



India opens up to collaborations and campuses with international universities

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The Indian higher education market has finally opened up to non-Indian universities. The snappily-titled, "University Grants Commission (Setting Up and Operation of Campuses of Foreign Higher Educational Institutions in India) Regulations, 2023 (Foreign HEI Campus Regulations)" allows non-Indian universities to operate in India. For the sake of brevity, let us call these the "2023 Regulations". Similar regulations in 2022 had previously allowed non-Indian universities to operate in Gujarat International Finance Tec-City. The 2023 Regulations apply to all of India.

Why are the 2023 Regulations important?

The 2023 Regulations could present the biggest shift in transnational education for UK universities in a long time. UK universities have long eyed the Indian market. Indian students make up the second largest country of origin for overseas students in the UK, with numbers rapidly closing on China in first place. Many UK universities already have some operations in India, to the extent that local regulation has allowed. With UK universities facing an uncertain financial future, and at least one potential future UK government intent on slashing visiting student numbers, it is not a huge leap to think that some UK universities will want to set up in India.

Some initial considerations for UK universities

So what should UK universities be considering when looking at setting up in India? Rather than worrying about contracts, the first question a university should ask itself is whether it has the skills to carry out the project. The scale of resource and knowledge required to set up a campus overseas should not be underestimated.

Next, universities should make sure that they understand the regulatory environment in which they would be operating. This will largely be a question of law, they must also consider questions of tax and whether income can be moved back to the UK.

Once the regulatory environment is understood, the university can consider with whom it may collaborate. This could be an investor, a local university or simply a landlord. As ever, due diligence will be key here. Only after all of these steps would we start to draw up the legal documents to underpin the project.

Early adoption or not?

It will be interesting to see if UK universities lead the charge when considering campuses in India. There are likely to be rivals from perennial competitors in the US and Australia. Depending on the state of international relations, Chinese universities are also likely to closely consider the market. Institutions globally will also be watching the fall-out from the

recent rift between India and Canada and its impact on students. The question for UK universities will be whether gaining first-mover advantage outweighs the risk of being an early-adopter. With a large and complicated territory and a new regulatory regime, any early glitches will not be solved as easily as an iOS update.

This is a short stop-press article to raise awareness of the 2023 Regulations. We are working with colleagues at Khaitan & Co to produce another article explaining the 2023 Regulations in more detail.

