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Council of Europe, 23 May 2002*

OECD/US Forum on Trade in Educational Services  
International Competition: Implications for Educational Providers and Students  
Workshop IV

**GATS in the light of increasing internationalisation of higher education.  
Quality assurance and recognition**

The increasing demand for international education has triggered a number of initiatives by different education providers including traditional higher education institutions, distance learning institutions and private education companies. Sometimes these different education providers have created new partnerships, also transnationally, to meet the demand. However, it is important to bear in mind that traditional, campus-based institutions account for most of the higher education degrees granted and probably will continue to do so, as all governments agree that higher education is a public responsibility and that higher education institutions are important elements in national infrastructure. Nationally recognised institutions also make up for the bulk part of the export of educational services in the form of tuition fees paid by foreign students (or by foreign governments).

When we open up international education for new and untraditional forms, we must not undermine the global network of international co-operation built on trust between individuals, institutions and nations. This mutual trust is the base for the mutual recognition of courses and degrees that makes higher education truly international, and also for international co-operation on quality assessment in higher education.

On the European arena, governments, university leaders and student organisations agree on the importance of international co-operation in higher education. European Ministers of Education being responsible for the so-called Bologna Process to create a European Higher Education Area by 2010, in their Prague Communiqué of May 2001 supported the idea that higher education should be considered a public good and that it is and will remain a public responsibility. The Bologna Process is building down national barriers while at the same time promoting quality. It is important that the GATS negotiations relating to higher education take due account of the Bologna Process and the international conventions and codes of good practice it builds on, in particular the Lisbon Convention.

Little is yet known about the consequences of GATS for quality, access, and equity of higher education. There is in the university sector a fear that GATS may influence the national authority to regulate higher education systems, and have unforeseen consequences on public subsidies for higher education. Both the European University Association (EUA) and the National Unions of Students in Europe (ESIB) have taken a critical stand on trade in educational services. Also American university organisations are critical to GATS.

Many governments may want to remove barriers against trade in educational services, however, only a few national proposals have yet reached WTO. These proposals underline the need for governments to retain their sovereign right to determine their own domestic educational policy, a right which is also confirmed in the provisions of WTO.

*The Australian proposal* recognises that governments across the globe play a significant role in the financing, delivery and regulation of education, alone or in partnership with private and non-governmental organisations. This reflects the importance of education in the preparation for life as a citizen, the transmission of values and culture, and development of national well being. Accordingly, Australia believes that governments must retain their sovereign right to determine their own domestic funding and regulatory policies and measures.

*The proposal from New Zealand* states that the education sector is vitally important to all countries, given the critical role of education in economic and social development. The proposal claims that the reduction of barriers to trade in education does not equate to erosion of core public education systems and standards.

*The proposal of the United States* recognises that education to a large extent is a government function, but that most countries permit private education to coexist with public education. The proposal, therefore, envisions that private education and training will continue to supplement, not displace, public education systems.

*The proposal from Japan* brings in the quality concept, stating that it has become extremely important for each country to improve the quality of education and research, responding flexibly to the rapidly changing needs of the society. Any measures in the education services sector should be considered with primary interest in maintaining and improving quality. Due consideration needs to be taken to

- maintenance and improvement of the quality of education activities in each country,
- protection of consumers (learners) against services of low quality,
- measures to ensure international equivalence of degrees and diplomas.

The Japanese proposal points out that the educational system varies from country to country, due to different social background and varied course of development of system. The roles of governments vary from country to country due to the difference in their administrative structures. Therefore, while seeking the liberalisation of education services, these differences should be carefully taken into consideration.

The Japanese proposal also refers to the fact that the development of globalisation and information technology has given rise to the question of how to maintain the quality of higher education supplied across borders. One must be aware of the existence of “degree mills”. From the viewpoint of protecting consumers, i.e. learners, countries should recognise the necessity of an information network on higher education supplied across borders.

On this background it is important to be aware that an international code for quality assurance, for national information centres and for international information networks already exists:

The Lisbon Convention - *The Convention on the Recognition of Qualifications concerning Higher Education in the European Region* - was developed by the Council of Europe and UNESCO and adopted by national representatives meeting in Lisbon five years ago. The Convention has since been ratified by 27 countries and signed by 14 more.

Among the main points of the Lisbon Convention are the following:

- Holders of qualifications issued in one country shall have adequate access to an assessment of these qualifications in another country.
- Each country shall recognise qualifications as similar to the corresponding qualifications in its own system unless it can be shown that there are substantial differences.
- Recognition of a higher education qualification issued in another country shall have one or both of the following consequences:
  - a. access to further higher education studies,
  - b. the use of an academic title.

In addition, recognition may facilitate access to the labour market.

- All countries shall provide information on the institutions and programmes that belong to their higher education systems.
- All countries shall appoint a national information centre, one important task of which is to offer advice on the recognition of foreign qualifications to students, graduates, employers, higher education institutions and other interested parties or persons.
- All countries shall encourage their higher education institutions to issue the Diploma Supplement to their students in order to facilitate recognition. (*The Diploma Supplement* is an instrument developed jointly by the European Commission, the Council of Europe and UNESCO that aims to describe the qualification in an easily understandable way and by relating it to the higher education system within which it was issued.)

The Parties to the Lisbon Convention have also agreed on the need for a code of good practice in the provision of higher education study programmes and other educational services by means of transnational arrangements, *The Council of Europe/ UNESCO Code of Good Practice in Transnational Education*. Building on the Lisbon Convention, this code reminds us that

- academic quality and standards of transnational education programmes should be at least comparable to those of the awarding institution as well as to those of the receiving country,
- awarding institutions as well as the providing institutions are accountable and fully responsible for quality assurance and control,
- awarding institutions should be responsible for issuing the qualifications resulting from their transnational study programmes, providing clear and transparent information on the qualifications, in particular by using the Diploma Supplement.

To be accepted in the higher education sector, it is essential that GATS respects the existing mechanisms in international higher education, in particular the Lisbon Convention. Among the 41 signatories to the Lisbon Convention we find the four leading exporters of educational services: The United States, the United Kingdom, Australia and Canada, and they are now in the process of ratifying the Convention.

Committing to and abiding by the Lisbon Convention – with the full implication of national recognition or accreditation systems, national information centres and the Code of Good Practice in Transnational Education - should be seen as a basis also for trade in educational services relating to higher education.

Under the Lisbon Convention, a national quality assessment system is an option, not a formal requirement. However, *importers* of higher education may require the effective operation of a national quality assessment system in *exporting* countries as a prerequisite for trade in educational services. Then, according to the Convention, information on the methods and results of this assessment, and on the standards of quality specific to each type of higher education institution, will be available. This may take care of quality in a trade in higher education by using the national assessment systems in the *exporting* countries.

It has been argued that national quality assurance systems in importing countries could be used as barriers against import of higher education. Ratifying the Lisbon Convention, a country will be bound to recognise qualifications from other parties to the Convention as similar to the

corresponding qualifications in its own system. This certainly is *not* to build barriers against higher education from other countries. Of course, all countries should have a quality assurance system and authorities in importing countries should put their foot down if there are significant and negative differences in quality.

Thus, the Lisbon Convention, based on co-operation and trust between national systems, may help to secure quality and at the same time hinder the building of barriers against trade in higher education. If GATS builds on the Lisbon Convention, it may stimulate free trade between signatory parties and quality assurance at the same time by enforcing a practice in accordance with the Lisbon Convention – albeit through mechanisms external to the Convention.

On the other hand, if GATS should mean free trade *without* quality assurance, the worst fears of ESIB, EUA and its US and Canadian partners may come true.

An additional challenge that has to be met in transnational education is multinational providers. This has been used as an argument for the development of an international accreditation system. However, all efforts up to now have shown this to be a tricky matter: National systems differ and there is no internationally agreed quality concept. We may not even wish to introduce over-national regulations, as education is a part of a country's culture identity.

Also, not all countries have reached the same stage of development. In many countries, higher education institutions are poorly equipped and may lack highly qualified specialists in many fields. Co-operation and trade in higher education between countries at the same stage of development may be relevant, even if the quality should not be fit for the most developed countries.

For many reasons, education, including higher education is an important element in national politics, and should remain so. Commercial and multinational providers of educational services must respect this, seeking national recognition in the country where their main office is located or in the countries in which they operate, adhering to international conventions and codes of good practice.