

OECD/US Forum on Trade in Education Services

Washington, 23./24.05.2002

Germany

Workshop II

1. Germany ranks third in hosting international students, directly after the US and the UK (OECD data). There are currently 8.2% foreign students in Germany. Some 2.2% of German students are currently abroad. Some 13% of German students in their final semester have studied abroad for a certain period. In 2000, only 79 out of 350 German higher education institutions were not state-funded, and only 10 of them had a university status (with a total of 6,900 students). The Federal Government and the *Länder* aim to increase the percentage of foreign students to 10% and to facilitate study periods abroad for 20% of the German students.
2. Foreign students do not pay tuition fees at state-financed higher education institutions. The small number of private higher education institutions charges tuition fees (e.g. Witten-Herdecke some US\$1,800 per semester). The cost for living for foreigners is estimated to be some US\$550 per month (US\$6,600 per year). The amount of public money invested for foreign students can only be estimated roughly: The DAAD receives some US\$75 million annually for this purpose. Due to administrative fees also in the higher education institutions and to countless individual grants, housing grants, etc. the total amount is likely to be more than twice the above-mentioned sum. There is no systematic analysis on the "export" of education services by foreign students in Germany and on the support of this area with national funds.
3. Since the 1920s, Germany has organizations supporting exchanges in the higher education area (DAAD, AvH). The funding of this support is mainly under the responsibility of the Federal Government, while the provision of study courses and the tutoring at institutions is mainly under the responsibility of the *Länder*. At the end of the year 2000, the Federal and *Länder* governments, science and industry have joined up to promote Germany as a location for education and research under the logo "Hi! Potentials! Academic Careers Made in Germany". A website (www.campus-germany.de) provides information in seven languages. Some US\$16 million were provided over a period of three years for promotion measures and just under US\$10 million for the support of higher education programmes which are offered abroad. The support of higher education partnerships is well established. It is usually linked to exchange programmes.

Strategies for the promotion and marketing of distance learning programmes abroad are currently being developed.

4. The relatively far-reaching liberalization commitments which the EU entered in 1994 have had little effect on the German higher education sector so far. The reason for this is that, on the one hand, private higher education in Germany makes up only a very small percentage of higher education and that the dominant state-funded higher education so far remains effectively 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 in the area of services provided by public institutions. Another reason is that the strong academic and political interest in international cooperation and exchanges and its deeply-rooted traditions largely prevent international higher education relations from being commercialized. For Germany, the non-profit aims and the autonomous character of the higher education programmes provided by public institutions remain nationally and internationally dominant. This holds particularly true for quality assurance, the protection of scientific freedom and preventive measures taken to assure the future economic health and strength of Germany by means of structural decisions and subsidies. Further liberalization in this sector is therefore not pursued. This does not exclude further development in the application of the GATS rules in the area of private higher education institutions. Germany is generally interested in an extended application of GATS regulations in the area of application-related services, particularly in continuing education. Higher education studies are considered to provide basic academic qualifications, and hence this area cannot tolerate further international commercialization.