



Confederation of European Union Rectors' Conferences
TRANSNATIONAL EDUCATION PROJECT
REPORT and RECOMENDATIONS
March 2001

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PREFACE

This study was commissioned by the Confederation of European Union Rectors' Conferences with the support of the European Commission (DG Education and Culture). It was undertaken by a team of three researchers who produced the raw material for the report: Stephen Adam (University of Westminster), Carolyn Campbell (University of Surrey, Roehampton) and Marie-Odile Ottenwaelter (Conférence de Directeurs d'IUFM). Stephen Adam acted as *rapporteur général* for the project and produced the final report.

The study on transnational education raises profound and far-reaching implications for all those involved in the creation of the European higher education area, notably the challenges represented by transnational education impact at the local, regional, national and European levels. It is important that reactions to these multi-level challenges result in a co-ordinated set of European responses. Transnational education should be viewed as a positive set of opportunities and not something to be feared. It is a new and permanent reality in European educational life.

The globalisation of higher education manifests itself in various forms, of which transnational education is perhaps the most visible. It is something that cannot be ignored. Transnational education has clear long-term implications for the nature and structure of educational provision in Europe. It goes to the heart of the Sorbonne-Bologna-Prague process. The study was the main focus of a pre-Prague conference in Malmö, Sweden, where its findings were strongly endorsed.

The report identifies vital issues that demand our serious consideration. It suggests a positive way forward and provides a coherent and detailed set of solutions for all stakeholders involved in building a Europe of knowledge. Its messages should not be ignored.

Inge Knudsen

Director

Confederation of European Union Rectors' Conferences.

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1 INTRODUCTION

1.1 THE INITIATIVE – BACKGROUND AND CONTEXT

Transnational education is not a new phenomenon but the pace of its global expansion is. It is this growth that brings with it increasing levels of competition both within and between countries. Many new providers now exist, combining telecommunication, cable and satellite businesses, publishing and software companies, with traditional and non-traditional universities. This escalation of transnational education has implications not just for individual institutions of higher education but for nation states, international organisations, citizens and companies. Put simply, the advent of new education providers poses significant challenges to European education.

Currently, transnational education is an under-researched¹ and often misunderstood area, with no common understanding, definition or approach. It has many different manifestations, some of which are alternately regarded as threats or benefits by different national higher education systems and even, by various parts of the same system.

The purpose of this report is to draw together existing work in this area, refine the typology, research the current situation across Europe (EU/EEA) and make recommendations in time to inform the post-Bologna Declaration process.

The catalyst for this work was the decision of the Portuguese Presidency of the European Union to have a discussion on the theme of transnational education. This topic became the main item for the annual Conference of the Directors General of Higher Education and the Chairpersons of the Rectors' Conferences of the European Union. This discussion aimed to identify forms of regulation for this type of education. This led to the groundbreaking report by Sérgio Machado dos Santos, *Introduction to the Theme of Transnational Education*² which, in turn, built upon earlier work by UNESCO (CEPES) and the Council of Europe.

Transnational education is complex. Firstly, by the way it links to the unique pattern of educational provision in Europe,³ and secondly, by the way it impacts on a number of related areas including: globalisation, the 'marketisation' of education, lifelong learning, consumer protection, 'recognition' and 'transparency' and quality.

Transnational education has a close relationship with the Bologna Declaration, its follow-up process (six objectives) and intended goals. The creation of a 'European higher education area' interacts with transnational education in a number of positive and negative ways. Transnational education represents opportunities as well as threats. European education providers cannot isolate themselves from external non-European transnational forces, nor is it sensible to ignore the unintended consequences that the construction of a European education space will have. Competition between European transnational education providers, as well as from non-European providers, is likely to increase.

The building of this new European higher education area is based on the vision of a common architecture of higher education. This is designed to enhance Europe's national education systems whilst promoting their cultural diversity, quality and competitiveness. They need to be more efficient and flexible, to become more attractive to non-European students. This can only be achieved if they are exposed to new ideas and influences. Transnational education should be

¹ This is not to deny that there are several excellent recent publications in this area but they all stress the lack of availability of hard statistical data.

² Machado dos Santos, S (2000) *Introduction to the Theme of Transnational Education*, Paper presented at the meeting of Directors General and Heads of Rectors' Conferences of the European Union, Aveiro, Portugal.

³ The best discussion of the European educational context can be found in chapter 3 of *The Business of Borderless Education: UK perspective*, Case Studies and Annexes. Published by CVCP, March 2000.

viewed as a positive set of opportunities that needs to be fully exploited. Any threats that it might represent should be recognised and countered by sensible strategies.

However, what is not clear is the extent and significance of the impact of transnational education on different aspects of higher education in Europe. This study is designed, as an initial attempt, to clarify the position in time for the next meeting of Education Ministers in Prague in 2001. Prior to this, it will be discussed and refined at a Conference on *Transnational Education in March 2001*, at Malmö, Sweden, and fed into the pre-Prague *Convention of European Higher Education Institutions* in March 2001 at Salamanca, Spain.

1.2 PROJECT AIMS AND TERMS OF REFERENCE

The project was established to analyse and make recommendations on the development and impact (strengths, weaknesses, opportunities and threats) of transnational education on higher education in Europe. Specifically, this report seeks to:

- 1.2.1** Produce a working classification of types of transnational education.
- 1.2.2** Map the actual and potential providers of transnational education (TNE) in the European Union and EEA.⁴
- 1.2.3** Identify the main factors determining the supply and demand of transnational education, together with foreseeable future trends in its growth in Europe.
- 1.2.4** Identify the current approaches adopted towards transnational education by national governments, including the regulation of 'imported' and 'exported' education.
- 1.2.5** Analyse and assess the implications of transnational education, with particular reference to consumer protection, transparency, recognition and accreditation, on:
 - Consumers (citizens/students) and employers;
 - European domestic national higher education providers and student funding bodies;
 - different sectors, cycles and types of European higher education;
 - alternative national approaches in Europe;
 - the pan-European educational market.
- 1.2.6** Identify 'good practice' associated with the conduct, control and alternative ways of accommodating the implications of transnational education in Europe.
- 1.2.7** Make appropriate recommendations to policy makers associated with the findings of the report.

1.3 THE MULTI-LEVEL CHALLENGE OF TRANSNATIONAL EDUCATION

It is important to stress that the challenges presented by transnational education are not all apocalyptic. It is not likely to immediately transform all education provision. The evidence indicates that the current impact is strong but highly localised by sector (see section 2 and 3). However, transnational education, when taken in conjunction with the Bologna process and continued globalisation, will have more profound consequences. National autonomy and

⁴ European Economic Area (EEA) established in 1992 and includes the 15 member states of the European Union and Iceland, Liechtenstein and Norway.

sovereignty in the domain of higher education (and tertiary education) have never before been challenged on such a scale.

Many individuals hold a ‘schizophrenic’ approach to transnational education. It is both welcomed and feared across Europe. The positive view is that it improves access to higher education, widens choice and promotes internationalisation. Perceived negative effects are that it challenges standards, traditional educational values and consumer rights (see section 3.3 for a full discussion of these aspects).

The multi-level challenges of transnational education to existing higher education provision should be seen in the context of change, as a manifestation of globalisation. It is important to note that no university has closed due to its impact, nor is this likely in the foreseeable future. However, universities and national educational authorities will have to react to the challenges and opportunities posed by transnational education.

1.3.1 Challenges at the national level

Transnational education poses a number of real, potential and even some imaginary challenges to educational providers, students, citizens, professional bodies, companies, higher education institutions (state recognised and non-official), and ministries. It is useful to chart these national ‘micro-level’ challenges to understand better their scope and potential impact on the development of the European educational space. National states have to decide on the following:

- Who should provide education and how it should be delivered. This calls into question the organisation and structure of traditional education providers and their modes of educational delivery.
- The role of the state in education, institutional and national autonomy, and the relationship between traditional education, the state and non-official higher education.
- How existing national (and embryonic international) quality assurance systems can develop effective means to regulate and ensure quality and protect learners in the context of GATS,⁵ and the pressing need to eradicate ‘degree mills’/bogus institutions, malpractice and fraud.
- Reconsideration of long and deeply held beliefs about the nature and role of national educational providers (competition, marketisation) and their relationship to students (customers) and society.
- Current national and international approaches to academic and professional recognition, transparency and mobility as the professions progressively become globalised and certain sectors of traditional education are permanently transformed.
- The competitiveness of national education and, linked to this, the use of a foreign language as a necessary mode of delivery.

1.3.2 Strategic European and global challenges

The profound questions identified above do not admit to simple solutions and are further complicated by another layer of more fundamental ‘macro-level’ questions that confront those involved in the Bologna process:

- European nation states have to decide how they will approach transnational education, whether it is from a national, European or a global perspective. There are potential conflicts between each of these as decisions based on national interest often clash with European and/or global interests.
- Transnational education brings with it many threats, opportunities and benefits. Europe as a whole and individual European states have to decide how they will view the phenomenon - in a negative or positive way.

⁵General Agreement on Trade in Services (GATS) is the multilateral trade agreement organised by the World Trade Organisation, designed to liberalise the global economy.

- Countries will have to decide on the nature of their educational systems in the 21st century in the context of globalisation. They have to decide how they want to position their 'national' education within the wider background of 'European education'. Both will have to be marketed to the outside world with a clear identity, presumably associated with quality, relevance and cultural diversity.

The answers to these questions are fundamental to the future of the European higher education area. Inevitably some of the solutions to the national-level challenges (1.3.1) will conflict with those European and global challenges (1.3.2). These tensions will have to be resolved somehow. The real problem is how to develop complementary approaches to transnational education that suit both national and European needs. Under the pressure of transnational education and globalisation European education will have to move beyond its past conflicts. Previously isolated and protected national education systems need to build a common approach to the new reality. This study seeks to help this process.

1.4 EXISTING REGULATION OF TRANSNATIONAL EDUCATION

Current national and international regulation of transnational education takes many forms and is, in consequence, fragmented, disorganised, uncoordinated, often voluntary and ineffective. This is true with only a few notable exceptions⁶ where some sort of serious attempts at national control or regulation exist. Where such controls are present their strength is dependent on the particular nature of transnational education in question, e.g. stateless 'virtual universities' are free from regulation whilst in states where national quality assurance bodies have been given a remit to regulate exporters of transnational education, closer engagement can be valuable.

However, for the most part, transnational education is not effectively controlled. Andrée Sursock⁷, remarks

'Europe is characterised by mostly public higher education systems in which institutions and programmes derive their formal degree-awarding capacity from the state. Partly because of the diversity of both degrees and institutions, however, their quality is often opaque across national borders.'

Furthermore, where non-official higher education is concerned Kokosalakis and Tsaoussis⁸, indicated that this growing sector

'...presents a problem in all countries concerning regulation, transparency and quality assurance...'

So, it is important to distinguish different types and facets of transnational education in terms of their amenability to control (for further discussion see section 3 and 4).

Currently, many devices and mechanisms exist that attempt to regulate and influence different aspects of the provision of transnational education. Some focus on the receiving function and some on the exporting function. A few of these are specifically designed to cover transnational education; some are voluntary and some just prohibit. The main types of control are listed below:

1.4.1 National regulation and accreditation

This takes a number of different forms:

⁶ Examples of this are Australia, Sweden, United Kingdom, Hong Kong, South Africa, United States (Accreditation Agencies) and Israel. It is worth noting that the UK does not directly control or regulate transnational education, it 'monitors' it.

⁷ Sursock, A (2000) *Towards Accreditation Schemes for Higher Education in Europe*. CRE Project. Unpublished draft report.

⁸ Kokosalakis, N and Tsaoussis D (1998) *Non-Official Higher Education in the European Union*. Athens.

- A few states give their quality assurance agencies specific responsibility for the standards and delivery of transnational education exported by nationally recognised domestic higher education providers, e.g. UK where the Quality Assurance Agency (QAA) physically audits ‘collaborative provision’. France also evaluates specialist French institutes abroad.
- Accreditation agencies are more familiar in the USA but also function in Europe by accrediting institutions and programmes. According to the Council for Higher Education Accreditation (CHEA), US agencies accredit programmes/institutions in 65 countries including all of the EU except Denmark and Finland. Accreditation agencies can keep to national boundaries or operate outside borders as in the case of several American ones. US accreditation agencies include all the US regional accreditation bodies e.g. the New England Association of Schools and Colleges and the Middle States Association of Colleges and Schools. The UK Open University accredits overseas institutions/programmes of study via its Open University Validation Services (OUVS) operation. Another example of an accreditation agency is the European Foundation for Management Development (EFMD) which through EQUIS accredits 42 Business Schools mainly in Europe.

In addition, a number of professional bodies validate or accredit national and overseas institutions and courses for recognition purposes, e.g. the UK Royal Institute of British Architects (RIBA), the UK Law Society, etc.

- Some receiving countries have tough regulations covering non-national providers of education that require their registration/licensing/approval. This approach has been taken in Hong Kong, Israel, Malaysia and South Africa⁹. In Europe, the most common approach is not to regulate non-national providers unless they seek to become officially recognised institutions within a national system. The qualifications of such unrecognised institutions may be looked upon more favourably if the awarding body is recognised in its country or origin. The exception to this is Greece, where distance learning and ‘non-official’ higher education is not recognised under the law.¹⁰
- Bilateral agreements between governments are used to establish educational relationships between countries. In Italy, branch campuses of Italian universities operating abroad are regulated by bilateral agreements. The Belgium (Flanders) and Dutch governments are currently establishing the Transnational University of Limburg (TNU) by international treaty.

1.4.2 Conventions

The landmark Council of Europe/UNESCO Convention on the Recognition of Qualifications in the European Region (Lisbon 1997) provides an overall framework for the recognition of qualifications. The ‘Lisbon’ convention outlines the principles of fair recognition procedures by providing a methodological and normative framework for recognition.

1.4.3 Recognition networks

There are three European networks that cover academic and professional recognition. There is the EU National Academic Recognition Centres (NARIC) network which meets regularly to exchange information and strives to resolve international recognition issues. Secondly, there is the European Network of Information Centres (ENIC) network established by the Council of Europe and UNESCO/CEPES. This performs a similar function to the NARIC network but at a pan-European level, encompassing some 50 countries. The two networks meet jointly. The third network is that organised under the European Association for International Education (EAIE) professional section, for Admissions Officers and Credential Evaluators (ACE). This network promotes discussion of all matters associated with recognition issues.

⁹ Details of these arrangements can be found in the report by Campbell C and Van de Wende M, *Exploratory Initiatives and Trends in Quality Assurance for European Higher Education – An Exploratory Trend Report*, Published by the European Network for Quality Assurance in Higher Education (ENQA). In addition, a useful explanation of the Hong Kong approach and recent legislation by Nigel French is *Transnational Education – Competition or Complementarity: The case of Hong Kong*. This can be found at: <http://www.ugc.edu.hk/english/documents/papers/nf-gate9.html>.

¹⁰ This might change under pressure from EU law.

1.4.4 European Union Directives

The European Directives 89/48/EEC and 92/51/EEC provide a framework for the recognition of qualifications for the purposes of access to regulated professions in the countries of the European Union and the European Economic Area. The task of the co-ordinators of the Directives appointed by each member state is to facilitate the implementation of the directives and to collect useful information for its application in the member states. It should be noted that the Directives do not exclude transnational education.

1.4.5 Codes of practice

A number of codes of practice relate (directly and indirectly) to transnational education:

- The Draft *Code of Good Practice in the Provision of Transnational Education*, developed jointly by a UNESCO/Council of Europe working party. This code is due to be submitted to the Lisbon Recognition Convention Committee for adoption in 2001.
- The Draft *Recommendation on Criteria and Procedures for the Assessment of Foreign Qualifications and Periods of Study*, developed by a Council of Europe/UNESCO-CEPES working party. This code is also due to be submitted to the Lisbon Recognition Convention Committee for adoption in 2001.
- The *Code of Ethical Practice in the Provision of Education to International Students by Australian Universities*¹¹.
- The UK *Code of Practice for the Assurance of Academic Quality and Standards in Higher Education: Section 2 Collaborative Provision*¹².
- *Principles of Good practice for Educational Programs for Non-US Nationals* is a code used by several US regional accrediting bodies.

1.4.6 Transparency mechanisms

Several devices aid transparency, mobility and recognition. These are tools that facilitate the process of recognition and have the potential to impact on transnational education:

- The European Credit Transfer System (ECTS) was designed to facilitate mobility and recognition (of periods of study abroad). It is used by 1200 higher education institutions and provides a framework where study in the temporary host country is fully recognised (credit is transferred) in the home country when the student returns and completes his/her programme of studies. This system has the potential for much wider application and the feasibility of its extension to become a 'European Credit System', allowing for accumulation and transfer within the lifelong learning perspective, has been verified¹³. In this guise it has particular relevance for transnational education.
- The Diploma Supplement¹⁴ provides a means to make qualifications more transparent. It provides for value-free and accurate information on the nature, level, content, context and status of a qualification. Such provision has obvious applications in the context of transnational education.
- The European Network for Quality Assurance (ENQA) is a loose network of European quality assurance agencies, which was formed in 1999. Currently, its work is limited to the

¹¹ Australian Vice Chancellors' Committee (1998) *Code of Ethical Practice in the provision of Education to International Students by Australian Universities*.

¹² Quality Assurance Agency for Higher Education (1999) *Code of Practice for the Assurance of Academic Quality and Standards in Higher Education: Collaborative Provision*. (¡Error! No se encuentra el origen de la referencia..

¹³ Adam, S (2000) *ECTS Extension Feasibility Project Report*. Commissioned by the European Commission. Unpublished.

¹⁴ Jointly developed by a European Commission, Council of Europe and UNESCO working Party in 1998.

exchange of information and practice, staff development workshops and research projects. In the longer term it has the potential to develop a more central role in relation to transnational education, acting as a 'clearing house' for information about transnational providers.

1.4.7 International trade agreements

A number of international trade agreements relate to the provision of educational services. Perhaps the most notable of these is the General Agreement on Trade and Services (GATS) of the World Trade Organisation (WTO). In preparation for the WTO Seattle meeting in 1999, a background note on Educational Services was prepared. It identified direct (immigration rules) and indirect (recognition) barriers to education. It is possible that national restrictions imposed on transnational education providers could become highly problematic, indeed Wilson and Vlăsceanu remark¹⁵

'In this context Member States, and their national higher education systems, will be obliged to treat transnational education offerings in the same way as national educational provision.'

GATS is a multilateral trade agreement that aims to liberalise the global economy by providing 'legally enforceable rights to trade in all services'. There is considerable disagreement over the potential of GATS to affect education because it exempts services provided in the exercise of governmental authority. However, higher education is increasingly being supplied by commercial organisations in highly competitive situations by American 'for-profit' universities, Corporate universities, and new global consortia like 'Universitas 21', an incorporated company of 18 universities drawn from ten countries.

It has recently been suggested by Jonathan Rutherford that¹⁶

'Universities are being drawn into the growing information market. GATS could destroy the public interest in policy making in services such as education and end the ideal of a democratic education system run by accountable public authorities.'

The outcomes of the GATS discussions are unclear and highly contentious and underline how Europe cannot afford to ignore transnational education.

1.5 METHODOLOGICAL ISSUES

1.5.1 Establishing the project

Following an initial Steering Group meeting on the 18th April 2000. Three project *rapporteurs*¹⁷ were appointed who were responsible for conducting the national research. One of the three was designated 'general rapporteur'. The countries included in the projects were split between the three who were responsible for obtaining national information. They reported their findings to the *general rapporteur* who was responsible for producing the final integrated report.

The initial mapping exercises were aided by the use of a common questionnaire/interview schedule designed to produce responses that were then integrated into the final report. The mapping exercise gained enough reliable information to generate a general picture of the current state of transnational education. Mapping was undertaken on a national basis and a range of European states was surveyed. Information was also gained from a number of international organisations. It was not possible to include the Central and Eastern European countries. In total, over 100-questionnaire/interview sessions were conducted. To this can be added approximately another 80 contacts with European institutions providing transnational programmes.

¹⁵ Wilson, L and Vlăsceanu, L (2000) *Transnational Education and Recognition of Qualifications*. UNESCO/CEPES Papers on Higher Education, Bucharest.

¹⁶ Rutherford, J (26th January, 2001) *Scholars Squeezed by Market Muscle*, published in the *Times Higher Education Supplement*, London.

¹⁷ Details of the rapporteurs can be found in Appendix A.

1.5.2 Time-scales

The project extended from April 2000 to March 2001. It took the following stages:

- initial project meeting Tuesday 18th April 2000;
- project specification finalised by Friday 26th May 2000;
- June-December (inclusive) - the national information gathering exercise;
- December/January - analysis and production of the draft report and recommendations;
- Wednesday January 17th 2001 - Steering Group meeting to finalise the report and recommendations;
- February 2001 - Project finalised;
- March 2001 - Report presented at Malmö, Sweden.
- March 2001 - Publication of project.

1.5.3 Organisation and approach to the research

The remit of this project was to explore the current and future impact of transnational education on higher education in the European Union and EEA. The project maps, by country, the actual and potential providers of transnational education in order to establish the situation on the ground. Following the mapping exercise the patterns and impacts of transnational education across Europe were explored. This initial research then formed the basis for the rest of the project.

The next stage involved the identification of the main factors determining the supply and demand of transnational education, together with its probable future pattern of growth in Western Europe¹⁸. The nature of the evolving European education market then formed the background for evaluating the effectiveness of existing national approaches to transnational education (ranging from control/regulation to *laissez-faire*/neglect of 'imported' and 'exported' education).

The next part of the project was to analyse and assess the implications of transnational education, with particular reference to consumer protection, 'transparency', 'recognition' and accreditation. The impact of transnational education on consumers, domestic higher education providers, different sectors, cycles and types of higher education was gauged.

Finally, the research identified 'good practice' associated with the conduct, control and alternative ways to accommodate the implications of transnational education in Europe. The resulting identification of potential and actual problems associated with transnational education then formed the basis of the recommendations to policy makers in section four of the report.

1.5.4 Methodological problems

The project encountered a number of methodological problems that frustrated the research. The main difficulty was how to gain an accurate picture of what was forever changing on the ground. The approach adopted by the team involved the development and use of an interview schedule/questionnaire (reproduced in Appendix B). This was designed to guide face-to-face interviews and to be used as a remote questionnaire. The interview schedule/questionnaire approach was augmented by a simple single-question distributed by the Confederation of EU Rectors' Conference via the national conferences. This is reproduced in Appendix C.

Both approaches proved effective but much transnational education bypasses traditional providers of education. Virtually no country maintains statistical data on it and few educational experts had considered the phenomenon in any detail. A number of individuals were reluctant to

¹⁸ The project did not examine transnational education in Eastern Europe as it was ineligible for funding at the start of the project

respond as they found they were unprepared for the sorts of issues raised in the study. Given this situation, it is not surprising that this project often resulted in national Ministries establishing working groups to consider the issues. In addition, there was much confusion concerning exactly what constituted transnational education and how to classify different sorts of transnational education provider.

However, despite these difficulties a broad range of responses was obtained. The list of institutions consulted is contained in Appendix E. In addition, the single question sent to all Higher Education Institutions via national Rectors' Conferences produced over 80 responses from individuals and institutions actively engaged in transnational education. Overall, the range of responses, and the number of individuals, institutions and organisations consulted, yielded sufficient information to allow for analysis and the production of valid recommendations.

1.5.5 Definitions and levels of concern

Any review of recent studies of transnational education reveals that there is no agreement about what to include in this category. Similarly, there is no agreement on the various sub-definitions that inform the subject. For the purposes of the mapping exercise the project used a working definition of transnational education produced by UNESCO and the Council of Europe for their *Code of Practice in the Provision of Transnational Education*. This states that transnational education includes

'All types of higher education study programme, or sets of courses of study, or educational services (including those of distance education) in which the learners are located in a country different from the one where the awarding institution is based. Such programmes may belong to the educational system of a State different from the State in which it operates, or may operate independently of any national system.'

This definition was applied loosely to allow the inclusion of all education that is provided by collaborative arrangements, such as franchising, twinning, joint degrees where study programmes are provided by another partner, as well as non-collaborative arrangements such as branch campuses, off-shore institutions and Corporate universities. The project examined both sides of transnational education - imported and exported perspectives.

What became clear was that the lack of clarity, as to what should be included in transnational education, is a problem. The UNESCO/Council of Europe definition is useful, but if applied logically and strictly, it should exclude twinning and joint degrees. There are advantages to exclude such arrangements, as well as ECTS (credit transfer), from transnational education. This issue is discussed further in section 3.2.

The bewildering number of different relationships between different types of transnational education providers, delivery mechanisms and programmes/awards creates a highly complicated situation. Charting these relationships and types is an almost impossible task.¹⁹ Certainly, there is a constantly evolving, highly complex situation that includes an array of partnerships, consortia, articulation agreements, modes of delivery, public, private, off-shore, for-profit and corporate elements. Furthermore, transnational education providers inhabit different national education systems whose idiosyncrasies dictate different sorts of arrangements.

Transnational education is a constantly mutating phenomenon. It is useful to distinguish different levels of concern by closely following the work of Wilson and Vlăsceanu²⁰ who distinguish the following three inter-related perspectives:

- The first relates to the actual delivery mechanisms and arrangements. These can take the following forms:

¹⁹ A brave attempt to chart these complex relationships can be found in the UK CVCP *The Business of Borderless Education* report.

²⁰ Wilson, L and Vlăsceanu, L (2000) *Transnational Education and the Recognition of Qualifications*. CEPES Papers on Higher Education, Bucharest.

- **Franchising:** defined as the process whereby a higher education institution (“franchiser”) from a certain country authorises another institution or organisation (“franchisee”), from the same or from another country, to provide its (i.e. the franchiser’s) educational services (e.g. the whole or a part of one or more of its approved study programme/qualifications).
- **Programme articulations** (twinning etc): referring to those inter-institutional arrangements whereby two or more institutions agree to define jointly a study programme in terms of study credits and credit-transfers, so that students pursuing their studies in one institution have their credits recognized by the other, and accepted for transfer in order to continue their studies.
- **Branch campus:** established by a higher education institution from one country in another country in order to offer there its own educational programmes/ qualifications.
- **Off-shore institution:** an autonomous institution which belongs, in terms of its organisation and contents, to one particular national educational system, but without necessarily having a campus in the country (or system) to which it belongs, and is established as an institution in another country.
- **Corporate universities:** which organise their own higher education institutions or study programmes offering qualifications, without them belonging to any national system of higher education.
- **International institutions:** offering “international” qualifications that are not part of a specific educational systems.
- **Distance-learning:** a wide range of learning activities characterised by the separation of the learner from the teacher. These learning activities, or the framework within which they are organised, may or may not belong to the higher education system of a given country.
- **Virtual universities:** whose only contact with the student is by remote means (electronic or hard copy).

Wilson and Vlăsceanu note ²¹

‘All these new developments in higher education share certain common characteristics and similarities, mainly in terms of the ways they cross the borders of national higher education systems. It is for this reason that they are usually identified by the generic phrase of transnational education.’

‘One form of development refers to a modality of delivering an educational programme (i.e. distance education), others to ways of establishing a programme/institution (i.e. franchising or twinning/branch campus), and others again to ways of offering primarily continuing education to certain new groups of students. There seems to be no limit to the proliferation of such modalities or arrangements, as long as the demand for higher education is still growing, and the possibilities for a global market continue to emerge.’

- The second level of concern relates to the institutional and organisational arrangements that result from the specific delivery mechanisms chosen. This can be either a new institution, a branch, or a franchised programme or course of study offering an award within an existing institution or other organisation. It may, or may not, belong to a national higher education system.
- The third level of concern refers to the nature and quality of qualifications awarded through transnational education (degrees, certificates, study credits, etc.).

²¹ *Ibid.*

These three sets of concerns can provide a framework from which transnational education in all its permutations can be viewed.

2 MAIN FINDINGS

The following are summaries of the findings fully detailed in Appendix E. The national reports follow the pattern of questions in the questionnaire/interview schedule contained in Appendix B. The respondents were asked to reflect upon transnational education from their national perspectives. International organisations were only asked to respond on non country- specific issues. It must be stressed that most responses represent the personal views of the individuals concerned and not official positions held by their organisations.

2.1 AUSTRIA

The responses from numerous individuals and institutions contacted in Austria were very limited. The matter of transnational education had not been seriously considered and the Ministry established a working party to investigate the matter and respond to the project questionnaire. The responses of this group have not been received to date. The answers below are largely based on the comments submitted by the Austrian NARIC.

Information on the export and import of transnational education can only be found at those institutions of higher education that have collaborative agreements concerning transnational education. There is no central registration or procedure to gain permission for such activities and consequently there are no centrally held records. Austria experiences imported transnational education via franchised institutions, virtual universities, branch campus operations, 'for-profit' institutions and by conventional distance learning. It exports only by conventional distance learning.

The most important originating source of imported transnational education is the USA. There are many franchised programmes that do not relate to the Austrian national higher education system. There is no information available on the most important Austrian sources of exported transnational education.

In Austria there are no special regulation or controls of transnational education. The only specific regulation is under the University Accreditation Act (1999) for private universities. In this case, applicants have to undergo an accreditation procedure before an autonomous academic authority, the Accreditation Council. This appears to be effective for those institutions seeking accreditation.

Imported transnational education has both a positive and negative impact on educational standards, traditional universities, national academic autonomy, consumers and domestic cultural autonomy. It also has a positive impact on student choice and the competitiveness of European education.

The main benefits associated with imported education include links with prestigious foreign institutions, innovative methods of delivery and improved education due to competition. The benefits of exported education include the spreading of the reputation of national institutions, promoting internationalisation and making links with other institutions.

The main problems of imported education are associated with quality issues, receiving cheap poor quality products, and consumer protection. Exported education can encourage a 'brain-drain', cause damage to the reputation of exporting institutions, and make it difficult to keep an overview of overseas activities.

The responsibility for the quality assurance of transnational education should lie with national authorities of importing and exporting countries, the receiving institutions and collectively by national quality agencies.

The main subject area for transnational education in Austria is business. It is most significant in imported first and second cycle education. There is no information on the main cycles and subjects for exported Austrian education.

The main factors responsible for the expansion are the inflexibility of traditional education provision, the diverse curricula on offer, the innovative teaching methods and the demand for Continuing Education and lifelong learning.

A 'good practice' approach is to regard non-accredited institutions in terms of their status in their country of origin. Their qualifications should be regarded as belonging to the country of origin.

2.2 BELGIUM (Flemish)

No centralised national data is available on transnational education. There is little exported transnational education except that based on relationships through networks and consortia such as the 'Coimbra' and 'Santander' university networks. However, there is a significant development planned - the establishment of the Transnational University of Limburg (TNU) by international treaty, which has already been signed. This is being presented to the Belgian and Dutch Parliaments in February 2001. TNU will comprise two separate institutions: The University of Maastricht (NL) and Limburg University Centre (B-FL). There is strong political will to realise this enterprise with a start date of 2001-2002. The TNU will have a BA/MA qualification structure and graduates will get a single award, which will be recognised, equally in both countries. There is a strong complementary element between the two component parts of the TNU.

Imported transnational education mainly consists of franchised and distance education. The volume is relatively low, due in part to the open access to higher education in Flanders and the low level of fees. Imported transnational education comes from the UK, USA, and the Netherlands. Examples of imported TNE include:

- Distance learning - the operation of the UK and NL Open Universities;
- Branch campus operations - at Vesalius which although 'owned' by a Belgian University does not award official Belgian degrees;
- International corporate education and training – Siemens and IBM both have academies in Belgium.; 'For profit' providers - Phoenix University has an office in Belgium;
- The example of the provision of third cycle courses – Advanced Academic Programs (VAO) taught in English by Flemish Universities and directed at the international market.

The main market for branch campus and some distance learning provision is international students i.e. not necessarily Belgian nationals. Given the presence of international organisations such as the EC and NATO in Belgium there is a demand for such provision.

The law is very restrictive concerning recognition. Only institutions listed by law are allowed to deliver recognised diplomas. When considering applications for recognition there is a distinct advantage if the award had come from an institution which was part of (belonged to) a national system of higher education.

The VLIR has a quality assurance role and an advisory role in respect of Flemish higher education including advising on changes to the educational system, but no specific remit in relation to transnational education. The issue of the quality assurance of transnational education has not yet been addressed. Current regulation is seen as effective but may not be in the future as higher education evolves.

Transnational education has a mixed impact: it improves standards, choice, and increases the competitiveness of European education. The main negative impacts are on national academic autonomy, consumer protection and domestic cultural autonomy. In addition, there is a dual impact (positive and negative) on standards, choice, traditional universities and domestic cultural autonomy.

The main benefits of imported transnational education are that it leads to more competition, opportunities to make comparisons with domestic provision (benchmarking). It also broadens the attitudes and perspectives of faculty and departments and provides insight into other ways of

delivery. The main benefits of exported transnational education are similar and it also challenges academic staff to seek further quality improvements.

The main problems and threats associated with imported transnational education are that quality control does not appear to be sufficiently rigorous on the part of the providers. There are also problems with transfer systems, recognition problems and difficulties as to how to judge quality. Imported education is not perceived as a threat because it is not seen as a substitute for the existing Flemish provision which is of high quality and for which the fees are very low.

Different sectors of higher education in Flanders answer questions differently about who should have responsibility for quality assurance. However, there is a consensus that it should definitely not be the European Commission.

The main subject areas for transnational education are business and management studies. The universities regard the 'third cycle' as the most significant for imports especially given the open access to higher education in Flanders. Whereas, for the Hogescholen, the 'first' and 'second cycle' are more significant for import and 'second' for export.

The most growth of transnational education will probably take place in medicine, the natural sciences, business and management, and engineering studies – all mainly in the second cycle.

Transnational education has expanded for many reasons. The university sector regards the main cause as 'international recognition', whilst, the Hogescholen sees it as demand for lifelong learning.

Good practice in transnational education can be learned from co-operation between education and industry.

The Flemish higher education system has to develop a means of dealing with new providers – to introduce more flexibility into the system. Belgium is also concerned that Bologna could lead to an inward looking 'fortress Europe' mentality.

2.3 BELGIUM (Francophone)

No centralised data exist on transnational education. Francophone Belgium experiences imported and exported transnational education by conventional distance education (UK Open University), branch campuses, corporate providers, unrecognised private institutions, and in various partnership arrangements. It is difficult to gain an accurate picture.

Questions (3.4.5) on originating sources of imported and exported transnational education and any distinctions made concerning the origin and control of imported education, were not answered.

There is no regulation regarding transnational education. Nevertheless, to be allowed to deliver recognised diplomas, institutions have to be organised/financed by the ministry. The number of universities and *hautes écoles* is controlled and a list of institutions allowed to deliver recognised diplomas is published. To be recognised as equivalent to Belgium diplomas, foreign diplomas must be delivered by an institution officially recognised or accredited in the mother country. There is no official quality assurance agency.

Imported transnational education has the following positive impacts and benefits: it widens student choice and makes European education more competitive. The negative impacts are on educational standards, traditional universities, national academic autonomy and consumers. The benefits of exported transnational education are the positive effect on the educational competitiveness of the exporting country and financial returns.

The main problems of imported transnational education are associated with unfair competition *vis-à-vis* strictly regulated traditional institutions, problems over the recognition of diplomas, and

the suspect quality of teaching. Problems with exported education centre on the quality control of the programmes delivered abroad which can lower the reputation of the mother institution.

The responsibility for quality assurance should be located with the national authorities of the importing and exporting countries and by collective agreement of national quality assurance agencies. Quality assurance activity should be co-ordinated at the level of EU member states using common standards and criteria..

The main areas of future growth of transnational education in Belgium are foreseen as: computer science, languages, economics-management-marketing, and environmental studies. These would be mainly third cycle activities except for economics and computer science which would grow more in the first and second cycles. Courses leading to the regulated professions should not be affected by transnational education.

The main factors responsible for the growth of imported and exported transnational education are previous unmet student demand and their innovative teaching/delivery methods. Developments in information technology also facilitate its growth as an export.

The development of transnational education will require the adoption of measures to evaluate its quality and thus the recognition/non-recognition of qualifications. Traditional higher education must adapt to stay competitive and courses must become more flexible in the acceptance of prior learning. Higher education autonomy must be extended. For the creation of the European higher education area, common criteria will have to be defined for the recognition of qualifications and periods of study obtained through transnational education.

The emergence and development of transnational education is a reality that traditional universities and competent authorities will have to take account of. Appropriate criteria to measure quality must be adopted Europe-wide if the competition between traditional education and franchised establishments is not to be unfair. A code of good conduct established by the ENIC network is one step that has been taken but it is not enough to avoid 'protectionist' responses and the proliferation of attractive but poor quality franchised education.

N.B The respondents were all drawn from the official Belgium higher education system and it was difficult to gain a total picture of the impact of transnational education.

2.4 DENMARK

There is no centrally held national data on either imported or exported transnational education in Denmark. However, franchised education providers and conventional distance education methods deliver imported transnational education. Imported and exported transnational education takes the form of dual awards. The most significant originating source of imported education is the UK. Denmark is one of the two EU states in which no US accreditation agency operates. The most important originating sources of exported transnational education are vocational schools exporting to Russia and Central and Eastern Europe.

No differences in treatment are made in Denmark based on the origin and nature of imported transnational education. Also, there is no legal regulation of imported/exported transnational education except that the Danish Evaluation Agency (EVA), the national quality assurance agency, has the right of initiative to take action.

Imported transnational education has a positive effect on educational standards and the competitiveness of European education but it also has a negative impact on standards and in terms of consumer protection.

The main benefit of imported transnational education is that it broadens the spectrum of teaching and learning for students especially in a small country. In terms of exported transnational education, it is the best way to promote teaching and learning practice to those with less good, or bad, practices

The main problems and threats associated with imported transnational education are its lack of compatibility, poor job market potential and the disruption to accepted structures of higher education. Exported transnational education, can initiate cultural imperialism i.e. introducing an educational context and content that are not consistent with, or harmful to, the local higher education culture

Responsibility for the quality assurance should lie with the national authorities of the importing and exporting countries, the importing/receiving institution and the exporting/provider institution, and the national Danish quality assurance agency.

The main subject areas for imported transnational education are business and management. Imported and exported education mainly is in first-cycle, vocational areas. The most future growth will be in business administration and engineering.

The main factors responsible for the expansion of imported transnational education are globalisation and market forces. The inflexibility and rigidity of traditional education is seen as significant by the quality assurance agency. The Rector's Conference and recognition agencies identified recognition and the information technology revolution, as significant.

Examples of good practice are the UK QAA *Code of Practice* and audits, plus the Hong Kong (China) HKCAA which implements the licensing of non-local provision.

The national and international implications of transnational education for Denmark result in the need for closer co-operation of governments, institutions and agencies plus the deliberate move towards accreditation and certification approaches.

Transnational education is not very common in Denmark – we do not see foreign institutions trying to set up programmes in Denmark or outside Danish Universities. This is due perhaps to Denmark being a small country, with a high participation rate, and good vocational education system. Higher education institutions are very involved in EU programmes and in consortia delivering postgraduate degrees in management and shipping.

2.5 FINLAND

No national data is held on imported or exported transnational education. However, transnational education is imported and delivered by franchised providers, virtual universities (on-line learning), branch campus operations, international corporate providers and 'for-profit' providers. Dual awards exist and are the main example of exported transnational education.

The most important originating sources of imported transnational education are the UK and the USA. Several UK new universities offer franchised education and there is at least one US branch campus in Finland. The most important originating sources of exported transnational education are Finnish polytechnics that offer some courses in the Baltic States. No Finnish degree courses are exported.

There are distinctions made concerning the origin of transnational education as different legislation applies to the professional recognition of higher education coming from the EU/EEA (Directives) and qualifications from the rest of the world. Details are available: **¡Error! No se encuentra el origen de la referencia..**

Imported/exported transnational education is not specifically regulated. The Finnish Higher Education Council has a responsibility for the accreditation of higher education continuing education programmes, but to date, transnational programmes have not applied. Imported higher education qualifications are regulated in the sense that once obtained they may be recognised if the originating institution is appropriately recognised in its home country. The Finnish quality assurance body currently has no role regarding transnational education.

Imported transnational education is regarded as having a mainly negative impact in terms of consumer protection. Too little information is provided on the status of the provider and the

qualifications. The other impacts are a general mixture of benefits and problems. The main benefits of imported transnational education concern business-based education where there is little domestic experience. It also improves the choice open to students and creates constructive competition between higher education institutions. Education provided in a foreign language can also benefit domestic students. Exported transnational education can help increase the income of some institutions.

The main problems of imported and exported transnational education concern the inadequacy of existing instruments of quality assurance. The scale of imported transnational education into Finland is quite limited but any significant increase would interfere with national education policy.

The responsibility for quality assurance should lie with a combination of the national authority of the importing country, the importing/receiving institution, the exporting/provider institution and national quality assurance agencies. There is no support for supra national or international agencies. National accreditation systems are the key to any solution.

The main subject areas for transnational education are currently business, law and technology in the second cycle. Future growth is likely to be in the area of continuing education. The primary causes of growth are globalisation and information technology developments.

Well-constructed and regulated dual awards are an example of good practice to be followed.

Transnational education will decrease educational boundaries between national states. *'This could be seen, if fairly regulated and controlled as a positive process in European integration. On the other hand, there is a major threat that it could lead to privatised and marketised educational market, where those who can afford it study the trendiest subjects. Also, as experience shows, it can threaten multi-lingualism and multi-culturalism in Europe.'*

2.6 FRANCE

At the national level there is no systematic collection of information, either for import or export of education, apart from statistics on the number of foreign students studying in France. The Ministry of foreign affairs Website (**¡Error! No se encuentra el origen de la referencia.**) includes information on French higher education abroad. This lists more than 220 examples defined as 'French language education in higher education establishments in countries where French is not the first language'. For individual establishments, information is rarely centralised and therefore not available for potential users.

International Corporate transnational education is imported into, and exported by France. Also, to a lesser extent there is activity by 'for profit' educational providers and branch campuses, e.g. Georgia Institute of Technology's 'Platform into Europe' at Metz. The import and export of 'dual awards' is being developed. There are also various '*diplômes internationaux*': schools of business and engineering are currently developing international programmes, such as MBAs (presently around ten accredited by AMBA and around 50 accredited by EFMD) and other international masters, which lead to fruitful co-operation between establishments in different countries, with dual or joint awards. Imported franchised education does not exist in public universities, but there are some private establishments, e.g. the American University in Paris, notably delivering MBAs from American universities. Some French institutions export franchised education, e.g. Lille 2, Paris 4, and Grenoble 2 to Greece; the *Conservatoire National des Arts et Métiers (CNAM)* to eastern Europe, Magreb and sub-saharan Africa; *La Fondation France-Pologne*; and the Paris Chamber of Commerce and Industry to Moscow, Hanoi and Ho Chi Minh City. Virtual universities are rare but developing their presence. Conventional distance learning is exported by the national centre (CNED) as well as by some universities. There is also a partnership between the Paris Chamber of Commerce and the UK Open University.

The most important originating sources of imported transnational education are the USA and EU countries. The main French source of exported education is CNAM with centres in 20 countries

and with approximately 7500 students, followed by CNED, universities, and Schools of engineering and commerce.

No distinctions are made about the origins and nature of transnational education.

The National Evaluation Committee does not have any responsibility for transnational education, nonetheless, with the support of the *Fondation France-Pologne*, it has evaluated education exported to Poland by French establishments. In October 2000, the national Rectors' Conference adopted a quality charter which stipulated that French universities should be responsible for the quality of their provision abroad.

France has very strict controls over the administration and recognition of establishments and qualifications. There are very few private establishments in higher education (Catholic education is state aided). However, the law allows anyone suitably qualified to open a higher education institution.

Transnational education has a positive and negative impact on educational standards and the competitiveness of European Education, and a positive impact on traditional university education and national academic autonomy. It has a negative impact on student choice, consumer protection and domestic cultural autonomy.

The main benefits of transnational imported education are that it opens up competition, providing it is properly controlled. Exported education promotes French culture and develops exchanges.

The main problems and threats associated with imported transnational education are those of evaluation and the quality of education. Exported education demands a high level of investment.

In France, the academic recognition of overseas qualifications lies with each individual higher education institution. National quality assurance bodies must be encouraged to co-operate, but this will not be sufficient if transnational education is to grow successfully. The quality of transnational education must also be overseen by European accreditation agencies (under European rules).

The main subject areas in France for transnational education are Management and Information Technology. These are most significant at the Masters level. Future growth is likely to be in these areas - associated with lifelong learning and virtual education. The growth of transnational education (imported and exported) is due to the following (in descending order of importance) the revolution in information technology, the competitiveness of transnational education, the demand for lifelong learning (including CPD), and the international recognition of transnational education qualifications. Previously unmet student demand and the relative decline of State funding of education are also factors in the growth of exported transnational education.

An example of good practice associated with transnational education is the evaluation of the activities of the *Fondation France-Pologne* by the National Committee of Education.

The main implications of transnational education concern questions of evaluation and quality. There needs to be some convergence of the policies of member states in order for the EU to compete with the SA in the world market.

Additional note

France has a tradition of welcoming foreign students (about 130,000 per year). French education aims to develop internationalisation by increasing student mobility. France has a strong tradition of international co-operation and welcomes foreign students. In the future, some programmes (engineering and business) will not demand fluency in French as a pre-requisite but will teach the language alongside the main studies. France does not seek to over-commercialise its international activities. It wants to promote dual awards. In the long-term France views distance learning as complimentary to its traditional education, but not as a commercial product.

2.7 GERMANY

Responses were gained from the German Academic Exchange Service (DAAD), the Association of Universities and Higher Education Institutions (HRK), Fachhochschule Osnabrück, and Centre for the Development of Higher Education (CHE). A number of individuals and institutions refused to respond, citing lack of knowledge of the area.

There are very little data on transnational education as in Germany it is a relatively new phenomenon and consequently not a topic of great institutional or government concern. Such data that exist are held separately by different organisations and do not specify transnational education. The main types of transnational education imported into Germany are delivered by franchise, virtual universities, branch campus operations, conventional distance education and dual awards. The main types exported are limited to conventional distance learning, dual awards and programmes organised by international consortia.

The most important origination sources of imported transnational education are the UK and USA. The UK offers many degree courses in association with German Fachhochschulen. The USA operates a number of branch campuses, sometimes independently. Most important in terms of numbers are dual awards and twinning programmes for first degree and Masters programmes. Virtual universities do not play a significant role, although the University of Phoenix has just opened a centre. The most important German originating sources of transnational education are the Goethe Institute for world-wide adult education, Freiburg University (part of 'Universitas 21'), and a number of institutions involved in collaborative arrangements. In addition Fern University Hagen offers all its programmes world-wide by distance mode.

The recognition of degrees awarded by private European providers is now becoming acknowledged as a problem. This centres not so much on the ownership of the degree but the lack of quality control. There are generally no difficulties with co-operative programmes between German Fachhochschulen and UK Universities. Imported and exported transnational education are not legally regulated and there is no national quality assurance agency or established procedures for the accreditation of foreign institutions. The Länder are responsible for any regulation. There are no lists of recognised transnational providers.

Imported transnational education is seen to have a positive and negative impact on educational standards, consumer protection, domestic cultural autonomy and traditional universities. The positive benefits are confined to educational standards and competitiveness. The main benefit of imported transnational education is that competition is a positive force. It widens choice, improves quality, raises German awareness of globalisation, and encouraged new approaches. Exported transnational education opens up new markets, creates new sources of income and can replace physical mobility.

The main problems of imported transnational education are 'degree mills' (uncontrolled products), recognition problems and the growing hegemony of certain 'brand leaders'. The threats from exported education are recognition problems and German lack of experience in this field. Learning how to compete may be difficult and it is possible only a few German organisations will attempt it.

There were a number of different answers on where the responsibility for the quality assurance of transnational education should lie. These ranged from using accreditation agencies alone, to employing national quality bodies along with some role for the importing institutions. It was emphasised that minimum standards must be established at the receiving end by specialised accreditation agencies (not ministries) capable of academic judgements. One response suggested that the exporting institutions should have responsibility but that overall there was a need for more transparency and less regulation – then the market can decide.

The main areas of transnational activity in Germany are economics and business administration especially associated with MBA programmes. Germany also exports engineering programmes. Imported and exported education concerns both first and second cycles. Most future growth will be in business administration, economics and information technology. Germany will probably

export more engineering (hard sciences), language (German) and political science programmes especially to Central and Eastern Europe.

The main factors responsible for the expansion of imported and transnational education differ. The most important import factors include the rigidity of the home education system, unmet student demand, globalisation, the decline of state funding and market forces. The important export factors include unmet student demand, the revolution in information technology and the recognition of transnational qualifications.

One example of German good practice is the formation of strong international strategic alliances within EU programmes; however, transnational education is too new a phenomenon for much good practice to be identified.

Finally, the implications of transnational education for the German education system are a strong shift away from the traditional pattern of higher education towards the UK/USA undergraduate/postgraduate model. English will become more dominant as a global language and education will become more internationalised. Transnational education will increase and sharpen the climate of competition and the protected market will disappear. ECTS may well become a more generalised pan-European credit system linked to lifelong learning.

2.8 GREECE

In Greece transnational education is usually regarded as Greek students studying abroad. Many question the globalisation of post-secondary education on cultural, moral and political grounds. Transnational education is considered foreign to the Greek academic tradition, illegal and even dangerous as it transforms education into a marketable commodity.

No official collection of data on transnational education exists. However, a large number of Greek students study abroad in the UK, France, USA and Germany (in order of popularity).

Transnational education is certainly imported into Greece but there is practically no export. In terms of imported education, franchised education is theoretically illegal but agreements between Greek and foreign institution are regarded a 'non-official' education. The UK Open University is an example of conventional distance learning. Branch campus operations also exist as do 'for-profit' education providers. There are also some dual award programmes. Virtual universities are thought to be a future significant factor.

The most important originating source of transnational education is the UK where 42% of degree courses (out of a total of 1370) are offered by, or in co-operation, with 42 UK universities. France is second with 21%, followed by the USA with 11%. There are also 228 unrecognised foreign degree courses offered by Greek institutions.

It is difficult to make distinctions about the origins and nature of transnational imported education as the law does not recognise it. There is no system of regulation and control. Greek law regards foreign universities as 'private' and real controls do not exist. Transnational education functions in 'the shadows'. The lack of any national system to evaluate/regulate transnational education is a matter of regret. DIKATSA (the Greek NARIC), has responsibility for the recognition of diplomas awarded in public higher education institutions abroad. Its method of working has been heavily criticised in Parliament and its existence contested.

Imported transnational education is considered to have negative effects on all the points listed, particularly educational standards, traditional university education, national academic autonomy and domestic cultural autonomy. Transnational education can mislead students and employers as there is no consumer protection or systems of evaluation.

No benefits were identified associated with the import and export of transnational education.

The main risks of transnational education are that it reduces university diplomas to the lowest common denominator and weakens the credibility of awards of the exporting universities. The

principal problem is putting into place an effective (transparent) system of regulation and evaluation.

Negotiation should be undertaken at the European level to convince other states to reduce the pace of harmonisation.

The quality assurance of transnational education should be the responsibility of the exporting countries. The importing country must also develop its own system. Intervention at European level is regarded equivocally. Regulatory agencies and codes of good conduct are supported. Any wild liberalisation of the situation must be avoided.

The main subject areas are naturally business/communication/informatics, many of which are at second cycle level. Because of reforms to the Greek education system demand for transnational education will be reduced.

The previous expansion of transnational education in Greece was due to unmet student demand (with 15% of pupils taking the national university exams being accepted). The new reforms will increase funding to Greek education and domestic demand will be met.

The international recognition of transnational education is not desirable.

2.9 ICELAND

No national data is held on imported and exported transnational education. Iceland has very little experience of the phenomenon. There has been an increase in traditional international co-operation but this is not transnational education. A few universities in Iceland have made agreements with universities in Europe and the USA, offering co-operative study programmes:

- The Agricultural University at Hvanneyri is part of a co-operation network in which students from one university can undertake part of their MA studies in another, through distance education, however it is the home institution that awards the degree.
- Next academic year, the University of Reykjavik will offer an MBA degree in close co-operation with universities from the USA and Europe within the GEM-network (Global e-Commerce Masters). Students take part of their studies at a foreign institution (not through distance education) but the home institution awards the degree.
- The University of Iceland offers programmes at masters and doctoral level, and usually the students take courses or even a whole semester at a foreign institution, and supervisors can be based at foreign institutions. The degree is awarded by the home institution. In some subjects (e.g. geology) the University of Iceland receives foreign students from abroad as part of such 'Cupertino' agreements.
- The University of Akureyri offers a masters degree in Nursing in Cupertino with a university in Manchester, UK. Students take courses at the foreign institution through distance education. Until now the degree has been awarded by the UK institution, however this will change from the 2000/2001 academic year, when the degree will be awarded by the Icelandic institution.

Transnational education defined as 'types of higher education study programmes, sets of courses or other educational services in which the learners are located in a country different from the one where the awarding institution is based' has not been very prominent in Iceland. Only one example of such arrangement can be found, i.e. the MA degree in Nursing mentioned above, thus Iceland has very little experience of such study arrangements. Icelandic institutions are more involved in traditional international Cupertino (i.e. student and teacher exchange, common development of courses and curricula) through bilateral networks and/or international programmes. However, it is not unlikely that in the near future we will witness more internationalisation of the Icelandic higher education, and study opportunities being offered in the field of transnational education.

There is a small amount of imported transnational education taking the form of branch campus operations, conventional distance learning and dual awards. The only exported education by the

University of Iceland is to the Faroe Islands. The UK is the originating partner for dual awards and the USA for branch campus operations.

There are no specific laws in Iceland regulating the import/export of transnational education but the Ministry of Education (law no.136/1997) must approve all university level education (whether its origin is national or transnational). There is no non-official education in Iceland except by distance-mode that is not technically located in Iceland.

Transnational education potentially has a negative impact on traditional university education, national academic autonomy, and consumer protection. It benefits student choice and can have a positive and negative impact on educational standards.

The main problems of imported transnational education are that if it is not regulated it may diminish national academic and cultural autonomy. It can threaten small countries and their universities. However, it can be an asset where programmes are available which local universities cannot provide.

The responsibility for transnational education should exist at three levels. Responsibility should lie with the authorities of both the importing and exporting countries plus an international body responsible for quality assurance.

The main subject areas for transnational education are education and business administration. For imported education this is second-cycle and for exported education this is first-cycle. Future growth will probably be in the same areas plus computer science. Smaller Icelandic institutions might respond to growing demand by opting for transnational education. The information technology revolution, the demand for lifelong learning and the need for more diverse curricula mainly drive the expansion of transnational education.

The main implication of transnational education is that, if it is well regulated, it can make national/European education systems more varied.

2.10 IRELAND

(This report is mainly compiled from information taken from publications on Irish Higher Education and web sources pertinent to the issues explored by the questionnaire.)

There is no national data held on imported and exported transnational education but lists of higher education providers, recognised institutions, are available, including approved private education providers at: **¡Error! No se encuentra el origen de la referencia.** and **¡Error! No se encuentra el origen de la referencia..**

Franchised and/or validated education is imported from the UK (e.g. University of Wales, Nottingham Trent University, Oxford Brookes University) to public and private non-university institutions of higher education. There are American branch campuses – the American College in Dublin (a branch campus of Lynn University, Florida), which recruits students from a variety of countries - and others which provide programmes for US students during their study abroad period e.g. Quest. Distance learning is imported from the UK e.g. through the UK Open University and Henley Management College. There is no information available about the operation of virtual providers but it is believed that the University of Phoenix is going to open a branch in Ireland. Corporate education in information technology is offered.

Irish institutions participate fully in European co-operation programmes for student mobility and there are examples of joint degrees and dual awards. Other exports include training programmes from the Irish Management Institute (**¡Error! No se encuentra el origen de la referencia.**).

The most important originating sources of transnational education are the UK and the US.

There is no information on distinctions concerning the recognition of transnational education qualifications except that qualifications from recognised distance learning providers such as the Open University (UK) are not treated any differently from non distance learning programmes.

The national authorities do not have responsibility for transnational education but much of the franchised provision is offered in institutions which also offer Irish national awards most notably from the NCEA (National Council for Educational Awards).

There are concerns about the operation of transnational education in the main concerning franchised provision. One of the issues has been the financial viability of the partner organisations. One recently went bankrupt and these prompted concerns for consumer protection. There are also concerns about educational standards.

The main subject areas in which transnational education has the biggest presence are business and management studies, law and education with some provision in design. The most significant provision is at postgraduate level for franchised education, but branch campus operations focus mainly on undergraduate provision.

The UK national quality assurance agency audited a sample of partnerships between UK and Irish institutions in 2000 (reports available at **¡Error! No se encuentra el origen de la referencia.**). The NCEA has validated programmes offered by some transnational providers e.g. the American College in Dublin.

2.11 ITALY

No official data on transnational education are held at national level although the Italian NARIC/ENIC tries to record some information generated by enquiries. Italy experiences imported and exported transnational education via conventional distance learning, branch campus activity, corporate education/training, by 'for-profit' providers and with dual awards. It imports franchise education and education provided by international consortia. There is no information on 'virtual' universities. Details of the providers are contained in the full country report in Appendix E.

The USA and UK are the most important originating sources of transnational education. The two most significant Italian exporting institutions are the state universities of Bari and Bologna who both have branch campus operations in Argentina. There is also a Ministry backed project *Italian Culture on the Net* (ICON), designed at *Laurea* level for Italian students living outside the country.

The treatment of imported transnational education varies according to the nature and information available (usually, via the NARIC/ENIC) on the originating educational system. State or state recognised and accredited providers are looked upon favourably. Distance learning degrees are only recognised if they have similar admission requirements to traditional degrees in the country of their origin. According to Italian law, foreign higher education degrees can only be recognised if they are delivered by foreign institutions located outside Italy.

Branch campuses of foreign universities are regulated under Italian law. Branch campuses of Italian universities operating abroad are regulated by bilateral agreements. Currently, the Italian quality assurance agency has no responsibility for transnational education. The current legal control and regulation of transnational education is regarded as effective for the moment.

Imported transnational education is seen to have both a positive and negative impact on education standards and the competitiveness of European education. The impact regarded as negative on student choice and consumer protection, as no reliable criteria exist to appraise it. There is a general uncertainty about the present situation.

Benefits are seen only in the context of some future quality control system covering all types of transnational education. These would include the stimulation (internationalisation and

competition) it would give to Italian universities and the way student choice would be expanded. Opportunities for export promote cultural co-operation.

The main problems with and threats from transnational education relate to the legal status of the providing institution and the quality of the curricula. Where there is no guarantee or traditional system of reference or control, then, such education is seen as problematic and therefore, suspect.

The responsibility for the quality assurance of transnational education is seen to be shared between: the national authorities of the importing country, the receiving institution, the authorities of the exporting country, national quality assurance agencies and a new supranational authority.

Transnational education provision is concentrated in business administration and economics. Regarding Italian branch campuses it naturally concentrates in the figurative arts, conservation and restoration of cultural assets. Imported education centres on first cycle (BA, BSc) programmes and exported centres on third cycle postgraduate programmes. Future patterns of growth are difficult to foresee, as this depends on many variables including the implementation of the new Italian higher education system and the Bologna reforms in other countries.

The main factors causing the expansion of transnational education are the inflexibility of traditional education systems, the diverse curricula and innovative delivery methods.

Good practice identifies the UNESCO-Council of Europe code of good practice. Italy does not have its own domestic code.

Implementation of the new Italian higher education reforms are seen as presenting transnational education providers with an opportunity to positively interact with traditional education. However, there is a restrictive system that, since the law of May 20th 2000, regulates the import of overseas education.

2.12 NETHERLANDS

There is no systematic collection of data on transnational education in the Netherlands. There is a substantial range of views concerning the existence/type of exported educational services. The main source of imported transnational education is the UK and US. For the Hogscholen sector, the UK is the major exporter with more than 50 links through franchises/validations or credit transfer for Masters awards. There is a divergence of opinion between national authorities and higher education institutions as to the main origins of exported transnational education. There are US branch campus operations and the University of Phoenix has a base at Rotterdam. Conventional distance learning is imported from the UK.

The recognition of transnational education is not affected in terms of the originating country or its nature, providing the awards are from institutions recognised in the country of origin. Overall, there is no regulation or control over imported or exported transnational education. There is a consensus that this situation needs to change.

A range of different views is held on the positive and negative impacts of imported education. The main benefits of imported education are the stimulation to competition, fostering diversity and developing new teaching methods. For exported Dutch education, the expansion of the market, increased competitiveness and the opportunity to implement new technologies, are the main benefits.

The main problems and threats posed by imported education are consumer protection, quality control and relevance of programmes. For exported education the threats are associated with consumer protection, programme relevance, programme recognition and the sustainability of the provision.

There is a consensus that importing/receiving institutions, exporting/provider institutions and national quality assurance agencies, should, collectively, all be responsible for the quality assurance of transnational education. There is no general support for the involvement of the EU or a European accreditation agency.

The biggest presence of imported transnational education is in business, management finance, information technology and computing. For both imported and exported transnational education the second cycle is the most significant area of provision. These subjects and this cycle are also seen as where the main growth will be but also involving the first cycle more. In addition, Dutch universities are increasingly offering programmes in the Netherlands in English to international students.

According to HEIs, the most significant single factor responsible for the expansion of imported education is the demand for lifelong learning. For exported education, it is previously unmet student demand.

Examples of good practice are the consultation of NARICS and the activities of the UK Quality Assurance Agency (QAA) with regard to the auditing of overseas collaborative provision.

The Bologna process will create more healthy competition, educational diversification and a change to the Dutch educational landscape. Currently, there is little transnational education in the Netherlands. It does not play a large role in the Dutch education system and there is little strategic planning associated with it.

2.13 NORWAY

In Norway there are no statistics on imported or exported transnational education. The only information that exists can be found on individual Web-sites. Few public institutions of higher education engage in transnational education. Most of the private providers of upper-secondary/post secondary/higher education offer some kind of transnational education.

Franchised institutions, virtual universities, and distance learning deliver imported transnational education. Some of this is by 'for profit' providers. Exported transnational education is only delivered by conventional distance learning means.

The main sources of imported transnational education are the UK and Australia. The UK is the larger provider but Australia is growing fast.

No distinction is made regarding the national origins of transnational education. The big distinction is between state and private providers. State providers are recognised and private providers must be accredited. Similarly, distance learning institutions must have degree awarding powers and belong to a national education system.

There is no legal regulation of imported transnational education programmes. The Norwegian quality assurance body does not have any responsibility for transnational education. However, the Ministry of Education has officially approved the UNESCO/Council of Europe '*Code of Good Practice in the Provision of Transnational Education*', as a tool in the implementation of the Lisbon Convention.

The main negative impacts of transnational education are on traditional universities, national academic autonomy and consumer protection. The main positive impacts and benefits are on educational standards, widening student choice and improving the competitiveness of European education.

The main problems and threats associated with imported transnational education are that state institutions cannot respond sufficiently fast to change, and 'foreign' diplomas are not necessarily recognised. It is difficult to control the teaching quality and standards of exported education.

The responsibility for the quality assurance of transnational education should lie jointly with the national authorities of the importing and exporting countries and national quality assurance agencies (in collective agreement/action). The main reason for the development of transnational education is profit and so national level supervision is important to prevent any fall in standards below acceptable levels.

The main areas for transnational education are business-related studies and information technology at first cycle level. These are the areas that will also probably expand in the future. Future expansion of imported and exported transnational education will be due to a range of factors with 'unmet student demand' being prominent.

The Bologna process and transnational education will force Norwegian institutions to compete for customers. *'We will have to develop a quality assurance system to protect both customers and prospective employers. The role of traditional universities as preservers and carriers of traditions will be jeopardised in a free marketplace.'*

2.14 PORTUGAL

No national information is held on imported and exported transnational education. At the institutional level one university has data (i.e. Aberta) which is not available to the public.

Franchised and virtual 'on-line' learning is imported and conventional distance learning, branch campus operations, and dual awards are exported. The importation of UK masters degrees causes some embarrassment as a Portuguese equivalent exists (*Mestrado*). UK and Spanish universities are active providers of transnational education in Portugal.

The only identified Portuguese originating source of transnational education is the Universidade Aberta (created 1988). It offers Portuguese qualifications mostly to Portuguese emigrants in Africa and Western Europe. Portuguese universities welcome a high number of students from their former colonies and are active in Portuguese-speaking countries. There are extensive links with Brazil and common Masters and Doctorates are being created.

Portuguese universities have been traditionally protectionist, refusing to recognise foreign qualifications (e.g. research qualifications obtained abroad). In Portugal the divide between polytechnic/universities and public/private sectors is still strong. However, there are current moves to reform the system that might break down some of these barriers.

Imported/exported transnational education is not regulated since the establishment in 1998 of CNAVES (National council for evaluating higher education) did not include it.

The main benefits of transnational education are the internationalisation of education (essential for a small country) and the development of 'world citizens'.

The main problems and threats are the risk of losing national cultures and minority languages. In addition, there are problems of equivalencies between qualifications, particularly at the masters level, where transnational qualification may be lower than the domestic awards (e.g. *Mestrado* v Masters).

Quality assurance for transnational education should be located at the national level. Solid national systems must be created to maintain close links between other national systems and European networks. The encroachment of US initiative should be resisted by the creation of a European approach to accreditation.

The main subject areas for transnational education are business, administration, and management, all at second cycle level.

The future growth of imported transnational education is going to be limited by supply and demand (currently, supply exceeds demand). It will only exist in the future where the quality of the courses on offer are superior to domestic Portuguese ones. Nevertheless, it is perceived that

the development of lifelong learning, mass higher education and the internationalisation of the professions, may well change the situation.

The export of transnational education will involve more dual awards developed by state universities. Some private institutions are seeking to establish themselves in former colonies. A large private higher education sector exists in Portugal.

2.15 SPAIN

There is no national system in Spain for collecting and analysing data on transnational education. This should be done by the regions but only Catalonia does so. National authorities have lost the responsibility for higher education and regional authorities have acquired it but do not necessarily exercise it. The NARIC has responsibility for franchised education, and the recognition of foreign diplomas. They monitor the export to Latin America of postgraduate education.

The concept of transnational education is not very well understood in Spain and opinions about the nature of such imported education were very varied. It is agreed that there is likely to be a rapid development of virtual universities and distance learning is a major approach used for exported education. Branch campus and franchised education exist in Spain.

The most important originating source of transnational education is the USA followed by France and the United Kingdom. The main Spanish exporters of transnational education are public and private universities (notably Catholic ones), UNED, and Complutense (Open University of Catalonia). This exported education is directed mostly towards Latin American and also certain States of North America.

No official distinctions are made concerning the origin and nature of imported transnational education but some feel more favourably inclined to European providers. A clear distinction is made between public and private providers.

Imported/exported transnational education is badly controlled and hardly regulated. Public authorities have been overwhelmed by the scale of providers. There are no specialised quality control mechanisms except in Catalonia. No effective regulation of transnational education exists and something needs to be put in place.

Transnational education has a positive impact on educational standards and student choice in Spain. Traditional university education views transnational education as a threat to them and national educational autonomy. Consumers are also threatened by its lack of quality control.

Transnational education has a number of benefits: it stimulates competition and encourages the mobility of students. The export of transnational education has led to the expansion of Spanish language and culture.

The main problems and threats are associated with the absence of quality assurance mechanisms and fraudulent provision. Public education is threatened by aggressive 'for-profit' businesses. The quality of information available for students is another problem. Finally, there are concerns about the potential negative impacts on national culture of contamination by American imports. Exported Spanish transnational education does not pose such problems.

The quality assurance of transnational education is a central concern. The importing state should be responsible, rather than the exporting state. Public authorities should take responsibility, rather than teaching institutions. Real co-operation between partners should reinforce quality.

A European level quality agency should be established as well as European methods of certification that respect 'subsidiarity'. A distinction needs to be observed between higher education and 'continuing education'.

Transnational education mainly exists in the business and management sectors, information technology and human resources area in the second-cycle 'masters' level of education. For export, doctoral programmes are significant. Future growth is likely to follow these areas and cycles. Considerable development of 'on-line' universities is foreseen, dependent on multinational enterprises (e.g. Microsoft, CISCO).

The main factors responsible for the expansion of imported/exported transnational education are: demand for lifelong learning; the needs of students who have failed in public education; and its competitiveness.

The main implications of transnational education for the creation of a European higher education area are mixed. There is little enthusiasm for the development of 'for-profit' transnational education. European higher education must be harmonised and mechanisms for quality control, evaluation and certification, introduced. The Spanish government is relatively unaware of the dangers of badly regulated imported transnational education in Spain, and mainly concerned with transnational education exports to South America. Mobility and transnational education must be clearly distinguished.

2.16 SWEDEN

There is very little national information held about transnational education within Sweden. The National Board of Student Financing has some data as Swedish students can use their loans for participation in transnational provision both within Sweden and abroad. There are statistics on Swedish students studying abroad who are entitled to use their Swedish student loans. Some 25,000 Swedish students are studying outside Sweden on a full-time basis.

Transnational education is imported via franchise to a limited extent with 'Hoskolan'. There is also some conventional distance learning, branch campus operations, and international corporate centres. In addition, there are some 'for-profit' providers and dual award programmes.

The most important originating source of imported transnational education is the United Kingdom for distance learning and some franchising. The USA is more significant for branch campus operations.

There are no significant Swedish exports of transnational education but 'international' degrees are taught in English in Sweden and targeted at foreign students. These programmes are at Masters level. Some Swedish Universities are involved in educational development activities in China and elsewhere as well as in a number of consortia.

The Swedish NARIC has produced a policy paper on the recognition of awards gained through transnational education. The main principle is that the award must have been made by an institution which is officially recognised in the 'home' country or otherwise accredited by a recognised authority e.g. a US regional accrediting body.

The provision of transnational education is not regulated as such, but the HsV (The National Agency for Higher Education - the national quality assurance agency), deals with the recognition of Johnson and Wales University (a US branch campus operating in Sweden), to enable students to use their state loans to attend the university.

There is no composite list of transnational providers but a *de facto* list is being compiled through claims for recognition and student loans.

The control of transnational education is effective and there is no problem other than bogus universities or 'degree mills'.

The impact of imported transnational education is positive in terms of student choice, national academic autonomy, and the competitiveness of European education. It is negative in terms of consumer protection. It can have both a positive and negative effect on traditional university education. However, the impact is not seen as very significant; as Swedish students have freedom to go abroad to study (with their loans), there is little incentive for them to participate in

transnational education – a ‘different type of educational experience’ in Sweden. There is however a market for MBAs rather than undergraduate studies.

The main benefits associated with imported transnational education are that it provides education with a new perspective and new ideas. Exported transnational education exposes Swedish educational culture to the culture of other countries.

Imported transnational education poses no real problem except in terms of consumer protection from ‘less serious providers’

The responsibility for the quality assurance of transnational education should be with the national authorities of the exporting country, national quality assurance agencies, and international accreditation agencies. Co-operation within ENQA is very important, as is the recognition/quality assurance by national authorities of the exporting country. International accreditation agencies are appropriate in the case of recognition of international consortia. However, the authority and independence and ‘not-for-profit’ nature of such bodies is crucial.

The main subject areas for transnational education are management education and some general education programmes at undergraduate level through branch campus operations. Imported education is mainly at second cycle level.

In the next ten years most growth will be in Masters degrees in Management, Information Communication Technology (ICT) and lifelong learning

The main factors responsible for the expansion of transnational education are globalisation, a more diverse curricula, competitiveness, and previous unmet student demand. Also market forces affects certain types of qualification e.g. currently for MBA, and students feel pressure to gain a particular qualification.

The main implication of transnational education is that it will stimulate the internal European market. The Bologna process will have no impact on transnational education in Sweden but may well have in other countries. European education may well have to prepare to ‘fight off’ competition.

The most significant points for Sweden are:

- That ‘portable’ student loans mean that Sweden has already tackled most recognition issues and has a great deal of experience in this area for a relatively small country.
- Sweden has a NARIC policy document on recognition of transnational qualifications.
- Sweden is able to use student finance as a *de facto* means of controlling the market and protecting students.
- It is possible that the ‘portability’ of student loans creates less domestic demand for transnational education at undergraduate level as students can avoid branch campus operations by going directly to the educational source (home country).
- The recognition in the ‘country of origin’ of a qualification or award is important because of the ‘third country’ dimension e.g. Swedish student studying for a US award in a branch campus in Italy.
- The ‘liberal’ attitude in Sweden to transnational education has not caused a flood of provision or multitudes of ‘degree mills’.

2.17 UNITED KINGDOM

There is no composite national data for exported transnational education, but various partial sources exist including HESA (Higher Education Statistics Agency), the British Council, individual universities and the Quality Assurance Agency (QAA) which has recently asked higher education institutions to submit information about certain types of transnational education. For imported transnational education, sources such as specialist directories and advertisements exist. However, students and employers have limited access to information on any systematic basis.

All types of transnational education are exported and imported, except franchised education which is not imported. The most important originating source is the USA for branch campuses (but not specifically to recruit UK students) and distance learning. Australia is becoming a more important provider for distance learning. There are at least two Japanese branch campuses but these are small and recruit mainly Japanese students.

Unlike the USA, the UK has very little full branch campus export activity. Examples include the University of Nottingham which has been invited by the Malaysian government to set up a campus, and De Montfort which has a campus in South Africa. UK exported transnational education tends to be through partnerships (franchising/validation, articulation and locally supported distance learning) and distance learning *per se*. On-line education is an emerging mode e.g. Strathclyde University Business School programmes in marketing. Some distance learning provision is *de facto* international because of the recruitment publicity e.g. advertising in international publications such as *Newsweek*, *Time* and *The Economist* where no effort is made to target a specific country.

The most important originating sources of exported transnational education and qualifications are:

- Members of the Council of Validating Universities (world-wide);
- The Open University (operating mainly in Europe but also in the USA and Singapore and through the Open University Validation Service);
- Distance learning programmes offered on a global basis e.g. Heriot Watt;
- Large corporate institutions provide continuing professional development (CPD) to their own staff e.g. PriceWaterhouseCoopers or, in partnership with Universities e.g. Ford.
- The University of London external degree programme.
- Several of the UK professional bodies are very active overseas. The Chartered Institute of Marketing (CIM), IEE and RIBA are some examples whereby either examination facilities are made available on a global basis (CIM) or local programmes are validated or accredited for recognition by the UK body (IEE and RIBA).

In respect of the recognition of qualifications no distinctions are made concerning the origins and nature of transnational education. This may reflect the fact that individual academic institutions, employers and/or professional bodies have autonomy or responsibility for recognition decisions and not the Ministry (DfEE) or NARIC.

The position concerning the legal regulation of transnational education is complicated. The UK has signed the Lisbon Convention. There is no listing of importing providers, many of which do not necessarily recruit UK students. Some transnational education providers offer programmes validated by individual UK universities for UK degrees. This causes some confusion as to their status. There is legislation concerning the use of the title 'university' and the authority to offer British degrees. The DfEE produces a list of UK institutions with the power to award UK degrees – the exercise of this power is not restricted to operations within the UK. There are current concerns over the operation of 'virtual degree mills' from within the UK who stay within the letter of the law by not calling themselves UK universities or offering UK degrees. The Minister for Higher Education has referred these concerns to the Department for Trade and Industry.

For exported transnational education there is no regulation or legal control but the Quality Assurance Agency (QAA) is considering a 'certification' process for higher education institutions. The QAA has published a Code of practice on 'Collaborative Provision' and conducts audits of collaborative provision on a sampling basis. The reports of the audit visits are published. The reports often attract a great deal of publicity, some of which damages perceptions about the quality and standards of UK higher education overall. However, respondents considered the process to be an effective quality mechanism but at the possible cost of 'alarming the market'. The National Audit Office has investigated the overseas activities of two UK higher education institutions, and the English and Welsh Funding Councils have issued advice to UK institutions operating overseas concerning the use of public funds.

The 'controls' over exported TNE, whether quality assurance (QAA) or financial (NAO and Funding Councils), are complemented in many locations by local regulations e.g. Hong Kong, South Africa, Malaysia, Israel.

The volume of imported transnational education is generally regarded as marginal at present and consequently has almost no impact, but there is some consensus that it has a positive impact on student choice, access to higher education, on domestic cultural autonomy, and on keeping UK higher education institutions competitive by highlighting the positive nature of UK higher education. Imported TNE provides the opportunity for the 'benchmarking' of standards and exchange of good practice. It is considered to have positive and negative impacts on educational standards, national academic autonomy, consumer protection, and the competitiveness of the EU. The main negative impact is considered to be on consumer protection.

The positive aspects of exported transnational education are that it extends opportunities to students to participate in UK higher education and gain internationally recognised qualifications; it internationalises the curriculum (in the UK) by developing and broadening cultural perspectives of staff and students; generates income for the providers; and facilitates networks and opportunities for research, scholarly activity and student mobility

The main problems and threats associated with imported transnational education are: difficulties for all stakeholders in identifying quality providers and discriminating between them; market flooding; unregulated providers offering awards that sound good but do not deliver; the loss of high fee paying students to prestigious borderless providers (i.e. virtual and distance learning).

Exported transnational education can raise problems such as: clashes in educational 'culture' and values; inadequate quality controls and poor quality of individual providers which endanger the wider UK reputation; the potential for conflict between profit and quality; difficulties in assuring quality at a distance; the costs of meeting different market needs and government requirements which may change suddenly, e.g. changes in legal framework in China and Cyprus.

There is consensus that the responsibility for assuring the quality of transnational education should lie primarily with the exporting/provider institution. This should be supported by (i) strong emphasis on the responsibility of the national authorities of the exporting country, (ii) the national authority of the importing country and (iii), possibly at professional or discipline level, international accreditation agencies. These responses were qualified as follows:

- whether organisations offering transnational education should be approved and/or recognised awarding bodies for higher education qualifications;
- national quality assurance agencies should have some responsibility to protect the integrity of higher education awards in their country whatever the provenance. This might include some kind of recognition process and the provision of public information about legitimate higher education providers from other countries;
- That international accreditation agencies might be better placed to take an international overview and establish international criteria if they have the support (and recognition) of national quality assurance agencies.

The main areas for transnational education are business and management, computing, and continuing professional development in areas including Medicine and health studies. Imported transnational education is mainly second cycle and continuing professional development (CPD). Exported education is first cycle but with some second cycle, especially to countries where the ability to offer postgraduate awards has traditionally been restricted to certain types of institutions. This applies mainly to franchised education/branch campus operations. There is some second cycle postgraduate education (masters) through on-line and distance learning.

It is envisaged that most future growth will probably be in business and management (especially in the fields of health, education and human resources), computing, tourism and health and medicine. Imported education will possibly expand in second cycle, CPD programmes if UK higher education institutions are unable or unwilling to meet the likely demand. There might be an increase in corporate provision of higher education/postgraduate training, particularly if new providers of higher education are given degree awarding powers or other recognition.

The main factors responsible for the expansion of transnational education are mixed. Several respondents do not prioritise factors for the expansion and there is almost no consensus on the importance of factors in relation to imported education. There is much clearer consensus in relation to the main factors for the expansion of exported transnational education: previously unmet student demand; rigidity of traditional education systems; the relative decline of state funding; and barriers to student mobility.

More focused research on 'good practice' is needed. Codes of practice published by the Council of Validating Universities (CVU) and the UK Quality Assurance Agency (QAA) are examples of instruments of good practice. In addition, regular exchanges of staff, and the existence of explicit quality assurance systems and expectations on the part of exporting institutions, are cited as important examples of good practice.

Comments on the main implications of transnational education for the UK and the European higher education area included:

- The impact of a possible increase in the duration of Masters programmes;
- the need to distinguish more effectively between post-experience and postgraduate qualifications;
- Uncertainty as to how/where APEL and credit-based outcomes sit in the post- Bologna developments;
- The potential competition from the increased delivery of programmes in English across Europe;
- The regulation of private/for profit providers;
- The emergence of new consortia and institutional arrangements;
- The impact on categories and data-sets currently used in education.

The major export markets cited by respondents were outside the European Union although many UK institutions actively recruit students from other EU member states on a regular basis. There are approximately 35,000 such students registered on UK courses. There are many links with higher education institutions in other EU states but as they are based on joint programmes and dual awards they are not always viewed as transnational education.

The UK Government views education as a service trade sector. There are three government ministries/departments with an interest in this area: the Department for Education and Employment (DfEE), the Department of Trade and Industry (DTI) and, the Department for International Development (DfID) which looks to develop co-operation and aid rather than trade – their mission being the eradication of poverty. Education exports include not only higher education, but also educational publishing, vocational education (eg EdExcel has a very large presence outside the UK) and ELT, a massive export industry as well as one that also brings many students to the UK. The British Council has a major role in the promotion of UK education at all levels, and, through its educational Counselling Service, assists higher education institutions in recruiting students and by fostering TNE partnerships and distance learning.

2.18 TRANSNATIONAL EDUCATION BEYOND THE EU

The global marketplace for education and training is huge and growing fast. The Australia International Development Programme (IDP) estimates that in the year 2025 there will be 159 million learners in the world, 87 million of them in Asia. In 2000, the export of US education and training services totalled more than \$14 billion and ranked among the country's top five service exports. This put the US among the top three global education exporters, the UK and Australia being the other two.

The reasons behind the growth in education exports include the following:

- **Demographics and access to higher education:**

- Most of the young people are in the developing world. In contrast, Western Europe, in general, has a declining and ageing population.
- In Western Europe, most countries have a participation rate of more than 30% in higher education, this contrasts starkly with countries such as China where the participation rate is about 3-4%. In developing countries, the expansion of tuition-free, state-funded higher education to the levels of Western countries is not feasible. This factor has led to the development of private higher education provision and to opportunities for education exports. For example, in the 1980s, the Malaysian government recognised that less than 10% of its population could be educated through its state-funded institutions and so began to encourage the development of private education, as well as links and partnerships with foreign institutions to complement the state funded system of higher education. These links take the form of branch campuses, franchises, twinning and articulation agreements, and involve mainly higher education, training and professional bodies from the US, UK and Australia. There are more than 200 links between British higher education institutions and Malaysian partners. The Malaysian push to increase higher education provision is not only to enhance the educational qualifications of its population, but also to develop indigenous provision in order to establish Malaysia itself as a regional hub for the export of education and training services. This last intention, is shared by other states which at the moment import transnational education e.g. Cyprus, Singapore and Bahrain.
- **The globalisation of the professions and professional mobility**
 - The need for professionals to service large multinational projects in, for example, construction or information technology, has increased the need for the professions to prepare themselves for the global marketplace through education and training. There is a strong incentive for professionals in architecture, accounting, engineering and IT to ensure that the qualifications they obtain are not only recognised nationally but are also recognised and competitive in the international job market. This appears to have prompted some institutions outside the US to seek accreditation or other forms of US recognition for their programmes in engineering and business and management, or accreditation or validation of their programmes by UK professional bodies such as the Royal Institute of British Architects or the Institution of Electrical and Electronic Engineering. In addition to exports/imports at the level of institutions there is also the phenomenon of individuals taking courses/examinations for professional qualifications e.g. through CIMA (UK) or the ACCA (UK), for certification of language competency (TOEFL, IELTS), or for admission to higher education programmes e.g. GMAT. The trade in such educational services other than higher education provision is huge. Last year it was estimated that more than 2.5 million people globally undertook courses and tests for certification by IT providers such as Microsoft consultants (Reference Clifford Adelman's article in *Change*, July/August 2000).
- **Emergence of new providers**
 - The emergence of other new providers of educational services, such as corporate providers and 'for profit' organisations, is increasing. These providers are in general more likely to serve a different sector of the education market than school-leavers seeking full-time higher education. They are targeting individuals who are already in employment or a profession and are looking for flexible education and training provision either to enhance existing knowledge and skills or develop new ones. One of the best known of these is the University of Phoenix which has opened in several locations in Europe where it considers there is a market for its type of provision. Not only are these new providers but they tend to focus on new modes of provision such as on-line learning and may not offer programmes leading to full qualifications.

The activities of US Universities and Colleges in education exports are more modest in comparison to other US providers of education and training. Their principal activity in international matters is the recruitment of international students to study in the US and they lead the world in terms of numbers (490,933 in 1998-99 with 43% studying at graduate level; almost

42% of international scholars are from Asia). The UK is some way behind in second place with about 250,000 international students (35,000 from other EU states) which represents about 11% of recruitment overall. A US export activity has been the establishment of branch campuses, originally intended to provide education and qualifications for US nationals (usually service personnel) living and working outside the United States. Indeed many branch campuses of US universities continue to function entirely for US students – particularly for those who are undertaking a study abroad programme e.g. University of Tulsa in London. Others have either evolved or been set up to recruit students from a range of different provenance e.g. American Intercontinental University in London (international recruitment), Johnson and Wales in Sweden (mainly recruiting Swedish students) and the American College in Dublin (international recruitment). Recently, some well-known, prestigious US business schools have established campuses in Europe, e.g. Chicago Business School in Barcelona (and also Singapore), Duke University (Germany). This has coincided with more activity in the provision of distance learning, executive management education and the development of strategic alliances with either academic institutions or publishers.

While the volume of US educational exports is high, the level of the internationalisation of US Higher Education is low (according to the ACE report funded by the Ford Foundation on Internationalisation of US Higher Education). Even though the data were inconsistent they suggested that ‘in spite of an apparent growing national interest in international education, relatively few undergraduates gain international or intercultural competence in college’.

In December 2000, the US submitted a communication on trade in educational services to the Council for Trade in Services of the WTO. The US proposal covers higher (tertiary) education, adult education and training services. The communication seeks to stimulate discussion aimed at liberalising trade in these areas. It states:

‘The purpose of this proposal is to help create conditions favorable to suppliers of higher education, adult education, and training services by removing and reducing obstacles to the transmission of such services across national borders through electronic or physical means, or to the establishment and operation of facilities (schools, classrooms or offices) to provide services to students in their home countries or abroad. This would apply to countries that permit private education, not to countries that maintain exclusively public systems.’

This controversial proposal has tremendous implications for all education providers.

Even where governments have encouraged and welcomed the import of transnational education there have been concerns about quality and standards and the need to ensure that learners are able to make informed choices about the programmes that they will undertake. The regulation of non-local operators through legislation has been introduced in many countries notably Hong Kong (SAR), Israel, and South Africa or the recognition and accreditation of private higher education providers has also served this purpose e.g. in Malaysia. Other countries including Australia will be introducing licensing and recognition procedures in respect of non-national provision. At the international level the Council of Europe and UNESCO (CEPES) are active in developing appropriate codes of good practice.

2.19 INTERNATIONAL ORGANISATIONS, ASSOCIATIONS AND INSTITUTIONS

Organisations such as the National Union of Students in Europe (ESIB), the Council of Europe and UNESCO generally displayed a similar set of responses to the questions posed to them. However, it must be emphasised that these responses are not the official views of the respective organisations, and only represent the views of the individuals who responded.

They indicated that imported transnational education has a range of positive and negative impacts. Amongst the benefits associated with imported transnational education the following were emphasised: choice, diversity of provision, education that is more responsive to market demands and student needs. The benefits of exported transnational education help the

internationalisation and globalisation of education, and generated revenues. The problems it poses are concentrated on the commercialisation of education, the threats to traditional institutions, lack of consumer protection, poor academic standards and adverse impacts on the exporting institution and its education system.

There was agreement that responsibility for quality assurance should lie with national quality assurance agencies. This was followed by mixed responses, citing importing institutions, exporting institutions and the need for co-ordinated action by European quality agencies. The expansion of transnational education was mainly put down to previously unmet student demand, inflexible traditional education, and the advances in information technology. An additional factor is the increasing knowledge of foreign languages, particularly English.

The adoption of the UNESCO-Council of Europe draft code of good practice for transnational education, plus other national codes, were mentioned as example of good practice.

Finally, all the respondents indicated that the main implication of transnational education was the need for commonly agreed guidelines and approaches to quality control aspects. This includes the need for better information to students and more transparency overall. To quote part of the ESIB response

‘Quality assurance is therefore the most important aim and an absolute precondition to transnational education.’

3 ANALYSIS AND CONCLUSIONS

3.1 INTRODUCTION

Despite strenuous efforts to gather reliable information, research of this type always suffers from incomplete data. Nevertheless, sufficient was gained to give a reasonably accurate picture of increasing transnational activity and multiplying problems. A simple net-search provides corroborative evidence of this.

Across Europe, it is not surprising that very different situations exist with regard to transnational education. The pattern of provision varies considerably from country to country and the challenges consequently impact in different ways. It is clear from the evidence of this study and other reports that countries like Greece, with highly protected state education sectors, that do not meet current student demand, experience more problems with transnational education, whereas countries like Sweden and the UK with open, diverse and flexible education provision suffer less from 'degree mills' and do not regard transnational education as such a great threat. Certainly, globalisation exacerbates problems for highly protected European education systems. Andrée Sursock notes that:

*'Globalisation constitutes a threat to heretofore-protected European higher education systems. There is a need for consumer protection and regulation, especially to curb what some perceive as 'rogue' transnational providers. Paradoxically, this need is felt more acutely in the more protective and homogeneous national systems which do not offer sufficient choices to students and cannot integrate (and therefore regulate) non-official institutions.'*²²

Transnational education is a subtle and complex phenomenon. Much of it appears remote from traditional education as it takes place outside the traditional sector in terms of its promotion and transmission. The most visible challenge to traditional providers is largely confined to the 'business', communication information technology (CIT) and language (notably, English as a foreign language) areas.

3.2 DEFINITIONS AND TERMINOLOGY

The research revealed widespread confusion concerning the definition of transnational education and its associated terminology. Many respondents sought clarification of the terms and categories used to describe transnational education. Indeed, various previous research studies encountered similar problems and attempted numerous ways to define and categorise it.

The questionnaire and interview responses clearly shows that there is no common understanding of transnational education and in particular there are confusions associated with the inclusion of joint degrees, ECTS credit and articulation agreements, all under the umbrella term of transnational education. The definition used by the UNESCO/Council of Europe Code of Good Practice working group²³ is the most useful one, providing it is clearly understood that it excludes 'programme articulations' as defined in section 1.5.5 of this report.

This clarification allows the understanding of transnational education to be confined to international branch campuses and franchising operations and the provision of education/training by international non-official higher education institutions, off-shore institutions, foreign public universities, various consortia, and corporate universities. This tighter definition has the advantage of reducing confusions and making suggestions about control more precise. Certainly, ECTS and dual awards should be excluded from transnational education as the award of the qualification resides with the home country in which the student completes his/her studies.

²² *Op cit* Sursock, A.

²³ The Council of Europe/UNESCO working group that produced the code of practice in the provision of transnational education.

ECTS concerns student mobility. In the future, under an extended ECTS lifelong learning system, credits will potentially originate in different countries but still the final award will be by the 'home' country.

It would benefit the education sector if confusions caused by the differences in the perception of transnational education could be reduced by the adoption of an agreed understanding of what should be included in the portmanteau term 'transnational education'.

3.3 THE POTENTIAL IMPACT OF TRANSNATIONAL EDUCATION ON HIGHER EDUCATION IN THE EU AND EEA.

The structures of many European domestic education systems are rapidly changing under the impact of globalisation and market forces. The Bologna process is, in part, a response to these pressures. It is likely that, in the long-term, traditional student mobility will be eclipsed by study-programme mobility as more transnational programmes are offered. It is becoming cheaper relatively to move courses rather than students. However, the initial cost of developing (hard-copy and software) mobile programmes is very high but once it has been covered the marginal cost of expanding programmes is low.

In the short-term, the potential impact of transnational education is likely to stay as it is now-of medium scale and significance. Its effect varies in terms of geographical area, academic sector and types of education systems (see section 3.5 below). Currently, its impact is not uniform and this is unlikely to change. However, in the longer term, strong circumstantial evidence suggests that its impact will intensify and broaden. Virtually every response from those contacted foresaw large-scale future growth. New national and international initiatives are continually being announced.²⁴ Most of this growth is likely to be outside Western Europe as most transnational providers regard it as a 'mature educational market'. Central, Southern and Eastern Europe and developing countries across the world are likely to be targeted.

3.3.1 Positive aspects

The main positive aspects of transnational education were reported as follows. They were all ranked with roughly equal overall importance. Transnational education:

- widens learning opportunities by providing more choice for citizens;
- challenges traditional education systems by introducing more competition and innovative programmes and delivery methods;
- helps to make European education more competitive;
- benefits home institutions through links with prestigious foreign institutions;
- for exporter - the opportunity to access new sources of income.

These are significant benefits that collectively help to modernise national education provision. Only one country surveyed saw no benefits in transnational education whilst the rest endorsed the above.

3.3.2 Negative aspects

The main negative aspects of transnational education were identified as follows.

²⁴ E.g. December 2000, the German Federal Department for Education and Research announced, through DAAD, a project for the export of German study programmes with substantial funding to establishing independent study centres abroad. In the UK, the Higher Education Funding Council for England (HEFCE) is pressing ahead (start date 2002) with the idea of an 'e-university' designed to feed suitable UK higher education materials to learners anywhere in the world. These are but two recent examples of significant new developments.

- problems associated with non-official, unregulated higher education providers (often franchise institutions and branch campuses) who remain outside official national quality assurance regimes and are not subject to internal or external audit/monitoring processes.
- consumer protection problems associated with lack of adequate information (and therefore transparency) available to the potential students, employers and competent recognition authorities;
- difficulties with ‘degree mills’ and bogus institutions who exploit the public;
- transnational institutions might represent ‘unfair’ competition for strictly regulated national providers can lead to loss of income to home institutions;
- from the provider view - good quality transnational education is not necessarily recognised. Lack of information makes it difficult to distinguish good from bad transnational education

All respondents repeatedly identified these problems have potential solutions if appropriate action is taken at the national and international levels (see sections 3.10 and 4).

3.4 GENERAL RESULTS OF THE NATIONAL MAPPING EXERCISE

The project questionnaire very often prompted an internal national debate to consider the issues associated with transnational education. No national authority systematically monitors, or collects data on, imported and exported transnational education. In future, accurate information will be required on the size of the sector, wastage and participation profiles, etc. Without this, there can be no proper basis for future national and international policy development.

The picture on the ground reveals a slightly different pattern country to country. Countries such as Greece experience a relatively large influx of transnational education and try to deal with it by outlawing it, which is likely to be a fruitless and unsuccessful approach. There is relatively little activity in Sweden, Denmark, Iceland, Norway and Finland who traditionally have a very open approach towards educational mobility.

In 75% of the countries surveyed, the main types of imported and exported transnational education were identified as being delivered by franchise, branch campus and distance learning modes. It is not possible to be any more precise about the types and extent of transnational education across Europe due the lack of official national statistics. When such information becomes available more conclusions can be drawn about its impact. However, it is reasonable to conclude that unitary (as opposed to binary) education systems reduce the penetration of transnational provision, e.g. UK universities offering Masters programmes in Germany and Belgium, etc. Similarly, countries with open access systems of higher education as opposed to those with *numerus clausus*, provide less opportunities to outside providers.

There appears to be an overall rising level of penetration of transnational education throughout Europe, as market forces and competition intensify and state funding of higher education reduces. The most active European exporting country is the UK, which exports transnational education world-wide. The biggest providers in Europe are the UK and USA. However, many European countries are becoming more active.

3.5 THE EMERGING PATTERNS OF TRANSNATIONAL EDUCATION ON SECTORS, CYCLES AND TYPES OF HIGHER EDUCATION

The emerging patterns of transnational education within Europe are relatively clear. This is backed by other studies. It impacts unevenly on different sectors²⁵, cycles and types of higher

²⁵ It should not be ignored that some transnational education is not recognised/rejected because it is trans-sectoral in nature. The development of more flexible, credit-based systems for lifelong learning may help to overcome some of these difficulties.

education. Transnational education is largely confined to business subjects (especially MBAs), information technology, computer science and the teaching of widely spoken languages, e.g. English, Spanish, German, etc.). Second cycle studies are marginally more affected than first cycle. Much of the activity is delivered in the non-university 'applied' sectors, and particularly for continuing education qualifications. Furthermore, the globalisation of the professions is likely to intensify these trends where professions like accountancy are rapidly moving towards global standards.

3.6 MAIN FACTORS DETERMINING THE SUPPLY OF TRANSNATIONAL EDUCATION

The determinants of the supply of transnational education are presented in order of their significance as revealed by the research. There are national and regional variations.

- costs of production of programmes (that fall with increasing scale);
- the nature of the national market;
- the existence of legal regulation and controls;

It is clear that much of the impetus for transnational education comes directly from the need to raise income by 'for profit' and traditional state education providers. The latter are increasingly seeking new ways to increase their funding. This pressure has been strongest in the UK and this helps to explain why it is such a dominant European provider. It is also reasonable to conclude that the supply of transnational education provision is encouraged by the increasing technical ease of delivery by use of the Internet and other technological factors.

3.7 MAIN FACTORS DETERMINING THE DEMAND FOR TRANSNATIONAL EDUCATION

The demand for transnational education by foreign nationals is much higher in some countries than others. The evidence reveals that in Southern Europe a high demand for transnational education exists. Here it often acts as a significant access route to higher education and the acquisition of internationally recognised qualifications (although not necessarily nationally recognised ones). It is axiomatic that the more rigid the education system, the more it attracts transnational providers. There is often a clear demand-led pattern.

The main determinants of demand are:

- cost of the programme;
- brand name of the provider and product;
- value-added from the programme;
- reputation, quality and perceptions of the programme;
- the national/international recognition of the programme;
- the convenience and nature of delivery;
- the level of competition (dissatisfaction/failings of traditional education provision).

These determinants can be further separated into 'pull factors' that attract students to imported education and 'push factors' that repel students from home provision. Where national education systems offer qualifications that have less relevance, quality, access and international recognition, there is clear evidence that the demand for alternative sources of education increase.

The European and global education market is becoming more competitive and nation states need to ensure that their domestic systems compete. Perhaps the best way to achieve this is to learn from the competition and make their systems flexible and responsive to the needs of citizens.

3.8 THE POTENTIAL GROWTH OF TRANSNATIONAL EDUCATION

The increasing internationalisation of education promoted by past activities of the European Commission, national governments, the Council of Europe, UNESCO, and the current Bologna Declaration process, all help further to expand and reinforce the conditions that promote the growth of transnational education. Guy Haug remarks:

*'...what is genuinely new and explains the growth of transnational education is that students are less and less restricted to what their national system is prepared to offer, for two main reasons: the appearance of new providers competing from afar with their national universities, and the fast emergence of "global English" as an alternative to the national language for the acquisition of higher education qualifications.'*²⁶

However, drawing conclusions about the future nature, range and speed of its growth is difficult. It is likely, as with any rapid market growth, that there will be market shakeouts and rationalisation. Nevertheless, the continued growth of transnational education is inevitable even if the pace of this growth is more difficult to guess. The precise nature and pattern of growth will in part depend on the continued globalisation of education and the responses of national and international bodies to it.

The Bologna process will certainly make European education more attractive, accessible and transparent to the world. European states need to take full advantage of the future growth in transnational education. They should collectively build on their reputation for quality education. They should seek to attract more non-European students to study in Europe and export their programmes around the world.

3.9 CURRENT NATIONAL APPROACHES ADOPTED TOWARDS TRANSNATIONAL EDUCATION

A number of alternative national approaches have been adopted towards transnational education that ranging from indifference (Denmark, Austria, Germany); dislike (Greece); through to its positive encouragement as a device to export education and generate extra earning from overseas students taking home programmes (UK). Many countries demonstrate a contradictory attitude to the import and export of transnational education. However, the overwhelming majority of respondents did want to see adequate control of transnational education. This was most strongly argued by southern European countries.

It must also be remembered that some transnational education is almost impossible to control where stateless, virtual 'on-line' Internet delivery is concerned. However, few examples of the latter operate in Western Europe.

As most European states do not specifically regulate transnational education as importers or exporters, it is not surprising that there are no effective controls. The exceptions to this are those countries that employ purpose-built control mechanism like the UK and Sweden who employ quality assurance mechanisms and codes of practice.

The main controls that might impact on transnational education are laws that only apply when higher education providers seek official national accreditation/recognition. The problem is that in most cases transnational providers do not seek this.

²⁶ Haug, G (2000) *Response to Professor Sergio Machado's presentation 'Introducing the theme of transnational education'*. Delivered at the Conference of the Directors General for Higher Education and Heads of the Rectors' Conferences of the European Union, Aveiro, Portugal.

There is also a tacit form of control through the recognition or non-recognition given to the qualification of transnational providers. One approach is to recognise the qualification if the transnational provider is recognised in the education system of their country of origin, e.g. Netherlands, Sweden, and Switzerland. Sweden is the only country with a published policy on the recognition of awards gained through transnational education.

3.10 THE IMPLICATIONS OF TRANSNATIONAL EDUCATION FOR CONSUMER PROTECTION²⁷

Transnational education has some obvious and very significant implications in terms of consumer protection.²⁸ Respondents to this study were unanimous in this view. Most of it is largely unregulated, and many of the regulated parts suffer poor control. Added to this are the very different and uneven treatments that exist across Europe. Sérgio Machado dos Santos remarks:

‘An interesting point to note is that countries with open regulatory frameworks, like Austria and the Netherlands or Norway, seem to have less problems with transnational education, because such open systems tend to absorb non-official higher education as it comes and, by officialising it, some control is acquired.’²⁹

Transparency, recognition and accreditation are obviously linked to the control of transnational education and have a role to play in its quality assurance. The total quality assurance of transnational education should involve all the relevant actors including the creators, importers, exporters and consumers. The big question is how to distinguish good from bad transnational education; how to control it effectively and protect consumers, in a way that encourages the positive aspects and discourages the negative. This is not easy. A way must be found that ensures an appropriate balance between external accountability and institutional autonomy - a rigorous system that avoids any devaluation of education.

3.10.1 Main quality assurance problems posed by transnational education

The main problems associated with consumer protection are as follows:

- Non-official transnational higher education raises problems of control as it lies outside the national systems for public accountability. It must also be remembered that the rigour (and even existence) of quality assurance systems varies considerably between different European States. The fact that education provision is part of a national recognised framework does not necessarily guarantee its quality.
- Transnational education providers, in addition to not being subject to any external quality assurance regime, do not necessarily have any internal quality assurance mechanisms.
- Transnational ‘degree mills’ sell fraudulent qualifications to ill-informed citizens.³⁰
- The Lisbon Convention only applies to qualifications issued by recognised education providers of signatory states. It does not cover all transnational education. However, there is nothing to prevent the application of the principles of the convention by any partners to those who are signatories.

²⁷ The use of the term ‘consumer protection’ raises sensitive issues concerning the distinction between ‘consumer’ and ‘student’. For the purposes of this study no distinctions are made or implied and the terms are used synonymously. It should be noted that in the case of transnational education many students do regard themselves as consumers - as they do under many European education systems where they have to pay directly for their education.

²⁸ A detailed discussion of these issues can be found in the, *‘International Initiatives and Trends in Quality Assurance for European Higher Education’* report by Campbell and Van de Wende.

²⁹ *Op cit* Machado do Santos, S.

³⁰ The difficulties of controlling ‘degree mills’ are highlighted in a recent article: Chapman M (15th December, 2000) *‘I’d like one doner kebab and a PhD to take away.’ Times Higher Education Supplement*, page 18/19.

- What is official education in one country is not necessarily 'official' in another.
- The national legal framework for regulation often creates inflexible structures that make the regulation of non-official education problematic.³¹

These problems might be summed up in the question - how can existing national and international quality assurance systems and devices address the quality of programmes offered by these new types of higher education provider? None of the respondents suggested that transnational education should be prohibited but the majority wanted some system of control. These 'quality issues' are now most pressing.

3.10.2 Requirement for multi-level solutions

Various solutions are required at several levels and these amount to the development of a new quality framework for transnational education. The UK 'Borderless Education' project, also proposed the need for such a framework and their findings are fully confirmed by this project. It is worthwhile to quote, in full, from their report on this matter:

*'We suggest that the main elements of a quality framework for borderless education should include: currency and security of qualifications; audit of the system for the design and approval of curricula or appropriate learning contracts; an internationally-recognised system of educational audit; licensing of staff; security of assessment; an internationally-recognised approach to recording and certifying attainment; adequate public information about learning opportunities; approved guidance and complaints systems for learners; transparent quality management processes for each agent in the educational supply chain; access to learning resources assured by the provider; and publication of guidance relevant to different modes of provision.'*³²

Transnational education presents many challenges to internal and external mechanisms for quality assurance. Their activities must be subject to the same processes as official higher education. Consumer protection requires the use of accreditation, validation and monitoring if citizens are to be properly protected. Governments and/or national agencies have a responsibility to regulate and control transnational education. Currently, many new providers of transnational education are faced with a dilemma - to seek accreditation or not. Governments need to encourage them to become subject to national quality assurance mechanisms. Again to quote Sérgio Machado dos Santos:

*'a more practical and efficient approach may be to institute appropriate practices to gain control of the provision of transnational education in the host country, namely by creating mechanisms and/or incentives for its submission to the quality assurance procedures applying to official higher education.'*³³

National authorities should also protect the title 'university' and the 'degree awarding powers' as this makes life more difficult for 'degree mills' and bogus institutions.

3.10.3 Conclusions

In the longer term, a common European quality assurance framework may eventually emerge to complement the existing common framework for recognition. In the meantime national solutions buttressed by the use of emerging international tools are the only way forward. Transnational education calls for transnational control. Transparency and parity of treatment of all higher education must be the goal. It is a *sine qua non* that without being more transparent about their own provision, national systems cannot have any firm basis to compare standards with those of transnational education provision. National and international authorities as well as higher education institutions involved in transnational education should act in these circumstances. Looking at the question of transnational education from the student's perspective, they require and deserve fully recognised qualifications, good courses and value for money.

³¹ *Op cit*, Kokosalakis/Tsaousis, page 28.

³² *Op cit*, CVCP The Business of Borderless Education.

³³ *Op cit*, Machado dos Santos, S, page 12.

3.11 GOOD PRACTICE IN THE CONDUCT AND CONTROL OF TRANSNATIONAL EDUCATION

Prior to any student starting any educational programme (including transnational provision) a pre-condition is the provision of accurate, detailed information on the programme (content, level, teaching methods, outcomes/skills, recognition, etc.) and the institution (status, quality, accreditation, standards, etc.). For much transnational education this sort of information simply does not exist or is not accessible to the citizen. This is a major drawback that needs to be overcome by transnational education providers and importers.

Examples of 'good practice' recommended by respondents were:

- the adoption and implementation of the UNESCO/Council of Europe code of practice;
- the creation/adoption of suitable national codes, like those developed by the UK and Australia;
- the use of Diploma Supplements to provide 'transparency' and clear information about the status, contents and use of qualifications and their providers³⁴.
- all programmes should be expressed in terms of learning outcomes and levels of achievement as this clarifies their nature and application.
- the more intensive use of the ENIC/NARIC networks at national level to exchange information and advice on transnational matters.
- The increasing awareness and activities of US accreditation agencies who accredit US providers outside the USA;
- Application of all the provisions of the Lisbon Convention to transnational education.

3.12 SUMMARY

Transnational education relates to all dimensions of current educational debates. It affects recognition, accreditation, cultural autonomy, competitiveness, transparency and the Bologna convergence process. The most significant findings of this project are:

- It is premature to announce the death of traditional education providers but they must adapt to the pressures of transnational education if they are to avoid any marginalisation of their activities, particularly if they are not to miss out on new opportunities in Continuing Professional Development (CPD) and lifelong learning. Transnational education does not focus on the traditional provision of education for the 18-24 age group in Western Europe as this is already well provided for by public education. Transnational education does not replace traditional education it complements it. Transnational education is a more opportunist, niche activity at present but this can change.
- Significant numbers of institutions view transnational education as some sort of threat to standards and their existence. The scale and intensity of the threat is misjudged as it is currently confined to certain sectors of educational provision. However, its rapid expansion is likely to continue unabated and so will its impact. It needs to be subject to appropriate quality control mechanisms before the problems intensify. Governments and institutions in importing countries must consider why their students choose imported education. Fear of

³⁴ The Diploma Supplement contains useful sections on, *inter alia*, the status of provider institutions, their accreditation, and the education system to which the qualification belongs.

transnational education should not translate into ineffective protectionism. This is counter-productive and damaging to the creation of the European higher education area.

- Control is needed for all types of transnational education. Proper student/consumer protection must be put in place with clear information and codes of practice. Concerns as to how it is delivered, organised and recognised can be overcome. The most successful³⁵ approaches to transnational education appear to be where it is drawn into the national system of regulation and not regarded as a threat but an opportunity, e.g. as in Sweden and the UK.
- The variety and permutations of institutions and types of transnational education are considerable. There is a high level of confusion and ignorance concerning transnational education. States or appropriate national authorities do need to keep data on the extent and nature of the national situation regarding imported and exported transnational education.
- Transnational education should not be ignored as it has significant implications for the Bologna process and the creation of a vibrant and competitive European education area. The potential benefits and opportunities presented by transnational education are immense. There is relatively little to fear from it, providing European and non-European consumers are protected by suitable control mechanisms. Individual countries have to decide the perspective they will adopt towards it. A positive European approach does not have to conflict with national interests. The best solution is a complementary way forward that harnesses the opportunities associated with transnational education to help create the European higher education area.

³⁵ Successful, from the perspective of the student, the providing institution/receiving institutions and state authorities.

4 RECOMMENDATIONS

4.1 INTRODUCTION

Action is required at every level by national and international higher education stakeholders in Europe. Transnational education impacts on education in far-reaching and significant ways. Inaction on the behalf of European providers (exporters), students, regulators, receiving countries (importers), and international organisations would harm the development of a European higher education area. This area is essentially a dynamic and competitive higher educational zone that is intended to attract European and non-European students, as well as export our culturally distinctive educational programmes. A protectionist stance would stifle the forces for change. What is needed is a positive approach to the opportunities presented by transnational education.

Globalisation has prompted many governments to rethink how their citizens are educated and trained. Transnational education is the educational manifestation of this globalisation process and strategies to adjust to it must fit with other national educational goals, e.g. to promote lifelong learning, transmit culture and increase competitiveness, etc.

Transnational education should not be regarded *per se* as an inherently negative or positive phenomenon - rather it is a 'fact of life' that cannot be 'un-invented' or abolished. It touches on all dimensions of the current European educational debate engendered by the Bologna declaration, including matters of recognition, transparency, accreditation, cultural and academic autonomy, convergence and divergence. It has the potential to have both a benign and/or a malign impact and consequently it should not be ignored. The competition it represents can sharpen our domestic education provisions and consequently the quality of our educational exports which in turn will promote our distinctive European cultures world-wide.

All national and international bodies in the education sector should adopt a balanced attitude towards transnational education. National and European priorities can complement, rather than stand in opposition to, each other. The potential and actual advantages associated with transnational education are significant and its import and export should be encouraged as a vehicle to improve access, widen participation, enrich the curriculum, and expand choice and flexibility. European involvement will widen the market for European education. National governments and institutions should not adopt a protectionist stance towards it, as this is likely to be ineffective and counter-productive in terms of the development of an internationally competitive European education.

The following recommendations aim to strengthen the European higher education area in the context of transnational education. They apply to individual higher education institutions, national authorities and international organisations. They naturally fall into three categories: general recommendations, recommendations that relate to the internal dimension and those which relate to the external dimension of European education.

4.2 GENERAL RECOMMENDATIONS

All stakeholders in the European higher education area are recommended to:

4.2.1 Adopt agreed definitions and terminology

Confusions over what is included under the generic term 'transnational education' abound. A common vocabulary is needed. This situation should be ended by the widespread adoption of the Council of Europe/UNESCO definition with the understanding that programme articulation (including ECTS, joint awards and twinning agreements) are a separate category of transnational education. These types of activities should be more properly described as 'multinational education' where there is a fusion of responsibility for the educational programmes in question.

4.2.2 Establish a European forum on transnational education

International bodies have a particular responsibility for transnational education, in that it does not admit to easy national regulation. The need for the monitoring of developments, and liaison between appropriate bodies, requires the ongoing close international co-operation of such bodies as the Confederation of EU Rectors' Conferences, CRE, ESIB, ENQA, the NARICs and ENICs, International Professional Bodies, EADTU, etc. To facilitate this, the European Commission, UNESCO and the Council of Europe should establish a European forum. It is not intended for such a forum to be a permanent new network, but rather a group of organisations that, when necessary, are called together to:

- Promote the inter-institutional exchange of information and intelligence on transnational educational policy and problems.
- Formulate recommendations regarding the 'internal' and 'external', European dimension of transnational education.
- Facilitate liaison between traditional higher education institutions, franchisers, franchisees, virtual universities, non-official transnational higher education providers, professional bodies and corporate providers.
- Encourage staff development workshops and seminars to promote good practice.

4.2.3 Undertake further research

Further research should be undertaken by:

- European national governments, at the national level, to monitor the ongoing nature and impact of transnational education. There is poor national information on the size of sector, nature of provision, student tracking, participation rates, wastage rates, pass rates, etc.
- The European Commission, into the unique pattern of transnational educational developments taking place in Central and Eastern Europe where serious problems exist. Such research would complement this present study.
- The European Commission, into the activities, perspectives and views of 'Corporate universities' and other legitimate private transnational education providers.

4.3 RECOMMENDATIONS FOR THE INTERNAL EUROPEAN DIMENSION OF TRANSNATIONAL EDUCATION

The following recommendations relate to the internal dimension of European education. They are measures to protect students/consumers whilst controlling the provision, and ensuring the quality and 'fair recognition' of education imported into Europe. In parallel to these recommendation European governments and higher education institutions should examine and resolve the specific reasons why their students might favour imported education over any home provision.

4.3.1 Improve the information available to citizens

- National authorities, higher education institutions and international bodies should disseminate clear and 'transparent' information in good faith to potential students about what to look for when considering education provided by a transnational provider. This should include information on the status of the institution; its accreditation; the recognition (national/international) of the programme of study; any rights to practice conveyed by the qualification, etc. Governments have a responsibility to raise public awareness in this area.
- National authorities should make accessible to the public clear information on state-accredited and officially state-recognised institutions and awards, together with national lists

of recognised accredited institutions. Such information hinders the activities of bogus institutions and 'degree mills'.

4.3.2 Eradicate bogus institutions/degree mills

Concerted national and international action should be taken to expose 'degree mills', bogus and fraudulent transnational institutions and their associated awards. Steps should be taken to make all such institutions illegal and thus protect students and the interests of legitimate education providers. This can be aided by national action to:

- Protect title and awards. Competent national authorities should ensure the adequate legal protection of their educational titles and/or awards.
- Improve trades description legislation. Competent national authorities should ensure that appropriate national legislation covers the marketing, description and distribution of educational services.

4.3.3 Ensure national legal frameworks take account of transnational education

States need to review their national legal frameworks to ensure they take account of transnational education and their modes of delivery. Measures to help non-official higher education to seek official recognition should be encouraged.

4.3.4 Apply the Lisbon Convention

National bodies should be reminded that the framework developed by the Lisbon Recognition Convention 1997, provides a normative approach to the assessment of qualifications³⁶. Both signatory and non-signatory countries should apply the principles outlined in the Convention to transnational education. In addition, the Council of Europe/UNESCO, draft code should be followed: *Recommendations on Criteria and Procedures for the Assessment of Foreign Qualifications and Periods of Study*.

4.3.5 Utilise national quality assurance bodies

Where national quality assurance bodies/agencies exist they are an effective means of transnational education control. Where they do not exist they should be created. It is recommended that such agencies should assume a responsibility for imported transnational education. This should take the form of:

- Monitoring the activities of imported transnational education providers;
- Liaising with providers (and countries of origin) when problems arise;
- Reporting bogus institutions to appropriate national and international authorities;
- Seeking bilateral solutions to transnational education problems;
- Providing advice and information to the public associated with imported transnational education.

4.3.6 Ensure that the European Network of Quality Assurance (ENQA) focuses on the quality issues raised by transnational education

ENQA should be encouraged to become a forum for monitoring and recommending ongoing appropriate action regarding the quality assurance dimension of transnational education in the EU/EEA, as well as Central and Eastern Europe. It should consider the need for any updated European generic code of practice as well as advising on the development of national codes.

³⁶ It has been suggested by Wilson and Vlăsceanu that in a strict legal sense its validity is restricted to the recognition of qualifications that only belong to the higher education systems of countries that are party to the Convention. Furthermore, it is designed for the purposes of student mobility and not programme mobility. Despite this it still represents excellent good practice.

4.4 RECOMMENDATIONS FOR THE EXTERNAL EUROPEAN DIMENSION OF TRANSNATIONAL EDUCATION

The following recommendations relate to the external dimension of European education. They are measures to promote the quality and reputation of European exported education, as well as the educational appeal of Europe as a place to come and study.

4.4.1 Increase European institutional collaboration in the provision of transnational education

The European Commission should explore new ways to promote inter-institutional collaboration and strategic alliances (including professional bodies, higher education institutions, software companies, etc.) in the provision of transnational education. This should include the facilitation/funding of European educational consortia to provide transnational education designed to:

- Include groupings that reflect European expertise in particular disciplines, e.g. mining engineering, conservation, languages, information technology, etc.
- Transmit European education by all appropriate means, modes of delivery and provision.
- Help promote ‘sustainable development’ in emerging higher education systems, linked to EU overseas aid programmes that seek to develop local expertise and the local higher education infrastructure.

4.4.2 Adopt the Council of Europe/UNESCO code of practice

Competent national authorities and individual institutions should adopt the Council of Europe/UNESCO draft *Code of Good Practice in the Provision of Transnational Education*³⁷ which elaborates universal principles upon which transnational education should be founded. Furthermore, these principles should be linked to any existing national quality assurance mechanisms³⁸.

4.4.3 Development and use of national codes of practice

Various detailed national codes of practice exist³⁹ to cover the provision of transnational education. It is recommended that all European countries should consider the development and adoption of a detailed national code.

4.4.4 Utilise national quality assurance bodies

Where national quality assurance bodies/agencies exist they were found to be the most effective means of transnational education control. It is recommended that such agencies should assume responsibility for all transnational education originating (exported) from their country following the codes and practices previously identified. Where such agencies do not exist they should be created. Exported education should be subject to the same standards as those provided by state institutions to the European citizen.

4.4.5 Adopt rigorous internal and external quality assurance practices

All European higher education providers of transnational education should demonstrate the integrity of their educational institutions and their awards when offering, or considering offering, transnational education⁴⁰. They should be fully aware of the implications and responsibilities associated with their activities and demonstrate their commitment by:

- Seeking appropriate accreditation/recognition of their institutions and programmes of study.

³⁷ *Ibid.*

³⁸ The ENIC/NARIC network paper, *Recognition Issues in the Bologna Process*, suggests that ‘while the recognition framework may be in place for qualifications belonging to national systems, further work may still be needed with respect to the recognition of non-traditional qualifications and qualifications that are not rooted in national systems.’ See page 6 of the document published in May 2000.

³⁹ For example, those in Australia, US, UK, etc.

⁴⁰ This includes all traditional public (state) universities, recognised higher education institutions, non-official higher education institutions or any other variation. It also includes all institutions whether they are subject to any existing national quality assurance regimes or not.

- Adopting rigorous and transparent internal quality assurance processes including procedures for student appeals. They should adhere to the Council of Europe/UNESCO code of good practice as well as any national codes that cover the provision of transnational education in the countries they operate. The design, delivery and monitoring of their qualifications should undergo regular and accepted validation and audit process.

4.4.6 Traditional educational providers should innovate and reform

Governments and European higher education institutions should be encouraged to respond to the challenge of transnational education by:

- Critically re-evaluating the structure, organisation and delivery of their own programmes in the light of examples of the most innovative, high-quality transnational programmes. European education must be flexible and embrace new modes of delivery. This will improve their competitiveness in the transnational education market.
- Co-ordinating the provision of information about educational opportunities for study within Europe, through the creation of a master Website that links to appropriate local, regional or national sites. Such a site should also contain information on European programmes offered outside Europe.
- Promoting transnational education in the context of lifelong learning and increasing the bridges and links between European academic and professional education and training. This is particularly important in the context of ‘continuing professional development’ where a global market exists. The focus for exported European education should be on rapidly developing regions where the provision of local education cannot meet demand.
- Adopting internationally accepted mechanisms to promote the transparency and recognition of their programmes. In particular, they should actively seek to converge their education system following the Bologna blueprint by expressing their programmes in ECTS credits and issuing Diploma Supplements.

4.5 CONCLUDING COMMENT

Transnational education has strategic implications for all citizens, institutions, governments, and international bodies. It has a far-reaching positive and negative potential to impact on the creation of the European higher educational area. The positive must be encouraged whilst the negative is blocked. Transnational education is perhaps best regarded as a ‘positive irritant’ that will, if approached correctly, cause the quality and attractiveness of European educational provision to improve, thereby aiding the creation of a ‘Europe of knowledge’.

Stephen Adam 9th March 2001.