TNE and exporting UK higher education, post-Brexit: opportunities and challenges

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As a growing community of researchers and practitioners in transnational education (TNE), the TNE-Hub will facilitate the exchange of good practice and research evidence so as to support the development of efficient and effective TNE strategies and activities.
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123 Members

15 countries

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- United States of America
- Germany
- Australia
- Netherlands
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- Spain
- Cyprus
- New Zealand
- South Korea
- China
- Malaysia
- Singapore
Brexit: the big question

Hard or Soft?
## Trade-off: Access to the single market vs. National Sovereignty

<table>
<thead>
<tr>
<th>Membership of EEA e.g. Norway</th>
<th>Membership of EFTA but not EEA e.g. Switzerland</th>
<th>Customs Union e.g. Turkey</th>
<th>Bilateral Agreement e.g. Canada</th>
<th>WTO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accept freedom of movement of people, in exchange for access to the Single Market</td>
<td>Partial access to the Single Market, only limited access in services</td>
<td>Partial access to the Single Market, for some goods only, and not for services</td>
<td>Free Trade Agreement, phasing out tariffs on industrial and most agricultural goods</td>
<td>Default outcome if no other model is successfully negotiated</td>
</tr>
<tr>
<td>Have to adopt EU rules without being able to vote on them</td>
<td>Bespoke agreements with EU for different sectors, each individually negotiated over many years</td>
<td>Participation in the EU Customs Union (must offer non-EU countries same trade terms as agreed with the EU)</td>
<td>Trade bound by Rules of Origin, acceptance of EU rules when exporting to the EU</td>
<td>UK would be forced apply WTO tariffs on imports and exports from/to the EU, and likewise, for EU members</td>
</tr>
<tr>
<td>Don’t have access to 53 Free Trade Agreements with non-EU countries</td>
<td>Accepts free movement of people (in the case of Switzerland)</td>
<td>Required to enforce rules equivalent to those in the EU (competition, State Aid)</td>
<td>No free movement of people, no contributions to EU spending</td>
<td>Don’t have access to 53 free trade agreements with non-EU countries</td>
</tr>
<tr>
<td>Customs checks do still exist</td>
<td>Participate in EFTA free trade agreements</td>
<td>No role in EU decision making and no contribution to the EU budget</td>
<td>Note: Taken 7 years to negotiate, still not in force</td>
<td>No budgetary contributions or freedom of movement of people</td>
</tr>
<tr>
<td>Pays a substantial contribution to the EU budget</td>
<td>Some contribution to the EU budget</td>
<td>Note: Turkey is being considered for EU membership</td>
<td></td>
<td>UK nationals lose right to live and work in the EU</td>
</tr>
<tr>
<td>Supervision by EFTA Surveillance Authority</td>
<td>Supervision by EFTA Surveillance Authority</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*The Figure is courtesy of Richard Turnbull (KPMG) and Martin Priestley (Pinsent Masons LLP)
Poll participation

Via Web
Go to pollev.com/naric

Via SMS
Text “NARIC” to 020 3322 5822 once to join
Then A, B, C, D,...
How do you think Brexit will impact UK HE?

• Recruitment of EU students
• Research funding and links
• Recruitment of EU staff
How do you think Brexit will impact the recruitment of EU students?

- Positive impact: A
- Negative impact: B (73%)
- No impact: C
- Too early to say: D (27%)
How do you think Brexit will impact the research funding and links of UK HEIs?

- Positive impact: A
- Negative impact: B (81%)
- No impact: C (4%)
- Too early to say: D (15%)
How do you think Brexit will impact the recruitment of EU staff?

- Positive impact: 3% (A)
- Negative impact: 59% (B)
- No impact: 3% (C)
- Too early to say: 34% (D)
## Impact of Brexit (ABS survey)

<table>
<thead>
<tr>
<th>Impact</th>
<th>Already happened</th>
<th>Likely</th>
<th>Unlikely</th>
<th>Too early to say</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulty recruiting EU staff</td>
<td>12%</td>
<td>40%</td>
<td>12%</td>
<td>36%</td>
<td>0%</td>
</tr>
<tr>
<td>Planned EU research funding bids shelved</td>
<td>12%</td>
<td>32%</td>
<td>15%</td>
<td>30%</td>
<td>12%</td>
</tr>
<tr>
<td>Decline in EU student applications</td>
<td>11%</td>
<td>45%</td>
<td>8%</td>
<td>35%</td>
<td>1%</td>
</tr>
<tr>
<td>Loss of research partners</td>
<td>10%</td>
<td>32%</td>
<td>14%</td>
<td>41%</td>
<td>3%</td>
</tr>
<tr>
<td>Planned bids for other EU funding shelved</td>
<td>7%</td>
<td>31%</td>
<td>15%</td>
<td>29%</td>
<td>18%</td>
</tr>
<tr>
<td>Loss of EU staff</td>
<td>7%</td>
<td>27%</td>
<td>30%</td>
<td>34%</td>
<td>1%</td>
</tr>
<tr>
<td>Decline in non-EU student applications</td>
<td>7%</td>
<td>27%</td>
<td>23%</td>
<td>38%</td>
<td>5%</td>
</tr>
<tr>
<td>Loss of planned research funding from EU sources</td>
<td>4%</td>
<td>35%</td>
<td>9%</td>
<td>49%</td>
<td>3%</td>
</tr>
<tr>
<td>EU research funding bids rejected</td>
<td>1%</td>
<td>31%</td>
<td>10%</td>
<td>44%</td>
<td>13%</td>
</tr>
<tr>
<td>Loss of other planned EU funding</td>
<td>0%</td>
<td>35%</td>
<td>14%</td>
<td>38%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Chartered Association of Business Schools, Annual Membership Survey Results, p.5
Size of the problem

• **Research**
  • £1.86 billion for the UK economy
  • 19,000 jobs
  • 14.2% of all UK income from research grants and contracts (2014/15)

• **EU student recruitment**
  • 125,000 students, £2.7 billion to the UK economy
  • 6.4% of all full-time undergraduate and postgraduate students
  • 13-18% in some London-based universities

• **EU staff**
  • 45,000
  • 11% of all academic and non-academic staff

[http://www.universitiesuk.ac.uk/facts-and-stats/Pages/higher-education-data.aspx](http://www.universitiesuk.ac.uk/facts-and-stats/Pages/higher-education-data.aspx)
## Top EU student sending countries to UK

<table>
<thead>
<tr>
<th>Position</th>
<th>Country</th>
<th>Number of students 2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Germany</td>
<td>13,846</td>
</tr>
<tr>
<td>2</td>
<td>Ireland</td>
<td>11,448</td>
</tr>
<tr>
<td>3</td>
<td>France</td>
<td>11,228</td>
</tr>
<tr>
<td>4</td>
<td>Greece</td>
<td>10,653</td>
</tr>
<tr>
<td>5</td>
<td>Italy</td>
<td>9,499</td>
</tr>
<tr>
<td>6</td>
<td>Spain</td>
<td>6,531</td>
</tr>
<tr>
<td>7</td>
<td>Romania</td>
<td>6,505</td>
</tr>
<tr>
<td>8</td>
<td>Bulgaria</td>
<td>6,341</td>
</tr>
<tr>
<td>9</td>
<td>Poland</td>
<td>5,184</td>
</tr>
<tr>
<td>10</td>
<td>Lithuania</td>
<td>4,867</td>
</tr>
</tbody>
</table>

Emerging EU student sending countries

<table>
<thead>
<tr>
<th></th>
<th>Country</th>
<th>Number of students 2004/05</th>
<th>Number of students 2014/15</th>
<th>% Change 2004/05-2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lithuania</td>
<td>210</td>
<td>4,867</td>
<td>2,218%</td>
</tr>
<tr>
<td>2</td>
<td>Bulgaria</td>
<td>557</td>
<td>6,341</td>
<td>1,038%</td>
</tr>
<tr>
<td>3</td>
<td>Estonia</td>
<td>103</td>
<td>1,171</td>
<td>1,037%</td>
</tr>
<tr>
<td>4</td>
<td>Romania</td>
<td>615</td>
<td>6,505</td>
<td>958%</td>
</tr>
<tr>
<td>5</td>
<td>Latvia</td>
<td>186</td>
<td>1,839</td>
<td>889%</td>
</tr>
<tr>
<td>6</td>
<td>Slovakia</td>
<td>158</td>
<td>1,393</td>
<td>782%</td>
</tr>
<tr>
<td>7</td>
<td>Poland</td>
<td>964</td>
<td>5,184</td>
<td>438%</td>
</tr>
<tr>
<td>8</td>
<td>Hungary</td>
<td>371</td>
<td>1,461</td>
<td>294%</td>
</tr>
<tr>
<td>9</td>
<td>Czech Rep</td>
<td>359</td>
<td>1,310</td>
<td>265%</td>
</tr>
<tr>
<td>10</td>
<td>Malta</td>
<td>476</td>
<td>974</td>
<td>105%</td>
</tr>
</tbody>
</table>

Transnational Education: an antidote to Brexit?
[TNE] refers to delivery modes where “students can study towards a foreign qualification without leaving their home country” (British Council, 2013, p.12).
Transnational Education (TNE): Examples

• Distance learning
• Dual degrees
• Joint degrees
• Progression agreements (2+1)
• Branch campuses (IBCs)
• Franchising
• Validation
UK TNE: per mode

- Local delivery partnership: 40%
- Distance/online learning: 52%
- Physical presence: 8%

TNE delivery method in the top 5 countries of delivery.
TNE: Size and impact

Non-UK students (2015)

- EU students in UK: 124,575
- Non EU students in UK: 312,010
- TNE students: 382,610

Source: HESA
Where UK TNE is delivered

- Asia: 55%
- EU: 18%
- Africa: 10%
- Middle East: 11%
- North America: 3%
- Other Europe: 3%

Source: HESA
## Top UK TNE importing countries

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>2</td>
<td>1</td>
<td>Malaysia</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>2</td>
<td>Singapore</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>3</td>
<td>Hong Kong</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>4</td>
<td>China</td>
</tr>
<tr>
<td>9</td>
<td>4</td>
<td>5</td>
<td>Oman</td>
</tr>
<tr>
<td>15</td>
<td>6</td>
<td>9</td>
<td>Egypt</td>
</tr>
<tr>
<td>16</td>
<td>6</td>
<td>10</td>
<td>Sri Lanka</td>
</tr>
<tr>
<td>5</td>
<td>2</td>
<td>7</td>
<td>Greece</td>
</tr>
<tr>
<td>14</td>
<td>8</td>
<td>6</td>
<td>United Arab Emirates</td>
</tr>
<tr>
<td>11</td>
<td>3</td>
<td>14</td>
<td>India</td>
</tr>
</tbody>
</table>

## UK TNE in Europe

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greece</td>
<td>14,965</td>
</tr>
<tr>
<td>Ireland</td>
<td>11,715</td>
</tr>
<tr>
<td>Germany</td>
<td>7,285</td>
</tr>
<tr>
<td>Cyprus</td>
<td>5,740</td>
</tr>
<tr>
<td>Spain</td>
<td>3,820</td>
</tr>
<tr>
<td>Poland</td>
<td>3,390</td>
</tr>
<tr>
<td>Malta</td>
<td>3,375</td>
</tr>
<tr>
<td>Romania</td>
<td>3,325</td>
</tr>
</tbody>
</table>

Source: HESA
Poll participation

Via Web
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Via SMS
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Then A, B, C, D,...
1) Could TNE be an antidote to the adverse effects of Brexit?

2) Which of the TNE modes do you consider as the most useful in offsetting Brexit’s adverse impact on EU student recruitment?
Could TNE be an antidote to the adverse effects of Brexit?

- Yes (A): 65%
- Somehow but not clear as to how (B): 23%
- No (C): 12%
- Do not know (D):
Which of the following TNE modes do you consider as the most useful in offsetting Brexit's adverse impact on EU student recruitment?

- Online/Distance Learning: 31%
- Franshising: 8%
- Branch Campuses: 8%
- Double/joint degrees: 27%
- Articulation, progression, twinning arrangements: 19%
- Validation: 8%
- None: 8%
The two elephants in the room

• Legislation/Regulation
• Student, family, employer perceptions
The case of Greece: Greek NARIC

Δ.Ο.Α.Τ.Α.Ι. (Hellenic NARIC) is an organization supervised by the Hellenic Ministry of Education. It is responsible for the recognition of university or technological degrees that are awarded by foreign Higher Education Institutions (H.E.I.). The Hellenic NARIC is also responsible for providing information about educational systems and accreditation of Institutions in Greece and abroad.
The case of Greece: Greek NARIC

Only in the Greek version of the Greek NARIC website, it states “studies in partnerships of foreign universities in Greece do not fall within the legal provisions about recognition of academic qualifications by [Greek] NARIC. The founding law 3328/2005 of NARIC about the recognition of degrees from foreign universities, requires that the total of studies should have taken place at the main campus of the foreign awarding institution”.

Δ.Ο.Α.Τ.Α.Ι. (Hellenic NARIC) is an organization supervised by the Hellenic Ministry of Education. It is responsible for the recognition of university or technological degrees that are awarded by foreign Higher Education Institutions (H.E.I.). The Hellenic NARIC is also responsible for providing information about educational systems and accreditation of Institutions in Greece and abroad.
The case of Greece: TNE as subprime HE mode

• UK degrees, awarded to TNE students, are not recognised as being academically equivalent to those of Greek universities
• No access to postgraduate/research programmes in Greek universities
• Direct discrimination in the job market (private and public sector)
• TNE graduates should undergo a very lengthy and painful process of “recognition of professional rights”, only possible after several fines and convictions of Greece by EU courts
• The very existence of TNE in Greece is based on the EU directive 2005/36 on “the recognition of professional qualifications”
Graduation from TNE partnership → Prepare all the documents for submission to SAEP → Submit application folder to SAEP → SAEP contacts applicant or/and TNE partner for additional documents → Application is forwarded to review panel → Applicant is notified to wait for the outcome of the review → Recognition of professional rights

- 1 month
- 8 month
- 16 month
- 24 month
- ?

The case of Greece: the road to expiation
Potential Brexit impact in UK TNE in Greece

• **Hard Brexit:**
  • Termination of all UK TNE partnerships
  • Significant impact on perceptions about UK HE which may negatively affect Greek student mobility to the UK

• **Soft Brexit:**
  • Negative student perceptions about the value of a UK TNE degree
  • Emergence of alternative TNE exporting countries (e.g. France, Germany, Cyprus)
Exporting HE post-Brexit: issues/factors to consider

Legal framework in EU countries
- Recognition of TNE programmes/qualifications
- Establishment of institutions with degree awarding powers

Student, family, and employer perceptions
- Value of UK degree in post-Brexit world
- TNE as valid avenue to UK HE

Organisational resources, capabilities, and characteristics
- TNE requires significant investment
- Internationalisation as organisation-wide strategy
- Align organisational capabilities with activities
Policy options: Internationalisation focus vs. Brexit

- **Research alliances**
- **Research units in EU, EAA countries**
- **Cross-border collaboration**
- **Review the impact on negative expectations on EU staff**

- **Business as usual**
- **Focus on emerging sending countries**
- **Review the impact of negative student expectations in existing markets**

- **Joint ventures**
- **Legal framework important for securing rights to participate in EU/EAA funding**
- **Repositioning of research strategic alliances (e.g. Australasia, US)**

- **Satellite campuses**
- **Review of double/joint degree arrangements**
- **Legal framework important to secure transfer of credits**
Availability of institutional resources to support international activities

- **Globalisation Strategy**
  - e.g. online delivery, international student recruitment

- **Multi-Domestic Globalisation Strategy**
  - e.g. Branch Campuses; bespoke academic programmes, joint and double degrees

- **Export Strategy**
  - e.g. twinning and articulation agreements, selective online delivery

- **Multi-Domestic Export Strategy**
  - e.g. franchising, validation, joint ventures

Regulatory environment in target market(s)

- **Restrictive**
- **Low**
- **High**
- **Liberal**
Thank you!

Stay in touch
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https://www.linkedin.com/groups/4715087

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