■

Opportunity group 5: Well below average ■

Russia

Poland

Spain

Turkey

Pakistan

China

South Korea

Bahrain
Qatar
UAE

Oman

Nepal

India

Hong Kong

Thailand

Vietnam

Nigeria

Sri Lanka

Malaysia
Singapore

Botswana

Indonesia

Mauritius

4. TNE impact and benefits for receiving countries

4. TNE impact and benefits for receiving countries

4.1 Introduction

The impacts of TNE on host countries are diverse and can have both positive and negative consequences. In many countries the regulatory frameworks are not highly developed and thus an open approach to TNE can bring benefits and some risks or unintended consequences. Except for a handful of countries such as Malaysia, Singapore, United Arab Emirates and Hong Kong, all of which have experienced years of successful TNE activity, there are few countries that have regularly monitored the effects of TNE or have been able to systematically collect data on the number/type of TNE programmes and the number of enrolled students. Without any reliable data, we are dependent on anecdotal evidence and thus it is challenging to assess impacts on host countries in a robust manner.

In contrast, major TNE sending countries such as the United Kingdom and Australia have collected data and analysed the impact of TNE provision at both institutional and national levels and are informed about benefits and risks. Given the absence of attention afforded to host countries, the purpose of this section is to clearly focus on the impact and benefits of TNE for receiving countries in general and for three countries in particular – China, Malaysia and the United Arab Emirates. These jurisdictions have been chosen as case studies because they have different histories, purposes and regulatory frameworks for TNE and differ in size, economy and types of TNE activity. Individually they demonstrate specific areas of potential benefits and collectively they show the overall potential impact of TNE. The information and analysis for this chapter is based on interviews that were held with host country higher education experts, senior leaders of foreign institutions located in the three receiving countries.

It is challenging to evaluate the outcomes and impact of TNE without understanding the rationale and objectives driving a country to host TNE programmes and without some reliable empirical data. In the majority of the 25 countries included in this study, an explicit TNE policy and set of objectives does not exist making it difficult to assess impact against stated goals. TNE may be included in a broader internationalisation policy but in the majority of cases such a national policy does not exist. It is generally the case that for twinning, franchise, articulation, and joint/double degree programmes individual higher education institutions take the lead in choosing foreign institutions for collaborative TNE programme development, not the government or a centralised body. For the establishment of international branch campuses and other types of foreign institutions, regulations in the form of registration or licensing are established by a variety of government departments including education, economic development, labour or industry. The regulations therefore differ among and sometimes within countries in terms of substance and sponsorship. A comparative analysis of the impact of TNE across host countries is impressionistic at best given the lack of solid data and guiding policies. This is an area which deserves more attention in the future. In addition to having solid quantitative data, there are different actors and stakeholders whose views are important to understanding the impact of TNE. This includes government officials and policy analysts, enrolled students, alumni, faculty members involved in designing and managing TNE programmes, senior leaders of host institutions, industry representatives and employers of TNE graduates.

The outline for this section is as follows. Section 4.2 examines five major categories of potential impact, including both benefits and risks. This is followed by a brief summary of the case study countries to illustrate the differences and similarities across three very different countries and contexts. The final section looks at trends and concludes with some general principles.

4.2 Different types of outcomes and impact

The importance of a national TNE framework and institutional level policies with clearly articulated rationales, objectives, strategies and measurable outcomes cannot be overstated. Well defined rationales are translated into specific goals and objectives for developing TNE, objectives are then turned into action through the articulation and implementation of strategies, and strategies directly contribute to the identification of anticipated outcomes and the eventual impact. In general, the findings from the case studies show that there are five different categories of potential impacts. These are summarised in Table 16 and followed by a more elaborate discussion. It is important to note that impacts can be at country level, institutional and individual level.

Table 16: Major categories and examples of impacts on host country

Category of impact	Examples of potential benefits	Examples of potential risks
Academic	• increased access for local students to higher education • updated teaching and learning, curriculum development, and evaluation practices • exposure to new quality assurance and qualification recognition policies and practices • increased capacity in programme management and implementation • diversification of academic programmes being offered to students • professional development opportunities for local faculty.	• lower quality provision if quality assurance and accreditation systems are not in place • curriculum not relevant to local context and culture • competition, not collaboration, between local and foreign providers • 'canned courses' • sustainability of academic programmes if low enrolments • local HEIs responsible for providing programmes which require major investments in equipment, labs, facilities • foreign qualifications not recognised.
Economic	• revenue generation from increased enrolments in collaborative programmes • decrease outflow of currency • less expensive for students to study at home than go abroad • income from potential commercialisation of joint research projects • contribution to country's shift to knowledge/service-based economy • increase trade in education services for economic free zones.	• higher delivery costs for collaborative programmes delivery • sending countries have greater potential for revenue than host countries if memorandums of understanding do not address issue • branch campus development is not attracting foreign direct investment.
Human resource development	• better trained workforce • mitigate brain drain if domestic students stay in country • potential brain gain if foreign students are retained.	• education/training is not meeting labour market needs and skills gap • potential brain drain to neighbouring countries.
Social cultural	• exposure to teaching/learning in different language to facilitate job mobility • contact with faculty and students from other countries and cultures.	• overuse of foreign languages as medium of instruction • tensions between different cultural and value norms in and outside of classrooms • potential change/loss of cultural identity.
Status	• increased status through link with highly ranked foreign HEI.	• reputational risks if quality is not assured.

The first category focuses on *academic* issues. Academic impacts differ by the type of TNE activity and of course the local context. For example, collaborative programmes such as twinning and joint/double degree programmes offer opportunities for capacity building related to pedagogy practices, quality assurance, qualification recognition, programme management and curriculum innovation. For branch campuses the academic benefits are often linked to increased access for domestic and regional students as well as diversification of the programme offer. Risks associated with academic impact relate to the potential for standardisation and lack of relevance to local needs of an imported curriculum. Quality is a double edged issue. There is a widespread perception and expectation that foreign programmes are of a higher quality. But this assumption is not always correct, making it necessary to have stringent quality assurance and accreditation practices in place. Another articulated concern is that TNE providers offer courses that are market oriented inferring that when the market dries up, the TNE programme is no longer available. This can negatively impact students as well as local higher education institutions.

The second category includes *economic* impacts such as revenue generation based on tuition and service fees; attraction of local and foreign investment primarily for major infrastructure projects; income from professional development and training activities; and lastly but less common is economic benefits derived from the commercialisation of research and innovation activities. The risks relate to a lower than anticipated enrolment in TNE programmes, higher costs for programme design and delivery such as the expenses incurred with flying faculty, costs for registration and accreditation, and in general an unsatisfactory return on the investment especially in relation to physical infrastructure costs for branch campuses. Overall it is difficult to assess revenue generation for collaborative type programmes as the financial arrangements between host and sending country vary from partnership to partnership. For branch campuses, host countries are often offering incentives in terms of tax breaks or infrastructure amenities and it is

questionable as to whether there are direct benefits in term of income. More common, especially for hub countries, are the long-term benefits in terms of trying to move towards a knowledge-or-service-based economy.

Human resource development constitutes the third category and addresses the development of students and faculty through TNE programmes and interaction with international faculty, scholars and students. TNE activity is also seen as an effective way to educate and train a skilled workforce. This is especially important for countries that are moving towards a more service oriented or knowledge-based economy. A major assumption is that the education and training offered is directly matched to the needed skills in the marketplace and secondly that there is less brain drain if a student studies at home in a TNE programme rather than going abroad. But these assumptions are not always true. Students often consider a foreign education and qualification as the way to be mobile and work/study abroad. This reality can be interpreted two ways – as increasing the risk of brain drain or conversely, increasing the benefits derived from increased brain circulation.

Included in the fourth category are *social/ cultural* issues and impacts. This is a more difficult type of outcome to identify and measure as it relates to issues such as cultural identity, social cohesion, and gender. The question of identity formation and the role that TNE plays in each student's development of a cultural, national, regional, global, cosmopolitan sense of identity is an area of increased interest and concern and of particular relevance in small countries with high levels of TNE activity such as UAE. The language of instruction is often a source of rigorous debate. Critics of TNE programmes address the overuse of English given that the major sending countries are currently the UK, Australia and the US and furthermore countries which do not have English as their first language are also teaching in English – for example German TNE programmes being delivered in English in Vietnam. On the other hand, TNE supporters point to the advantages of students having to learn or strengthen their foreign language skills. In many cases, foreign language skills are seen to increase

the chances for labour mobility or working for a multi-national company located in the host country. The debate will continue as major countries such as China become more active TNE players and begin to offer programmes and/or instruction in the Chinese language.

The fifth category addresses *status and political* areas of impact. There is no question that the world of higher education is becoming more competitive and brand conscious. Many TNE receiving countries such as China, UAE, Malaysia, Singapore and Qatar among others are more aware of how potential TNE partners are ranked in the international league tables. Countries such as Malaysia, Singapore, and China are beginning to develop guidelines which direct domestic universities to only collaborate with higher education institutions which are ranked in the top 100. On the one hand, it is highly questionable whether a high ranking automatically guarantees a high quality TNE programme. On the other hand, collaboration with high ranking partners is seen as a means to increase an institution's own brand and status in the world of higher education and geo-political relations. International higher education is increasingly seen as an important actor in international relations and considered to be a foreign policy instrument of diplomacy and soft power.

4.3 Case studies: China, Malaysia and the UAE

4.31 Introduction

To address the potential impacts of TNE, case studies of three countries were undertaken. The full case studies are included in Appendix D. It is important to note that the findings reported on in the case studies are based on 1) interviews with TNE leaders and higher education experts in the receiving countries, 2) available policy documents, and 3) desk research. There is a distinct lack of hard data on which to base any firm conclusions and thus the findings are illustrative and impressionistic. That being said, the three cases illustrate similarities and striking differences related to the evolution of TNE, the current status and most popular form of TNE activity, and the perceived types and level of impacts and benefits.

4.32 People's Republic of China [75]

China's decision to open its economy to foreign direct investment in the early 1990s – so-called 'open-door policy' – paved the way for huge economic and social change. China's phenomenal economic growth over the past two decades has been supported by massive expansion and reform of the higher education system. Part of that reform involved the internationalisation of China's higher education system, including the delivery of higher education programmes in China by foreign education providers. The vast majority of the TNE providers who have established branch campuses and other TNE activity in China are located in the developed and thriving regions of Shanghai, Beijing, Shandong and Jiangsu.

China has not published an internationalisation strategy as such. However, the directives and opinions published by the Ministry of Education (MoE) regarding TNE, while somewhat vague, do suggest that the main government rationale for facilitating TNE is capacity building of domestic HEIs in China via knowledge transfer from sending HEIs. A secondary rationale relates to the role that TNE can play in relation to the provision of skills required by the ever-expanding Chinese economy.

According to Chinese regulations TNE must be delivered in partnership with a local HEI, the focus is very much on close collaboration with foreign partners. The University of Nottingham is the only foreign provider approved by the MoE to deliver its own qualifications in China. Yet, according to the MoE, there are about 785 TNE education initiatives (twinning, double/joint degree programmes and branch campuses) primarily with the UK, US and Australia. According to OBHE, 17 branch campuses are functioning in China with more planned.

Academic impacts

The primary motivation for TNE at the national policy level focuses on capacity building of domestic Chinese HEIs via knowledge transfer from the foreign partner provider. This involves adoption and provision of new education programmes, new teaching and assessment methods, international standards in quality assurance, and modernisation of administrative and management processes. This is apparent from the longstanding requirements for sending HEIs to partner with local HEIs and the more recent focus on attracting top tier universities. Faculty exchange between the Chinese and foreign partner HEIs is an important mechanism to bring about this knowledge exchange process. On the other hand, there is evidence that the Chinese government is somewhat disappointed at the volume of joint research output generated by TNE.

Human resource development impacts

A secondary rationale for TNE relates to addressing skills gaps. The MoE has made specific reference to promoting collaborations in 'disciplines and fields which are badly needed, weak and vacant in China'. TNE is definitely training people for participation in the Chinese economy and policy makers are interested in how TNE can address skills gaps. However, there is an alternative perception that students will choose programmes that lead to the best and highest paying jobs, which are often in business related subjects and may not be regarded as skills gaps areas.

Economic impacts

Although China is one of the main host countries for international branch campuses, TNE is not driving significant levels of foreign direct investment. Funding models include a mix of incentives and support from local and municipal authorities, central government, private sector investment, with limited investment by the sending HEI or country. The regulatory prohibition on profit generation as a main motivation for TNE emphasises the non-commercial focus that China attaches to this form of international collaboration.

It does appear that TNE is having some local economic impacts via hiring of foreign faculty and attracting foreign students to study the TNE programmes. Regulations require that at least one third of teaching hours on collaborative programmes be borne by foreign faculty. It is questionable as to how much of the wages paid to these teachers are spent locally, considering the common use of flying faculty. Of greater significance is the propensity for TNE programmes to attract international students to China. Offering TNE programmes is viewed by the MoE as part of the strategy to attract 500,000 international students to China by 2020, up from 320,000 in 2012.

Overall, providing access to Chinese students does not feature as an important role for TNE. The general view being that capacity will be achieved by learning from foreign universities rather than the foreign universities enrolling greater numbers of Chinese students.

Socio-cultural impacts

The socio-cultural impacts of TNE are difficult to assess in China as in other countries. Examples of issues include competition with local TNE providers for students, faculty and government funding; friction with local socio-cultural norms and customs via curriculum structure and approach to gender issues.

TNE is a small component of the Chinese higher education system, but it has the potential to play an important role in reforming and modernising higher education in China. The regulatory focus on collaborative forms of TNE underlies the government aspiration for TNE to build capacity in domestic HEIs. Experience suggests that Chinese HEIs are quickly learning about new approaches to teaching and assessment from their foreign partners. Considering there are over 2,000 HEIs in China, the degree to which this knowledge transfer can be diffused into the wider system is challenging and will be interesting to monitor.

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[75] See China case study in Appendix D for the references cited, data tables, and a full discussion on the evolution, current status and impact of TNE in China.

The economic impacts of TNE are not very pronounced at national level, and relate primarily to local income generation via foreign faculty hire and foreign student enrolments. TNE appears to be producing graduates with the requisite labour market skills, but this may speak more to the structure of the TNE programme, rather than a concerted effort by HEIs to plug skills gaps. The cultural impacts of TNE are difficult to assess and may take more time to manifest themselves. However, it is clear that TNE is driving improved English language capability and greater awareness of Western culture in China.

4.33 Malaysia [76]

Malaysia has a long and rich history of TNE. It is an example of how a country has strategically used TNE as a means to meet the demand for higher education opportunities from specific student population groups. The escalating demand for higher education, the lack of space within the public higher education sector, the need to cap outflow of currency via students studying abroad, and the subsequent liberalisation of the private HE sector are some of the key drivers for the phenomenal growth of TNE in Malaysia since the mid-1990s.

Malaysia is an interesting case as the majority of TNE collaborative programmes are offered by private higher education institutions. This is a result of a major higher education reform in the mid-1990s which aimed to significantly increase access to higher education especially for non-Bumiputera [77] students. A key result was an explosion in the number of private colleges that could provide two years of non-degree level education. In order to offer a degree these private institutions were required to collaborate with a foreign higher education institution through twinning and franchise programmes. This was the beginning of the TNE boom in Malaysia which has continued to grow and expand in different ways, using diverse delivery modes. This does not imply

that local public universities are not involved in TNE collaboration but the initial phase was dominated by the newly established private colleges. Over the last 20 years, the higher education landscape in Malaysia and in particular TNE has continued to expand, innovate and flourish. It is estimated by the Malaysian Qualifications Register 2012, that TNE provision represents about 15.2 per cent market share of accredited programmes at private higher education institutions which is equivalent to about 566 initiatives.

An analysis of TNE's contribution to Malaysian higher education shows that the majority of the collaborations are primarily with UK and Australian higher education institutions in the form of twinning, franchise, double/joint degree programmes and branch campuses. Online distance education, articulation and validation arrangements are other modes of TNE but are not addressed in the Malaysia case study. Generally, TNE arrangements offered by colleges are at bachelor and master's levels. Collaborations with university colleges and universities are from the bachelor to master's levels accompanied by an increasing interest in PhD programmes. There are few TNE collaborations at the diploma level. As of January 2013, there were eight foreign branch campuses in operation in Malaysia [78].

Academic benefits

The results and benefits of TNE are directly linked to the type of TNE programmes. For instance, international branch campuses are largely seen as the 'foreign presence' in the country while twinning and franchise programmes can be described as the 'foreign influence'. In addition to helping local students gain access to higher education, there are signs that over the last 20 years collaborative TNE arrangements have contributed to capacity building at private colleges in terms of academic programme development, management practices, teaching, and quality assurance.

While it is challenging to identify concrete evidence of a direct relationship between TNE and an improvement in the quality of Malaysian higher education, there is a perception among parents, students and employers that TNE programmes are of higher quality than domestic programmes especially in private colleges. There is also a strong perception that branch campuses are helping to increase research collaborations and contribute to the research agenda in the country. Furthermore, there appears to be an increase in the multi-disciplinary research between international branch campuses and the larger private higher education institutions.

Economic impacts

One of the most important and widespread benefits of TNE arrangements such as branch campuses and franchise agreements is that they help stem the outflow of currency while providing access to international qualifications locally. There has been limited foreign direct investment in international branch campuses given that local investors have partnered with foreign universities to build campus infrastructure. Overall, Malaysia sees internationalisation as an important revenue generation strategy but this seems to relate more to income from international student fees than from TNE programmes per se.

Social/cultural impact

One of the significant cultural impacts of TNE comes from the employment of foreign professionals and teachers working short or long term in the country. This increases students' and teachers' exposure to foreign cultures and practices without having to leave Malaysia. It should also be noted that foreign teachers can also create tensions as academic norms and values differ significantly across countries. Experience suggests that foreign academic staff often need to question and/or explain some of their assumptions and alter expectations and practices to suit local customs.

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[76] See the full Malaysia case study in Appendix D for the references cited, data tables and a full discussion on the evolution, current status and impact of TNE in Malaysia.

[77] Malaysian term to describe the Malay race and other indigenous peoples of Southeast Asia.

[78] Malaysian Qualification Agency, January 2013.

Status and competitiveness

Many believe that the extensive use of TNE collaborations over the past two decades has elevated Malaysia to being a global leader in TNE and higher education. However, to date, there is little evidence that confirms TNE provision has impacted rankings on global league tables or in the national rating exercise (SETARA or MyQuest). The data from SETARA 2009 and 2011 does not indicate that having a TNE partner will positively influence the position of the HEI concerned. Given that the perception that TNE is linked to increased status and competitiveness is not borne out in evidence, it requires further attention and exploration.

Human resource benefits

In twinning or franchise models, opportunities for local teachers/researchers to visit the sending institution for professional development opportunities and further research are always welcomed and help to build capacity both for the individual and the local institution. In the branch campus model, both foreign and local staff work together and there are increased opportunities for exchange of knowledge, skills and values.

TNE in Malaysia has matured and passed through the first phase of providing 'increased access' to a new stage where the 'economic agenda' is a top priority and TNE is largely seen as a private industry. In addition, international branch campuses are considered to be an important way to meet national needs for further research in the fields of science and technology. Twinning and franchise programmes on the other hand will need to be re-defined if they are required to be more involved in the nation building agenda and generate economic returns.

4.34 United Arab Emirates[79]

United Arab Emirates (UAE) is home to the largest number of branch campuses hosted by a single country in the world. The increase in numbers over the past decade is staggering and shows the importance that TNE plays in this small but dynamic country. In terms of economic development, the UAE is working towards strengthening its knowledge-oriented and service-based economy in order to decrease its reliance on oil. This has major implications for higher and continuing education as the requirements for a skilled workforce continue to increase, especially in Dubai, and the need to strengthen knowledge production and innovation is steadily growing, particularly in Abu Dhabi.

It is worth noting that no national TNE policy or strategic plan exists at the federal level. All TNE planning and policy development is done at the emirate level where there are different priorities and purposes attributed to TNE. As of 2013, three of the seven emirates are actively engaged in TNE: Dubai, Abu Dhabi, and Ras Al Khaimah (RAK). It is interesting to speculate whether the absence of a countrywide TNE plan has resulted in the substantial increase in branch campuses or whether there are missed opportunities or unintended consequences given that there is no federal alignment of policies or co-ordination of activities.

The most prevalent form of TNE in UAE is the stand-alone international branch campus model. According to OBHE (2012) UAE hosts 37 IBCs which represent about 19 per cent of the 200 branch campuses active in 24 different countries around the world. To date, there is very limited use of twinning, franchising, joint or double degree programmes by the federal Emirati higher education institutions. More common is an arrangement whereby a foreign university provides advice on the development of new programmes and the design of the curriculum, but the course delivery and the qualification is provided by the Emirati institution. Independent institutions with a foreign name, but not necessarily foreign ownership or affiliation (i.e. American University in Dubai or the American University in Sharjah) exist in UAE but are not included in this analysis as they are more of a domestic than a cross-border education provider.

There is no reliable data on the total student enrolment in UAE branch campuses and only sporadic information on enrolments for individual branch campuses. In terms of the type of students, an Emirati official estimates that about five to ten per cent are Emirati citizen students, about 33 per cent are offshore international students, and the rest (57–62 per cent) are children of long-time expatriates. The distribution of these three types of students varies by emirate. In Dubai and RAK, the majority are children of long-term expatriates, while in Abu Dhabi more of the enrolments are international students originating from Europe, the US and the region. This reflects the fact that all five branch campuses located in Abu Dhabi are elite HEIs from France or the US.

Human resource benefits

Expected impact and benefits of the host country are directly related to the rationales driving TNE. In UAE's case, the primary motivations and subsequent benefit are linked to recruiting, training and retaining a skilled workforce for the burgeoning service and knowledge-based economy. More than 85 per cent of residents in UAE are expatriates and a large percentage of these are long-term residents whose children were born in UAE and are now looking for post-secondary education and employment in the region. TNE, in the form of branch campuses, has proved to be a successful strategy to reach this student population without having to expand the federal higher education system and open it to foreigners. Beyond the access agenda for expatriate students, is the articulated priority that UAE needs to attract, train and retain students from the region as a means to meet the growing demand for a skilled and professional workforce. Therefore, both the 'access' agenda and the 'skills' agenda are driving TNE provision through international branch campuses.

Economic impact benefits

UAE as a receiving country is not interested in the income generation potential from TNE but rather places its priority on attracting and developing the human resources that are necessary to meet the needs of the

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[79] See United Arab Emirates case study in Appendix D for the references cited, data tables and a full discussion on the evolution, current status and impact of TNE in UAE.

labour force and grow their knowledge economy. TNE plays an important role because international companies require the human resources and continuous professional development services which international education institutions and training companies can provide through programme mobility. Thus the economic benefits are not about revenue generation per se; they relate more to having the necessary human infrastructure and attracting foreign investment.

Academic benefits

Academic benefits of TNE, in terms of modernising and building capacity in domestic higher education institutions, diversifying the academic offer, and developing comprehensive education and research partnerships appear to be of secondary importance in the UAE especially in Dubai. This is because TNE activities that build on close co-operation between local and foreign higher education institutions are not the priority except for in Abu Dhabi. The most important benefit is increased access for expatriates (not for local) students and the long-term impact is human resource development for economic benefit not improvement of the higher education system.

Social/cultural impacts

There are both intended and unintended consequences as the number of branch campuses increases in UAE. Culture is one of the unaddressed issues, especially the integration of international and expatriate students into the local culture and the absence of any instruction in or about the Arabic language.

There are potential risks and misunderstandings in having such multi-cultural campuses – especially for students who are exposed to an education system with different values, approaches, evaluation schemes and expectations. This is particularly relevant for expatriate students and regional students who attend an international branch campus. The intercultural dynamic warrants further attention in terms of social interactions, gender issues, teaching and learning styles, and gaining a deeper understanding of cultural values and practices in order to prevent problems or conflict and take advantage of new learning opportunities.

Status and competitiveness

Abu Dhabi has made a significant investment to attract world-renowned foreign institutions which contribute to the status and competiveness of Abu Dhabi and UAE nationally, regionally and globally. The long-term strategy for TNE in Abu Dhabi is not available but it may include establishing close relationships with elite foreign institutions to eventually strengthen research capacity and co-operation given the priority Abu Dhabi has given to expanding knowledge and innovation initiatives.

Overall, the driving rationales and the most visible impact of TNE in UAE focuses on attracting, educating and retaining students to meet the needs of the labour force. TNE is part of a greater strategic interest which is to shift towards a knowledge and innovation-based economy and become known as a respected education hub in the region.

4.4 Cross-country comparison of impacts and rationales

A review of the case studies shows that countries use and benefit from TNE in a variety of ways. Providing increased access for specific segments of the population is prevalent in both Malaysia and UAE but the access agenda is being eclipsed by a greater emphasis on economic rationales and outcomes. However, economic impacts can differ significantly. For instance, Malaysia takes a market oriented approach and foresees international student recruitment and TNE as a means to increase revenue, while UAE perceives TNE as a way to develop an educated and skilled workforce pivotal to developing a service-and-knowledge-based economy. At this point in time, TNE especially IBCs, are not attracting foreign direct investment in terms of physical or equipment infrastructure but it is an area of potential development and worthy of close monitoring. It appears that China's policy and approach does not articulate economic return as a major rationale or impact of TNE. However, this may not reflect the situation at the local HEI level. Working with foreign partners is very attractive to students and secondly, it is anticipated that TNE will help individual domestic HEIs increase both enrolments and revenue generation in the medium term.

China does not have the same history of TNE provision as Malaysia and is currently using TNE for academic capacity building in terms of knowledge transfer from foreign partners for modernising and improving teaching practices, quality assurance standards, programme and curriculum development, and academic management and governance matters. By contrast, UAE does not give the same emphasis to academic capacity building for local institutions as there are very few twinning and franchise programmes between UAE domestic HEIs and foreign partners. Furthermore, there is not extensive collaboration between the 37 IBCs and the local institutions. The most prevalent method of ensuring the UAE local institutions are up to date with teaching, research and academic management practices is through the large number of foreign faculty teaching in UAE federal HEIs and through adopting quality assurance practices from North America and Europe - not through TNE initiatives. Another area of academic impact is the diversification of academic programmes that the branch campuses offer. It is Important to note, however, the degree to which the programmes are dictated by market interest thereby making the issue of sustainability very relevant. In Malaysia, the strong push for academic capacity building in private colleges through TNE initiatives was more than a decade ago. It is not as strong today as these institutions have matured and are less dependent on TNE than they once were for academic development and diversity of programme offer. That being said, the desire for students to have a foreign programme and qualification should not be ignored.

Common to all three countries is TNE's impact on human resources development. Malaysia and to a lesser extent China, emphasise the importance of using TNE for professional development of the teaching and research staff at domestic institutions while UAE stresses the importance of using TNE to develop and retain a skilled workforce.

In spite of the lack of concrete evidence that TNE contributes to increased rankings or status, Malaysia and China are conscious of the perceived status benefits from twinning, franchise and joint/double degree programmes with high ranking elite foreign partners. UAE is an interesting case because it clearly wants to increase its competiveness and status as a regional education hub but the emirates use different approaches – Abu Dhabi invites and supports elite universities while Dubai attracts HEIs from a diversity of countries to establish a branch campus in economic free zones. Finally, the social-cultural impacts are acknowledged as being important but are more difficult to grasp and measure.

4.5 Concluding comments

The case studies highlight important points with respect to the evolution of TNE and the consequent impact and benefits for the receiving country. Each country develops TNE arrangements according to their local context, culture, policies, priorities and purposes. There is not 'one way' or a 'universal right way' for a country to approach TNE, there are a variety of approaches. Each host country must develop its own path to ensure that TNE complements its domestic higher education system and meets the articulated goals and outcomes for international collaboration and provision. This will ensure that the outcomes and impact of TNE are relevant to local needs and priorities.

TNE includes a variety of different modes and arrangements and they differ substantially. The modes include twinning and franchise programmes, articulation and validation arrangements, joint and double degree programmes, international branch campuses and distance education programmes. A great deal of confusion exists about the meaning and technicalities of each mode and thus the terms are used very differently within and among countries. This causes a great deal of misunderstanding and prevents robust comparison across countries. Immediate attention is required to address the murky situation of different and conflicting use of TNE terms between and across both receiving and sending questions.

Without some resolution to this matter, there will continue to be confusion about the scale, scope and impact of TNE and its full potential will not be realised.

The outcomes and impact of TNE can bring both benefits and potential risks and are individualised for each country. Impacts are directly related to driving rationales and goals and for the majority of countries national TNE policies do not exist making it difficult to compare desired outcomes with actual impact. Five general categories of impacts exist: academic, human resource development, economic, social/cultural and status/competitiveness. To date, little attention has been paid to assessing TNE's impact on receiving countries. Furthermore, reliable data is not available on the numbers and types of transnational programmes and the student enrolment in TNE initiatives which make it difficult to gauge the benefits and risks, intended and unintended consequences. In order for TNE to be fully understood and to be used as a means to assist receiving countries to achieve their higher education goals and priorities further work is required on developing common terms, gathering perspectives from a variety of stakeholders and collecting reliable information on TNE enrolments and the range of programmes.

5. Main findings and conclusions

5. Main findings and conclusions

5.1 Introduction

This report covers a lot of ground and has touched on many topics that deserve greater attention. Researching TNE across more than 25 host countries inevitably throws up a great deal of information. The Opportunities Matrix, and all the underlying quantitative and qualitative data, is available online to UK institutions via http://siem.britishcouncil.org A summary of the main findings and conclusions from each chapter is set out as follows:

5.2 TNE data and definitions

1 There have been many attempts at defining TNE and its various delivery modes, but the vast majority are from the sending country perspective. There is a need for sending and host countries to work together to develop robust definitions.

2 According to the research conducted for this report, only three sending countries and six host countries and administrative regions are producing TNE programme data. Data collection systems, both for TNE programmes and numbers of students enrolled on these programmes, need to be significantly improved to promote better understanding and awareness of this increasingly important component of internationalisation.

3 Available data suggests that TNE is continuing to expand at a brisk pace; both in terms of scale — programmes and student enrolment — and scope — diversity of delivery modes and location of delivery.

5.3 TNE Opportunities Matrix

5.31 Policy environment

4 Almost half of the countries have no ministerial department or separate body with any significant level of responsibility for TNE. And it is not necessarily an education body that will have jurisdiction over TNE. For many countries, TNE is not a policy priority and the focus remains squarely on student mobility. Where host countries have TNE strategies in place they are generally uncoordinated and fragmented.

5 Development of education cities and economic free zones dedicated to education and training are indicators that host countries are serious about TNE. Incentives to attract foreign universities play an important role in driving TNE activity, but do raise questions as to its sustainability in their absence.

6 Most study countries have regulations in place for the establishment of TNE programmes, although the regulations can be difficult to find and difficult to interpret. Regulations are not a prerequisite for TNE to develop, but they are important for ensuring its success. Passing TNE regulations in parliament can be a divisive issue in society, mainly due to its association with private provision.

7 About two thirds of the study countries have some TNE QA systems in place. A number of different – and sometimes overlapping – approaches to QA of TNE were observed: registration of TNE programme with host country MoE; ensuring that TNE provider is accredited in home country; TNE provider must get approval/license from host country MoE to operate; TNE is considered as part of the host education system and all approved TNE providers are QA reviewed/accredited the same as domestic HEIs.

8 Improving QA systems are resulting in improving TNE data collection systems, but data availability is still woefully inadequate.

9 Recognition of TNE qualifications is an area of relative weakness. In most countries, recognition is left to the discretion of employers and HE institutions. Bilateral degree recognition agreements play an important role in the recognition of international qualifications.

5.32 Market environment

10 There appears to be a positive relationship between economic development and TNE activity. Economic growth will remain supportive of demand for TNE in most host counties over the forecast period 2012–14.

11 Services as a percentage of GDP and tertiary age ratios appear to bear little or no relationship with TNE activity. This is likely to be because TNE represents a relatively small proportion of overall HE activity in most host countries.

12 The mature TNE hosts are perceived as having relatively high quality domestic higher education systems.

13 Overall, the data suggests a positive (but weak) relationship between private sector involvement and TNE activity (based on available data), with some notable exceptions.

14 Data suggests that higher levels of societal development (as measured by the HDI) are positively correlated with TNE activity.

5.33 Mobility environment

15 While host countries are often both major senders and receivers of international students, the same is not generally the case for TNE. However, countries such as Malaysia and China have demonstrated a propensity to establish branch campuses abroad. India is already very active in this respect.

5.4 Impact of TNE on host countries

16 The importance of a national TNE framework and institutional level policies in the host country with clearly articulated rationales, objectives, strategies and measurable outcomes cannot be overstated.

17 The research finds that many of the objectives of TNE are being achieved in the three host countries studied in detail: China, Malaysia and UAE. Providing increased access for specific segments of the population is prevalent in both Malaysia and UAE. China is currently using TNE for academic capacity building in terms of knowledge transfer from foreign partners. Malaysia, and to a lesser extent China, emphasises the importance of using TNE for professional development of the teaching and research staff at domestic institutions while UAE stresses the importance of using TNE to develop and retain a skilled workforce.

18 Economic impacts can differ significantly. For instance, Malaysia foresees international student recruitment and TNE as a means to increase revenue while UAE perceives TNE as a way to develop an educated and skilled workforce pivotal to developing a service-and-knowledge-based economy. It appears that China's policy and approach does not articulate economic return as a major rationale or impact of TNE. However, this may not reflect the situation at the local HEI level.

19 At this point in time, TNE – especially IBCs – are not attracting foreign direct investment in terms of physical or equipment infrastructure.

20 The social-cultural impacts are acknowledged as being important but are more difficult to grasp and measure and warrant further investigation.

Appendices

Appendix A: Abbreviations

AfQN	African Quality Assurance Network
AEI	Australian Education International
ANQAHE	Arab Network for Quality Assurance in Higher Education
APQN	Asia Pacific Quality Network
AQAAIQ	Association of Quality Assurance Agencies of the Islamic World
AQAN	ASEAN Quality Assurance Network
CADGEDC	China Academic Degree and Graduate Education Development Centre
CANQA	Central Asian Network for Quality Assurance and Accreditation
CANQATE	Caribbean Area Network for Quality Assurance in Tertiary Education
CEENQA	Central and Eastern European Network for Quality Assurance Agencies in Higher Education
DAAD	German Academic Exchange Service (Deutscher Akademischer Austausch Dienst)
DL	Distance learning
ENQA	European Association for Quality Assurance in Higher Education
EQAN	Eurasian Quality Assurance Network
FDI	Foreign direct investment
GATE	Global Alliance for Transnational Education
GATS	General Agreement on Trade in Services
GDP	Gross domestic product
HDI	Human Development Index
HE	Higher education
HEI	Higher Education Institution
HEC	Higher Education Commission
HEEC	Higher Education Evaluation Centre
HESA	Higher Education Statistics Agency
IBC	International branch campus
IEI	International Education Index
INQAAHE	International Network for Quality Assurance Agencies in Higher Education
LTA	Learning, teaching and assessment

MCER	McNamara Economic Research
MERCOSUR	Mercado Común del Sur/Mercado Comum do Sul
MoE	Ministry of Education
MOHE	Ministry of Higher Education
MQA	Malaysian Qualifications Agency
NUMC	Nottingham University Malaysia Campus
OBHE	Observatory for Borderless Higher Education
OECD	Organisation for Economic Co-operation and Development
QA	Quality assurance
QAA	Quality Assurance Agency for Higher Education
SD	Standard deviation
SEEI	Shanghai Education Evaluation Institute
THE	Times Higher Education
TNE	Transnational Education
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNNC	University of Nottingham, Ningbo, China

Appendix B – Initial long list of 52 countries selected for inclusion in Opportunities Matrix

Asia	Europe	Middle East/Gulf	Africa	Americas
China	Poland	Bahrain	Botswana	Brazil
Hong Kong	Russia	Oman	Mauritius	Mexico
India	Spain	Qatar	Nigeria	Canada
Indonesia	Turkey	UAE	Egypt	Colombia
Malaysia	France	Iran	Ghana	Jamaica
Nepal	Germany	Iraq	Kenya	Trinidad and Tobago
Pakistan	Greece	Israel	Libya	
Singapore	Romania	Jordan	Morocco	
South Korea	Switzerland	Saudi Arabia	South Africa	
Sri Lanka	Ukraine			
Thailand				
Vietnam				
Australia				
Bangladesh				
Japan				
Kazakhstan				
Philippines				
Uzbekistan				

Note: countries highlighted in purple were not included in the final 25 country selection.

Appendix C – The Opportunities Matrix – scoring box

Box 1: The scoring and opportunity grouping system

The TNE Opportunity Matrix is comprised of three categories and ten indicators, scored on the basis of 36 underlying scoring criteria. Each indicator is the sum of between two and six scoring criteria, and each category is the sum of between two and four indicators. The category scores are then aggregated to generate an overall Matrix score. Countries are assigned to one of five opportunity groups, for each of the three categories and for the overall Matrix score.

To generate the category scores for each country, all indicators within a category are given equal weight. To generate the overall Matrix score for each country, the policy environment and market environment categories are weighted at 40 per cent each, and the mobility environment category is weighted at 20 per cent. This is because the mobility environment category only has two indicators while the others have four each.

All 13 scoring criteria in the policy environment category are qualitative, and are scored by the MCER project team. The following scoring options were used:

Yes = 10
Partly = 5
No = 0

Of the six qualitative scoring criteria in the market environment category, two are sourced from the World Bank 'Worldwide Governance Indicators' data set and another four from the World Economic Forum 'Executive Opinion Survey'. The World Bank data reports the views and experiences of citizens, entrepreneurs, and experts in the public, private and non-governmental organisation sectors from around the world, on the quality of various aspects of governance. The data is presented in units ranging from -2.5 to 2.5, with higher values corresponding to better governance. The World Economic Forum data is taken from its annual survey of business executives, with scores ranging from 1–7, where 7 is best.

The remaining 13 scoring criteria in the market environment category and all four scoring criteria in the mobility environment category are quantitative.

In order to compare data across countries and to calculate aggregate scores for each country, the data gathered from various sources had to be made comparable. For this purpose the qualitative data from the World Bank and the World Economic Forum, and all quantitative data was 'normalised' on a scale of zero to ten. The following minimum–maximum formula was used to normalise the data:

(x minus minimum/max minus minimum)

Countries are assigned to opportunity groups at both the 'category' level and 'overall Matrix' level on the basis of mean score and standard deviation (sd). The standard deviation is a statistical term relating to the variation or dispersion of the underlying data. In a normal distribution, approximately 68 per cent of the data will score within one standard deviation above or below the mean score. The opportunity groups are structured as follows:

Opportunity group 1: well above average (mean score +1 sd or more)

Opportunity group 2: above average (mean score +0.5 sd > mean score +1 sd)

Opportunity group 3: average (mean score +/- 0.5 sd)

Opportunity group 4: below average (mean score -0.5 sd < mean score -1 sd)

Opportunity group 5: well below average (mean score -1 sd or less)

Appendix D: Case studies on the impacts of TNE

1. China case study

1.1 National context

China's decision to open its economy to foreign direct investment in the early 1990s – so called 'open-door policy' – paved the way for huge economic and social change. China's phenomenal economic growth over the past two decades has been supported by massive expansion and reform of the higher education system. Part of that reform involved the internationalisation of China's higher education system, including the delivery of higher education programmes in China by foreign education providers.

Provision of TNE in China has expanded rapidly since 1995, when the State Education Commission (later to become the Ministry of Education) first adopted a structured approach to the provision of education by foreign bodies within its borders. China's accession to the World Trade Organisation in 2001, its commitment to the General Agreements on Trade in Services and the influence of globalisation more generally, have promoted an increasing engagement with the international education community.

According to data produced by OBHE, China is one of the leading hosts of IBCs, hosting 17 as at January 2012 with a further seven under development. Only UAE, with 37, was reported as hosting more IBCs. Other modes of TNE common in China include joint degrees, double degrees and particularly articulation arrangements, where Chinese students receive advanced standing onto degree programmes in the partner country. The vast majority of the TNE providers who have established branch campuses and other TNE activity in China are located in the developed and thriving regions of Shanghai, Beijing, Shandong and Jiangsu.

China has made a definite push in recent years to attract foreign universities and students but it has not published an internationalisation strategy as such. However, the directives and opinions published by the MoE regarding TNE, while somewhat vague, do suggest that the main

government rationale for facilitating TNE is capacity building of domestic HEIs in China via knowledge transfer from sending HEIs. A secondary rationale relates to the role that TNE can play in relation to the provision of skills required by the ever-expanding Chinese economy.

1.2 Regulatory environment

Internationalisation activities are divided between the Department of International Cooperation and Exchange at the Ministry of Education (MoE) and its parastatals, namely, the China Academic Degrees and Graduate Education Development Centre (CADGEDC) – which handles quality assurance and qualifications verification – and the Chinese Service Centre for Scholarly Exchange (CSCSE), which is concerned with student exchange and international co-operation. The requirements and regulations for TNE bodies wishing to establish in China vary considerably from province to province, due to the fact that 90 per cent of higher education institutions are under the control of the local authorities in which they are located. These local authorities have the power to dictate a number of factors in the establishment and running of a HE institution, including the tuition fees that are charged.

TNE programmes and providers in China are collectively known as Chinese–foreign Co-operatively Run Schools (CFCRS) and the legal basis for these operations was set out in the 2003 'Regulations of the People's Republic of China on Chinese/ Foreign cooperation in Running School', which built on earlier regulations in 1997 and 1995.[80] The main facets of the regulations are described as follows:

1 All activity must be in partnership with recognised Chinese higher education institutions.
2 All foreign partners must be 'accredited' in their home country in a manner acceptable to the Chinese authorities.
3 Degree collaborations must be approved by the MoE and sub-degree collaborations by the relevant

provincial/municipal authorities. Municipal and other local authorities have supervisory oversights of partnerships in their localities.

4 For collaborations that establish a full campus, not less than half the members of the governing body of the campus must be Chinese citizens and the post of president or equivalent at the campus must be held by a Chinese citizen resident in China.
5 Partnerships shall not seek profits as the objective; and tuition income shall be used solely for the expenditure and development of the institution.

In 2006, China published 'Opinions on some issues concerning current Sino-foreign cooperative education' where concerns were raised about how TNE was developing in China, particularly in relation to the quality of provision. The document reasserted the public welfare/non-profit nature of TNE in China, as opposed to what it termed education industrialisation; encouraged collaboration in disciplines identified as badly needed or vacant in China; and emphasised a major re-focus on ensuring quality provision by establishing the three one third rules:

1 The introduced foreign courses must represent at least one third of total courses.
2 The major courses of specialities (core element) must be at least one third foreign.
3 At least one third of teaching hours must be borne by the teacher of the foreign institution.

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[80] Contemporary Regulation on Operation of Higher Education Institutions in Cooperation with Foreign Partners (1995); Notice of Strengthening Degree Granting Management in Activities Concerning Operation of Institutions in Co-operations with Foreign Partners (1997).

The Opinions publication signalled a shift in perception by the MoE from TNE being considered as 'supplementary' to China's education system to becoming 'part' of that system.

Recognition of TNE programmes depends on whether the CFCRS is approved/licensed by the MoE or local authorities – which is widely reported as an uncertain and time consuming process – and a requirement on students to notify the CADGEDC (or relevant agency) of their registration during the first month of the programme. The MoE also has a dedicated webpage called 'International Education Supervision' (in Chinese only) which lists over 10,000 HEIs in 43 countries recommended for partnership consideration by Chinese universities.[81] Being on this list is considered as a prerequisite for receiving approval to deliver TNE programmes in China.

1.3 Type of TNE provision

Since TNE in China must be delivered in partnership with a local HEI, the focus is very much on 'collaborative' as opposed to 'independent' TNE provision. The University of Nottingham is the only foreign provider approved by the MoE to deliver its own qualifications in China. The MoE publishes details of individual CFCRS collaborations on its website.[82] The mode of programme delivery is not specified but it is clear that a high proportion of collaborations result in two separate qualifications. In many cases, the Chinese qualification is at diploma level, and the foreign partner qualification at Bachelor degree level, suggesting an articulation arrangement. This accords with data published by the UK QAA as part of its recent review of UK TNE in China[83], where 210 of 282 arrangements were identified as articulation.

Double degrees are very common in China; indeed the OBHE loosened its definition of IBCs in 2012 partly in recognition of the prevalence of this mode of institutional TNE in China. Most of the UK undergraduate programmes reviewed by UK QAA in 2012–13 led to a double degree. Joint degrees are also quite common in China, but there is evidence that getting approval from the MoE can be challenging. Distance learning (DL) by foreign providers is not recognised in China. The University of Massachusetts entered the China DL market in 2008 but exited in 2012 due to non-recognition of its qualifications. According to MoE data[84] China hosted 730 'Sino-foreign co-operative education programmes' – TNE programmes – as at January 2013. China's top ten partner countries for co-operative programmes are listed in the following chart.

Chart A1: Top ten partner countries for co-operative education programmes in China
Co-operative education programmes
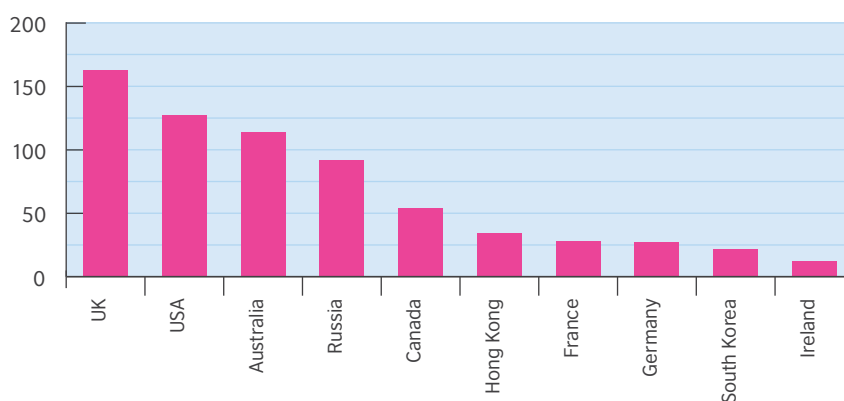
Source: Chinese Ministry of Education

[81] China Ministry of Education: National lists of schools www.jsj.edu.cn/index.php/default/index/sort/12018#1

[82] China Ministry of Education: Chinese Foreign Cooperation in Running Schools www.crs.jsj.edu.cn/index.php/default/index

[83] UK QAA Review of UK transnational education in China 2012 published May 2013
www.qaa.ac.uk/InstitutionReports/types-of-review/overseas/Pages/China-2012.aspx

[84] China Ministry of Education: www.crs.jsj.edu.cn/index.php/default/news/index/59

The MoE data also shows that China hosted 55 'Sino-foreign cooperative education institutions' – foreign HEIs – as at January 2013. The top ten partner countries for co-operative institutions are listed in Chart A2. It is not clear what exactly the difference is between a co-operative programme and a co-operative institution, but the latter implies a greater physical presence in China by the partner country.

Chart A2: Top ten partner countries for co-operative education institutions in China
Co-operative education institutions
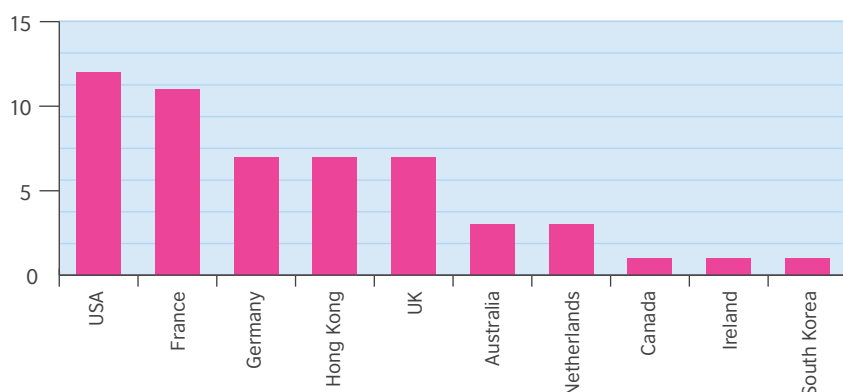
Source: Chinese Ministry of Education

1.4 Student enrolment

The MoE publishes planned enrolment estimates for each individual collaborative programme. This data has not been collated for each of the 730 programmes listed on the MoE website for the purposes of this case study. However, data published by the UK QAA – UK being China's main TNE programme partner – show that 14,434 students were enrolled on UK TNE programmes in China in 2010–11. Of these, 4,415 were enrolment at the University of Nottingham Ningbo – which increased to 5,280 in 2012–13[85] – approximately 3,240 were enrolled at Xi'an Jiaotong-Liverpool University[86] and 524 were enrolled on UK-based distance learning programmes (excluding Oxford Brookes). The QAA review also identified an additional 5,392 students studying in the UK in 2010–11, having transferred from a partner institution in China. Of these, 3,989 transferred under articulation arrangements, an average of 19 students per articulation agreement.

1.5 Impacts and benefits of TNE in China

1.51 Academic impacts

The main motivation for TNE at national policy level relates to capacity building of domestic Chinese HEIs via knowledge transfer from the foreign partner provider. This involves adoption and provision of new education programmes, new teaching and assessment methods, international standards in quality assurance and modernisation of administrative and management processes. This is apparent from the longstanding requirements for sending HEIs to partner with local HEIs and the more recent focus on attracting top tier universities. There is evidence that this objective is being achieved, with Chinese universities picking up new teaching methods and processes quickly from their foreign partners. Faculty exchange between the Chinese and foreign partner HEIs is an important mechanism to effect this knowledge exchange process.

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[85] Data provided by Christine Ennew, Vice Chancellor of the University of Nottingham.
[86] Observatory on Borderless Higher Education, 'International Branch Campuses: Data and Developments', January 2012.

On the other hand, there is evidence that the Chinese government is somewhat disappointed at the volume of joint research output generated by TNE. Infrastructure for joint research is difficult to build and there is an absence of best practice in this area in China. Recent collaborations such as the Monash University/South East University Nanjing joint research graduate school, the Shanghai Nottingham Advanced Academy and NYU Shanghai are indicative of a new phase of TNE in China which is focused on innovation and research.

1.52 Skills impacts

A secondary rationale for TNE relates to addressing skills gaps. The 2006 MoE Opinions document made specific reference to promoting collaborations in 'disciplines and fields which are badly needed, weak and vacant in China'. In practice, however, students and parents are likely to choose programmes that lead to the best and highest paying jobs, which are often in business related subjects and may not be regarded as skills gaps areas. Parents are key decision makers in China, generally having only one child. The interviews conducted as part of this research suggest that graduates from TNE programmes in China have benefited in areas such as: critical thinking, improved language skills, decision making ability and organisational skills. In addition, an unpublished survey of employers undertaken by the Surrey International Institute was reported as yielding positive and encouraging results, with Chinese companies reporting a high level of satisfaction with TNE graduates.

If TNE graduates are possessed of skills required by the labour market, this may owe more to the structure and teaching methods of the programme than any attempt to identify and plug labour market gaps. Addressing skills does not appear to have been a particularly strong motive for setting up the University of Nottingham Ningbo (UNNC) branch campus, for example, focused as it is on traditionally demanded subjects such as business, international commerce, English, etc. UNNC is obliged to provide the MoE with data about how their graduates fare after graduation. The data shows that between 99 per cent and 100 per cent of graduates either have a job or went on to further study.[87] This is against a backdrop of double digit graduate unemployment in China.

1.53 Economic impacts

Although China is one of the main host countries for IBCs, TNE is not driving significant levels of foreign direct investment (FDI). Funding models include a mix of incentives and support from local and municipal authorities, central government, private sector investment, with limited investment by the sending HEI. The regulatory prohibition on profit generation as a main motivation for TNE emphasises the non-commercial focus that China attaches to this form of international collaboration. However, there are examples of IBCs charging annual tuition fees of 60,000 Yuan in China. That's a multiple of ten on average tuition fees in public universities, which charge approximately 6,000 Yuan per year. The profit criterion does appear to have been relaxed somewhat over time but repatriation of profit to the home country remains disallowed.

It does appear that TNE is having some local economic impacts via hiring of foreign faculty and attracting foreign students to study the TNE programmes. Regulations require that at least one third of teaching hours on collaborative programmes be borne by foreign faculty. It is questionable as to how much of the wages paid to these teachers are spent locally, considering the common use of fly-in fly-out faculty. Of greater significance is the propensity for TNE programmes to attract international students to China. Offering TNE programmes is viewed by the MoE as part of the strategy to attract 500,000 international students to China by 2020, up from 320,000 in 2012. At the institutional level, establishing international partnerships is viewed by Chinese universities and colleges as a means to attract greater numbers of Chinese and international students.

Providing higher education access to Chinese students did not feature as an important role for TNE from the interviewees, the general view being that capacity will be achieved by learning from foreign universities rather than the foreign universities enrolling greater numbers of Chinese students. Overall, there was a sense from the interviewees that direct economic and employment impacts of TNE are difficult to assess and not so obvious, and there is a need for empirical study in this area.

1.54 Socio-cultural impacts

The socio-cultural impacts of TNE – or *Zhongwai Hezuo Banxue* as TNE is referred to in Chinese – are difficult to assess in China and the interviewees generally had little to say on this topic. Available literature in this area tends to raise concern about the risks that TNE can present. Examples include competition with local TNE providers for students, faculty and government funding; friction with local socio-cultural norms and customs via curriculum structure and approach to gender issues.

One interviewee stated that local communities are often unaware of the foreign partners, and that the foreign partners usually have very little influence in any case. Another interviewee stated that it is difficult to say what the socio-cultural impacts are, but that they're not very prevailing in any case. He provided some examples: volunteer teaching in rural areas by visiting foreign faculty, and an annual international festival arranged by the Surrey International Institute. Other examples were provided of engagement with the local community; in areas such as volunteer work with local schools; contributing to international events; and allowing the campus to be used to host local community events. An area of consensus among all four interviewees involved the significant degree to which English language and culture are promoted locally by TNE provision.

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[87] Interview with Christine Ennew, Vice Chancellor of Nottingham University, November 2012.

1.6 Concluding comments

TNE is a small component of the Chinese higher education system, but it plays an important role in reforming and modernising higher education in China. The regulatory focus on collaborative forms of TNE underlies the government aspiration for TNE to build capacity in domestic HEIs. Evidence suggests that Chinese HEIs are quickly learning about new approaches to teaching and assessment from their foreign partners. Considering there are over 2,000 HEIs in China, the degree to which this knowledge transfer can be diffused into the wider system will be interesting to monitor.

The economic impacts of TNE are not very pronounced at national level, and relate primarily to local income generation via foreign faculty hire and foreign students enrolled. TNE appears to be producing graduates with the requisite labour market skills, but this may speak more to the structure of the TNE programme, rather than a concerted effort by HEIs to plug skills gaps. The cultural impacts of TNE are difficult to assess and may take more time to manifest themselves. However, it is clear that TNE is driving improved English language capability and greater awareness of Western culture in China.

Developments on the quality assurance and recognition front have been slow; the last significant regulatory publication being the 2006 'Opinions' document published by the MoE. The approach since 2010 has been to focus on attracting high quality foreign providers, with university rankings often employed as a proxy for quality. While the requirements for foreign universities wishing to establish in China are quite onerous, ongoing quality assurance appears quite weak. This has important consequence for the sustainability of high quality TNE provision in the future.

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12   Four interviewees were conducted for this case study between December 2012 and February 2013. Acknowledgement and thanks are extended to the following people for their contribution:

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    – Dr Rui Yang: Associate Professor, Faculty of Education, University of Hong Kong

    – Professor Zhao Yahzi: Surrey International Institute, Dongbei University of Finance and Economics

2 Malaysia case study

2.1 National context

Education in Malaysia is embodied in the National Education Policy as well as the National Education System created under the Education Act, 1961. The policies adopted in the last five decades of independence such as the National Economic Policy (NEP), mapped the direction and characteristics of the education system today. The NEP for example, by imposing the ethnic (Bumiputera[88]) quota system for student admissions in public Institutions, created a gap in the education system. Non-Bumiputera students who were not given placements in the public universities had to look for alternatives, which included going to overseas education destinations such as the UK. However, students who could not afford overseas qualifications looked for local alternatives.

This created a demand for locally available HE opportunities and is seen as the catalyst for the growth of the private HE industry. Private HEIs, until the early 1970s, focused on providing correspondence courses in high school certificates, for repeaters generally, and professional qualifications, such as Pitman's Secretarial Courses, started providing tuition support for external qualifications leading to diplomas and advanced diplomas. However, this did not meet the growing demand for higher education, which was fuelled by the economic and political stability of the country and the rise in demand for a qualified workforce.

Realising the rising demand and the need to cap the outflow of currency the government began loosening control over private education. Private HEIs were soon offering undergraduate qualifications either as external programmes or as twinning arrangements. These, the demand for higher education, the lack of space within the public HEI, the need to cap outflow of currency and consequently the liberalisation of the private HE sector are in summary the driving forces behind the phenomenal growth of TNE in Malaysia.

The contribution of TNE to Malaysian higher education is well established and evidenced (Fernandez-Chung et al., 2011). A quick survey of available TNE data shows that many of these collaborations are primarily with UK and Australian higher education institutions. For example, TNE in Malaysia caters for the largest number of students studying for a UK degree outside the UK[89], largely due to the historical link between these two countries.

TNE in Malaysia has been an important aspect of educational engagement and collaboration. In the earliest years, the movement across borders involved people (students, teachers, lecturers and professionals), and mobility was primarily in the direction of north (the developed and mature educational markets). Some of the factors that accounted for this movement were Malaysia's inability to meet the domestic demand for tertiary education, the high returns to educational investments on a personal basis, the need for social mobility and human resource formation for economic development.

The past 16 years have seen a phenomenal expansion of TNE in Malaysia with the liberalisation of private higher education. People mobility involving students, teachers, lecturers and professionals crossing national borders for academic and professional purposes seemed to have been eclipsed somewhat by programme and institutional mobility as more transnational programmes were offered and educational institutions established offshore. Factors contributing to this new mobility were the participation of the entrepreneurial private sector in the provision of higher education, the significant development of information and communications technology (ICT) and the new media, rapid economic growth in the Asia-Pacific region and innovative TNE collaborations.

2.2 Type of TNE provision

Malaysia offers various models of TNE, and the most prevalent form of TNE is the franchise model which developed from articulations practices and agreements in the early 1980s. Today, TNE in Malaysia includes branch campus (including branch faculties), degree transfer programmes, online and distance learning, joint awards, credit transfer or articulation programmes, validated programmes and top-up arrangements.

The franchise model employs various methodologies, from full franchise (3+0) to partial franchise (1+2 and 2+1). All the above mentioned forms of TNE are within the regulatory framework of higher education Malaysia. The other form of TNE which is growing but remains outside the regulatory framework is the dual degree arrangements, where a student normally studies for a local degree and is awarded a second foreign degree upon completion. The involvement of the foreign institutions is normally as validator or external examiner. It is also common to have joint examination boards, though the curriculum and exam rigour vary. Another model of TNE which clearly remains outside the regulatory radar is TNE by training providers not covered by the Private Higher Education Institutions Act 1996 (Act 555).

All TNE arrangements with the exception of foreign branch campuses are fully owned and managed by local entrepreneurs or organisations. The 'foreign' involvement is usually through licensing of programmes, validation and/or quality management of the programme.

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88 Bumiputera (or sons of the soil) is a label given to Malay Muslims and indigenous communities in the country. After the race riots of 1969, this 'class' of citizens are given special privileges which include, discounts, special provisions for university entrance and rights to government projects.

89 Higher Education Statistics Agency (HESA) at www.hesa.ac.uk. 2010–11 data shows a total of 58,115 students pursuing a UK qualification in Malaysia, of which 52 950 are doing an undergraduate programme.

2.3 Evolution, scope and scale

TNE provisions have a 15.2 per cent market share of accredited programmes in Malaysia (Chart A3). However, reliable data on the scope and scale of TNE is a challenge, largely because there is not a one-stop data centre at the Ministry of Higher Education, or at any other data agency. Where available, data often varies between sources largely due to varying terminologies and criteria.

Chart A3: TNE market share in private higher education, Malaysia

TNE 15.2%

Local 84.8%
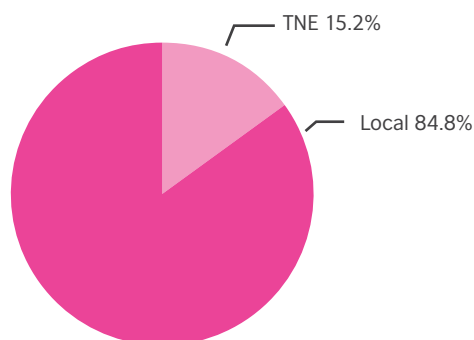
Source: Malaysian Qualifications Register, December 2012

Table A1: International Branch Campuses in Malaysia

Name of institution	Sending country	Year of establishment	Location
Curtin University Sarawak	Australia	1999	Sarawak
Monash University Sunway Campus	Australia	1998	Selangor
Netherlands Maritime Institute of Technology	Netherlands	2011	Iskandar Corridor
Newcastle University Medicine Malaysia	United Kingdom	2009 [1]	Iskandar Corridor
Nottingham University Malaysia Campus	United Kingdom	2000	Selangor
Swinburne University of Technology Sarawak	Australia	2000	Sarawak
The Henley Business School (Reading University, UK)	United Kingdom	2012 [2]	Iskandar Corridor
The University of Southampton Malaysia Campus	United Kingdom	2012	Iskandar Corridor

Source: Malaysian Qualifications Agency, January 2013

[1] Programmes launched in 2009. Campus set up in 2011.
[2] Full campus to open in 2015. Currently short-term courses are offered.

Franchise arrangements for TNE are varied and vast and Table A2 provides a summary of the overall TNE franchise data [90] in relation to number of programmes at the various levels. Generally all TNE arrangements at the college are at bachelor and master's levels. Collaborations with university-colleges and universities are from the bachelor to master's levels. There are a few collaborations at the diploma level in all categories of HEIs, but by and large these are skill-based qualifications such as culinary.

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[90] Based on numbers of accredited programmes on the Malaysian Qualifications Register, www.mqa.gov.my/mqr. Data abstracted 3 December 2012. The numbers reflect actual number of programmes having removed those no longer offered, double entries and those that are renamed.

Table A2: Breakdown of national and TNE programmes by institution type

	Doctoral	Master's	Bachelor	Diploma	Certificate	Others	Total
Universities – local	50	235	611	272	16	101	1,285
Universities – TNE	0	22	93	4	0	11	130
University Colleges – local	4	10	65	234	14	42	369
University Colleges – TNE	0	12	71	16	2	5	106
Colleges – local	0	11	44	882	108	92	1,137
Colleges – TNE	0	10	177	43	25	35	290
Other – local	0	0	16	259	63	19	357
Other – TNE	0	1	19	5	8	4	37
Total	54	301	1,096	1,715	236	309	3,711
Percentage of TNE programmes	0.0	15.0	32.8	4.0	14.8	17.8	15.2

Source: Malaysian Qualifications Register, December 2012

Apart from inbound TNE provisions, there are outbound TNE provisions (Malaysia as the sending country) both as branch campuses and franchise arrangements. Specific and updated information is difficult to obtain particularly those involving franchise arrangements, but unpublished MoHE data indicates examples of the host countries. These are Sri Lanka, India, Botswana, Vietnam, Indonesia, Pakistan and Nepal.

2.4 Student enrolment

The growth of TNE in Malaysia is closely linked to the development of the private higher education sector which is at the forefront of Malaysian higher education, catering for 55.6 per cent of students.[91] The role of private higher education institutions is even more significant as 73 per cent of international students are enrolled in the private sector. While specific and disaggregated data is not available, there is a very strong perception nationally that a significant proportion of these students in the private sector are enrolled in TNE programmes although only 15.2 per cent of programmes are TNE programmes (Chart A3).

2.5 Regulatory environment

TNE in Malaysia is regulated generally by law and regulations that regulate all other forms of higher education programmes in the country. Consequently, there is no specific division within the Ministry of Higher Education or the Malaysian Qualifications Agency that is responsible for the operation of TNE in the country. The Division for Private Higher Education Institution Management (SPIPTS, the acronym in the national language) is usually the reference point for TNE and TNE related activities given that a majority of TNE activities are in the private sector and the Malaysian Qualifications Agency oversees academic quality of TNE programmes.

2.6 Impacts and benefits

The impacts and benefits of TNE are reflective of the nature of the provision. Branch campuses are largely seen as the 'foreign presence' in the country while franchise programmes can be described as the 'foreign influence' given that this form of TNE may or may not have representatives of the foreign HEI present in Malaysia.

There is no direct evidence to show the impact of both branch campus and franchise models on *academic quality* in Malaysia, though the prevalent perception among parents, students and employers is that TNE programmes are of higher quality than domestic programmes and therefore offer distinctly better quality education than local HEIs (Fernandez-Chung, et al., 2011). There is also a strong perception that branch campuses 'raise the game on research agenda as even the public universities are now pushed to lead the research agenda in the country' (Respondent 1). The contributions of the branch campuses are often through research collaborations. This has created 'greater understanding between the branch campuses and other HEIs, and provided opportunities to learn from each other' (Respondent 3). Notably, however, there seems to be greater multi-disciplinary collaborations between foreign branch campuses and the larger private HEIs.

Another method through which the branch campuses contribute to academic quality is when they are invited to contribute to the development of QA documents such as in programme standards for engineering and mass communication. However, 'greater effort must be extended by the authorities (MQA/MOHE) to tap branch campus 'expertise', particularly as assessors and auditors.'

The direct *economic* impact of the branch campus is the number of international students in the campus (38 per cent for Nottingham University Malaysia Campus (NUMC)). There are 'no direct financial investments' from Nottingham, UK and Curtin, Australia for their respective campuses, however branch campuses, like franchise agreements, help stem the outflow of currency in providing access to international qualifications locally. In the case of Curtin, in particular, there is a sense of providing access to students in a region where there are not many options, as it is located in Sarawak (given that approximately 50 per cent of HEIs are in the Klang Valley region in Malaysia). However 'there is potential for larger economic value for TNE in Malaysia'. Malaysia is a popular destination for higher education and is ranked eleventh globally (Lim, 2009; Hisham and Norzaidi, 2009) because of the political stability, warm climate and relatively lower cost, but the limitation in term-time employment and strict prohibition of post-graduation employment, impact Malaysia's popularity as a HE destination for students, thus reducing the economic value from TNE activity in Malaysia.

The impact of TNE can also be seen on the *social/cultural* aspects of Malaysia. The most significant cultural impact comes from the employment of 'foreign professionals either working or visiting the country'. The social influence of TNE on the other hand is perhaps evident through the access to local students who would otherwise not have the opportunity to enter into higher education. The branch campus TNE in particular 'opens up to students the culture and practices of a foreign country without having to leave

Malaysia' (Respondent 1). This impact is greater if the number of foreign academics is large, such as in NUMC where about 30 per cent are foreign academic staff.

Other social/cultural impacts of TNE are their 'usefulness' to the community or neighbourhood, through outreach programmes, such as Green Symposium for Youth and School Outreach Programme and Sports Centre. The presence of a branch campus also brings about 'development, "wealth" and better infrastructure to the vicinity' (Respondent 3). This, however, was not visible in franchise programmes as any community engagement or social good is part of the activity of the host HEI. However, there is a 'growing concern among academics' that TNE contributes to 'the broadening divide between the public and private sectors' (Respondent 4). Consequently, this brings about a distinction in graduate characteristics due to the present composition of students within the respective sectors, namely the Bumiputera in the public sector and the non-Bumiputera in the private sector.

Status and ranking are important in Malaysia, though the policies to bring these about nationally are often 'hit and miss'. The presence of TNE provision had elevated Malaysia to being a global leader in TNE. However, it has yet to link this to ranking. For example, in the THE ranking, Nottingham UK is ranked, 'but this does not necessary follow that NUMC enjoys similar status' (Respondent 1). There is also no clear evidence to show that the presence of TNE as a franchise model is able to impact the ranking of local providers in the SETARA exercise (the national rating exercise). Both SETARA 2009 and 2011 data does not indicate that having a TNE partner will positively influence the position of the HEI concerned. On the contrary, the current policy which discourages private university and university colleges from entering into franchise agreements is a good indicator that such practices may not augur well for the HEI in relation to rating.

The human resource sector has been a major beneficiary of TNE programmes and both the branch campus and franchise models continue to contribute in terms of allocation of HE space, educational resources and the building of national capacity. Malaysia continues to seek to build its national capacity, particularly in the fields of science and technology and rely on TNE programmes, in particular branch campuses and franchise models.

TNE also provides opportunities to retain local staff and bring in foreign staff, more so in the branch campus model than the franchise model. There are also several examples of Malaysians who had worked oversees returning to work in the branch campuses in particular, given the more lucrative remuneration. Clearly both the branch campuses are able to attract a larger number of foreign experts, for example, NUMC employs approximately 30 per cent foreign employees. In franchise agreements, the visiting faculty from home universities provide staff development opportunities and help build capacity at the host HEIs.

TNE does not have direct impact on *Malaysian politics* mainly because it is illegal for students (hence HEI) to be involved in political activities. However, 'Branch Campuses are more flexible to influence politics as they are more "autonomous" than local HEIs' (Respondent 1). For example, the first venue for the meeting of UK and Malaysian prime ministers during the recent official visit to Malaysia of the UK prime minister was at NUMC.

2.7 Concluding comments

TNE in Malaysia is at a re-branding stage as it no longer fits the initial expectation; 'the access agenda'. Instead TNE in Malaysia is expected to provide economic value to the country and as it is largely private, it is viewed as an industry. Branch campuses seem to be the ideal TNE model to cater for the national needs of research and developments in the field of science and technology. By stringent selection, branch campuses will contribute more to the

national agenda with their physical presence. Franchise programmes, on the other hand, will need to be re-defined if they are required to be more involved in the nation building agenda. However, it would seem that the current approach of franchise programmes (free for all approach) encourages a 'pile high, sell cheap model'. This may be useful to cater for developing nations seeking to enhance access to higher education. But with more discerning parents and students, franchises may lose a greater share of its domestic market to branch campuses. Perhaps in another five to ten years the franchise model may have outplayed its role in nation building. However, the franchise model is still the best way to test the viability of TNE and a good way to open up TNE as it is low risk, high return and supports capacity building.

2.8 Sources of information

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4   Four interviews were conducted for this case study between December 2012 and February 2013. Two interviews were with international branch campus representatives and two were with representatives of Malaysian universities offering foreign programmes via franchise arrangements.

3 UAE case study

3.1 National context

UAE is home to the largest number of branch campuses hosted by a single country in the world. The increase in numbers over the past decade is staggering and underlines the importance that transnational education (TNE) plays in this small but dynamic country. In terms of economic development, the UAE is working towards strengthening its knowledge-oriented and service-based economy in order to decrease its reliance on oil. This has major implications for higher and continuing education as the requirements for a skilled workforce continue to increase, especially in Dubai, and the need to strengthen knowledge production and innovation is steadily growing, particularly in Abu Dhabi.

An important feature of UAE is the make-up of the population. There are approximately one million Emirati citizens and over seven million expatriates, primarily from South Asia. This has a profound effect on the demand for tertiary education as the children of the expatriate population do not have access to the federal public institutions and need to find alternative education opportunities. Branch campuses of foreign higher education institutions and private training providers are therefore a major source of higher and further education programmes for expatriates and to a lesser extent, Emirati citizens.

It is worth noting that no national TNE policy or strategic plan exists at the federal level. All TNE planning and policy development is done at the emirate level. As of 2013, three of the seven emirates are actively engaged in TNE: Dubai, Abu Dhabi, and Ras Al Khaimah (RAK). It is interesting to speculate whether the absence of a country-wide TNE plan has resulted in the substantial increase in branch campuses or whether there are missed opportunities or unintended consequences given that there is no federal alignment of policies or co-ordination of activities.

3.2 Type of TNE provision

The most prevalent form of TNE in UAE is the stand-alone IBC model. To date, there is very limited use of twinning, franchising, joint or double degree programmes by the federal Emirati higher education institutions. More common is an arrangement whereby a foreign university provides advice on the development of new programmes and the design of the curriculum, but the course delivery and the qualification is provided by the Emirati institution. Independent institutions with a foreign name, but not necessarily foreign ownership or affiliation (i.e. American University in Dubai or the American University in Sharjah) exist in UAE but are not included in this analysis as they are more of a domestic than a cross-border education provider.

3.3 Evolution, scope and scale of TNE

According to OBHE (2012), UAE hosts 37 IBCs which represent about 19 per cent of the 200 branch campuses active in 24 different countries around the world. Obtaining reliable and robust numbers of branch campuses is a challenge because countries use different definitions and criteria to identify branch campuses. Thus, the number of 37 branch campuses in UAE can be increased to 41 if definitions and data from the Knowledge and Human Development Agency of Dubai are used (KHEA 2011). Tables A3, A4 and A5 provide information on the OBHE identified branch campuses in the three active emirates.

Table A3: International branch campuses in Dubai

Name of institution	Sending country	Year of establishment	Subjects offered
Murdoch University	Australia	2008	Multiple disciplines
University of Wollongong	Australia	1993	Accounting, business, computer science, finances, IT, management
University of Waterloo	Canada	2009	Engineering, finance and risk management, IT management
ESMOD	France	2006	Fashion
Amity University	India	2011	Multiple disciplines
Birla Institute of Tech and Science	India	2000	Engineering, computer science
Institute of Management Technology	India	2006	Business
JSS Education Foundation	India	2006	Multiple disciplines
Manipal University	India	2000	Multiple disciplines
SP Jain Center of Management	India	2004	Business administration
Islamic Azad University	Iran	2004	Multiple disciplines
Royal College of Surgeons	Ireland	2005	Health management
Université Saint-Joseph	Lebanon	2008	Law
Shaheed Zulfikar Ali Bhutto Institute of Science and Tech	Pakistan	2003	Management, science, IT, media
Saint-Petersburg State University of Engineering and Economics	Russia	2007	Multiple disciplines (mainly tourism)
Heriot-Watt University	UK	2005	Multiple disciplines
London Business School	UK	2009?	Business administration
Manchester Business School	UK	2006	Business administration
Middlesex University	UK	2005	Multiple disciplines
Cass Business School, City University London	UK	2007	Business, air maintenance
Boston University School of Dental Medicine	USA	2008	Dentistry
Fuqua School of Business, Duke University	USA	2009	Business administration, finance
Hult International Business School	USA	2008	Business administration
Michigan State University	USA	2009	Human resources, labour relations, public health
Rochester Institute of Technology	USA	2008	Business, IT, engineering, management

Source: OBHE, 2012

Table A4: International branch campuses in Ras al Khaimah

Name of institution	Sending country	Year of establishment	Subjects offered
Vatel International Business School	France	2009	Hotel management
Bharati Vidyapeeth Deemed University	India	2009	Management, science and engineering
Madurai Kamaraj University	India	2010	Business
Mahatma Gandhi University (moved from Dubai in 2010)	India	2002	Multiple disciplines
University of Pune	India	2009	Business administration, finance, management
EPFL	Switzerland	2009	Energy
University of Bolton	UK	2008	Multiple disciplines

Source: OBHE, 2012

Table A5: International branch campuses in Abu Dhabi

Name of institution	Sending country	Year of establishment	Subjects offered
New York Film Academy	USA	2008	Film
New York Institute of Tech Paris-Sorbonne University INSEAD	USA France France	2005 2006 2007	Business administration, computer graphics, international design, management
New York University	USA	2010	Multiple disciplines (mainly humanities and liberal arts)

Source: OBHE, 2012

Of particular interest are the dates of establishment of the IBCs as they range from 1993 to 2010. The majority (70 per cent) of branch campuses were established between 2005 and 2010. Whether there will continue to be major expansion in the number of new branch campuses or whether the numbers have stabilised due to market saturation remains to be seen.

Table A6 provides an analysis of the sending countries by region and indicates the most active sending country in each region. It is interesting to note, but perhaps not too surprising given the high percentage of South Asians expatriates living in UAE, that India has the most branch campuses in the United Arab Emirates.

Table A6: Source region/country of IBCs in UAE

Source region	Number of IBCs	Percentage of total	Most active sending country	Number of IBCs
Asia		35%	India	10
Europe	13	35%	United Kingdom	6
North America	9	25%	United States	8
Middle East	2	5%	Lebanon Iran	1 1

Source: Author with OBHE data

3.4 Student enrolment in IBCs

There is no reliable data on the total student enrolment in UAE branch campuses and only sporadic information on enrolments for individual branch campuses. The University of Wollongong Dubai, one of the first to be established in 1993, and which is located outside a free zone, reports a total enrolment for 2010–11 of 3,000 students (OBHE 2012). Of interest, is that half are graduate students. This high number is uncommon among branch campuses around the world (OBHE, 2012) and can be partly attributed to their 20 years of development and presence in Dubai. Herriot Watt University of Dubai, which was established in 2005 within a free zone, has an enrolment of about 2,500 in 2010–11 including 500 graduate students. Both of these institutions are among the top 15 out of 200 international branch campuses in terms of enrolment, which indicates very clearly that enrolments are overall relatively small.

In terms of the type of students, an Emirati official estimates that about five to ten per cent are Emirati citizen students, about 33 per cent are offshore international students, and the rest (57–62 per cent) are children of long-term expatriates. The distribution of these three types of students varies by emirate. In Dubai and RAK, the majority are children of long-term expatriates, while in Abu Dhabi more of the enrolments are international students originating from Europe, the US and the region. This reflects the fact all five branch campuses located in Abu Dhabi are from France or the US.

3.5 Regulatory environment for TNE

The policy approaches used by the three emirates vary significantly. A major factor is whether the branch campus is situated in an economic free zone. In Abu Dhabi, there are no education free zones but in Dubai, the majority of branch campuses are located in two free zones – Knowledge Village and Dubai International Academic City. Ras Al Khaimah also has a free zone which hosts the international branch campuses. According to an Emirati official, the economic zones give foreign institutions a certain degree of freedom in terms of regulations and offer some financial incentives. For instance, built education facilities are available for rent which avoids a major investment in physical infrastructure by the branch campuses. Profits can be repatriated to the home institution, certain taxes are reduced or eliminated, and the licence to operate is provided by the free zone authority not by the Ministry of Education and Scientific Research.

Abu Dhabi provides a different scenario and approach to TNE. Abu Dhabi has attracted five internationally known and respected institutions to establish a branch campus and is making a major investment in their development and success. For example, the Sorbonne and New York University have been invited and generously supported to establish a presence in Abu Dhabi. Custom built facilities and set-up financing are provided by the host government.

The arrangements for quality assurance and accreditation, as described by an Emirati government official, also differ by emirate and whether or not a branch campus is situated in an economic free zone. For those not located in a free zone, which involves all five in Abu Dubai, the Commission on Academic Accreditation (CAA) undertakes the review and accreditation process. For the 25 branch campuses operating in Dubai's two free zones, the University Quality Assurance International Board (UQAIB) has been established by the Knowledge and Human Development Authority to monitor and ensure that the standard of academic programmes offered by the branch campus is equivalent to the home campus. This is considered to be an 'equivalency model' of quality assurance and is unique to Dubai (Fox and Al Shimisi, 2013). However, any branch campus located in a free zone can also apply for CAA accreditation if it so desires. At this point in time, RAK has not established its own quality assurance or accreditation body for IBCs.

3.6 Impact and benefits of TNE for UAE

3.61 Human resource development benefits

Expected impact and benefits of the host country are directly related to the rationales driving TNE. In UAE's case, the primary motivations and subsequent benefit are linked to recruiting, training and retaining a skilled workforce for the burgeoning service- and knowledge-based economy. More than 85 per cent of residents in UAE are expatriates and a large percentage of these are long-term residents whose children were born in UAE and are now looking for post-secondary education and employment in the region. IBCs are seen by both Emirati government officials and senior leaders of IBCs to be a successful strategy to reach this student population without having to expand the federal higher education system and open it to foreigners. Beyond the access agenda for expatriate students, is the articulated priority that UAE needs to attract, train and retain students from the region as a means to meet the growing demand for skilled and professional

workforce. Therefore, both the 'access' agenda and the 'skills' agenda are driving TNE provision through IBCs.

3.62 Economic impact benefit

UAE as a receiving country is not interested in the income generation potential from TNE but rather places its priority on the attracting and developing the human resources that are necessary to meet the needs of the labour force and grow their knowledge economy. TNE plays an important role because international companies require the human resources and continuous professional development services which international education institutions and training companies can provide through programme mobility. Thus the economic benefits are not about revenue generation per se; they relate more to having the necessary human infrastructure and attracting foreign investment.

3.63 Academic benefits

Academic benefits of TNE, in terms of modernising and building capacity in domestic higher education institutions, diversifying the academic offer, and developing comprehensive education and research partnerships appear to be of secondary importance in the UAE especially in Dubai. This is because TNE activities that build on close co-operation between local and foreign higher education institutions are not the priority except for in Abu Dhabi. The most important benefit is increased access for expatriates (not for local) students and the long-term impact is human resource development for economic benefit not improvement of the higher education system.

3.64 Social/cultural impacts

There are both intended and unintended consequences as the number of branch campuses increase in UAE. Culture is one of the unaddressed issues, especially the integration of international and expatriate students into the local culture and the absence of any instruction in or about the Arabic language.

3.65 Status and competitiveness

Abu Dhabi has made a significant investment to attract world renowned foreign institutions which contribute to the status and competiveness of Abu Dhabi nationally, regionally and globally. It appears that Abu Dhabi has targeted a different type of student – offshore international rather than resident expatriate. Furthermore, the relatively small enrolment numbers during the early stages of establishing branch campuses indicate that increasing access for domestic students or contributing significantly to a skilled workforce have not yet been realised. The long-term strategy for TNE in Abu Dhabi is not available but it may include establishing close relationships with elite foreign institutions to eventually strengthen research capacity and co-operation given the priority Abu Dhabi has given to Masdar (carbon free city) and other knowledge and innovation initiatives.

Overall, the driving rationales and the most visible impact of TNE in UAE focus on attracting, educating and retaining students to meet the needs of the labour force. TNE is part of a greater strategic interest which is to shift towards a knowledge-and-innovation-based economy and to become known as a respected education hub in the region.

3.7 Issues and challenges

There are both intended and unintended consequences as the number of branch campuses increases in UAE, especially in Dubai. The social and learning dynamics of students from different cultural and ethnic backgrounds is a key issue. A multi-cultural educational environment such as Dubai International Academic City brings new opportunities for rich intercultural teaching and a more internationalised curriculum. With the increasing emphasis on student learning outcomes, a critical mass of branch campuses in one location has the opportunity to focus on developing students' intercultural understanding and communication skills, as well as international knowledge and insights, but at times this can be at the expense of understanding the culture of the

host country. There are also risks and misunderstandings related to academic matters – especially for students who are exposed to an education system with different values, approaches, evaluation schemes and expectations. This is particularly relevant for expatriate students and regional students who attend an international branch campus. The intercultural dynamics warrant further attention in terms of social interactions, gender issues, teaching and learning styles, and gaining a deeper understanding of cultural values and practices in order to prevent problems or conflict and take advantage of new learning opportunities.

Given the importance of TNE to help prepare a trained workforce the alignment of programmes with local and regional employment needs is another critical issue identified by an Emirati government representative. There is often a time lag in the ability of campuses to offer the appropriate programmes and courses due to the lack of available data on the emerging demands of the labour market. Without this information, and a close relationship between branch campuses, local employers and industries, the risk remains that the TNE programmes will be providing increased access to higher education but not offering relevant programmes and thus not contributing to the human resource pool that is critical to UAE's future.

3.8 Concluding comments

The United Arab Emirates presents a diversified, if not fragmented, approach to TNE. This caters to the individual needs of the emirates and brings different types of benefit and impact. A common theme is the emphasis on independent foreign branch campuses over collaborative types of TNE programmes such as twinning, joint and double degrees. Furthermore, the overarching rationales and benefits focus on using TNE to build a skilled labour force for economic development and the shift to knowledge-and-service-based industries. Given that the majority of branch campuses are situated in economic free zones, many of the regulatory issues have been dealt with by free zone authorities at the emirate level rather than the federal Ministry of Higher Education and Scientific Research. The critical issues of quality assurance, accreditation, and sustainability are dealt with differently by each emirate and present a rather complicated and uneven monitoring of these three important aspects. There are lessons to be learned in how TNE, specifically IBCs, has been used to meet the diverse needs in UAE and to bring specific economic, academic, human resource development and political benefits.

Grateful appreciation is extended to the eight individuals, including Emirati government officials and leaders of international branch campuses, who were interviewed for this case study.

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7   OBHE (2012) *International Branch Campuses – Data and Developments* by Lawton, W and Katsomitros, A Observatory of Borderless Higher Education (OBHE), UK: London.

8   Interviews were conducted for this case study with a number of Emirati government officials responsible for higher education and branch campus development as well as several senior leaders of branch campuses between November and December 2012.

Appendix E: The Opportunities Matrix – country profiles

BAHRAIN

Source region	Score/10	Group/5
1. Regulatory environment	5.0	2
2. Market environment	5.0	3
3. International mobility	3.2	2

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
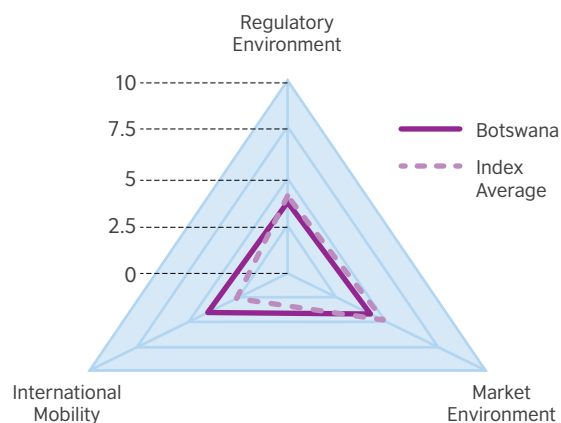Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.3 Quality assurance and accreditation

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
3.2 Outbound international students
1.1 TNE strategy
3.4 Sender of branch campuses

Average: Scores 3.4–6.6
2.3 Socio-cultural
3.3 Host branch campuses
3.1 Inbound international students
2.4 Business environment
1.2 Establishment of TNE operations
2.1 Economic/Demographic
2.2 Infrastructure/capacity
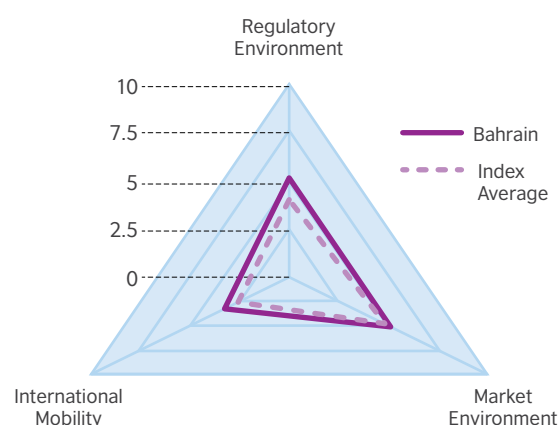
BOTSWANA

Source region	Score/10	Group/5
1. Regulatory environment	4.0	3
2. Market environment	4.1	4
3. International mobility	4.0	1

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
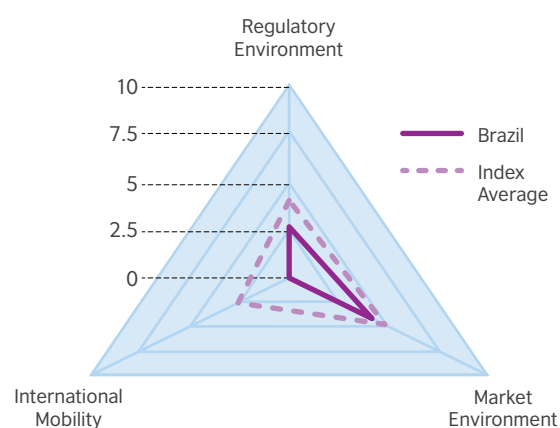Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
3.2 Outbound international students
1.2 Establishment of TNE operations

Weaknesses: Scores less than 3.4
2.2 Infrastructure/capacity
1.4 Recognition of TNE qualifications
1.1 TNE strategy
3.1 Inbound international students
3.4 Sender of branch campuses

Average: Scores 3.4–6.6
2.4 Business environment
3.3 Host branch campuses
1.3 Quality assurance and accreditation
2.3 Socio-cultural
2.1 Economic/Demographic

BRAZIL

Source region	Score/10	Group/5
1. Regulatory environment	2.7	4
2. Market environment	4.0	4
3. International mobility	0.0	5

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
2.2 Infrastructure/capacity
1.2 Establishment of TNE operations
2.4 Business environment
1.4 Recognition of TNE qualifications
1.1 TNE strategy
3.4 Sender of branch campuses
3.3 Host branch campuses
3.2 Outbound international students
3.1 Inbound international students

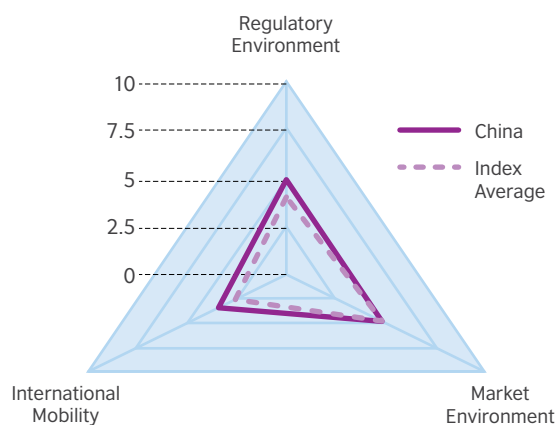| Average: Scores 3.4–6.6 |
|---|
| 2.3 Socio-cultural |
| 2.1 Economic/Demographic |
| 1.3 Quality assurance and accreditation |

CHINA

Source region	Score/10	Group/5
1. Regulatory environment	5.2	2
2. Market environment	4.7	3
3. International mobility	3.4	2

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
3.3 Host branch campuses
1.2 Establishment of TNE operations
2.3 Socio-cultural

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
2.2 Infrastructure/capacity
3.2 Outbound international students
3.1 Inbound international students

| **Average:** Scores 3.4–6.6 |
|---|
| 2.1 Economic/Demographic |
| 3.4 Sender of branch campuses |
| 1.3 Quality assurance and accreditation |
| 1.1 TNE strategy |
| 2.4 Business environment |

HONG KONG, CHINA

Source region	Score/10	Group/5
1. Regulatory environment	7.3	1
2. Market environment	7.2	1
3. International mobility	1.9	3

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.3 Quality assurance and accreditation
2.4 Business environment
2.3 Socio-cultural
1.2 Establishment of TNE operations
1.4 Recognition of TNE qualifications

Weaknesses: Scores less than 3.4
3.2 Outbound international students
3.1 Inbound international students
3.4 Sender of branch campuses

Average: Scores 3.4–6.6
2.1 Economic/Demographic
2.2 Infrastructure/capacity
3.3 Host branch campuses
1.1 TNE strategy
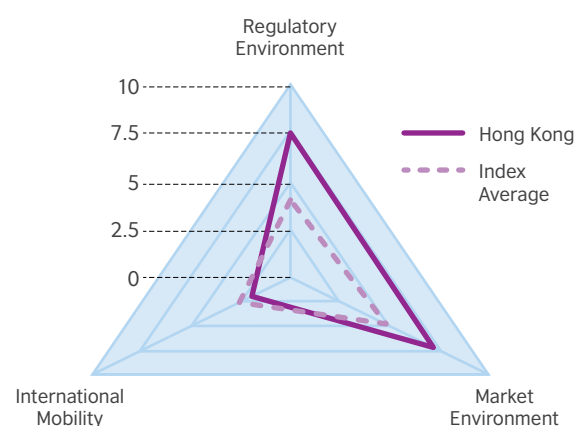
INDIA

Source region	Score/10	Group/5
1. Regulatory environment	1.9	5
2. Market environment	4.6	3
3. International mobility	4.0	1

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
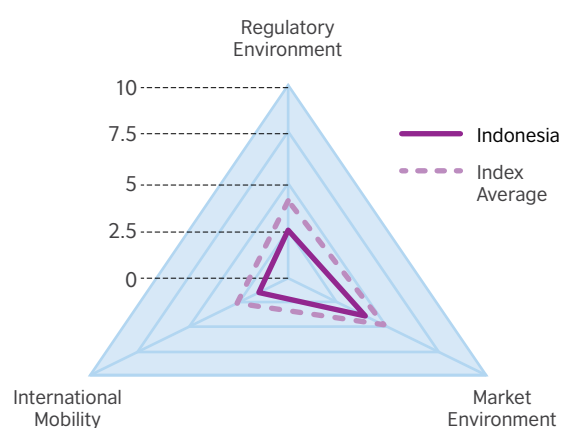Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
3.4 Sender of branch campuses

Weaknesses: Scores less than 3.4
2.2 Infrastructure/capacity
2.4 Business environment
1.2 Establishment of TNE operations
1.4 Recognition of TNE qualifications
1.3 Quality assurance and accreditation
1.1 TNE strategy
3.2 Outbound international students
3.1 Inbound international students

Average: Scores 3.4–6.6
2.3 Socio-cultural
3.3 Host branch campuses
2.1 Economic/Demographic
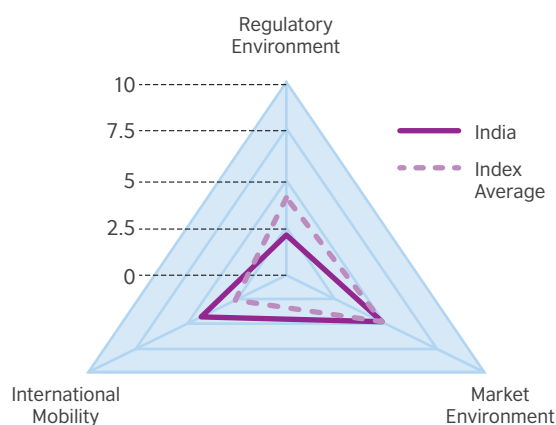
INDONESIA

Source region	Score/10	Group/5
1. Regulatory environment	2.5	4
2. Market environment	4.0	4
3. International mobility	1.3	4

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
2.2 Infrastructure/capacity
2.4 Business environment
3.4 Sender of branch campuses
3.2 Outbound international students
3.1 Inbound international students
1.4 Recognition of TNE qualifications
1.1 TNE strategy

Average: Scores 3.4–6.6
2.3 Socio-cultural
3.3 Host branch campuses
2.1 Economic/Demographic
1.3 Quality assurance and accreditation
1.2 Establishment of TNE operations

MALAYSIA

Source region	Score/10	Group/5
1. Regulatory environment	8.0	1
2. Market environment	5.8	2
3. International mobility	3.7	2

Group 1 = BEST = mean + 1sd or more
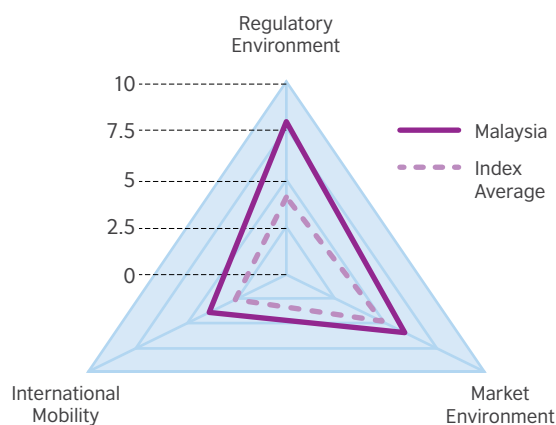Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.3 Quality assurance and accreditation
1.2 Establishment of TNE operations
3.3 Host branch campuses
1.4 Recognition of TNE qualifications
1.1 TNE strategy

Weaknesses: Scores less than 3.4
3.1 Inbound international students
3.2 Outbound international students

| **Average:** Scores 3.4–6.6 |
|---|
| 2.3 Socio-cultural |
| 2.2 Infrastructure/capacity |
| 2.4 Business environment |
| 3.4 Sender of branch campuses |
| 2.1 Economic/Demographic |

MAURITIUS

Source region	Score/10	Group/5
1. Regulatory environment	5.2	2
2. Market environment	4.8	3
3. International mobility	3.0	3

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
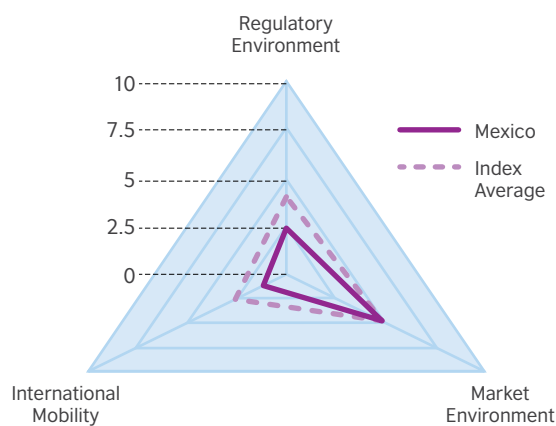Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.2 Establishment of TNE operations
1.1 TNE strategy

Weaknesses: Scores less than 3.4
2.2 Infrastructure/capacity
1.4 Recognition of TNE qualifications
3.1 Inbound international students
3.4 Sender of branch campuses

Average: Scores 3.4–6.6
3.2 Outbound international students
2.4 Business environment
3.3 Host branch campuses
2.1 Economic/Demographic
1.3 Quality assurance and accreditation
2.3 Socio-cultural
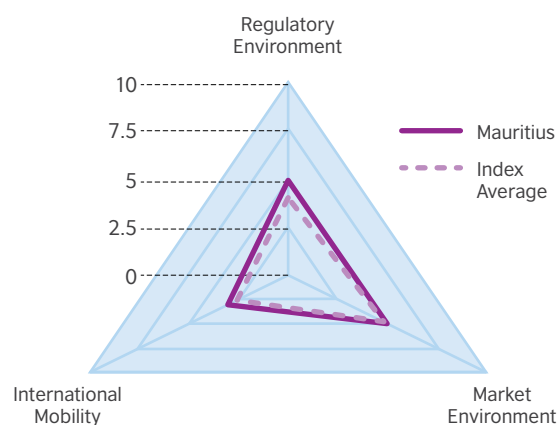
MEXICO

Source region	Score/10	Group/5
1. Regulatory environment	2.7	4
2. Market environment	4.4	3
3. International mobility	1.3	4

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
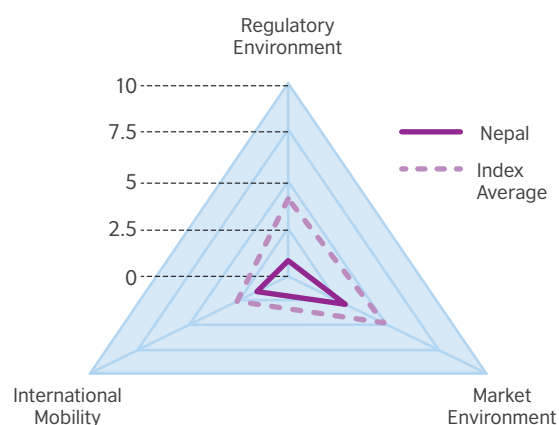Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

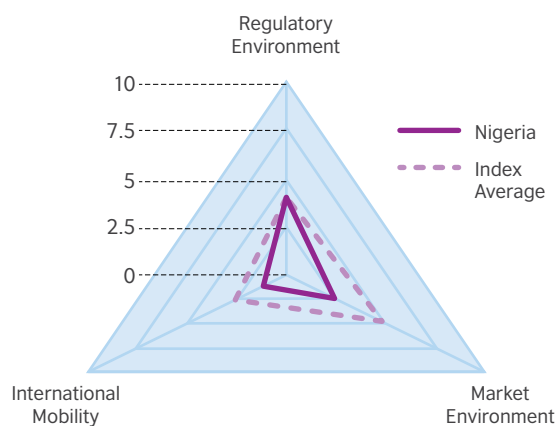| Weaknesses: Scores less than 3.4 |
|---|
| 1.4 Recognition of TNE qualifications |
| 1.3 Quality assurance and accreditation |
| 2.4 Business environment |
| 2.2 Infrastructure/capacity |
| 1.2 Establishment of TNE operations |
| 1.1 TNE strategy |
| 3.2 Outbound international students |
| 3.4 Sender of branch campuses |
| 3.1 Inbound international students |

Average: Scores 3.4–6.6
2.3 Socio-cultural
2.1 Economic/Demographic
3.3 Host branch campuses

NEPAL

Source region	Score/10	Group/5
1. Regulatory environment	0.8	5
2. Market environment	2.9	5
3. International mobility	1.6	4

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
1.3 Quality assurance and accreditation
2.3 Socio-cultural
2.2 Infrastructure/capacity
3.2 Outbound international students
2.4 Business environment
3.4 Sender of branch campuses
3.1 Inbound international students
1.4 Recognition of TNE qualifications
1.2 Establishment of TNE operations
1.1 TNE strategy

Average: Scores 3.4–6.6
2.1 Economic/Demographic
3.3 Host branch campuses

NIGERIA

Source region	Score/10	Group/5
1. Regulatory environment	4.2	3
2. Market environment	2.7	5
3. International mobility	1.3	4

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
1.1 TNE strategy
2.2 Infrastructure/capacity
2.4 Business environment
3.2 Outbound international students
3.4 Sender of branch campuses
3.1 Inbound international students

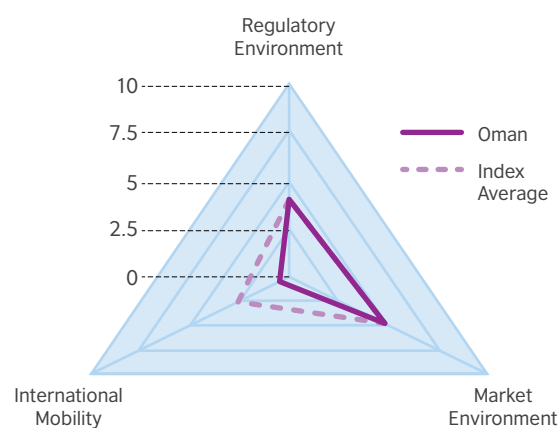| Average: Scores 3.4–6.6 |
|---|
| 3.3 Host branch campuses |
| 1.3 Quality assurance and accreditation |
| 1.2 Establishment of TNE operations |
| 2.1 Economic/Demographic |
| 2.3 Socio-cultural |

OMAN

Source region	Score/10	Group/5
1. Regulatory environment	3.9	3
2. Market environment	5.3	3
3. International mobility	0.4	5

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.3 Quality assurance and accreditation

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
1.1 TNE strategy
3.2 Outbound international students
3.1 Inbound international students
3.4 Sender of branch campuses
3.3 Host branch campuses

Average: Scores 3.4–6.6
2.1 Economic/Demographic
2.3 Socio-cultural
2.4 Business environment
2.2 Infrastructure/capacity
1.2 Establishment of TNE operations

PAKISTAN

Source region	Score/10	Group/5
1. Regulatory environment	4.1	3
2. Market environment	3.6	4
3. International mobility	1.4	4

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
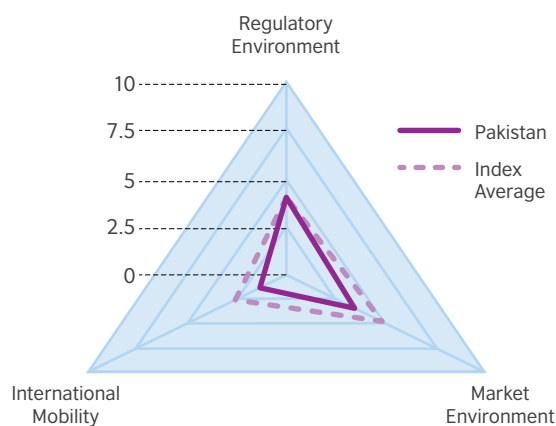Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
1.3 Quality assurance and accreditation
2.2 Infrastructure/capacity
2.4 Business environment
3.2 Outbound international students
3.3 Host branch campuses
3.1 Inbound international students

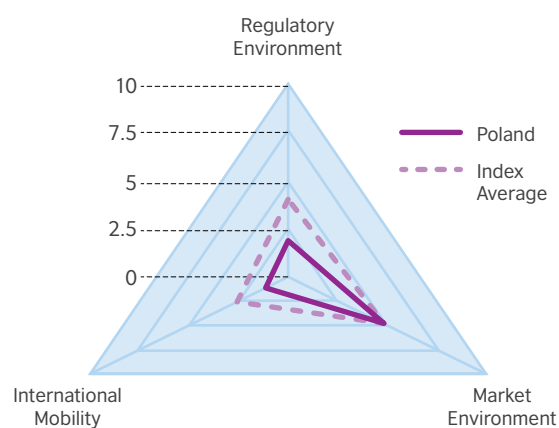| Average: Scores 3.4–6.6 |
|---|
| 1.2 Establishment of TNE operations |
| 2.3 Socio-cultural |
| 2.1 Economic/Demographic |
| 3.4 Sender of branch campuses |
| 1.1 TNE strategy |

POLAND

Source region	Score/10	Group/5
1. Regulatory environment	1.8	5
2. Market environment	4.8	3
3. International mobility	1.3	4

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
1.3 Quality assurance and accreditation
3.2 Outbound international students
3.1 Inbound international students
3.4 Sender of branch campuses
1.1 TNE strategy

| Average: Scores 3.4–6.6 |
|---|
| 2.4 Business environment |
| 2.3 Socio-cultural |
| 3.3 Host branch campuses |
| 2.1 Economic/Demographic |
| 2.2 Infrastructure/capacity |
| 1.2 Establishment of TNE operations |

QATAR

Source region	Score/10	Group/5
1. Regulatory environment	5.1	2
2. Market environment	5.5	2
3. International mobility	5.0	1

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
3.1 Inbound international students
1.1 TNE strategy
1.2 Establishment of TNE operations
2.4 Business environment

Weaknesses: Scores less than 3.4
1.3 Quality assurance and accreditation
3.4 Sender of branch campuses
1.4 Recognition of TNE qualifications

Average: Scores 3.4–6.6
3.3 Host branch campuses
2.1 Economic/Demographic
2.3 Socio-cultural
2.2 Infrastructure/capacity
3.2 Outbound international students
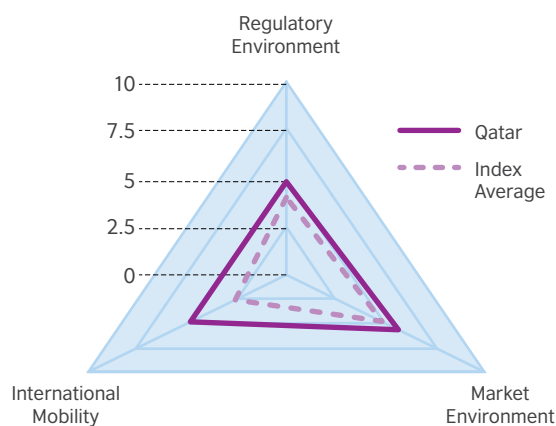
RUSSIA

Source region	Score/10	Group/5
1. Regulatory environment	3.1	3
2. Market environment	3.7	4
3. International mobility	2.6	3

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
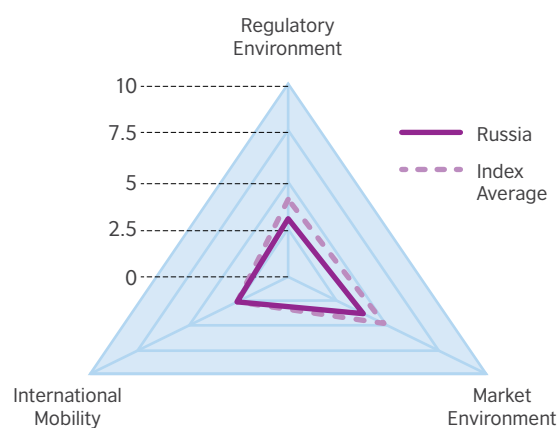Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
2.2 Infrastructure/capacity
1.2 Establishment of TNE operations
2.4 Business environment
3.1 Inbound international students
3.2 Outbound international students
1.1 TNE strategy

Average: Scores 3.4–6.6
3.3 Host branch campuses
3.4 Sender of branch campuses
2.3 Socio-cultural
1.4 Recognition of TNE qualifications
1.3 Quality assurance and accreditation
2.1 Economic/Demographic

SINGAPORE

Source region	Score/10	Group/5
1. Regulatory environment	7.2	1
2. Market environment	7.7	1
3. International mobility	3.7	2

Group 1 = BEST = mean + 1sd or more
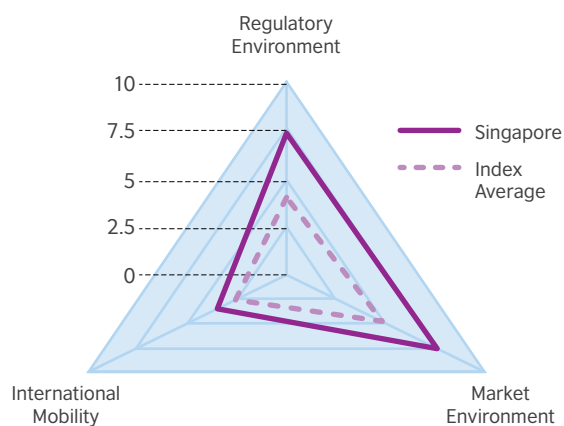Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.1 TNE strategy
2.4 Business environment
1.2 Establishment of TNE operations
1.3 Quality assurance and accreditation
2.2 Infrastructure/capacity
3.3 Host branch campuses
2.3 Socio-cultural

Weaknesses: Scores less than 3.4
3.2 Outbound international students
1.4 Recognition of TNE qualifications
3.4 Sender of branch campuses

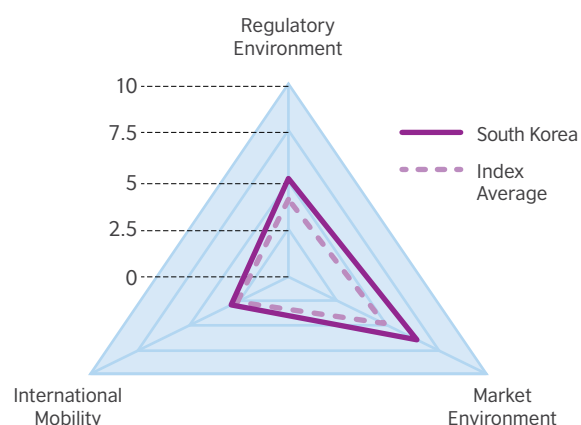| Average: Scores 3.4–6.6 |
|---|
| 2.1 Economic/Demographic |
| 3.1 Inbound international students |

SOUTH KOREA

Source region	Score/10	Group/5
1. Regulatory environment	5.1	2
2. Market environment	6.4	1
3. International mobility	2.9	3

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.2 Establishment of TNE operations
1.1 TNE strategy
2.2 Infrastructure/capacity
2.3 Socio-cultural
2.4 Business environment

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
1.3 Quality assurance and accreditation
3.2 Outbound international students
3.1 Inbound international students

Average: Scores 3.4–6.6
3.3 Host branch campuses
3.4 Sender of branch campuses
2.1 Economic/Demographic

SPAIN

Source region	Score/10	Group/5
1. Regulatory environment	2.8	4
2. Market environment	5.4	2
3. International mobility	2.8	3

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
2.3 Socio-cultural

Weaknesses: Scores less than 3.4
1.1 TNE strategy
2.1 Economic/Demographic
1.3 Quality assurance and accreditation
1.2 Establishment of TNE operations
3.1 Inbound international students
3.2 Outbound international students

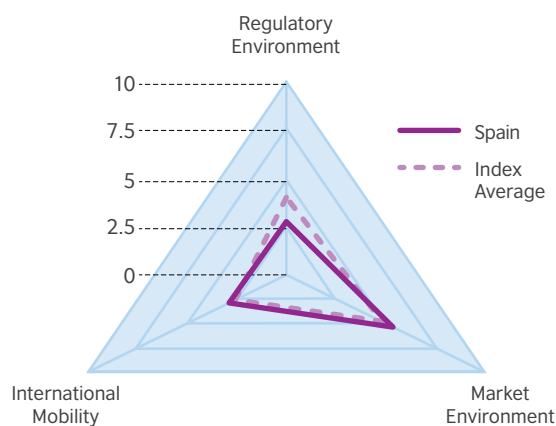| **Average:** Scores 3.4–6.6 |
|---|
| 2.4 Business environment |
| 3.3 Host branch campuses |
| 3.4 Sender of branch campuses |
| 1.4 Recognition of TNE qualifications |
| 2.2 Infrastructure/capacity |

SRI LANKA

Source region	Score/10	Group/5
1. Regulatory environment	1.7	5
2. Market environment	4.1	4
3. International mobility	1.7	4

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
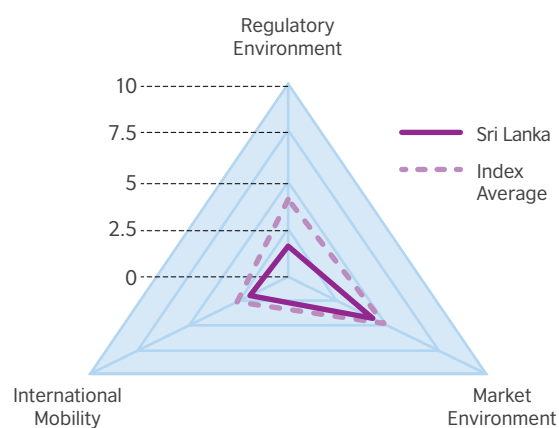Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
1.3 Quality assurance and accreditation
2.2 Infrastructure/capacity
3.2 Outbound international students
3.4 Sender of branch campuses
3.1 Inbound international students
1.2 Establishment of TNE operations
1.1 TNE strategy

Average: Scores 3.4–6.6
3.3 Host branch campuses
2.1 Economic/Demographic
2.3 Socio-cultural
2.4 Business environment

THAILAND

Source region	Score/10	Group/5
1. Regulatory environment	4.8	3
2. Market environment	4.6	3
3. International mobility	2.6	3

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.2 Establishment of TNE operations

Weaknesses: Scores less than 3.4
2.2 Infrastructure/capacity
1.4 Recognition of TNE qualifications
3.1 Inbound international students
3.2 Outbound international students

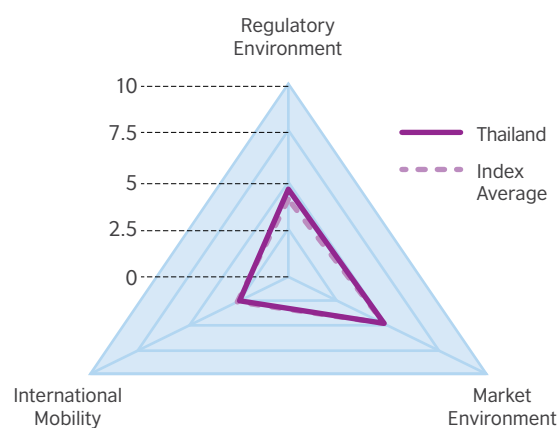| **Average:** Scores 3.4–6.6 |
|---|
| 2.3 Socio-cultural |
| 3.3 Host branch campuses |
| 3.4 Sender of branch campuses |
| 1.3 Quality assurance and accreditation |
| 1.1 TNE strategy |
| 2.1 Economic/Demographic |
| 2.4 Business environment |

TURKEY

Source region	Score/10	Group/5
1. Regulatory environment	1.1	5
2. Market environment	4.5	3
3. International mobility	2.6	3

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
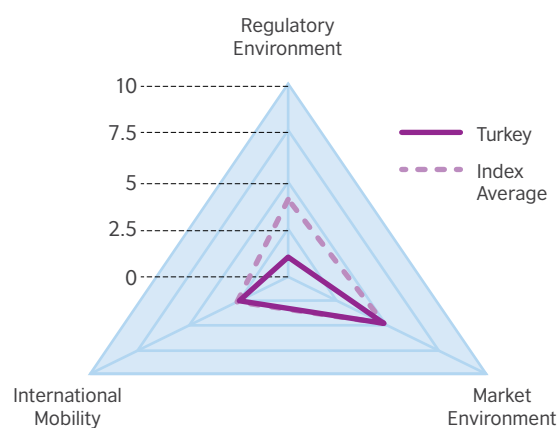Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6

Weaknesses: Scores less than 3.4
2.2 Infrastructure/capacity
1.4 Recognition of TNE qualifications
1.3 Quality assurance and accreditation
1.2 Establishment of TNE operations
3.2 Outbound international students
3.1 Inbound international students
1.1 TNE strategy

Average: Scores 3.4–6.6
2.1 Economic/Demographic
2.3 Socio-cultural
3.4 Sender of branch campuses
3.3 Host branch campuses
2.4 Business environment

UNITED ARAB EMIRATES

Source region	Score/10	Group/5
1. Regulatory environment	6.5	1
2. Market environment	6.2	1
3. International mobility	5.3	1

Group 1 = BEST = mean + 1sd or more
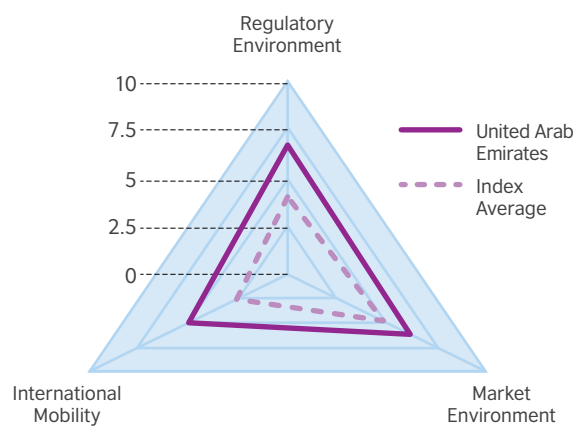Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
3.3 Host branch campuses
3.1 Inbound international students
1.3 Quality assurance and accreditation
2.3 Socio-cultural
1.2 Establishment of TNE operations
2.4 Business environment
1.1 TNE strategy

Weaknesses: Scores less than 3.4
1.4 Recognition of TNE qualifications
3.2 Outbound international students
3.4 Sender of branch campuses

Average: Scores 3.4–6.6
2.1 Economic/Demographic
2.2 Infrastructure/capacity

VIETNAM

Source region	Score/10	Group/5
1. Regulatory environment	4.6	3
2. Market environment	3.7	4
3. International mobility	1.4	4

Group 1 = BEST = mean + 1sd or more
Group 2 = Mean +0.5sd -> Mean+1sd
Group 3 = Mean +/- 0.5sd
Group 4 = Mean - 0.5sd -> Mean -1sd
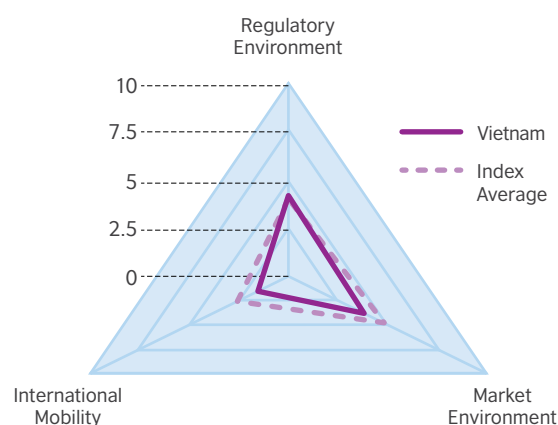Group 5 = Mean -1sd or less

Strengths: Scores more than 6.6
1.1 TNE strategy

Weaknesses: Scores less than 3.4
2.4 Business environment
2.2 Infrastructure/capacity
3.2 Outbound international students
3.4 Sender of branch campuses
3.1 Inbound international students
1.4 Recognition of TNE qualifications

Average: Scores 3.4–6.6
2.1 Economic/Demographic
3.3 Host branch campuses
1.3 Quality assurance and accreditation
1.2 Establishment of TNE operations
2.3 Socio-cultural