Partner North East Asia Webinar Series – Why the Region Matters

Summary Report

14 – 18 November 2022

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Purpose

The Partner North-East Asia webinar series reviewed and assessed the potential for international collaboration between the UK's higher education (HE) sector and the top five higher education markets in the region: China, Hong Kong SAR, Japan, South Korea, and Taiwan.

The event was designed to highlight fresh perspectives on the region's wealthiest countries to enable UK higher education institutions (HEIs) to inform their strategic plans from 2023 onwards. More specifically, the Partner North-East Asia had three aims:

- to assess the operating contexts (e.g., economic, demographic, developmental, geopolitical and educational) – and the risks and challenges - that determine the regional potential for the UK HE sector across student mobility, research and transnational education (TNE).
- to share the best practice of UK and regional education partners, supplemented by insight from the British Council and practitioners on the ground, through case studies and experiences of successful partnership work with countries in North-East Asia.
- to identify ways in which the UK might more meaningfully and successfully engage with North East Asian countries to grow its collaborative footprint in this highly competitive education landscape.

Context

Economy

- The region's combined GDP was worth $25.7 trillion USD in 2021 – dominated by China, which accounts for slightly over two thirds of the total and is the world's second-largest economy behind the United States. Japan is ranked as the world's third-largest economy.[1]

- Unlike other parts of Asia, living standards in this region have matched or exceeded developed country levels, with regional income levels comparing favourably with those of the UK.

- The region has three of the world's 12 largest economies. Most of North-East Asia's countries are included in the World Bank's high-income category, with the exceptions of mainland China (upper-middle income), Mongolia (lower-middle income) and North Korea (low income).

- Overall, the region has seen strong economic growth over the last decade, averaging 4.7 per cent GDP growth per year in real terms, despite a major decline in most countries in 2020 due to the Covid-19 pandemic. However, this varies greatly from country to country. Most of the growth was driven by mainland China, while the region's second and third largest economies – Japan and South Korea – saw much slower average growth of 2.6 and 0.5 per cent per year respectively.

- Trade between North-East Asian countries and the UK totalled around $143 billion USD (£112 billion) in 2019.[2] Mainland China was responsible for the largest share, with bilateral trade totalling around $96 billion USD (£75 billion).

- The North-East Asia region is maturing economically, but with all its markets growing at slower rates than previously, including China.

Demographics

- The region has a total population of 1.66 billion, including around 1.43 billion in mainland China plus another 237 million in other countries in the region.[3]

- Excluding North Korea, Macau and Mongolia, the other countries in North-East Asia together account for 21 per cent of the world's population but punch above their collective weight by delivering 27 per cent of global GDP.

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[1] Euromonitor
[2] World Bank. Data excludes trade with Taiwan.
[3] UN Population Division

- Despite high economic output overall, the region has a declining birth rate, with Hong Kong and South Korea exhibiting the lowest birth rates globally. North-East Asia's share of the world's student-age population is diminishing.

Geopolitics and politics

- There is wide variance across North-East Asia's political systems. Regional variance in terms of parity with developed world standards of democratic openness and participation is evident from UN Democracy Index analysis.
- Three countries (Japan, South Korea and Taiwan) exceed levels of openness and participation considered 'standard' in the UK and the developed world, with China and Hong Kong yet to reach those standards.
- Government restrictions such as the National Security Law in Hong Kong, or the stringent Zero Covid policy in China have deep impact on peoples' lives but these do not diminish the desire or demand for international education and research collaboration from those nations.

International education

Student Mobility

- The region as a whole was responsible for around 180,000 students at UK higher education institutions in 2020/21.
- China is the top sending country for international students studying in the UK. In the 2020/21 academic year, more than 150,000 students from mainland China were enrolled with UK HEIs, not including those enrolled on transnational education (TNE) programmes.[4]
- Hong Kong is among the top 10 source countries for UK higher education and the top source of overseas students studying at UK independent schools, slightly ahead of mainland China. South Korea, Taiwan, and Japan all send significant numbers of students to the UK.
- UK education has a strong reputation throughout North-East Asia and is the leading choice for international students from Hong Kong but falls well behind the US among students from mainland China, Japan, South Korea and Taiwan. The UK is also slightly behind Australia in terms of HE student enrolments from China, South Korea, and Taiwan.

[4] HESA. While the figure excludes TNE students, it includes students enrolled on courses designed as onshore programmes, even if those students were unable to travel to the UK due to the Covid-19 pandemic.

Transational education (TNE)

- Transnational education plays a major role in two parts of the region – mainland China and Hong Kong. These two countries have seen opposite trends in recent years. There has been a significant increase in students studying UK degrees in mainland China, which is now the top host of UK transnational education abroad. There is room for more growth in Chinese TNE cooperation, although universities should be aware of strict restrictions and demand from the Chinese government on resources and commitments from foreign providers.

- Meanwhile Hong Kong has seen a relative decline in UK TNE, due to increasing availability of places at local universities along with a falling student-age population, although it still hosted more than 20,000 UK TNE students in 2020/21.[5]

- China and Hong Kong still account for 97% of all TNE enrolments, with these two countries in the top 6 global TNE markets for the UK. China and Hong Kong make the North-East Asia region a growth market for UK TNE and any strategic focus for TNE in the region should remain on Hong Kong and China. The rest of the regional markets for TNE is generally negligible although we recognise that there are some interests from South Korea to develop TNE.

Research collaboration

- Countries in the North-East Asia region are important research collaborators, with a total current research output of 1.2 million publications. However, there is wide disparity in research collaboration rates and quality.

- China was the world's largest producer of academic research in 2021, with more than three times as many academic papers as the UK, although it falls behind other major research-producing countries on metrics like citations per paper.[6]

- China is also among the UK's top three research partners, with over 89,000 joint papers between researchers in the UK and China over the last five years.[7]

- Elsewhere in the region, Japan is also one of the world's top 10 research producers while South Korea is among the top 20. While the UK is in a relatively strong position in terms of research collaboration, being among the top 5 partners for all countries, there may still be room to further expand the number of research partnerships.

- In terms of quality, Hong Kong's research output leads the North-East Asia region and is world-class, with quality rated at almost twice that of the average global publication and exceeding research quality in the UK and the USA. The UK is China's 2nd partner in terms of collaborative global research and Hong Kong SAR's 3rd partner.

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[5] HESA. TNE figures do not include students on onshore programmes studying online due to the pandemic.
[6] Scimago
[7] Elsevier SciVal

- Increasingly, the North-East Asia is a strong market in terms of research, with research growth even in mature markets. The region exhibits strong research output growth going forwards – good news for a UK sector looking to deepen and extend its partnerships beyond just student recruitment

Key take-aways

China – biggest market but big challenges too

- China dominates the student mobility and TNE markets and is exhibiting growth in research output with an increasingly competitive higher education system. However, China's Covid containment policy has had a significant impact on outbound student mobility. Although preliminary data for the 2022 intake appears to be positive, a slowdown in economic growth and improvements in the country's domestic higher education system may have a negative impact on demand for international education over the long term.

- Chinese HEIs are as concerned as UK universities about the effects of Covid restrictions and geopolitical tensions on any possible loss of trust in their international relationships or on the sustainability of partnerships and student mobility.

- Chinese student passports and visas are still issued for genuine study purposes overseas. The Chinese Education Minister has repeatedly confirmed China's encouragement of its students to study abroad.

- China's message is that it is open for international education business. However, with ongoing volatility in student recruitment and geopolitical challenges vis-à-vis China's place in the world, a slowing economy and declining population, and fresh and recurrent Covid-related lockdowns in areas across China, the UK HE sector cannot be complacent – or continue to place its eggs in this single regional basket.

- Multi-destination applications are trending in China, where students apply for more than one country to hedge their risk against uncertainty over visa issue or consequences of geopolitical tensions. This is not unique to applicants for UK courses, but it opens the door to greater competition from the UK's traditional English-speaking competitors and from other countries in the region. Despite this, Education International Cooperation Group (EIC) data shows that 67% of multi-destination UK applicants ultimately take up a UK offer.

Rest of the North-East Asia region – challenges and new opportunities

- The rest of North-East Asia presents a mixed picture for the UK higher education sector, with disparity in growth and decline across birth rates, student enrolment numbers, collaborative research appetites, research and institution quality and TNE take-up.

- UK HEIs should take note of the rise of Hong Kong and other Asian nations as recruitment competitors. Distance from home is a factor in the student decision-making process, especially in the context of the pandemic. Hong Kong is setting up domestic campuses in Guangdong and Fujian provinces.

- The Covid-19 pandemic has had a stronger effect on student flows from North-East Asia than from most other parts of the world. Students from this region tend to be less persuaded by the opportunities made accessible by the UK's Graduate Route post-study work policy compared to many other parts of the world.

- While market potential is still strongest in China and Hong Kong, there is space for the UK to expand its international education collaborations elsewhere across North-East Asia. There are still strong reasons for the UK to engage more pro-actively with Hong Kong, South Korea, Taiwan and Japan, where there are wealthy, highly educated populations and higher education institutions with world-class research strength. Research output and international collaborative appetite are rising across the region but there is fierce competition from the US, Australia and Canada.

- Opportunities are also being created for the UK and competitors through new and largescale investment into higher education eg:

    - Japan's vision to establish a world-class, bi-lingual research and education environment within its universities is backed up by the Endowment Fund, worth £60 billion. Focused on innovation and research into area of global relevance offers opportunities for the UK to further embed its capacity and reputation for international research excellence. In addition, Japan is a priority country in the UK's International Science Partnership Fund which aims to establish an 'ecosystem' between the two countries' economies and researchers.

    - Taiwan is injecting massive government funding (£454 million) into English-medium higher education over the coming decade, and this is likely to offer opportunities for the UK in training and curriculum development. The UK and Taiwan governments have also signed an MoU that will enable a Spring 2023 call for joint research focused on innovative collaborations between British and Taiwanese higher education and industry. Individual universities have ambitious plans to boost their international education profiles, such as the National Taiwan Normal University's plan to strengthen university governance and industry-academic cooperation in line with a national strategy, and to establish global online classrooms within the next 5 years.

What does the UK education sector need to do to engage more successfully with North East Asia?

- North-East Asia is not a single unit and institutions need to understand the different needs of the countries that make up this dynamic region. A ‘one size fits all’ approach is unlikely to be successful in North-East Asia.
- UK HEIs are advised to look beyond just population size as the only indicator of potential for outbound student numbers, as many may have done with China. They are asked to consider niche opportunities within each of its markets and to create a more nuanced or multi-pronged strategy – or ‘China Plus (+)’ strategy - for the region. This might include using student exchange partnerships to leverage relationships which enable diversification into other areas such as research, or to create innovative industry-academic collaborations that support inward and outward mobility opportunities.
- UK HEIs should continue to fully engage and communicate with their partners in China, despite ongoing Zero Covid policy restrictions. Chinese HEIs want to internationalise and to engage in new global partnerships with the UK.
- The resounding message from each country across North East Asia’s higher education community is that international collaboration is not just welcomed but proactively encouraged.
- In addition, institutions are asked to ensure that their representatives are thoroughly familiar with the different types of regional institutions. Identifying the ‘gatekeeper’ for communications is critical to increase probability of positive response.

Conclusion

- China still offers the greatest market potential in North-East Asia, but it is not without concerns for long-term sustainability. The UK is encouraged to spread its efforts and resources more widely and to consider niche opportunities across the region for it to generate new and sustainable partnerships and to boost its share of student and research markets elsewhere.
- Other countries in North-East Asia offer rising research output rates, greater levels of political and cultural affinity with the UK, highly educated and ambitious youth populations and world-class HEIs with which to engage, exchange and pursue niche partnerships.
- The UK's higher education offer is competitive in North-East Asia. Its research and teaching are perceived as innovative and globally relevant and countries and HEIs in the region continue to seek connection and partnerships with the UK.
- Despite the vast diversity across NEA, and the dominance of China, every country in the region offers a rationale and clear opportunities for the UK to engage and strengthen its collaborative relationships. It is not a one-size fits all region and so it offers the UK many opportunities to insure a successful and diversified collaborative future against over-reliance on China.

"Partner North East Asia is not the British Council advocating for [the region] as a single unit and what we really want is for institutions to understand the needs and opportunities to tap into these different markets as well as the considerable challenges UK institutions must overcome to really understand the future of education in this region."

Jazreel Goh MBE
Country Director Malaysia
East Asia Education Insights Hub Lead, British Council

Appendix

Session contributors and presentations

The British Council wishes to thank all our session contributors:

Opening Session: North East Asia – An Overview

Date: Monday 14 November 2022
Time: 09.30 – 10.00 GMT

Session Host
Jazreel Goh MBE, Country Director Malaysia, East Asia Education Insights Hub Director, British Council

Welcome Speech
Leighton Ernsberger, Regional Education Director, East Asia, British Council

Speaker

- Jeremy Chan, British Council East Asia Interim Head of Insights and Research

Market briefing – why the region matters (PPT): Click HERE

Overview & Outlook: Hong Kong SAR
Good things come to those who collaborate

Date: Monday 14 November 2022
Time: 10.00 – 11.00 GMT

Session Host
Susannah Morley, Director Hong Kong, British Council

Speakers

- Jackie Norton, Associate Professor International, Faculty Deputy Director of International Partnerships, Birmingham City University
- Prof. Rowson Lee, CEO of Hong Kong Continuing Professional Education Centre
- Prof. Michael Bray, Programme Director, Acting for Global Screen Academy of Film, Hong Kong Baptist University

Market briefing – why Hong Kong matters (PPT): click HERE

Overview & Outlook: Taiwan
UK-Taiwan HE Collaboration – what you need to know!

Date: Tuesday 15 November 2022
Time: 10.00 – 11.00 GMT

Session Host
Ralph Rogers, Director Taiwan, British Council

Speakers

- Nancy Chien, Head of University and Careers Counselling, Taipei European School
- Shyam Desai, Head of Economic Cooperation and Growth Team, British Office Taipei
- Prof. Yi-De Liu, Vice President for International Affairs, National Taiwan Normal University
- Prof. Mitch Chou, Vice President for International, National Sun Yat-sen University
- Prof. Hsiao-Wen Wang, Vice President for International Affairs, National Cheng Kung University
- Prof. Hsiao-Wei Yuan, Vice President for International Affairs, National Taiwan University

Market briefing – why Taiwan matters (PPT): click HERE

Overview & Outlook: Korea (South)
Building your engagement with Korea

Date: Wednesday 16 November 2022
Time: 10.00 – 11.00 GMT

Session Host
Paul Clementson, Director Korea, British Council

Speakers

- Lorne Hwang, Senior Advisor, International Affairs, Kyungpook National University
- Dr Alison Pearce, Associate Professor, International Affairs, Newcastle Business School, Northumbria University
- Dr Yiyun Kang, Culture and Creativity Award winner - Study UK Alumni Award 2022, Graduate of Royal College of Art

Market briefing – why Korea matters (PPT): click HERE

Overview & Outlook: Japan

Opportunities and challenges of UK-Japan international collaborations

Date: Thursday 17 November 2022
Time: 10.00 – 11.00 GMT

Session Host
Matthew Knowles, Country Director Japan, British Council

Speakers

- Kuniaki Sato, Vice President for University Reform & Planning at Tohoku University
- Toshinori Sano, Director General, National Institute for School Teachers and Staff Development
- Shoko Doherty, Vice Chair, English UK
- Marie-Louise Taylor, Counsellor, Science and Innovation, British Embassy

Market briefing – why Japan matters (PPT): click **HERE**

Closing Session: The China Story

Adapting to changes, what does it feel on the ground

Date: Friday 18 November 2022
Time: 10.00 – 11.00 GMT

Session Host
Leina Shi, Director Education China, British Council

Speakers

- Donald Hu, Head of Education, British Council
- Bei Guo, Vice President, Education International Cooperation Group

Market briefing – why China matters (PPT): click **HERE**