

SUBMISSION TO THE DEPARTMENT OF FOREIGN AFFAIRS AND TRADE'S UAE-CEPA AND GCC-FTA NEGOTIATIONS

29 April 2022

Universities Australia welcomes the opportunity to inform and assist the Department of Foreign Affairs and Trade (DFAT) on the proposed Australia-United Arab Emirates Comprehensive Economic Partnership Agreement (UAE-CEPA) and the FTA negotiations with the broader Gulf Cooperation Council (GCC-FTA). Universities Australia is the peak body for the university sector, representing Australia's 39 comprehensive universities. Australian universities educate close to 1.5 million domestic and international students each year and employ nearly 260,000 staff.¹

UA was pleased to see that these negotiations have a focus on trade in services. In 2019, international education was Australia's largest services export. With one of the strongest higher education systems in the world,² Australia has long been committed to providing global access to our universities' world-class offerings.

Additionally, the benefits of exporting our international education services flow both ways. As a relatively small and geographically isolated country, it is in the national interest to create economic partnerships and encourage international flows of services, goods, people and ideas. The public diplomacy outcomes of building person-to-person relationships with students from more than 140 countries lead to innumerable advantages for our country.

There are also significant economic gains from international trade of education services. In 2019, international education exports contributed \$40.3 billion to Australian export income, with UA's members contributing an estimated 60 per cent of this revenue – approximately \$24 billion.

The GCC nations are valuable trading partners to Australia given our commonalities with the region in terms of geographic and weather conditions, population distributions, mineral wealth, and educational and lifestyle aspirations.³ However, Australia's education links with these nations are relatively minor. In 2019 – and therefore pre-pandemic – there were just over 6000 international students from GCC countries studying in Australia, with the majority coming from Saudi Arabia. The combined economic contribution to Australia's export income from GCC international students was around \$445 million, approximately 1 per cent of total international education export revenue in 2019.

Australian universities have 35-40 established links with institutions in GCC countries, focusing primarily on research and academic collaborations and staff exchange. Additionally, as of November 2020, there

¹ 1.5 million students in 2020. 260,000 jobs in 2018. Source: Department of Education, Skills and Employment, uCube, reported in Universities Australia. 2020. "2020 Higher Education Facts and Figures." Canberra. <https://www.universitiesaustralia.edu.au/publication/higher-education-facts-and-figures-2020/>.

² Australia has 13 of the world's top 200 universities. This is the third highest number of top 200 universities, behind the US and the UK. UNSW. 2021. "ARTU 2021 Country Analysis Category Filter." Aggregate Ranking of Top Universities (ARTU). 2021. <https://research.unsw.edu.au/artu/country-analysis>.

³ Business Australia. 2020. "Gulf Countries - Lucrative Markets for Australian Exporters." <http://www.businessaustralia.com/how-we-help/grow-your-business/preparing-to-export/gulf-countries-lucrative-markets-for-australian-exporters>, <https://www.businessaustralia.com/how-we-help/grow-your-business/preparing-to-export/gulf-countries-lucrative-markets-for-australian-exporters>.

were four Australian branch campuses across all six of the GCC nations, including across the seven emirates in the UAE.⁴

Given the proliferation of international branch campuses in the GCC region – 35 in Dubai alone⁵ – Australia's contribution in this area remains relatively low. On 15 April 2014, the Australian Government signed a Memorandum of Understanding on Higher Education, Vocational Education and Training, and Research in Abu Dhabi, the United Arab Emirates (UAE). The MOU is intended to strengthen Australia's relationship with the UAE, particularly given their high density of international branch campuses. There is a need for the activation of comprehensive Australian education, research and skills engagement with the UAE and the other GCC nations, facilitating high-level and practical policy exchange and promoting increased institutional collaboration.

While free trade agreements provide many benefits to the higher education sector, there are also a range of considerations that DFAT may take into account in negotiations. This submission provides an overview of the various advantages that the proposed economic agreements with GCC nations may have for Australia through our university sector, as well as some issues for further consideration.

SUMMARY OF RECOMMENDATIONS

UA recommends that the department:

- seek guaranteed access for Australian universities to establish campuses in GCC countries;
- seek commitments to reduce barriers to GCC student mobility into Australian universities, either onshore in Australia or at international branch campuses in GCC nations;
- seek commitments to promote Australia as a preferred destination for GCC students wishing to study abroad for some or all of their degree;
- seek reciprocal access for Australian and GCC education professionals through streamlined visa arrangements and longer periods of stay in GCC nations and in Australia;
- seek reciprocal access for Australian and GCC academics to take up teaching and research positions;
- encourage the development of systems for the recognition of higher education qualifications, including through mutual recognition or similar arrangements, to facilitate better postgraduate study mobility;
- encourage the development of systems for the recognition of professional qualifications and experience, registration and licensing of professionals, including through mutual recognition or similar arrangements, to better facilitate trade in professional services between Australia and the GCC nations;
- consider opportunities to facilitate and deepen research collaborations between Australia and the GCC nations;

⁴ The Cross-Border Education Research Team (C-BERT). 2020. "International Campus Listing." C-Bert. November 2020. <http://cbert.org/resources-data/intl-campus/>.

⁵ According to a 2021 Gulf News article, there are "35 international or internationally accredited campuses located in Dubai alone". Consistent recent statistics on international branch campuses across the region is currently unavailable.

Shukla, Ajay. 2021. "The UAE - a Higher Education Hub for International Students and Foreign University Branch Campuses." Gulf News, August 3, 2021. <https://gulfnews.com/uae/education/the-uae---a-higher-education-hub-for-international-students-and-foreign-university-branch-campuses-1.1627982146370>.

- reduce or remove trade barriers on Indigenous-produced goods and services exports and introduce GCC nations to Indigenous businesses via intermediaries such as Supply Nation;
- provide regular market updates, communication and information sharing at a higher GCC-Australia level, regarding investment in key research priorities and education and skills training requirements within the GCC nations;
- consider the impact of economic agreements with the GCC nations on Australia's intellectual property and copyright regulatory framework;
- consider how the *Migration Amendment (Protecting Australia's Critical Technology) Regulations 2022* will impact inflows of GCC higher degree research students to Australia within the negotiations of a UAE-CEPA and GCC-FTA; and
- promote initiatives that help Australians build awareness and cross-cultural skills that will enable them to successfully engage with organisations and individuals from the GCC nations.

ADVANTAGES OF ECONOMIC AGREEMENTS WITH GCC NATIONS

STUDENT, ACADEMIC, AND INSTITUTIONAL MOBILITY

The most obvious advantage for Australia, through the university sector, to having an FTA with the GCC nations is improved two-way access between Australia and these countries for students, academics, and institutions.⁶ To succeed in this region, it is important that Australia builds relationships at university-to-university, university-to-government, university-to-industry and researcher-to-researchers levels.

The *Australian Strategy for International Education 2021-2030*,⁷ released by the Federal Government on 21 November 2021, emphasises the desirability of diversification across the education sector, both in terms of student cohorts, source countries and modes of delivery. Diversification is an area that Australian universities have enshrined in their own strategic plans. The sector's recovery from COVID-19 will inevitably require rethinking of source markets and the international student mix.

Given the relatively low level of engagement that Australian universities currently have with GCC nations, an FTA may help to reduce existing barriers for universities to recruit international students in these source countries.

For universities interested in investing in transnational education, particularly by opening international branch campuses, an FTA would also assist in facilitating market access and could reduce existing policy barriers.

Short- and longer-term academic mobility is also an area that could be better facilitated through an FTA with GCC nations. This is an established model that has been successfully negotiated in Australia's FTAs with other countries. For example, the Trans-Pacific Partnership (TPP) provides for:

- guaranteed access for Australian education professionals through streamlined visa arrangements and longer periods of stay in Vietnam, Malaysia and Mexico; and

⁶ Suder, Gabriele. 2018. "Free-Trade Agreements an Opportunity for Universities." Australian Financial Review, July 15, 2018, sec. Education. <https://www.afr.com/policy/health-and-education/freetrade-agreements-an-opportunity-for-universities-20180713-h12n2c>.

⁷ Department of Education, Skills and Employment. 2021. "Australian Strategy for International Education 2021-2030." Canberra: Australian Government. <https://www.dese.gov.au/australian-strategy-international-education-2021-2030/resources/australian-strategy-international-education-2021-2030>.

- guaranteed access for Australian academics to take up teaching and research positions at Japanese universities and technology colleges.

Universities in GCC nations undertook a vigorous recruitment campaign targeting Western academics during the early 2000s, predominantly because many of the universities in these countries are international branch campuses focused on educating expatriates to the region.⁸ Since then, the GCC nations have been a destination of interest for Australian academics prepared to work abroad. Agreements such as those made in the TPP would reduce existing barriers for Australian academics seeking to work in the GCC region, providing increased opportunities for the 10,000 domestic PhD and Master by research candidates that graduate from Australian universities each year to gain valuable overseas academic experience.⁹

Australia and its universities may also benefit from streamlined access by GCC academics to institutions here. Some Australian universities have expressed concern about the time taken to approve visas to academics from other countries that have been recruited to lecture, teach and research. This process can take more than two years.

Recommendations:

- *Seek guaranteed access for Australian universities to establish campuses in GCC countries.*
- *Seek commitments to reduce barriers to GCC student mobility into Australian universities, either onshore in Australia or at international branch campuses in GCC nations.*
- *Seek commitments to promote Australia as a preferred destination for GCC students wishing to study abroad for some or all of their degree.*
- *Seek reciprocal access for Australian and GCC education professionals through streamlined visa arrangements and longer periods of stay in GCC nations and in Australia.*
- *Seek reciprocal access for Australian and GCC academics to take up teaching and research positions.*

QUALIFICATIONS RECOGNITION

Qualifications recognition is currently an issue of concern for Australia, prompting a 2021 parliamentary inquiry into whether Australia should ratify the 'Global Convention on the Recognition of Qualifications concerning Higher Education'.¹⁰

Multilateral qualifications recognition between Australia and the GCC nations would incorporate:

- Reciprocal recognition of undergraduate degrees for applicants seeking post-graduate study.
- Reciprocal recognition, and/or clear pathways to recognition and registration, of professional qualifications (such as those held by Chartered Accountants), especially those awarded by professional bodies with no direct equivalents.

This is particularly an issue in areas such as healthcare, given Australia relies on healthcare workers from outside of Australia to augment our domestic workforce. A greater focus on understanding the

⁸ Tahir, Rizwan. 2021. "Expatriate Academics: An Exploratory Study of Western Academics in the United Arab Emirates." International Journal of Management Practice. Preprint (November 2021). https://www.researchgate.net/publication/356604020_Expatriate_academics_An_exploratory_study_of_western_academics_in_the_United_Arab_Emirates.

⁹ Based on the UCube count of commencements in postgraduate research degrees from 2015-2019. <http://highereducationstatistics.education.gov.au/>

¹⁰ Joint Standing Committee on Treaties. 2021. Global Convention on the Recognition of Qualifications concerning Higher Education. https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/UNESCOHigherEd

education and training provided in health-related qualifications in GCC countries compared to Australia could ease existing barriers to workforce mobility.

Recommendations:

- *Encourage the development of systems for the recognition of higher education qualifications, including through mutual recognition or similar arrangements, to facilitate better postgraduate study mobility.*
- *Encourage the development of systems for the recognition of professional qualifications and experience, registration and licensing of professionals, including through mutual recognition or similar arrangements, to better facilitate trade in professional services between Australia and the GCC nations.*

RESEARCH COLLABORATION

A multilateral research scheme between Australia and the GCC nations could support targeted, mission-based research collaborations, building a robust foundation of research partnerships across STEM and HASS disciplines.

Bi- or multilateral research funding could also be directed to support joint Australia–GCC centres of excellence within specific discipline areas, with a focus on research identified to be a shared national priority between Australia and the pertinent GCC country or countries. These centres could harness the expertise of universities and industry partners from all parties, with concerted mission-based research efforts spanning both fundamental and applied research. These centres of excellence could be coupled with joint innovation precincts to nurture and bolster research commercialisation outcomes.

Shared research infrastructure facilities would be another mechanism that could enhance research collaboration. Dedicated funding to develop and maintain shared facilities would be a valuable support to research endeavours in both countries.

The agreements could also lay the groundwork for streamlined policy settings that could contribute to enhanced research collaboration. Increased data access and sharing on large collaborative projects such as clinical trials would facilitate more effective research collaboration in areas with critical outcomes, particularly health and biomedical research. Reciprocal recognition of ethics approval processes and protocols would enable smoother and more efficient avenues to research collaboration.

Recommendation:

- *Consider opportunities to facilitate and deepen research collaborations between Australia and the GCC nations.*

OPPORTUNITIES TO EXPORT INDIGENOUS GOODS AND SERVICES TO GCC NATIONS

Australia is home to the world's oldest living continuous culture, and access to Australian First Nations knowledge and perspectives is a valuable resource that, through Indigenous control, can be shared with the world. Economic agreements with GCC countries would afford new opportunities for Indigenous businesses to export their distinctive Australian knowledge, services and products, including those developed through universities. This could be further enabled by reductions or removals of tariffs on Indigenous-produced goods and services.

These kinds of agreements could also provide GCC nations access to the unique perspectives and opportunities that working with Indigenous businesses can provide. This could be achieved via organisations like Supply Nation, which curates a list of Aboriginal and Torres Strait Islander-owned businesses and helps procurers (including international procurers) to find Indigenous suppliers and

partners.¹¹ This, in turn, would support Indigenous advancement and deliver positive social outcomes for Australia.

Recommendations:

- *Reduce or remove trade barriers on Indigenous-produced goods and services exports and introduce GCC nations to Indigenous businesses via intermediaries such as Supply Nation.*

MARKET KNOWLEDGE SHARING

One outcome of an economic agreement with GCC nations that would have significant benefit for Australian universities in accessing this region would be the potential to receive regular market updates, communication and information sharing at a higher GCC-Australia level. These updates would ideally relate to investment in key research priorities and education and skills training requirements within the GCC nations. This would enable better sharing of information between industry and educational institutions, and lead to improved matching of training programs and courses to specific needs. In fact, this could begin now in preparation for a future FTA with these countries.

Recommendation:

- *Provide regular market updates, communication and information sharing at a higher GCC-Australia level, regarding investment in key research priorities and education and skills training requirements within the GCC nations.*

ISSUES FOR FURTHER CONSIDERATION

COPYRIGHT / INTELLECTUAL PROPERTY

Australia has a strong regulatory framework in the areas of intellectual property and copyright. Australia must preserve the flexibility to ensure our intellectual property settings can continue to provide an appropriate level of incentives for innovation, investment and the production of creative works.

It will be important in these negotiations with GCC nations that we avoid any commitments that require Australia to alter its IP framework to 'match' those in GCC nations, as we have seen in the past in agreements such as the AUSFTA.

It will also be critical to avoid overly prescriptive language that commits Australian law to any specific course, reducing our capacity to adjust our framework to evolving circumstances in the future. This will be particularly vital in an agreement with the GCC nations, given the large number of sovereign states that will need to agree to any future proposed changes before the agreement can be adjusted.

Recommendation:

- *Consider the impact of economic agreements with the GCC nations on Australia's intellectual property and copyright regulatory framework.*

RECENT CHANGES TO THE MIGRATION REGULATIONS

Historically and recently, some individuals from these regions have experienced difficulty in obtaining visas to visit Australia for study or research purposes. This discourages academic collaboration and relationship-building between our countries.

¹¹ See <https://supplynation.org.au/> for more information.

Recent changes to the Migration Regulations may compound these issues. The recently released *'Migration Amendment (Protecting Australia's Critical Technology) Regulations 2022'* mandates that international student visa holders studying postgraduate courses will, from July 2022, have their visa applications and research topics be subject to increased ministerial oversight.¹² The purpose is to amend the Migration Regulations in relation to visa applicants and visa holders who pose an unreasonable risk of unwanted critical technology knowledge transfer. This will focus initially on all international higher degree research students (applicants and holders of visa Subclass 500).

These changes will therefore affect all research students coming to Australia from GCC countries, potentially restricting the disciplines they can study, the thesis topics on which they can focus, and their capacity to adjust their topics as their research develops, as any domestic research student would do. This has the potential to reduce Australia's competitiveness in the global market, including with GCC countries.

An economic agreement with the GCC nations should take these amendments, and their implications for international higher degree research students, into account.

Recommendation

- *Consider how the Migration Amendment (Protecting Australia's Critical Technology) Regulations 2022 will impact inflows of GCC higher degree research students to Australia within the negotiations of a UAE-CEPA and GCC-FTA.*

THE NEED TO BUILD CROSS-CULTURAL UNDERSTANDING

Cross-cultural awareness is critical in forming meaningful engagement within the region. Understanding the region's diverse history, political landscape, geography, religion, economics, belief systems and traditions will both shape and have major implications for the way we interact as a nation with these countries.

The need to understand each other's communication styles, class structures, how to work with and within hierarchies and bureaucracies, conflict resolution methods, meeting and negotiating styles, and attitudes towards time, adds another level of complexity.

Promoting initiatives that help Australians build cross-cultural skills and awareness of the Gulf region is an important strategy for future engagement. This can be achieved through increased training and people-to-people exposure.

Recommendation:

- *Promote initiatives that help Australians build awareness and cross-cultural skills that will enable them to successfully engage with organisations and individuals from the GCC nations.*

CONCLUSION

Free trade agreements have reaped a range of rewards for Australia, and UA looks forward to the opportunity for our members to deepen research, teaching and academic relations with the GCC nations through the two proposed economic agreements. Further consultation with the university sector as the agreements develop will be essential, to ensure the proposed settings are appropriate and will lead to the best outcomes for Australia's prosperity.

¹² *Migration Amendment (Protecting Australia's Critical Technology) Regulations 2022*. 2022. Cth. Attorney-General's Department. <http://www.legislation.gov.au/Details/F2022L00541>.

Universities Australia would be happy to provide further information regarding any aspect of this submission.

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