

Workshop II

National Policies to Promote Trade in Educational Services

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Key points:

Hermann Mueller-Solger

- There is considerable private sector funding in German vocational education and training compared to the relatively low private funding of German higher education. In general, foreign as well as domestic students do not pay tuition fees in higher education.
- There are currently 8,2 percent foreign students in Germany and some 2,2 percent of the German students are currently abroad corresponding to that 13 percent German students in their final semester would have studied abroad for a certain period. The aim is to increase the percentage of foreign students to 10 percent by the year 2005/2006 and to facilitate study periods abroad for 20 percent of the German students by 2009/2010.
- Federal and Länder governments, science and industry have recently joined up with a 16 US\$ million programme to promote Germany as a location for education and research. The support of higher education partnerships is well established and is usually linked to exchange programmes.
- The relative far-reaching commitments in education services in GATS have had little effect on the German higher education sector so far. This can partly be explained by the fact that only a very small percentage of higher education is private financed and that the dominant state-funded higher education so far remains excluded from the application of GATS regulations due to the EU reservation according to which institutions are allowed to apply their own criteria in implementing governmental support measures of education services provided by public institutions.
- Germany is generally interested in an extended application of GATS regulations in the area of application-related services, particularly in continuing education.

Josephine Ludolph

- Higher education is increasingly considered as an export sector in the US. The export of education services in the US amounts to 10,7 billion US\$ in education services. This figure is underestimated given that it only takes into account the receipts from students studying abroad in higher education and it does not take into account the export value of e.g. cross-border e-learning activities.
- The US has submitted a proposal to the GATS negotiations in which it suggest further liberalisation in higher education, adult education and training including testing services. The proposal envisions that private education and training will continue to supplement, not displace, public education systems.
- There are many stakeholders in promoting US education services across borders such as Department of Education, State Department, Department of Commerce and a number of NGO's (American Council on Education, Council for Higher Education Accreditation, National Committee for International Trade in Education etc.).

Mike Gallagher

- Education services are the third largest service export in Australia corresponding to AUD \$4.1 billion in 2001. The major markets are China, Hong Kong China, Malaysia, Singapore, Indonesia etc. Australia has been a first-mover in targeting the South East Asian higher and vocational education markets. Over the coming years, the competition in these markets will increase not at least from UK and US education providers.
- Australian education have its competitive advantages in its “lifestyle” and the “interactive learning experiences” in contrast to the US and the UK which have a number of high prestigious universities. Furthermore, the Australian higher education institutions have a reputation for being of generally high quality, affordable tuition and living expenditures, and a safe, friendly and multicultural environment.
- Two of the main trends in the Australian higher education market are: 1) a saturation of the students studying abroad; and 2) a concentration on business and ICT courses. The response to these trends is to diversify the “source countries” and the academic fields; to raise the quality/price relationship of the courses offered; and to expand the “commercial presence” and cross-border e-learning activities of Australian education institutions.
- There are a number of barriers that limit an increase in the trade in education services such as limits of foreign ownership, distribution of foreign versus domestic Board Members in education institutions etc. The way forward in trade negotiations is to work on a country by country basis to discuss the lessening or removal of the barriers.

Wu Degang

- 280.000 Chinese students are studying abroad in over 100 countries. The Chinese government has signed more than 100 bilateral agreements of education exchange. In 2001, there were 40.000 foreign students studying in China.
- China is very active and interested in collaborating closely with foreign education providers. China has recently joined the World Trade Organisation and has made far-reaching commitments within all the education sub-sectors. China also deliberately encourages its students to study abroad for a period.
- It is important that the Chinese education and cultural traditions are valued and understood in partnerships between Chinese and foreign education providers. This should also be the case for foreign education testing services working in close co-operation with Chinese counterparts.

Elie Cohen

- The presentation gave an overview of the specificity of education services compared to other services and industries.
- Higher education institutions often lack the scale to go international and they therefore have to network with other higher education institutions. Moreover, it is often necessary for higher education institutions, which seek to go abroad, to work with local partners.