

House of Commons
Debate on Exiting the European Union and Global Trade

6 July 2017

Introduction

- On 6 July 2017, the House of Commons will hold a general debate on exiting the European Union and global trade. This debate represents an opportunity for parliamentarians to ensure that the UK's world-leading higher education sector is a central consideration in any future bilateral or multilateral deals which are negotiated following Brexit.
- UK universities are among the country's most international institutions, and are a British success story: world-renowned, internationally competitive, and a major economic asset, with three of our institutions ranked as being in the top 10 of all universities in the world, and 12 in the top 100. In addition to boosting skills and performing cutting-edge research, universities are key drivers of regional economic growth and contribute around 2.8% of all UK GDP.
- International collaboration, and the contribution of international staff and students, underpins the excellence of UK universities in teaching, research and innovation. With only 0.9% of the world's population, the UK produces 15.9% of the world's most highly-cited articles. The UK also ranks first in the world by field-weighted citation impact (an indicator of research quality).
- This briefing outlines some ways in which future free trade agreements could impact the UK university sector, provides initial recommendations for the government in upcoming negotiations, and outlines further work Universities UK is undertaking to strengthen our evidence base on this issue. It also seeks to signal Universities UK's appetite and readiness to work in partnership with government in this vital area: to facilitate sector consultation; to inform the approach to future negotiations; and to maximise opportunities for UK higher education as part of the Global Britain strategy.
- Universities UK has outlined elsewhere [our priorities](#) for the ongoing negotiations about the UK's future relationship with the EU.

Higher education in free trade agreements

- In April 2017, the UK Trade Policy Observatory (UKTPO) based at the University of Sussex undertook research on behalf of Universities UK to examine whether future free trade agreements could enhance opportunities for UK higher education on the global stage. The document, on which much of this briefing is based, can be found on the [UUK website](#).
- Future UK trade agreements have the potential to enhance opportunities for UK transnational education (TNE) in particular – TNE being defined as ‘the provision of a higher education degree programme leading to a UK qualification for students based in a country other than the one in which the awarding institution is located. This includes joint, double or dual awards’. Transnational higher education is a UK success story: there are only 15 countries in the world where the UK does not offer any higher education TNE, and the number of students enrolled on UK TNE programmes of study has increased by over 17% since 2012/13, with a 5.3% increase in the last year alone. The government has estimated the total revenue value of TNE to the UK economy at £496m in 2012/13.
- There is a close correlation between international collaboration and research excellence. Working internationally enables individual academics to increase their impact and nations to pool talent and resources to address global challenges that no country can tackle alone. Analysis has shown that while total research output has more than doubled over 30 years for some established economies, the global trend has been for more of this research to be undertaken as part of international research collaborations. While around 90% of UK output was domestic in 1981, less than half is now produced domestically. This means that almost all the growth in output of the last three decades has been produced by international partnerships.
- The UKTPO research identified that higher education and research have featured in other countries’ trade agreements in a number of different categories, including:
 1. collaboration in science, research and innovation;
 2. the provision of education as a service (eg through jointly-delivered degree programmes, double degree programmes, campuses, joint schools, distance education, or other forms of transnational education);
 3. recognition of degree qualifications;

4. mobility of academic staff and students;
 5. the right to use university title in overseas locations, and
 6. other regulatory issues.
- The report observes that Australia, in particular, has made active use of free trade agreements to secure higher education policy objectives. The Singapore-Australia Free Trade Agreement (SAFTA) includes commitments to increase recognition of Australian qualifications in law, medicine and allied health, and establish a process to allow Australian universities to use the title 'university' for campuses in Singapore.
 - While there have been successes in several Australia's free trade deals (China, Japan and Korea in particular), higher education and research commitments do not typically feature as prominently, or at this level of detail. Of the 279 free trade agreements in the World Bank dataset which were assessed by the UKTPO report, 68 (24%) of agreements include provisions about research, and of these 24 (9%) are legally enforceable, 55 (20%) contain a provision on education, and of these 20 (7%) are legally enforceable.

UKTPO report: initial recommendations

- The aforementioned UKTPO report into free trade agreements and higher education has a number of initial recommendations ahead of the government beginning any future free trade negotiations, which may be summarised as follows:
 1. **Each negotiation will be different:** preparation ahead of each bilateral or multilateral trade negotiation will need to be approached on a case-by-case basis, with evidence of UK sector priorities in each country context – alongside any potential risks or sensitivities - established through close engagement with UK universities.
 2. **Sector consultation will be vital to maximise opportunities and minimise risk:** there is no substitute for detailed information collection both on what UK universities see as the main challenges and on any possible partner's domestic regulation and openness to using free trade agreements as a means of advancing policy. Any evaluation should look at the specific circumstances of each country in question. Universities UK is well placed to facilitate this consultation, working with UK government officials.

3. **Cooperation in research:** alongside opportunities for UK universities in transnational education, qualifications recognition, the simplification of regulatory issues, and other areas referenced in the UKTPO report, the UK should aim to include research as an explicit area of cooperation in its free trade agreements, acknowledging the world-leading performance and reputation of UK research. This should be framed in a way that allows the scope of the cooperation to develop in directions not foreseen at the time of signature.
 4. **Willingness to compromise in order to secure opportunities for UK higher education:** the UKTPO report notes that the UK ‘has strong interests in education services trade in both directions and any government should recognise that it will likely have to make concessions in order to secure them from any negotiating partner’.
- Universities UK will be undertaking further research to establish the concrete outcomes resulting from the inclusion of higher education and research commitments within previous trade agreements negotiated by other countries, and to develop a clearer understanding of any potential risks or sensitivities associated with positioning UK higher education as a central feature of future UK trade agreements. The key message is that HMG engagement with the sector is vital, both to maximise opportunity, and to identify any areas of potential concern which could otherwise negatively impact the UK university sector’s capacity to succeed internationally, and to contribute positively to the Global Britain agenda.
 - A Universities UK ‘trade policy laboratory’ will be scheduled in the near future, bringing together government officials from a range of departments, trade policy experts, and a range of UK higher education sector representatives, to help to inform more specific Universities UK policy positions on free trade agreements.

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