Regulations for Foreign Universities

Why in news?

Higher education regulator University Grants Commission (UGC) released draft regulations to allow foreign universities to set up campuses inIndia.

What does this regulation mean?

- This means that universities like Oxford, Cambridge, or Harvard can now open campuses in India.
- But it will ultimately depend on whether those universities find the Indian market attractive enough to invest in a branch campus in the country.
- The UGC has said that universities in some European countries have shown a “keen interest” in setting up India campuses.

No foreign higher education can set up campuses without the approval by the UGC.

- Foreign universities setting up campuses in the country will get initial approval for a period of ten years.
- All cross-border movement of funds, including through repatriation, will be covered by the Foreign Exchange Management Act, 1999.

What are the criteria laid down for foreign universities?

- In the draft regulations announced, the UGC said universities that are placed in the top 500 - either in the overall or the subject-wise category - in global rankings such as QS, can apply to enter India.
- Universities that do not participate in such rankings must be “reputed” in their countries to be able to apply.
- The draft regulations do not specify a metric to judge the ‘reputation’ of the university.

Will the government regulate the fee structure of foreign educational institutions in India?

- No, the government will have no say in this matter. The foreign universities will have full freedom to decide the fee structure and admission criteria for both Indian and overseas students.
- They will also get a free hand in hiring faculty, either from India or abroad, and will not be expected to mandatorily follow reservation policies in admissions and

employment.
- However, the draft regulations do say that the fee structure should be “transparent and reasonable”.
- Based on an evaluation process, full or partial scholarships may be provided by the FHEI (foreign higher educational institution) from funds such as endowment funds, alumni donations, tuition revenues, etc.

Was there any attempts previously to allow foreign university campuses in India?

- Yes, but the previous attempts failed to allow foreign university campuses in India.
- The coalition governments that ran India for many years up to 2014, faced several pulls and pressures.
- The left parties, which have strong ideological and economic reservations against the entry of foreign capital in higher education, had a much larger electoral presence in national politics during this period.
- Some of the right wing parties, which was in the Opposition then, too had opposed the move.
- Even now, the Centre has chosen the regulatory route rather than legislation for this reform.
- Also, it is only now that the UGC has proposed that foreign universities will be allowed to repatriate funds to their parent campuses.
- This was not the case earlier - and most foreign players found this requirement restrictive.
- However, as India looked to set up IIT campuses abroad, there was a rethink in this position.
- In 2016, the NITI Aayog strongly pitched for foreign education providers to be allowed into India.

What safeguards has the UGC proposed to secure the interests of Indian students?

- The draft states that the UGC will have the right to inspect the campuses at any time.
- These campuses will not be outside the purview of anti-ragging and other criminal laws.
- The draft says that the UGC shall impose a penalty and/ or suspend/ withdraw its approval at any time if the university’s activities or academic programmes are against the interest of India.
- The foreign universities must submit audit reports and annual reports to the UGC certifying that their operations in India are in compliance with FEMA 1999 and other relevant government policies.

How does this proposal relate to the NEP 2020?

- The National Education Policy (NEP), 2020, says that “top universities in the world will be facilitated to operate in India”, and “a legislative framework facilitating such entry will be put in place”.
- It also says that such universities will be given special dispensation regarding regulatory, governance, and content norms on par with other autonomous institutions of India.

- In a way, the draft regulations released by the UGC seek to institutionalise the NEP's vision.

Reference

1. Indian Express | What are the regulations announced for foreign universities in India?
2. Live Mint | UGC states guidelines for foreign universities to set up campuses in India
3. The Hindu | UGC unveils draft norms to allow foreign universities to set up campuses in India

