

The Australian Department of Foreign Affairs and Trade

Facilitating good regulatory practices for trade and investment in higher education services in the APEC region

Regional Policy Symposium Report
20-21 August 2013
Kuala Lumpur, Malaysia



APEC Symposium

Good regulatory practices for facilitating trade and investment in higher education services

Background

At the APEC symposium on *Facilitating good regulatory practices for trade and investment in higher education services in the APEC region*, held in Kuala Lumpur on 20-21 August 2013, regulators, trade and education officials from 10 APEC economies (Australia; China; Indonesia; Malaysia; New Zealand; Peru; Philippines; Papua New Guinea; Thailand and Viet Nam), as well as academics and industry representatives from across the region (including Hong Kong, China; Japan; Russia and the United States) discussed the regulation of trade and investment in higher education services.

The symposium took account of the actions for enhancing student, researcher and education provider mobility identified in Annex D to the Declaration of the 20th APEC Economic Leaders' Meeting held in Vladivostok in 2012. This report captures the key symposium outcomes, including common themes arising from the discussion of good practices to guide policy makers and regulators in adopting and maintaining open and transparent higher education services sectors.

Outcomes of the Symposium

Discussions focused on the reasons for existing approaches to regulatory practice, recent reforms in some economies to liberalise regulatory approaches to cross-border education, and identifying good regulatory practices to support the rapid growth in scale and increasing diversity of cross-border higher education services in the region. Many participants shared a keen interest in the internationalisation of education systems; this would facilitate the aim of many governments, educational institutions and professional associations of seeking to further enhance the flow of students, researchers, providers and curricula across borders, consistent with the APEC cross-border education cooperation agenda. In this context, a key challenge for policy makers is to ensure that regulation of the sector fosters and supports greater international engagement.

In support of this goal, participants discussed a number of themes and good practices in the regulation of trade and investment of higher education services, which are presented below. These are non-binding and voluntary in nature, presented as a basis for good policy, without prejudice to economies' positions in the WTO, free trade agreements, or other regional and bilateral negotiations.

Participants did not identify a single model for the effective regulation of this sector. Different approaches may be appropriate under different circumstances in different economies.

Key Themes of the Workshop Discussions on Good Practices

General Practices

- *Importance of competition* – Open, competitive higher education services markets promote the diversification of providers, expansion of access and human resource development. Foreign participation can also assist in the internationalisation of the sector through the transfer of new technologies, knowledge, skills and experience to domestic education providers.

- *Trade facilitative policy and regulatory objectives* – The aim of economies should be to frame regulations so as to satisfy legitimate policy objectives (such as ensuring equitable access to education and quality assurance) in the least trade and investment restrictive way. Regulations should not impose unnecessary impediments on providers, domestic or foreign.

Specific Practices

- *Regulatory transparency* – The regulation of domestic and foreign education providers should be clear and consistently implemented. Ongoing consultation between regulators, education providers and other stakeholders can help ensure that regulation achieves policy objectives while avoiding unintended consequences.
- *Recognition of qualifications* – It can be difficult to ascertain the learning outcomes of internationally-acquired qualifications. Efficient and transparent qualifications recognition systems, tools and practices will support student and labour mobility by enhancing information provision and cooperation.
- *Systems*: The development of national qualifications frameworks in each economy would provide a way to compare the level, workload and learning outcomes required from specific qualifications domestically, and would assist in identifying convergences with systems in different jurisdictions. Such a tool could assist in the recognition of qualifications from education providers in different jurisdictions, and credits where appropriate.
- *Tools*: The adoption of tools for increasing the transparency and reliability of information about higher education systems in the APEC region could support the recognition of qualifications, such as a diploma supplement that provides clear information on the status and characteristics of qualifications.
- *Practices*: Governments can support the mobility of students and graduates by ensuring that information about their education system and qualifications is provided in a clear, consistent and timely manner.
- *Transparency*: Decisions not to recognise qualifications should be based on transparent, coherent and reliable principles. The provision of reasons for decisions not to recognise qualifications would enhance confidence. To build a community of trust and overcome mobility barriers, liaison and information sharing between recognition authorities is recommended.
- *Recognition of online degree programs*: The growth of flexible delivery and fully-online degree programs has the potential to significantly expand access to education, particularly for students with other commitments (working professionals, care providers). Education courses should not be discriminated against due to the mode by which they are delivered. Where there are limitations on recognition of foreign qualifications based on the mode of delivery, such limitations should be transparent and evidence-based.
- *Quality assurance of branch campuses and collaborative partnerships* – Quality assurance and accreditation agencies from the institution's home economy should ensure that the programs offered at a branch campus meet the standards of the home economy where the degree the qualification is valid in the home economy and taught in the host economy. Requirements for transnational providers should not be more burdensome than those applied to other local institutions.

Similarly, economies should ensure that foreign institutions partnering with domestic providers are accredited in the home economy and that program learning outcomes and standards are

equivalent to those in the home economy. Quality assurance and accreditation processes should treat foreign programs no less favourably than local programs.

- *Availability of visas to support international student mobility* – Lack of an international student visa classification would impede student mobility. International student visas should be available to off-shore applicants in all APEC economies. Transparency of visa eligibility, conditions and processing times, including clear communication of forthcoming changes to policies and procedures can facilitate cross-border mobility.
- *Availability of visas to support short-term mobility of educators and researchers* –Educators and researchers often face significant regulatory impediments to short-term travel imposed by cumbersome visa requirements. Member economies can foster mobility and the provision of cross-border higher education services by ensuring that visitor visas for educators and researchers impose minimal regulatory burdens on individuals and institutions.
- *Minimise limitations on market access for foreign providers* – Market access restrictions on foreign institutions, such as foreign equity limits, restriction of enrolment numbers, tuition fee controls, restrictions on fields of study, mandatory joint venture requirements and geographical restrictions, limit the variety of international study options open to students and deprive economies of the benefits and opportunities of foreign participation in domestic education sectors. Such requirements should be limited, their policy justifications clearly articulated, and reviewed on a regular basis.
- *Limitations on market access for foreign programs* – Limitations on the number of partnerships local institutions may engage in, their fields of study and tuition fees that can be charged have the effect of reducing international study options for students and opportunities for staff to collaborate with their peers in overseas partner institutions. Collaboration with foreign institutions allows domestic providers to offer international programs that meet the demands of students and employers and should be encouraged. Such collaboration can also assist in the sharing of curriculum and educational approaches across borders.
- *Standardisation of terminology* – A wide range of terms is used across the region to describe various modes of cross-border collaboration, which can cause confusion for regulators and providers. Where possible, economies should adopt classifications of modes of delivery that are recognised internationally to increase transparency and allow for an enhanced understanding of similarities and differences between economies' regulatory approaches to cross-border higher education services.
- *Improved data collection* – The collection and publication of data on cross-border education is limited. The collection and publication of a wider range of data, based on standardised concepts, would provide valuable information regarding current activity and historical trends, and inform evidenced-based approaches to regulation-making.
- *Building institutional capacity* – Some economies lack the capacity to implement good regulatory practices. Regulators can exchange information to better assist in understanding regulatory practices in each economy, and promote institutional capacity-building through the production of practical guides for staff in education institutions, professional development seminar programs, and through ongoing collaborative engagement with international education professional associations.