EDUCATION MARKET PROFILE

INDIA

April 2012

Australian Government

Australian Trade Commission

Australia

FutureUnlimited

EXECUTIVE SUMMARY

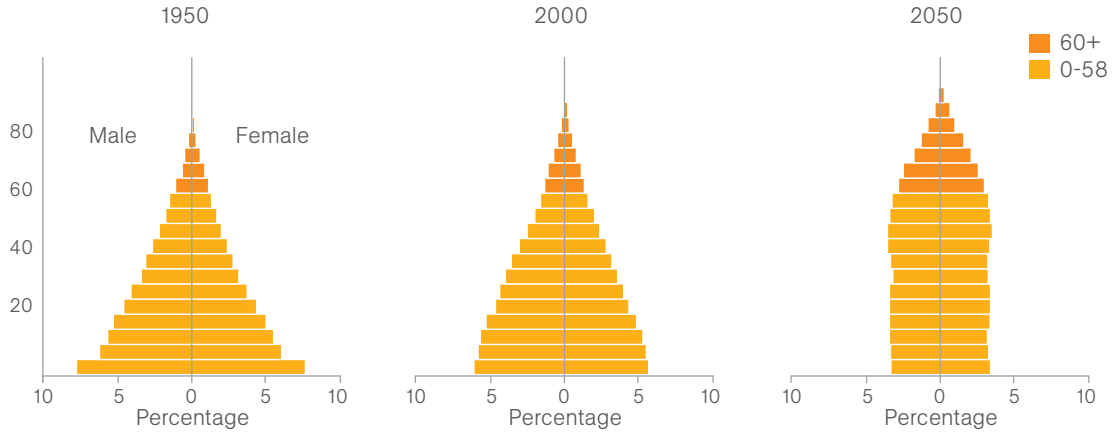
1.0

India is the world's largest democracy encompassing a country of 1.1 billion people, varied regions, languages, cultures and religions. Coupled with a growing economy, one of India's biggest strengths is its large young population. India has over 550 million people below the age of 25 years, and over 32 per cent of the 1.1 billion population (350 million) is between the age group 0–14. In the next five years alone, it is estimated that 75 million people between the ages of 18 and 25 in India will enter the workforce.

Twenty per cent of the population is aged between 5 and 14 years — 232 million school-aged children (10 times the population of Australia). These figures demonstrate the scope and opportunities available in the education and training market in India.

With this large demographic seeking higher education and employment in India over the next decade, it illustrates the sheer size and potential of the Indian market for education providers.

Chart 1: Indian Population Pyramids (1950–2050)



Source: Population Division, DESA, United Nations

EXECUTIVE SUMMARY 1.0

Factors accelerating the demand for higher education in India include:

- economic growth: India remains one of the fastest growing economies in the world. Gross Domestic Product (GDP) growth for the last four years averaged 7.3 per cent, with GDP growth for 2010–11 estimated to be at 8.6 per cent. Growth in services-based industries has led to an increase in the demand for skilled manpower, which in turn has fuelled the growth in the higher education sector
- demographics: With 50 per cent of the population between the ages of 15–64, and the median age between 20 and 30, there is large unmet demand for higher education
- rising household income: As household incomes rise, the ability to pay for higher education increases
- a weak Vocational Education and Training (VET) system: Vocational education is currently unattractive to Indian students and their parents. While demand for skilled workers is high, the government-run system is not attracting students in large numbers due to public perceptions of poor quality. This perception places additional demand on higher education.

Regionally, India has a dominant presence in South-Asia in terms of both physical and economic size, as well as total population. However, major challenges moving forward include: improving the delivery of core public services in education, health, and infrastructure; making growth more inclusive; and sustaining growth, which will require a focus on fiscal deficit, trade deficit and ongoing reform.

Current pressures at all levels of the education and training system are brought about by a wide supply to demand gap, and a high drop-out rate in each sector. Literacy levels in India are still below 75 per cent and the government is striving to raise this to 100 per cent. Ministry of Human Resource Development (MHRD) statistics show that, in 2004–05 there were 224 million enrolments in 1.19 million schools, 11.2 million students in 20 677 colleges and 6.2 million teachers teaching in 475 universities.

The Indian higher education sector is struggling to cope with demand, exacerbated by a weak vocational education sector which is unattractive to students and their parents. The vocational education and training system is characterised by a lack of cross sectoral mobility and qualifications that are perceived as being of low social status. However, the Central Government is in the process of developing a National Qualifications Framework (NQF), and the Director General of Employment and Training (DGET) plans to conduct a study comparing models of various countries (Australia, the UK, US, Scotland, and Germany) in order to develop a suitable NQF for India.

The government considers skills development to be a major national priority. Through planned investment in skills development, India could feasibly supply one fourth of the global work force by 2022. In July 2008, the Indian Government allocated A$313.38 million for the creation of a National Council for Skills Development chaired by the Prime Minister, a National Skills Development Coordination Board (designed to promote public-private partnerships) and a National Skills Development Corporation (NSDC) (designed to motivate the private sector).

Given the challenges of limited access to quality education, India's youth will continue to seek higher education opportunities abroad. While the market for transnational education is relatively untapped at this stage due to uncertainty in India's regulatory framework, twinning programs and collaboration continue to grow. Competitor countries such as the US and the UK are poised to take advantage of any opening up of access to foreign institutions, with a few already well-established and several well-progressed in negotiations for the establishment of local campuses. A Foreign Educational Institution (Regulation of Entry and Operation, Maintenance of Quality and Prevention of Commercialisation) Bill was proposed by the MHRD in 2006. The Bill was reintroduced in the parliament on 4 May 2010 and remains to be debated. The Bill would enable Australian/foreign education providers to set up campuses in India.

EXECUTIVE SUMMARY 1.0

The Australian higher education sector has potential for significant growth and diversification in India. A greater focus on recruiting students for postgraduate and doctoral studies would enhance Australia's overall reputation for academic excellence and deepen the education and research relationship with India.

However, extensive and negative Indian media coverage of student safety issues in Australia has created a perception that Australia is an unsafe and racist country. Changes to visa regulations have also impacted the number of Indian students seeking education in Australia. As per Australian Education International (AEI) December 2011 YTD enrolment data the number of Indian students enrolled in Australia has decreased by 26.8 per cent.

Competition in the Indian market for students is rapidly increasing. The range of study destinations is growing, with many new competitor countries like Singapore, the Netherlands, Russia, United Arab Emirates (UAE) and China increasing marketing budgets and activities. Overall, 40 per cent of Indian students who opt for international education prefer the US, UK and Australia, with the balance spread among remaining countries. The US is the preferred destination for Indian students, with the UK a close second.

The focus for Australia is to now rebuild a relationship with India based on growing an awareness of Australia's world class quality capability in higher education for students seeking study offshore, and vocational education for partnerships and delivery in India.

CONTENTS

POLITICAL AND ECONOMIC OVERVIEW

2.0

The Australian Government Department of Foreign Affairs and Trade provides an overview of current political and economic issues relating to India. These details may be accessed here.

EDUCATION IN INDIA OVERVIEW

3.0

Education is on the 'concurrent list' of the constitution which means that the responsibility lies with both the Central and the State Government.

The Indian Government sees literacy as an indispensable means for effective social and economic participation, and recognises that education is a crucial development tool. Government policy and programs are looking beyond maintaining rapid growth to make this growth more inclusive and sustainable. The 2011 Central Government budget allocation in the year 2011–12 for the education sector increased by 24 per cent to INR520.57 billion (A$11.5 billion) for 2011–12.

Student enrolments

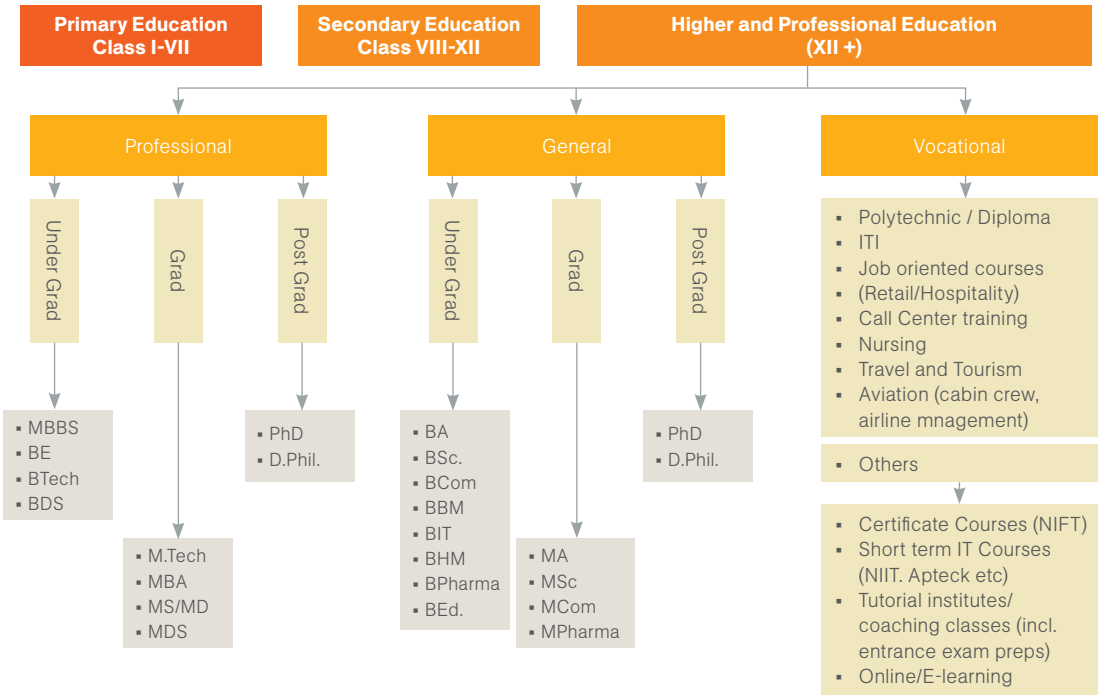
India has made progress in terms of increasing the primary education attendance rate and expanding literacy levels to approximately two thirds of the population. India's improved education system is often cited as one of the main contributors to the economic rise of India. Much of the progress in higher education and scientific research has been credited to various public institutions. The private education market in India is currently estimated at holding a 5 per cent market share, although in terms of value is estimated to be worth A$40 billion in 2008, increasing to around A$68 billion in 2012.

India still continues to face big challenges, and despite growing investment in education 35 per cent of the population is still illiterate, only 15 per cent of Indian students reach high school, and just 7 per cent graduate. As of 2008, India's post-secondary high schools offered only enough places for 7 per cent of India's college-age population, 25 per cent of teaching positions nationwide are vacant, and 57 per cent of college professors lack either a master's degree or PhD.

As of 2007, there were 1522 degree-granting engineering colleges in India with an annual student intake of 582 000, plus 1244 polytechnics with an annual intake of 265 000. However, these institutions face a shortage of faculty and concerns have been raised over the quality of education.

EDUCATION IN INDIA OVERVIEW 3.0

Chart 2: The Indian education system



Schools

India's education system is referred to as a ten + two + three system. The first ten years of school education (primary and lower secondary) are, theoretically, obligatory.

Pre-primary education in India is not mandatory for children. The Central Government has not made many provisions for pre-primary education. Demand for pre-primary education has largely been catered for by the private sector, primarily for the wealthy. Children attend pre-primary schools as early as the age of three.

Primary school begins with Class 1 (or Standard 1). Education for children between the ages of five and 14 has been made free and compulsory under the Right to Education (RTE) Act which was passed in 2009. By passing this Act, India became one of 135 countries to make education a fundamental right of every child.

To promote primary education, local governments at the district and municipal level have been given greater autonomy over the management of primary education. Currently, 271 districts in 18 states have launched district-specific plans under the joint state/centre sponsored *Sarva Shiksha Abhiyan* (SSA), a campaign for education for all initiative, which builds on existing programs such as the District Primary Education Program designed to promote universal primary education. The SSA framework has been revised to demonstrate the harmonisation of SSA with the RTE Act.

Secondary education is divided into two, two-year stages: lower (Standard IX to X) and senior (XI to XII) and is regulated at both Central and State Government levels. At present, 34 secondary boards exist. The Central Board of Secondary Education (CBSE), the Council for the Indian School Certificate

Examinations (CISCE) and the National Institute for Open Schooling (NIOS) are the three boards that operate at the national level, while the remaining 31 boards have jurisdiction within a state or part of a state.

In addition to administering the Standard X and Standard XII examinations, the boards are responsible for setting curricula and issuing school-leaving certificates at affiliated schools. The boards receive academic and research support from the government-sponsored National Council of Educational Research and Training (NCERT), while overall administration of school education is shared by the Department of School and Literacy and the state ministries of education.

Several initiatives have also been taken by the Central Government during the 11th Five Year Plan below:

- *Rashtriya Madhyamik Shiksha Abhiyan* (RMSA), the scheme for universalising secondary education ensuring a secondary school within a 5km radius for every neighbourhood
- a national merit/means scholarship scheme that awards 1 lakh (100 000) scholarships yearly to Class 9 students at INR6000 per year
- a national scheme to provide a one-off incentive mainly to eligible girls belonging to scheduled caste/ scheduled tribe communities to continue secondary education
- setting up of 20 *Navodaya Vidyalayas* (Indian schools for talented children) in districts having a large concentration of scheduled castes and scheduled tribes. Ten schools will be set up in districts having a large concentration of scheduled castes and the remaining 10 in districts having a large concentration of scheduled tribes.

Types of schools in India

1. **Government schools** — run by the government or government bodies such as municipal councils. The state board syllabus is adopted in these schools.
2. **Aided schools** — private schools that receive state grants.
3. **Private unaided schools** — education in India was traditionally seen as a charity or social cause. It is with this belief that the central boards and state laws mandate that these schools are for non-profit purposes. However, Maharashtra and Haryana are among the two states that allow schools to be operated for profit.

   Most states have archaic laws mandating schools operate as non-profit trusts or societies in order to gain the CBSE, the Indian Certificate of Secondary Education (ICSE) or State Board accreditations. Trusts cannot technically profit, but they can reap benefits such as discounted land and exemption from income tax; they can also pay their trustees. Non-profit schools file their accounts to a registrar of societies or a charity commissioner away from public gaze.

   As curricula such as the International Baccalaureate (IB) and the International General Certificate of Secondary Education (IGCSE) gain popularity, a number of schools are shedding the need to follow CBSE or ICSE rules. Rules that force private unaided schools to run and operate as a trust or society for non-profit purposes are being ignored in some instances.

   Despite the surge of interest from business houses and private individuals in opening schools, the Indian Government does not have any specific rules on Foreign Direct Investment (FDI) in schools. The Foreign Education Providers Bill is yet to be debated in parliament, but if enacted, it would allow 100 per cent FDI in higher education with rules that allow the government to regulate fees and admission procedures.

   Even in states such as Maharashtra, which allow for-profit schools, owners have preferred their schools to operate as trusts. Dhirubhai Ambani International School, owned by Mukesh Ambani of Reliance Industries Ltd, or the Raffles chain of schools by real-estate company Emaar MGF Land Pvt Ltd, are owned and operated as trusts.

In Maharashtra, there is the flexibility to run schools as for-profit companies, but there has been little uptake given schools running for profit purposes do not get tax exemptions or access to cheap land.

4. **International schools** – The number of international schools in India is rapidly increasing. These schools are based on structure and syllabi of western schools and develop their own curriculum under either the IB or the South Korean International Graduate School of English (IGSE) curriculum, and conduct examinations at state and central levels. English is the medium of education in these schools. The fees charged in these schools can be as high as A$10 000 per year, reflecting the ability and willingness of parents to support the provision of internationally recognised education for their children.

Vocational Education and Training

1) Vocational education

The term 'vocational education' (VE) in India refers to education with an occupational emphasis and includes education delivered in schools as well as at post-school and university levels. Vocational education is under the domain of the MHRD and, after reorganisation of the ministry, vocational education has been split between the two departments — Department of School Education and Literacy (DSEL) and Department of Higher Education (DHE).

The issue of teaching vocational subjects in school and providing credits has also been considered by some State Boards of Secondary Education and the ICSE. The CBSE had, on its part, identified a number of vocation-related subjects for which there is a demand from the students and their parents or guardians. Optional courses in these subjects are provided to the students to enable them to carry these credits with them. However, at the time of admission in college, the university may not accord the same value and status to VE/VET courses for admission of the student to higher education.

The Action Plan for Vocational Education aims to:

- expand vocational education from 9500 senior secondary schools to 20 000 schools. Intake capacity to increase from 1.0 million to 2.5 million
- VE schools must enter into partnership with employers to provide faculty/trainers, internships, advice on curriculum setting, skill testing and certification. Progressively move vocational education from an unviable two year stream which commences after Class 10, to a stream that captures Class 9 dropouts and later on commences from Class 7, capturing Class 7 dropouts
- give emphasis to basic employability related skills — English language, quantitative skills, computer literacy, spread sheet, word processing, computer graphics, presentation skills, behavioural and interpersonal skills.

2) Polytechnics

Polytechnic institutions equip students with three-year diplomas after they have completed their higher secondary education. The DHE, through its technical education bureau, supports polytechnics. The scheme of community polytechnics was started in 1978. Under the scheme, financial assistance is provided to All India Council for Technical Education (AICTE) approved polytechnics.

A community polytechnic is a wing of an AICTE polytechnic, with a focus on rural and community development activities in its proximity, making use of the infrastructure available in the AICTE polytechnic. A community polytechnic works through its extension centres established in the villages and one main centre in the premises of the polytechnic. The target groups under the community polytechnic scheme are unemployed youth, women and lower socio-economic sections of society. The main objective is to train the target group to gain skills or a trade to enable them to gain employment and enhance their social and economic status.

To date, 669 diploma-level institutions are implementing the community polytechnic scheme. Presently there are 1244 AICTE approved polytechnics in the country. As a result of a Supreme Court judgment, the Council has issued regulations setting norms and guidelines for tuition fees and other charges.

The Action Plan for Polytechnics aims to:

- upgrade 400 government polytechnics
- set up 125 new polytechnics in Public Private Partnership (PPP) mode in hitherto unserved districts
- run all polytechnics in two shifts to double the capacity utilisation
- encourage a much larger initiative in the private sector — the demand for junior engineers is enormous and absorption and placements are virtually guaranteed
- state governments may be encouraged to let their engineering colleges start polytechnics in evening shifts to educate junior engineers.

3) Vocational Training

Vocational training refers to post-primary and post-secondary programs that lead to trade level qualifications. In India, skill acquisition takes place through two basic structural streams — a small formal one and a large informal one. The formal structure includes:

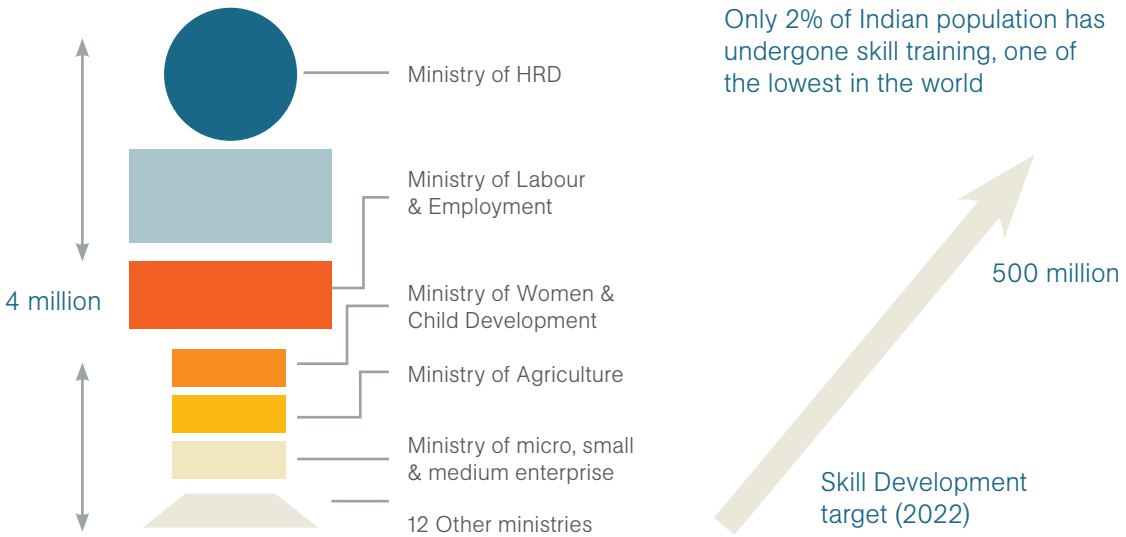
- higher technical education imparted through professional colleges
- vocational education in schools at the post-secondary stage (under DSEL under MHRD)
- technical training in specialised institutions
- apprenticeship training.

A number of agencies deliver vocational training at various levels. Higher professional and technical education, primarily in the areas of agriculture, education, engineering and technology, and medicine, is delivered through various professional institutions.

There are 17 ministries and departments of the Government of India (GoI) which are delivering vocational training to about 3.1 million people every year. Most of these are national level efforts and individually they are able to reach a very small part of the new entrants to the labour force. Even collectively, they only provide training to about 20 per cent of the annual additions to the labour force. While each of the training initiatives has a definite area of specialisation, there is need for coordination among these ministries and departments.

Chart 3: Structure of Vocational Education and training and its aspiration in India

Current skill development programs offered under government schemes



Both the central and state governments share responsibilities for vocational training. At the national level, DGET, Ministry of Labour and Employment, is the nodal department for formulating policies, including setting standards and conducting trade testing and certification. At the state level, the state government departments are responsible for vocational training.

There are 1244 polytechnics under the responsibility of the MHRD with a capacity of over 29 500 000 offering three-year diplomas in various branches of engineering with an entry qualification of a 10th pass. In addition, there are 415 institutions for pharmacy, 63 for hotel management, and 25 for architecture.

There are about 5114 Industrial Training Institutes (ITIs) under the responsibility of Ministry of Labour and Employment, delivering training in 57 engineering and 50 non-engineering trades. Of these, 1896 are state government-run offering 74 200 000 places, while 3218 are privately run and offer 43 200 000 places. These courses are open to those who have passed either Class 8 or Class 10, depending on the trade and vary between one or two years duration.

Higher Education

Higher education in India has expanded significantly in recent years and can be attained at three principle levels — bachelor/undergraduate, master's/postgraduate and doctoral/pre-doctoral. The number of universities has increased from 20 in 1947 to 475 in 2010, colleges from 500 to 20 677, teaching staff from 1500 to nearly 500 000, and student population in higher education from 100 000 in 1950 to over 11.2 million. This expansion in institution capacity has enhanced the enrolment ratio from less than 1 per cent in 1950 to about 11 per cent in 2006. Despite the increase in number of institutes there is still a big demand and supply gap.

The Central Government aims to increase the Gross Enrolment Ratio (GER) from 11 per cent in 2006 to 15 per cent by 2011/12. To achieve its target and to increase accessibility, the government has committed to setting up new institutes and universities. As stated in the *172nd Report on University and Higher Education 2006*, the five most important issues facing higher education in India are: access and equity, relevance, quality and excellence, governance and management, and funding.

There are multiple bodies that govern the Indian higher education system.

Ministry of Human Resource Development (MHRD):

- ensures overall development of education in the country including primary, secondary and higher education
- acts as a primary body to discharge Central Government functions
- looks after regulation and coordination of education in India, including technical and higher education.

University Grants Commission (UGC):

- provides funds and determining standards in higher education and research in the country
- advises the union and state governments on higher education
- coordinates and monitors the higher education system in India and provides grants to universities and colleges.

All India Council for Technical Education (AICTE):

- responsible for planning, formulating and maintaining norms in technical fields.

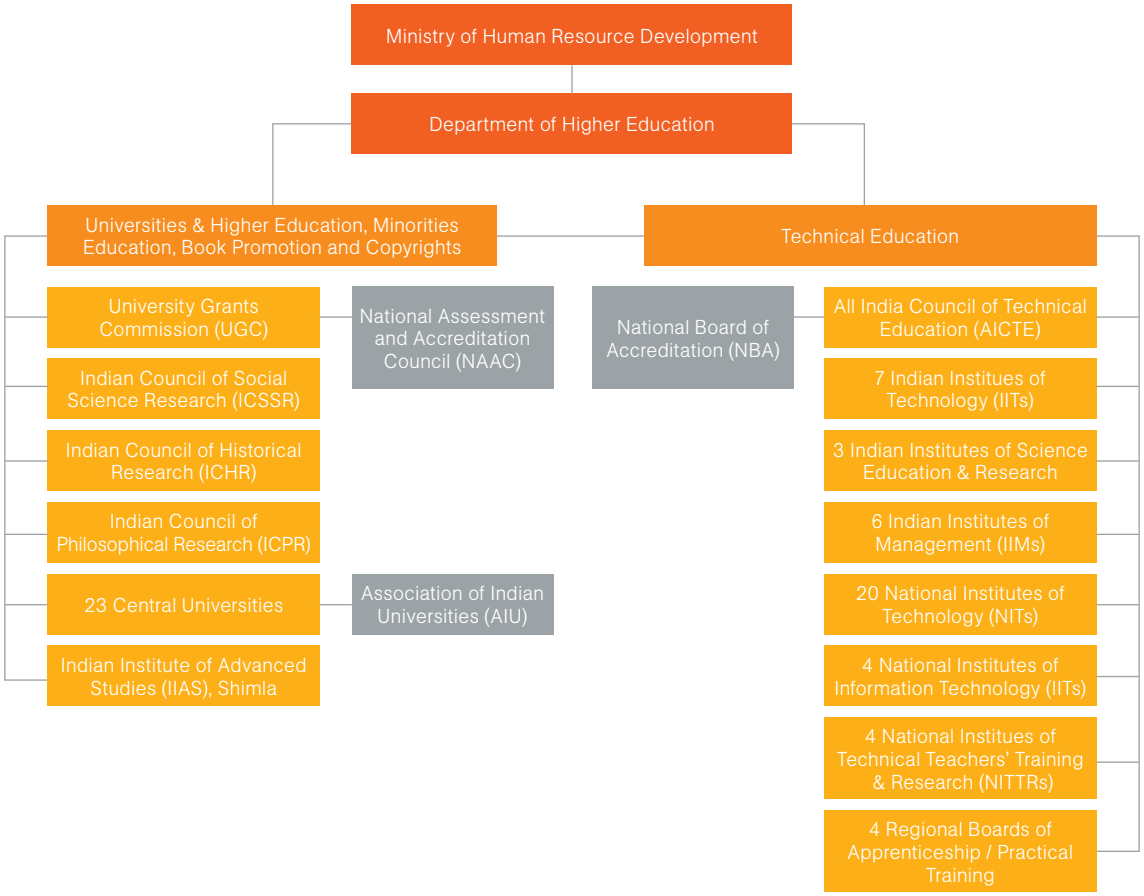
State and union governments:

- responsible for establishing state or union territory universities and colleges and providing grants as required. They have the main say in all administrative and operational matters in their respective universities and colleges.

Professional Councils:

- responsible for recognition of courses, promotion of professional institutions and providing grants for the undergraduate programs.

Chart 4: Structure of Vocational Higher Education in India



The University Grants Commission (UGC) provides four methods for Indian institutions to internationalise.

1. **Campus abroad** — establish off-shore campuses for face-to-face delivery of coursework and research guidance to meet degree/diploma requirements.
2. **Twinning programs** — enter into an arrangement with a foreign institute to offer academic programs in India or abroad toward the award of degree/diplomas, either individually or jointly, using the resources of both.
3. **Foreign partners** — identify a foreign partner institute, which has its own facilities, faculty and staff to collaborate for delivery of coursework.
4. **Study centres** — establish study centres abroad and provide counselling, guidance, advice and other assistance to its students receiving courses offered in the distance education mode from its main campuses in India, leading to awards of Indian degrees/diplomas.

UGC guidelines

- Each Indian institution or university interested in offering courses abroad should submit an application to the UGC accompanied with details of the project.
- The UGC after considering the recommendations of the Expert Committee and Standing Advisory Committee may issue a certificate. The certificate issued shall be valid for five years.
- Every such Indian institution or university offering programs abroad should submit an annual report to the UGC.
- If the UGC is of the opinion that the functioning of the institution or university is not satisfactory, then it may issue a show cause notice.
- The academic programs offered by the Indian institution or university abroad shall have standards of education comparable to those in India.
- Each foreign institute entering into partnership with an Indian institute should have a minimum standing and experience of five years.

Foreign Participation

While regulators such as the UGC and AICTE continue to exercise influence in the Indian education system, the sector is expected to witness a surge in foreign investment and perhaps a reduction in the number of regulatory roadblocks as a result of the Central Government's encouragement of overseas investors. Foreign direct investment in higher education could help reduce government expenditure and there is a general consensus that education as a whole should be opened for domestic and foreign private participation.

Foreign Educational Institutions (Regulation of Entry and Operations) Bill

The entry of foreign educational institutions into India will be covered by the new Foreign Educational Institutions (Regulation of Entry and Operations) Bill. The Bill seeks to regulate the entry and operation of foreign education providers, as well as limit the commercialisation of higher education.

The Central Government accepts that the emergence of foreign providers in the Indian education system is inevitable. The Bill will enable Australian education providers and other foreign education providers to set up campuses in India. The Bill was introduced in the parliament on 4 May 2010 and remains to be debated.

The Bill's requirements and allowances:

- approval by government as a Foreign Education Provider (FEP) is mandatory if proposing to award degrees and diplomas in India.

Conditions for obtaining approval from the government:

- application to be endorsed by the embassy or high commission of the home country
- 20 years' track record in the home country
- minimum of INR500 million investment (approximately A$10 million)
- status of accreditation in home country and financial soundness
- fast track mechanism for reputed Foreign Education Institutes (FEI) — government is empowered to exempt an applicant FEI from all provisions of the Bill except those relating to non-repatriation of surplus generated in India and prescribed penalties for violating provisions of the Act
- 75 per cent of the income received shall be used by the FEP for development purposes and the remaining 25 per cent must be deposited into the corpus fund
- penalties up to A$10 000 for any FEI/ any person/Indian education provider for contravening the provisions of the law
- distance education has been excluded from the Bill
- proposed to be regulated by National Commission for Higher Education and Research (NCHER) Act.

Key challenges of the Bill

- the Bill for Foreign Universities is currently pending in parliament with no clear timelines or process to move forward
- the minimum investment amount under this Bill is INR500 million (approximately A$10 million) — this is extremely high which is prohibitive
- process and or approval for repatriation of profits is currently not clear which offers no return on investment for providers
- the legal entity required for establishment of an operation is currently unclear leading to high risk if the initial entry model is incorrect
- approval procedures are cumbersome involving multiple agencies
- curriculum, admissions procedures, fees, and number of places are highly regulated adding to the administrative burden.

The progress of this Bill has been viewed with great interest as it has significant potential to affect the dynamic between India and its foreign education partners. The MHRD has been active in pushing for the introduction of this Bill to Parliament.

As part of the 2011–12 Central Budget, the Indian Government announced an allocation of INR520.57billion to reinforce the country's push to create a skilled workforce. This represents an increase in funding of 24 per cent over the current year to allow for fast-paced growth, increase the GER in higher education, and make access to secondary education universal.

The allocation for higher education is INR131.03 billion (A$2.9 billion), significantly higher than the previous year's allocation of INR97.96 billion (A$ 2.2 billion).

The revised allocation also includes INR210 billion (A$4.6 billion) to *Sarva Shiksha Abhiyan*, the campaign for education for all initiative, (an increase of 40 per cent), and an additional allocation of INR5 billion (A$111 million) for the National Skill Development Fund.

Current government strategies and initiatives

In the Eleventh Five Year Plan, the government has committed INR228 000 million (A$5 570.58 million) to a major Skill Development Mission (SDM) to create a pool of skilled personnel, for industry, trade, and the service sectors. Such an effort is necessary to support the employment expansion envisaged as a result of inclusive growth, in particular the shift of surplus labour from agriculture to non-agriculture.

The aim is to increase training capacity from 2.5 million to 10 million people per year with particular emphasis on 20 high growth manufacturing and service employment sectors identified by the National Planning Commission:

Manufacturing focus:

(i) automobile and auto components
(ii) electronics hardware
(iii) textiles and garments
(iv) leather and leather goods
(v) chemicals and pharmaceuticals
(vi) gem and jewellery
(vii) building and construction
(viii) food processing
(ix) handlooms and handicrafts
(x) building hardware and home furnishings

Services focus:

(xi) IT or software services
(xii) Information Technology Enabled Services — business process outsourcing services
(xiii) tourism hospitality and travel trade
(xiv) transportation/logistics/warehousing and packaging
(xv) organised retail
(xvi) real estate services
(xvii) media, entertainment, broadcasting, content creation, animation
(xviii) healthcare services
(xix) banking/insurance and finance
(xx) education/skill development services

The objective of the SDM is to bring about a paradigm change in the architecture of the existing VET system, through development of a NQF, which establishes equivalence and provides for horizontal mobility between various VET, technical and academic streams.

The SDM will encompass the efforts of several ministries of the Central Government, state governments and the activity of the private arm, supported by the following institutions:

(i) Prime Minister's National Council on Skill Development
(ii) National Skill Development Coordination Board
(iii) National Skill Development Corporation/Trust.

Over time, about 20 ministries have created an infrastructure for skill development. There are 1896 ITIs (under state governments), 1244 polytechnics, 669 community polytechnics, 9583 secondary schools with VET stream and 3218 Industrial Training Centres (ITCs) (in the private sector). Besides the Ministries of Rural Development (MRD), Ministry of Small and Medium Enterprises (MSME), Health, Tourism and several others have their own establishments. All these need to be

restructured and repositioned in collaboration with private enterprises. Furthermore, new capacities are being created by the ministries. These need to be brought in PPP mode.

The Action Plan for ITIs:

- upgrade the 500 ITIs by investing INR20–35 million each into 'Institutions of Excellence'
- upgrade remaining 1396 ITIs in PPP mode by providing interest free loans up to INR25 million each
- facilitate 1000 new ITIs in under-served regions — to be set up in PPP mode so that the largely unskilled workforce could acquire skills and mainstream with workforce in other regions
- set up 500 new ITIs — in industrial clusters/ Special Economic Zones (SEZ) on a demand-led basis — also in PPP mode
- quadruple ITI capacity by encouraging the running of two shifts or more
- introduce short term modules in second shift
- introduce an intensive faculty training program
- MOUs with states and ITIs defining outcomes and reforms and imposing obligation to transfer autonomy to the PPP.

Other Ministries have also developed their action plans to address the skill shortages.

National Qualifications Framework

While a National Qualifications Framework is still under development, universities follow guidelines for qualification development laid down by the UGC, and the UGC gives final approval to any new non-technical qualification. The approval process involves a self-selecting peer review process in which universities choose other universities that will review the new qualification. The AICTE follows a similar procedure for technical qualifications.

There are 16 professional councils which register and license professionals in a particular field. They too have quality assurance and accreditation responsibilities but these roles are not the same for each one.

India's quality assurance system

India's education sector is highly regulated. There are diverse regulations both at central and state government level. The central and state governments regulate the establishment and operation of education institutions in India through the MHRD and other statutory bodies constituted for this purpose.

There are three central government agencies involved in quality assurance for higher education, namely:

1. University Grants Commission (UGC)
2. National Accreditation and Assurance Council (NAAC)
3. Association of Indian Universities (AIU).

The first two of these agencies are central government bodies; the NAAC is a sub-agency of the UGC and both are under the responsibility of the MHRD. The UGC has a big picture quality control and standards setting mandate. The NAAC has the specific task to work with tertiary institutions on a voluntary basis to undertake self-review quality assurance exercises which are then peer reviewed. The AIU was established by the universities in 1924 but did not legally exist until it was registered as a society under the Societies Registration Act in 1967. The AIU acts as an inter-university support and facilitation body by providing evaluation and equivalency assessments of foreign qualifications to Indian universities. The structure and role of each agency is explained in more depth below.

The University Grants Commission (UGC)

The UGC's role in quality control, as part of the central government's efforts to improve higher education in India, is to promote quality and excellence as well as identifying and supporting the improvement of universities and colleges with the potential for excellence.

The UGC has seven main objectives:

- strengthening academic and physical infrastructure to achieve excellence in teaching and research
- promoting flexible and effective governance
- enhancing the quality of learning at the undergraduate and postgraduate levels by using a more flexible credit-based system
- promoting academic programs relevant to the economic and social needs of India
- approving foreign non-technical degree programs for delivery in India
- improving undergraduate education in colleges through better connection with postgraduate programs in universities
- promoting networking between like research centres, departments and laboratories around India.

The UGC oversees the functioning of the NAAC, the AICTE and the professional councils which engage in research and quality assurance with their respective sectors.

National Assessment and Accreditation Council (NAAC)

Established in 1994 by the UGC, the NAAC is responsible for evaluating and accrediting institutions and academic departments. The accreditation process is voluntary. Accredited institutions are awarded an overall grade (with a pass/fail threshold).

The NAAC's activities are guided by its vision and mission which focus on making quality assurance an integral part of the functioning of higher education institutions. The NAAC primarily assesses the quality of institutions of higher education that volunteer for the process through an internationally accepted methodology. To do this assessment on a higher education institution or one of its units such as a college, the NAAC follows the three-stage process below which is a combination of self-study and peer review:

1. submission of a self-study report by the institution being assessed
2. an on-site visit by a peer review team to verify the self-study report and recommend an assessment outcome to the NAAC
3. consideration of the self-study report and peer review of that report to produce a final decision by the executive committee.

The self-study report that is then peer-reviewed is the backbone of the whole exercise. Manuals have been developed which are tailored to suit different tertiary institutions needs that include detailed guidelines on the preparation of the self-study report and the other aspects of assessment and accreditation.

The NAAC's main initiative is to address problems about quality that have arisen because of the acceleration of demand for higher education. However, the agency's authority is confined to institutions that are already recognised by the UGC as degree-granting institutions or as affiliated institutions. They have no power to assess or regulate private, unrecognised institutions. The Eleventh Five Year Plan includes, in the higher education policy section, a proposal to make the NAAC's processes mandatory. The National Planning Commission, the MHRD and the UGC believe implementing a mandatory regime will force many of the universities to improve their quality assurance processes, both of their governance and administration structures, as well as their program provision.

Association of Indian Universities (AIU)

The AIU membership includes traditional, open and professional universities, Institutes of National Importance and deemed-to-be universities. In addition, there is a provision for granting associate membership to universities from neighbouring countries.

The main objectives of the AIU are to:

- act as a bureau of information and to facilitate communication and co-ordination between universities
- act as a liaison point between the universities and the government (central as well as the state governments)
- act as the representative of Indian universities overseas
- promote or undertake such programs as would help to improve standards of instruction, examination, research, textbooks, scholarly publications, and library organisation
- help universities maintain their autonomy
- facilitate exchange of members of teaching and research staff
- undertake, organise and facilitate conferences, seminars workshops, lectures and research in higher learning
- establish and maintain organisations dealing with youth welfare, student services, cultural programs, sport, adult education and such activities that are conducive to the betterment and welfare of students or teachers and others connected with universities
- facilitate and provide the publication of newsletters, research papers, books and journals
- assist universities in obtaining qualification and examination recognition from other universities, Indian as well as foreign.

There are ten divisions managed by the AIU secretariat covering the range of services which the AIU provides to the universities. Of these the evaluation division is the most important for Australian education institutions. This division is responsible for the evaluation and equivalence of degrees mentioned above as well as diplomas awarded by accredited universities in India and abroad. Assessment of the status of foreign qualifications is provided to Indian universities and central and state agencies that are concerned with employment selection of students with foreign qualifications.

Evaluation agencies from other countries can seek support from the evaluation division to assess the equivalency of Indian and foreign qualifications. The MRHD uses advice from this division when international education exchange programs are being developed. Advice is also provided on the mutual recognition of Indian qualifications. The division issues Equivalence Certificates to Indian students who have obtained foreign degrees.

India's Recognition and Accreditation System for Technical Education

The All India Council of Technical Education (AICTE) is a statutory body appointed by the Central Government and acts as a regulator of technical education in India. The AICTE regulations are comprehensive and regulate almost every aspect of the functioning of technical education in India.

The term technical education is defined to include programs of education, research and training in the fields of:

- engineering technology
- architecture
- town planning
- management
- pharmacy
- applied arts and crafts
- other programs or areas notified by the Central Government and AICTE.

National Commission for Higher Education and Research (NCHER) Bill

The current government has passed a bill for the creation of a National Commission for Higher Education and Research (NCHER) on the recommendation of the Yashpal Committee — a group set up to advise the government on 'the renovation and rejuvenation of higher education' in India.

The NCHER proposes to subsume existing regulators like the UGC, AICTE and National Council of Teachers Education (NCTE) and sets out tough rules for the selection of vice chancellors. At present the UGC has its accreditation system, the NAAC which rates universities, while AICTE has its own rating mechanism for technical colleges and universities.

The draft legislation for establishment of NCHER approved by the taskforce is currently being discussed nationally.

The draft bill proposes:

Establishment of NCHER to subsume the existing regulators like the UGC and AICTE. The Act shall apply to all higher education institutions other than institutions engaged in agricultural education and medical education.

Once the Act comes into force, no university or institution shall be allowed to commence academic operations unless it is authorised by the NCHER. The Act also specifies norms and standards for the granting of authorisation to a university or a higher education institution to commence its academic operations. The Bill proposes that the NCHER within 30 days of the application shall decide to declare its intent to grant authorisation if the application complies with the norms of academic quality or else the NCHER will reject the application. The NCHER shall validate periodically the standards and academic quality of such institutions. The NCHER may revoke the authorisation in case of wilful or continuous default of provisions by the institute.

The NCHER will maintain a national registry of names of eligible persons for the post of vice chancellors. In case of a vacancy, the NCHER will suggest five names from the registry for the post.

The NCHER shall consist of a chairperson and six other members. The chairperson and other members shall be appointed by the president on the recommendation of a selection committee consisting of:

(i) Prime Minister, who shall be the chairperson of the committee

(ii) Speaker of Lok Sabha

(iii) Leader of Opposition in Lok Sabha

(iv) Minister in charge of Higher Education in the Government of India

(v) Minister in charge of Medical Education in the Government of India.

Administration of school education

The overall administration of school education is the responsibility of the Department of School Education and Literacy, MHRD, the NCERT an apex body of the DSEL.

The various bodies governing the school system are:

- state government boards, in which the majority of Indian children are enrolled
- CBSE
- CISCE
- NIOS
- International schools affiliated with the IB program and or the Cambridge International Examinations or IGSE.

At the state level it is mostly the state schools education boards that are the responsible authority to provide a means of affiliation to the schools located within its territorial limits. The State Education Boards are established under the respective State Education Acts of each state. These boards set the necessary rules and regulations and the requisite conditions for the establishment, working, functioning and affiliation of the schools within the states. For this reason the rules and regulations of each state differ from each other.

These boards affiliate with both governments as well as with private and unaided schools that are located within the state. Schools are free to choose with whom they affiliate and there is no legal compulsion for a school in a particular state to seek affiliation with the board of that particular state.

The Central Board, being a national board, offers uniform standards across the country and is therefore preferred. Schools affiliated with these boards undergo an accreditation process which is designed to ensure that teaching staff and facilities meet prescribed standards. The CBSE also offers affiliation with schools outside the country. The IB and IGSE are international affiliations which the private schools may also obtain. The private international schools offering IB and IGSE are granted these affiliations by the relevant international authorities.

Government schemes

The Indian Government has created a number of schemes designed to improve the outcomes of students in India including:

- the Introduction of the Vocationalisation of Secondary Education scheme — to improve the employability of youth
- a pre-matriculation scholarship scheme for students studying in Class IX and X belonging to scheduled castes and scheduled tribes — to benefit over 4 million students
- the National Knowledge Commission Network (NKCN) — to link 1500 institutes through optical fibre by March 2012.

The role of the private sector in higher education.

Private sector involvement in Indian education has been increasing over the past few years and is assisting the government in overcoming financial, administrative and technical constraints in the sector by providing extra capacity.

This private sector involvement ranges from private schools offering a global curriculum such as the International Baccalaureate, small to multi-national private corporates offering industry specific training, and corporate universities offering full degree courses.

Bilateral education and training relationships

India has cultural agreements with 118 countries and about 75 Cultural Exchange Programs (CEPs). The education component formed part of most of the CEPs.

The International Cooperation Cell (IC Cell) in MHRD coordinates the work relating to bilateral and international collaboration in the education sector. It also takes care of the formulation, implementation and monitoring of Educational Exchange Programs (EEPs) and Memoranda of Understanding (MOUs) with various countries. A separate budget provision is made for international academic exchange activities within MHRD.

Since 2002, the MHRD has entered into exclusive EEPs (in some cases called MOUs) with 32 countries. These include Afghanistan, Armenia, Australia, Botswana, Brazil, Chile, China, Croatia, Ecuador, Ethiopia, France, Guyana, Hungary, Israel, Kuwait, Malaysia, Mexico, Mongolia, Myanmar, New Zealand, Norway, Oman, Portugal, Rwanda, Saudi Arabia, South Africa, Sri Lanka, Syria, Tanzania, Thailand, Uzbekistan and Vietnam.

In addition, MOUs for mutual recognition and equivalence of degrees, diplomas and other education qualifications with many countries are also under consideration.

The substance, scope and implementation of activities or cooperation within the terms of the EEP or MOU are determined by specific arrangements concluded between institutions in the two countries.

A Joint Working Group (JWG) monitors the implementation of the programs within the EEPs or MOUs, is co-chaired by representatives of both countries, and includes representatives of organisations or institutions in relevant areas. The JWGs meet annually in either country to review the progress of implementation of the exchange programs.

AEI statistics show a decrease in Indian student numbers since 2009.

Despite a recent downturn in the growth of Indian students studying in Australia, India remains the second most important source of international students for Australia by a clear margin. Major contributors to these decreases were the vocational education and training sector and the ELICOS sector. By comparison, the higher education sector has remained stable for a number of years but has exhibited little growth.

The decline in the number of Indian students studying in Australia can be attributed to various factors such as the extensive and negative media coverage in India of student safety issues in Australia, the global financial crisis, the rising value of the Australian dollar, and changes in Australia's visa policies.

Another factor is the increased competitor activity from countries including the US, UK, New Zealand, Singapore, France and Germany. However, Australia still remains a preferred study destination (third only to the US and UK).

Australia is not generally recognised as an equally high-quality destination for international education in India as compared to the US and UK for a number of reasons:

- education in Australia has been linked as a route to obtain permanent migration
- there is little awareness of Australia's expertise in niche areas and in research
- for most Indians, education prestige remains historically associated with the US and then the UK.

Although higher education growth has slowed, India is still the second-highest source country for Australia in this sector.

The most popular courses among Indian students in the VET sector are management and commerce. Courses in this field occupied 21 per cent of the total share of all VET courses in 2010. Other broad fields of education in VET with high enrolments were food, hospitality and personal services, society and culture, and engineering and related technologies.

The schools sector in India provides limited market opportunities and enrolments will continue to be at a low level. This is largely attributable to cultural issues where parents do not send school-age children to study abroad. However, India is open to provide its school students, teachers and school communities with broader international engagement through study tours, student and teacher exchanges, sport events and sister school relationships.

Around 70 per cent of Indian students studying in Australia are concentrated in the states of Victoria and New South Wales. Victoria accounts for nearly 50 per cent of the total Indian students enrolled in Australia, with the majority now enrolled in vocational education and training courses. All states have recorded negative growth in 2010 compared with the same period last year.

The large demand-supply gap in higher education, intense competition for admissions in India's top institutions (including the Indian Institute of Information Technology (IIT) and Indian Institute of Management (IIM)), the availability of student loans and the high status and value accorded to foreign degrees makes India an attractive market for foreign institutions.

Every year more than 160 000 Indian students go abroad for higher education and all indications are that demand will continue to increase. Factors such as the growth of household wealth, increased demand for higher education, the lack of capacity within India to meet demand and increasing interest in studying overseas, all support this expectation.

The Indian market is becoming increasingly competitive. The major competitors in India are the US and UK, with Germany, France, Canada, New Zealand and Singapore also attracting Indian students.

United States

In India the US operates through its network of US India Educational Foundation (USIEF) offices, with headquarters in New Delhi, three regional offices in Kolkata, Chennai and Mumbai along with satellite offices in Ahmedabad, Bangalore and Hyderabad.

USIEF promotes mutual understanding between the nationals of India and the nationals of the US through the education exchange of outstanding scholars, professionals and students. USIEF engages in education advice, fellowship support, and facilitating academic dialogue between the US and India and implementing and sustaining partnerships with higher education institutions in India.

USIEF also consults with Indian and US universities interested in developing linkages and exchanges. It enhances academic collaborations by holding lectures, promoting joint research with Indian institutes, participating in conferences and facilitating communication through e-enabled media. USIEF also organises university fairs with the focus on tier 2 cities, visa orientation programs and pre-departure sessions all year round as well as setting up virtual advisory hubs.

USIEF has a strong, active alumni base with a number of alumni associations and chapters functioning in various cities. USIEF features visiting and returning Fulbright scholars at seminars and round tables.

US colleges and institutions offer fellowships, scholarships and tuition waivers in conjunction with assistantships and internships. USIEF facilitates the administration of Fulbright fellowship programs for students, researchers, lecturers, teachers and professionals.

US education institutions generally do not use education agents. However, with growing in-market competition, US institutions are increasingly appointing student recruitment agents and this trend is likely to continue in the future. The creation of the American International Recruitment Council (AIRC) allows the US to promote quality assurance in international student recruitment. Agency compliance with AIRC standards makes it possible for institutions to choose agencies that have adopted these recognised standards, are well trained on all aspects of US higher education, and have consented to periodic external review as part of a comprehensive certification process. AIRC professional development processes ensure that both agents and institutions can collaborate ways that enhance the interests of students while meeting the goals of both institutions and agencies.

Visas

Visas can be issued up to 120 days before the scheduled date of departure. US universities usually provide a checklist of all the documents required with applications. General requirements include a Test of English as a Foreign Language (TOEFL) score. For undergraduate aspirants, SAT General (Scholastic Aptitude Test) is more or less mandatory.

Selective schools and programs require SAT subject tests scores, which are also useful while applying for financial aid. Graduate aspirants are required to take the GRE General (Graduate Record Examinations) and GRE Subject Tests, and the Graduate Management Admission Test (GMAT) for B-schools. For the fall entry, prospective students can take the tests anytime from May to October of the previous year. International students are allowed to work 20 hours a week on campus.

Student trends

According to the 2011 *Open Doors Report*, the number of international student enrolments at colleges and universities in the US for the academic year 2010–11 increased by 4.7 per cent to 72 3277. India was the second-largest source country with 103 895 students, a decrease of 1 per cent against 2009–10. Business (21.5%), engineering (18.7%), maths and computer science 98.9%), physical and life sciences (8.8%) had the highest enrolments for international students.

Bilateral

The visit to India by President Obama in November 2010 displayed a strong commitment by the US to enhance ties between the higher-education institutes of India and the US. His delegation included representatives from 10 US institutions and some senior officials from the US Department of Education, Bureau of South and Central Asian Affairs and US Department of State.

The delegation visited potential Indian partner campuses and international organisations in Bangalore, Mumbai and Delhi. During the delegation's visit to New Delhi an agreement for setting up a Joint Clean Energy Research and Development Centre to facilitate joint research and development and deployment for clean energy technologies was reached. This will be enabled through joint funding of US$5 million by both the US and India and valid for a period of 10 years. The agreement was signed between the Ministry of Science and Technology, Government of India and the US Department of Energy.

On his visit President Obama also agreed to convene an India-US Higher Education Summit, in 2011. The summit took place in October 2011 and was attended by the US Secretary of State, Mrs Hillary Clinton. It brought together top education leaders from both countries to discuss areas of cooperation and concern.

Education co-operation between the two countries also includes two other specific initiatives — enhanced India-US strategic partnership in education, Fulbright-Nehru Fellowship Expansion and the Obama-Singh 21st Century Knowledge Initiative.

- **Fulbright-Nehru Fellowship Expansion**
  This program has transformed into a two-way exchange since 2008 when both countries signed a new bilateral agreement. While initially a US funded program, the 2008 agreement evolved into a scholarship program to be implemented by the governments of both India and the US as full partners. The two governments also increased the total scholarship amount awarded annually to US$4.6 million, a 100 per cent increase from the existing level. The program finances studies, research, instruction and other education activities, visits and exchanges of students, trainees, teachers, instructors and professors.
- **The 21st Century Knowledge Initiative**
  This initiative is designed to build and enhance strategic partnership in education and faculty development between India and the US. Launched in September 2011, both governments have pledged US$5million for this initiative.

Potential bilateral possibilities

Media reports suggest that the Georgia Tech University is planning to set up a research facility in the southern city of Hyderabad in partnership with Infosys Technologies. Virginia Tech and Schulich have lined up Indian partners and have announced plans for new campuses near Chennai and in Hyderabad. Imperial College London (UK) and Duke College (US) are also in dialogue with the MHRD.

The Universities of Yale, Massachusetts Institute of Technology and Boston, are keen to set up campuses in India or have twinning arrangements with Indian universities.

The United Kingdom

Middlesex University and Strathclyde Business School, in conjunction with infrastructure firm SKIL, offer courses from their new base in India. Lancaster University launched The Lancaster India Centre (The LInC) in 2010 and Leeds Metropolitan University started its first campus in Bhopal, India in 2009. Other top foreign institutions continue to show measured interest.

The British Council has excellent branding in India, with large operations in Chennai, Kolkata, Mumbai and New Delhi, along with an additional network of five libraries in Ahmedabad, Bangalore, Chandigarh, Hyderabad and Pune.

The British Council holds education fairs and seminars primarily in tier 2 cities of India such as Bhubaneswar, Chandigarh, Indore, Jalandhar, Lucknow and Vadodara. They promote British education online including Rediff and Yahoo websites and Facebook, and organise chat sessions to provide information and build alumni networks. Twenty five chapters of UK alumni associations and networks are used as a resource to promote study in Britain.

The British Council also works with schools and higher education institutions to establish sustainable partnerships with institutions in the UK through various projects, programs and events.

The British Council, through its network, promotes a range of scholarships including Chevening, Charles Wallace, Commonwealth, Dr Manmohan Singh, Goa Education Trust (GET) and De Souza Trust Goa Scholarships, through briefing sessions at the four main British Council offices in India (Chennai, Kolkata, Mumbai and New Delhi).

Visas

The UK Higher Education Statistics Agency reports that there were 38 500 students from India studying in the UK in 2009–10. This number increased in 2010–11 to 39 090, an increase of 1.5%[1].

In 2010 the UK Government launched a consultation on reform of the student immigration system to eliminate abuse, ensure students come for a limited period to study (not work), and make a positive contribution while they are in the UK. In 2011 Britain announced tougher entrance criteria, including a higher level of requirement for English language skills, limits on work entitlements and the closure of the post-study work route. Students going to the UK for a degree will no longer be allowed a two-year timeline to look for job opportunities after their course ends.

All these factors have contributed to Indian students reassessing the UK as a study option in comparison the US, Canada and Australia, which have comparatively less restrictions.

Bilateral

The UK has a long history with India. A visit to India by the UK Minister for Universities and Science Mr David Willetts in 2011 re-affirmed the commitment by the UK and India to continue to strengthen bilateral links on education. During his visit the UK minister and his Indian counterpart, the Minister for Human Resource Development, Shri Kapil Sibal, co-chaired the third UK-India Education Forum. The forum also saw the signing of an agreement launching the second phase of UK-India Education and Research Initiatives (UKIERI), with pledged support for the program 2011 to 2016.

This new phase of the UKIERI program comprises four strands of education collaboration covering:

- skill development
- innovation partnerships
- building a new generation of leaders
- building harmony and enhancing mobility.

1. HESA, http://www.hesa.ac.uk/index.php?option=com_content&task=view&id=2371&Itemid=161

The first phase of UKIERI took place between April 2006 and 2011 with the aim of making India and the UK the partner of first choice for each other in education issues across higher education and research, schools and professional and technical education.

Other ongoing programs include the Development Partnerships in Higher Education (DelPHE), Prime Ministers Global Fellowships Program, Global School Partnerships (GSP), British Council International School Award Scheme and Connecting Classrooms.

Development Partnerships in Higher Education (DelPHE): The UK Government's Department for International Development (DFID) has invested up to UK£3 million (A$4.6 million) a year in (DelPHE), a seven-year program running from June 2006 to March 2013. The program provides funding to support partnerships between Higher Education Institutions (HEIs) working on collaborative activity linked to the UN Millennium Development Goals (MDGs). The overall goal is to enable HEIs to act as catalysts for poverty reduction and sustainable development. DelPHE aims to achieve this by building and strengthening the capacity of HEIs to contribute toward the MDGs and promote science and technology related knowledge and skills.

The Prime Minister's Global Fellowship (PMGF) aims to build a network of young British people with a personal understanding of global citizenship and well-grounded insight into what it will take to contribute to and compete in a rapidly changing world. The program has been created to nurture outstanding talent and enterprise through international exposure to different countries and their way of life, cultures and business environments.

Global School Partnerships facilitate partnerships between schools in India and the UK that promote global education through the curriculum. Support and guidance is provided to teachers and grants to schools, to make the most of a school partnership as a learning tool, and provides funding for teacher exchange visits to enable them to develop curriculum projects based on global themes. The program is funded by UKaid from the Department for International Development and managed by a consortium of the British Council, Cambridge Education Foundation, UK One World Linking Association, and Voluntary Services Overseas.

The Connecting Classrooms program is designed to build lasting partnerships to enrich the curriculum, improve skills and motivation and help schools and local authorities to meet core government objectives between schools in the UK and India. It also offers collaborative projects for learners, professional development for teachers, school leaders and local authority co-ordinators, along with eligibility for school participation in the International School Awards. Through these partnerships, the program aims to develop trust and understanding between young people in different societies, creating a safer and more connected world for the future.

France

Campus France operates through nine offices across India in Ahmedabad, Bangalore, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai, New Delhi, and Pune. Major areas of focus include promotion of higher education and specialisations in France, student counselling, disseminating information on scholarships, visa guidance, providing information on language requirements, and provision of help for administrative follow-up procedures and securing bank loans.

Major promotional activities consist of conducting presentations in colleges and universities across India (promoting mainly master's and postdoctorate courses).

Another major initiative involves organisation of 'French Day' across Indian college campuses which involves the participation of French companies specialising in food and beverage, music and art.

In 2006 the French Embassy launched the Indo French Alumni Association (IFAN). Currently, the network comprises more than 5000 Indian graduates who have studied in France.

Campus France has also introduced scholarships from the corporate sectors which are offered by French companies and the Embassy of France in India.

French as the language in classes acts as a significant barrier for Indian students in choosing France as a study destination.

In 2010–11 there were 284,659 international students in France, a growth of almost 2.5% on 2009–10 numbers[2]. While India is not a major source country for France and does not appear in their top ten source countries, the numbers have been growing. Most students attend postgraduate programs, or engage in student exchange programs run by Campus France through reputed institutes in India such as the Indian Institutes of Technology, Birla Institute of Technology and Science (BITS), BITS Pilani and IIM.

While enrolments have increased, French institutes do not directly train or work with private agents.

New Zealand

New Zealand Trade and Enterprise (NZTE) is supported by the New Zealand High Commission, and provides information and counselling services to prospective students.

Unlike the US and UK, New Zealand does not have an extensive scholarship program. Universities and other institutions offer a limited number of scholarships to Indian students and are limited to postgraduate level studies.

NTZE works closely, and in consultation with, its group of accredited education agents NZ Specialist Agents (NZSA), to market itself in India. NTZE currently has 24 agents throughout India.

NTZE does not participate in education fairs, but focuses on:

- agent support seminars in tier 2 and 3 cities
- press editorial or advertorial campaign
- NZSA training sessions
- cluster events which are organised for specific industry groups
- training sessions for non-NZSA members.

NZTE are working on a long term strategy to create joint ventures between New Zealand and Indian institutions. In the short-term this has resulted in an increase in student visa applications.

Visas

Visa applications can be made online but may need to be supported by original documents. A statement of purpose is required along with applications while some schools ask for letters of recommendation along with a confirmation letter and evidence of confirmation of payment from the institution. An IELTS band score of no less than 5.5 is required, although this is not mandatory in some institutions.

Students are allowed 20 hours per week of employment outside study.

Student trends

There has been a consistent rise in student numbers from India studying in New Zealand. In 2007 there were 3 855 international students from India. In 2010 this number had increased to 11 597. The latest data for 2011 enrolments (to April 2011) shows that enrolments from India continue to grow, increasing 30% on 2010 enrolments for the same period[3]. Much of the increase is centred in the Private Training Establishments (PTE) which offers vocational level programs fitting permanent residency requirements. The number of students applying for courses at universities and Institutes of Technology has seen a marginal increase.

2. Campus France, http://www.campusfrance.org/en/node/119006
3. Education Counts NZ, http://www.educationcounts.govt.nz/statistics/international/international-students-in-new-zealand

Germany

Germany is positioning itself in the Indian market as a research destination (as opposed to a study destination), with the focus on attracting research and postgraduate students.

In 2010–11 there were 252 032 international students in Germany, an increase of 3% on 2009–10. The majority of foreign students come from within Europe, however, students from China form the single largest student community. In 2009–10 India was the fourteenth largest source country for Germany with approximately 4000 students. The number of Indian students undertaking study in Germany has grown more than 11% from 2006–07[4]. While India is not a top source country in terms of total numbers, it is second in terms of PhD enrolments. Indian students mostly opt to study engineering and natural sciences.

In India, Deutscher Akademischer Austausch Dienst (DAAD) promotes the internationalisation of Germany's universities, German studies and German language abroad through academic co-operation, especially through the exchange of students, scholars, academics, and scientists. DAAD is a joint organisation of German institutions of higher education and student bodies. It is primarily a funding body which does not work with agents for the promotion of higher education, but utilises information centres in New Delhi.

DAAD conducts and participates in fairs, organises pre-departure briefings, conducts targeted institution visits and uses online and social media to promote activities, events and their study brand. DAAD has also recently established a DAAD alumni network.

A campaign showcasing Germany as the 'Land of Ideas' was recently run to promote tourism, education, and research. DAAD has also introduced a new campaign, 'Passage to India' to attract more Germans to India.

Singapore

Singapore is emerging as an international education hub of choice for Indian students, given its close geographical proximity. Singapore is particularly active in South India, with its promotional office based in Chennai.

The Singaporean Ministry of Education offers scholarships for international students at different levels of study including Association of Southeast Asian Nations (ASEAN) secondary scholarships, pre-university scholarships as well as for tertiary education.

Canada

India is a priority market for Canada. It promotes education in the Indian market through various initiatives including education familiarisation tours to Canada for school principals/career counsellors and journalists, participation in signature events such as the Federation of Indian Chambers of Commerce and Industry (FICCI) higher education summit and in events organised by leading institutes such as IIT and BITS Pilani.

Based on data from the Citizenship and Immigration Canada (CIC) there were 11 779 Indian students provided with student visas in 2010. As at September 2011 (Q3) that number was 13 329. This is a growth rate of 46% in comparison to Q3 in 2010[5]. India is the second largest source country for international students — after China and ahead of Korea. As at September 2011 Canada had more than 96 000 international students studying in-market, and universities are keen to recruit students for both undergraduate and postgraduate programs.

A joint pilot project, the Student Partners Program, was launched in 2009 between Canada's visa offices in India and twenty member colleges of the Association of Canadian Community Colleges (ACCC) and continued during 2011. The program was established with the goal to increase the approval rate for study permit applications at participating Canadian colleges.

4. DAAD, http://www.daad.de/portrait/presse/studien-statistiken/19166.de.html
5. Source: CIC, Research DataMart, 3rd Quarter 2011

A number of universities offer entrance scholarships based on Class XII marks. Graduate students have several options such as scholarships, bursaries, teaching or research assistantships, grants and fellowships.

Canada also offers the option of permanent immigration. Canada created an immigration program: the Canadian Experience Class, specifically for international graduates. This program is aimed at helping those with Canadian degrees and or work experience in skilled trades, professions or technical occupations in Canada to immigrate permanently.

Bilateral

The Association of Universities and Colleges of Canada (AUCC) organised a visit to India in November 2010 for 15 university presidents across Canada to consolidate existing relationships between education institutions in India, forge new exchange and research partnerships and raise the profile of Canadian universities in India. The visit also aimed to achieve better understanding of implications of India's Foreign Education Providers Bill.

As a sign of Canada's commitment to engaging with India, Canadian universities announced funding for a series of India-specific initiatives valued at over A$4 million. These investments include the new Globalink Canada-India Graduate Fellowship Program, new scholarships for Indian students, and institution partnerships funds. The delegations also participated in the higher education summit organised by the FICCI and signed four MOUs.

- The University of British Columbia renewed a long-standing student mobility agreement with IIT-Delhi.
- The University of Ontario Institute of Technology and Amar Jyothi College of Engineering will jointly offer a Bachelor of Applied Science in Nuclear Power.
- The University of Manitoba announced a partnership with the Indian Institute of Crop Processing Technology and the Ministry of Food Processing industries.
- Royal Roads University and the Indira Gandhi National Open University (IGNOU) signed an agreement to establish an education partnership that will explore joint delivery of programs through blended and distance education programs. Royal Roads University and the ACN School of Business also signed an agreement to establish a partnership on academic cooperation.

AUSTRALIAN ENGAGEMENT IN INDIA

4.0

India-Australia economic links are rapidly expanding, supported largely by shared interests and values. In the field of education, significant links already exist between Australian and Indian institutions, particularly in research, with both governments keen to expand links across all education sectors to enhance their knowledge partnership.

Australia and India continue to strengthen the bilateral relationship on a range of fronts. Education and training links were strengthened in 2003 with the signing of a Memorandum of Understanding on Cooperation in Education and Training (also referred to as the Education Exchange Program).

This was followed by successful Joint Working Group (JWG) meetings under the MOU in Canberra in 2005, in New Delhi in September 2008 and a Joint Working Subgroup meeting in September 2009. The Indian Minister of Human Resource Development, Minister Kapil Sibal also visited Australia in April 2010.

India and Australia recognise the valuable contribution that vocational education and training plays in lifting literacy and numeracy skills to enhance employability, increase productivity, strengthen national competitiveness. An Australia-India Bureau for Vocational Education and Training Collaboration (BVETC) was established as an outcome of the JWG sub-working group meeting on VET in October 2009. Its aim is to help develop the Indian VET system and work out proposals for practical areas of development in specific skills sectors, including industry involvement, recognition of prior learning and the development of national qualifications.

The Australia-India VET Mission in 2010 was the first high-level delegation of Indian Government officials and industry representatives focusing on vocational education and training to visit Australia. The mission aimed to increase understanding about vocational education and training in both countries and to assist in long-term engagement in vocational education and training.

The Australia-India Education Council (AIEC) is a joint initiative by the Australian and Indian Governments. The AIEC supports Australian and Indian public and private educators to collaborate with governments and industry on education collaboration in all sectors of education to contribute to each country's strategic, economic and social and wellbeing.

To further facilitate cooperation in key areas of mutual interest the Australia India Institute has been established to provide leadership in policy, business briefings, research and postgraduate training for the benefit of India and Australia and the broader Asia Pacific region.

AUSTRALIAN ENGAGEMENT IN INDIA

4.0

Following the international student welfare issues in Australia in recent times, the Australian Government has undertaken engagement with Indian education stakeholders to build confidence in the significant action being undertaken by the national and state governments to ensure the safety and wellbeing of Indian students in Australia.

It is expected that this approach will enhance the growing awareness in India that it needs to embrace foreign collaboration in education and training. Benefits to Australia include stabilising the number of students attending courses in Australia, and also by attracting the high quality end of the education market. Ideally it will also significantly assist Australia to develop a deeper and more sophisticated relationship with India.

AUSTRALIAN ENGAGEMENT IN INDIA
KEY FOCUS, STRENGTHS AND OPPORTUNITIES

4.1

The Indian education system is in a developmental stage with the government looking at various established models to reform its education system.

Australia's education and training systems are well regarded in India, in particular, the flexibility and integration of the Australian Qualifications Framework (AQF). India has expressed interest in using the AQF as a model for its own NQF.

Over the last decade, Australia's approach to the development and delivery of education has made it one of the world's leading international education service providers. Australia's unique education and learning style which encourages students to be innovative, creative and think independently is increasingly becoming considered of value. Australia continues to be cost-competitive and has a standard of living among the highest in the world.

More can be done to increase the level of academic engagement and research cooperation with India. With long-term strategic collaboration, Australia can build its reputation for academic excellence, something that traditional competitors, the US and UK, have established through years of relationship and brand building. The US and UK still benefit from the tradition and prestige attached to their longer, and often more robust, relationship with Indian academic institutions.

The current focus of the government toward facilitating primary school and vocational education presents an opportunity for local and foreign education providers to enter the higher education market.

Australia-India Strategic Research Fund (AISRF)

The Australian Government in conjunction with the Government of India has established the Australia-India Strategic Research Fund (AISRF) for scientific and technological cooperation. The AISRF assists Australian researchers from both the public and private sectors to participate in leading-edge scientific research projects and workshops with Indian scientists and supports the development of strategic alliances between Australian and Indian researchers.

AISRF is Australia's single largest bilateral science and research fund having committed a total of A$65 million to the fund (with the Indian Government providing equivalent funding).

While Australia is well-established in the Indian market as a study destination, the high quality, sophisticated education services provided by Australia are not well known. There is a perception among students that the US or UK are better first options.

Australia also has to deal with the perception in India that Australian education is closely aligned with migration options. It should be noted though, that this is slowly changing with changes in visa regulation.

In India, Australia's international students predominantly come from the states of Punjab and Gujarat — two states that have a very strong history of outward migration. This is a significant change from a number of years ago when states in South India were more strongly represented, particularly in the postgraduate market. The south of India is a research-intensive region where obtaining high-calibre research students are most competitive. The drop in Australia's market share in these states has occurred in the face of strong promotional activities by the US and the UK which have positioned them well.

The comparative lack of financial resources that restricts Australian institutions from offering substantial scholarships to prospective students also impacts on Australia's image as an equal competitor to the US and UK.

Australian education institutions are significantly reliant on in-country agents to recruit students and therefore the selection of reputable agents is critical. Choice of courses can be migration driven, or over-promoted by both agents and providers resulting in courses that have limited cultural mix (being mainly students from South Asia and China).

A further weakness is that Australian qualifications and graduates enjoy only a limited profile among Indian employers, with implications for limited employment prospects of returning graduates. This perception could be mitigated if Australian institutions can create links or partnerships with Indian employers.

India's regulatory framework currently prevents or limits foreign institutions from offering degrees and certifications in India. Currently, only Indian universities may issue degrees and certifications for academic and professional programs that are fully delivered in India.

Challenges

The extensive and negative media coverage in India of student safety issues in Australia represents a significant challenge in changing student and parent perceptions of Australia as a safe and welcoming market.

Competition in the Indian market is rapidly increasing. The range of study destinations is growing, with many new competitor countries including Singapore, the Netherlands, Russia, New Zealand, UAE and China increasing marketing activities. The US is still the number one preferred destination for Indian students. The UK, another popular destination, continues to have excellent branding in India.

The challenge for Australia is to rebuild an education relationship based on Australia's world-class quality education.

Education agents play an important role in the international education sector in India — accounting for input in over 90 per cent of all student visa applications. In 1996, AEI initiated the establishment of the Association of Australian Education Representatives in India (AAERI).

AAERI members have to abide by a code of ethical practice requiring them to provide services to prospective students in a manner reflecting the established practices of the Australian education and training sector, and safeguarding the genuine interest of prospective students. Austrade and AEI work closely with AAERI in order to ensure agents are:

- well trained with regard their duties under the ESOS Act (Education Services for Overseas Students)
- informed of the latest Australian Government policies and practices
- kept abreast of any issues that might impact on Australia's ability to deliver education and training to overseas students.

Austrade, AEI and Department of Immigration and Citizenship (DIAC) engage regularly with the education agent community and AAERI to update them on strategies, policies and visa regulations.

The on-line Education Agent Training Course (EATC) is given high priority by Austrade in advising education agents on ways to improve the quality of counselling that is provided. One of the requirements in gaining an AAERI membership is completion of the EATC course.

Austrade offers online assessment of the EATC at the High Commission in Delhi and 11 other locations in India where Austrade also has a presence. Australian education providers are strongly encouraged to deal only with agents who have completed the EATC and are members of AAERI.

AAERI also produces a monthly newsletter which provides regular updates to members on AAERI activities, competitor strategies and changing policies and regulations. The newsletter is used by Austrade, AEI, and DIAC to disseminate information to the agent community in India.

A list of AAERI members can be found at its website at www.aaeri.org.

AUSTRADE ACTIVITIES AND INITIATIVES IN INDIA

5.0

The current need in the Indian market is to rebuild the image of Australia and its quality Australian education.

As a consequence of adverse media coverage on the student welfare issue in Australia, there is a current perception in India that Australia is unsafe and racist. The major focus of the Australian Government is to continuously engage and involve local stakeholders (education institutions, corporates) and ambassadors (alumni) on Australian Government initiatives, to rebuild confidence in the market. The messaging is jointly designed with allies such as AEI to highlight significant actions being undertaken by the national and state governments in ensuring the safety and wellbeing of Indian students in Australia.

This approach will allow Australia to leverage off the emerging realisation in India that it needs to embrace foreign collaboration in education and training in order to become a 'knowledge powerhouse'. This will undoubtedly benefit Australia commercially, by attracting not just a large number of students, but also by attracting the quality high-end of the education market. It will also significantly assist Australia to develop a deeper and more sophisticated relationship with India.

Austrade's experience in marketing, promotion and expanded reach in the market is well placed to support the industry in repositioning Australia as a quality destination.

Activities include:

- development of an alumni ambassador program, to highlight alumni success stories and experience in the market
- visit to Australia by school principals, administrators, student counsellors to examine Australian education structure and administration, curriculum and teaching methods with a reciprocal arrangement to profile Australian education in their institutions
- corporate training, Executive Education Mission to India in 2012
- participate in a festival of Institutes of National Importance — IITs and IIMs — on an invitation basis to profile Australia as a destination for high quality education
- cross-sector activities in the following industries — mining, film and media, sport, healthcare, agriculture and allied services, retail/franchising, legal
- publicity and media campaign to be built around activities such as visiting researcher programs and school counsellor visits
- work on a series of editorials highlighting Australian education excellence including alumni testimonials for websites, journals and newsletters

- dissemination of information through Study in Australia (SIA) India website, myoznetwork (alumni site), Utsav web portal
- Australian Government agencies: Austrade, DIAC and AEI, work closely with AAERI to ensure agents are well trained under the ESOS Act and ensure agents are informed of latest government policies and practices along with any issues that might impact on Australia's ability to deliver education and training to overseas students
- work with agents on their promotion and outreach activities
- explore potential in-market research projects of interest to the Australian education sector
- provide opportunities through the BVETC to the MHRD, Ministry of Labour and Employment and UGC
- participate in discussion forums, seminars and conferences organised by the industry associations such as Confederation of Indian Industry (CII) and the FICCI.

AUSTRADE CONTACT FOR INDIA

6.0

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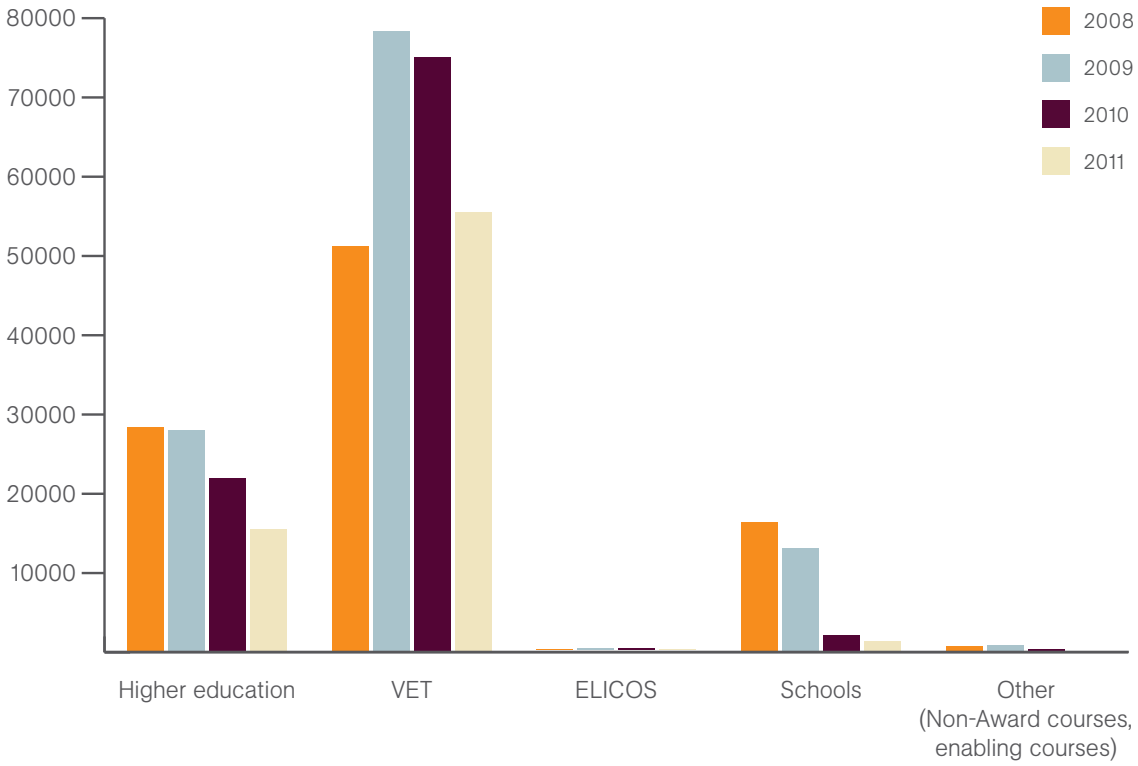
APPENDICES SUPPORTING STATISTICS

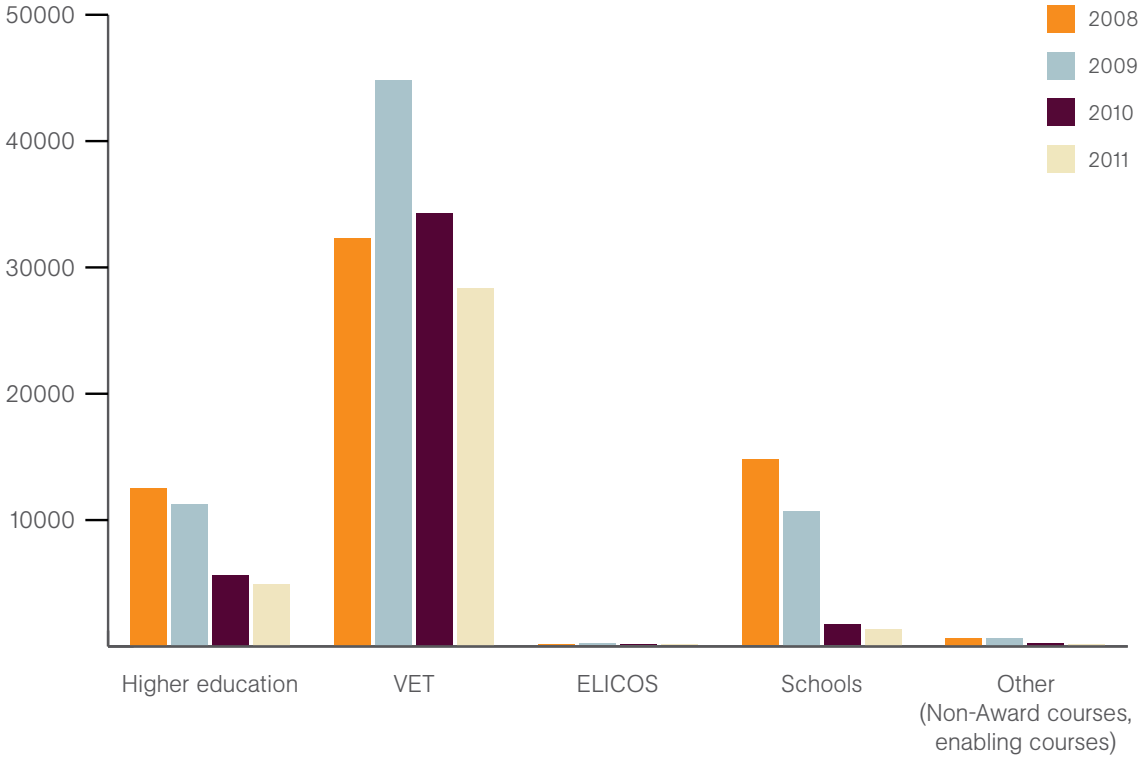
7.0

Graph 1: Enrolment figures for Indian students studying in Australia between 2008 and 2011, by sector



Source: Australian Education International (February 2012)

Graph 2: Commencement figures for Indian students studying in Australia between 2008 and 2011, by sector



Source: Australian Education International (February 2012)

Australian Education International (AEI) delivers international student data each month and produces Research Snapshots which provide stakeholders with summary updates on current activities and developments in international education data and research. Contents may be viewed by date or country. These can be accessed here.

GLOSSARY
KEY ACRONYMS

8.0

AAERI Association of Australian Education Representatives in India

AICTE All India Council for Technical Education

AIU Association of Indian Universities

BVETC Bureau for Vocational Education and Training Collaboration

CBSE Central Board of Secondary Education

CIIL Central Institute of Indian Languages

CISCE Council for the Indian School Certificate Examinations

DelPHE Development Partnerships in Higher Education (DelPHE)

DHE Department of School Education and Literacy (DSEL) and Department of Higher Education

DGET Director General of Employment and Training

FEI Foreign Education Institutes

FEP Foreign Education Provider

FICCI Federation of Indian Chambers of Commerce and Industry

GER Gross Enrolment Ratio

ICSE Indian Certificate of Secondary Education

IGCSE International General Certificate of Secondary Education

IGNOU Indira Gandhi National Open University

IGSE International Graduate School of English

IIT Indian Institute of Technology

IIIT Indian Institute Information Technology

IISER Indian Institute of Science Education and Research

ITCs Industrial Training Centres

ITIs Industrial Training Institutes

IUB Inter-University Board

MRD Ministries of Rural Development

MHRD Ministry of Human Resource Development

MSME Ministry of Small and Medium Enterprises

NAAC National Assessment and Accreditation Council

NCHER National Commission for Higher Education and Research Bill

NCERT National Council of Educational Research and Training

NCTE National Council of Teachers Education

NIOS National Institute for Open Schooling

NIT National Institute of Technology

NOOSR National Office of Overseas Skills Recognition

NQF National Qualifications Framework

NSDC National Skills Development Corporation

PPP Public Private Partnership

RMSA Rashtriya Madhyamik Shiksha Abhiyan

RTE Right to Education Act

SSA Sarva Shiksha Abhiyan

SDM Skill Development Mission

AICTE All India Council of Technical Education

UGC University Grants Commission

APPENDICES
USEFUL WEBSITES

9.0

Ministry of Human Resource Development (MHRD) Department of Education, Government of India

http://education.nic.in/

Department of School Education and Literacy (DSEL)

http://education.nic.in/Elementary/elementary.asp

Department of Higher Education (DHE)

http://education.nic.in/secondary.htm

Ministry of Labour and Employment (MOLE)

http://labour.nic.in/

Directorate General of Employment and Training (DGET)

http://dget.nic.in/

University Grants Commission (UGC)

http://www.ugc.ac.in/

National Assessment and Accreditation Council (NAAC)

http://www.naac.gov.in/

Association of Indian Universities

http://www.aiuweb.org/

Central Institute of Education Technology

http://www.ciet.nic.in/

For more information visit
www.austrade.gov.au/education

Australian Government
Australian Trade Commission

Australia
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