



# Universities Scotland's submission to the Scottish Affairs Committee's inquiry into Promoting Scotland internationally

September 2022

Universities Scotland welcomes the opportunity to submit evidence to the committee's inquiry into promoting Scotland internationally. Scotland's universities are proudly international in both our history and outlook.

Internationalisation is a critical dimension to the work of Scottish universities: from recruiting of international students and staff; to collaborative research projects with other universities and in other nations; to the delivery of education outside of Scotland by our members (otherwise known as transnational education).

All this work has significant benefit not only to our universities, but wider Scottish society. As a 2021 British Council report into Scotland's higher education's distinctive assets noted: *"the Scottish higher education sector and national bodies have actively sought to grow internationalisation across the sector for the benefit of all students (domestic and international), for international partners, for Scottish society, the Scottish economy and the long-term benefit of all involved, essentially extending the ethos of public good into an 'international good'"*.<sup>1</sup>

Additionally, internationalisation has become a critical aspect of Scottish universities' operating model due to the restraint in public spending on the sector in the past decade. As Audit Scotland has noted<sup>2</sup>, universities are subsidising research and publicly-funded teaching activity (for Scotland-domiciled students) with income from other sources, primarily international fees. This cross subsidisation of the cost of teaching domestic students is unique to Scotland in a UK context.

It is therefore of critical importance that Scotland's universities operate in a policy environment that allows them to perform at their optimal level and protect their distinctive assets.

Evidence to demonstrate the scale of the international dimension to Scottish universities:

- The total economic contribution of international students is estimated to be around £1.94bn.<sup>3</sup>
- International education exports were estimated to be worth £775m in 2017, which is 2.4% of total international exports from Scotland.<sup>4</sup>
- The campuses of Scotland's universities are amongst the most multicultural in the world. Around 24% of students in Scotland are from overseas.<sup>5</sup>
- Each year more than 68,000 international students from 180 countries study in Scotland.
- Despite the challenges of the pandemic, international student recruitment from beyond the EU has remained strong. However the number of EU students coming to Scottish universities has declined steadily year-on-year following Brexit, seeing a decline of 3.4% overall since 2016/17 and a 7.5% drop in postgraduate students from the EU over the same period.

<sup>1</sup>[https://scotland.britishcouncil.org/sites/default/files/240321\\_strategic\\_analysis\\_of\\_scotlands\\_higher\\_education\\_sectors\\_distinctive\\_assets.pdf](https://scotland.britishcouncil.org/sites/default/files/240321_strategic_analysis_of_scotlands_higher_education_sectors_distinctive_assets.pdf)

<sup>2</sup> [https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr\\_190919\\_finances\\_universities.pdf](https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr_190919_finances_universities.pdf)

<sup>3</sup> The impact of international students in Scotland: Scottish Government response; <https://www.gov.scot/publications/impact-international-students-scotland-scottish-government-response-migration-advisory-committees/pages/4/>

<sup>4</sup> Scotland: a Trading Nation

<sup>5</sup> HESA FPE student record 2020/21



- Scotland is a magnet for talented international researchers and academics, with around 24% of staff being of non-UK nationality.<sup>6</sup>
- Our universities currently have teaching, research, and staff/student exchange partnerships in over 100 countries.
- 91% of international graduates said that they are satisfied with their learning experience in Scotland.<sup>7</sup>
- More of Scotland’s research publications are up there in the world’s top 1% of most cited publications than anywhere else in the UK or EU. Highly cited work is a mark of the impact of the research.
- In 2019-20, Scottish universities provided TNE to 44,140 students across the world.<sup>8</sup> This was a 3.6% increase in TNE provision from 2018-19.

### Current critical issues for the sector in international environment

- **Horizon Europe.** Our stated first preference since the referendum result has been associate membership of Horizon Europe. However, this formal association to Horizon Europe has been delayed. Currently UK Government is providing funding guarantees for successful projects, to be delivered through UK Research and Innovation. Horizon Europe is considered a central plank of the UK-wide ambition (which we support) for research and innovation. The UK Government have a vision of the country being a “science superpower” with plans to increase its own level of investment in research and development to reach 2.4% of GDP by 2027. At the time of writing, the UK Government and European Commission were engaged in dispute resolution proceedings over UK access to EU science programmes with the outcome not yet determined. If Horizon association is no longer a likely short-term prospect, we urgently need the UK Government to implement a ‘Plan B’ programme to support universities’ international research collaborations.
- **Integrate the opportunity of the Post Study Work Visa into thinking about immigration and skills needs.** The best way for the UK Government to help promote Scotland as a destination is through an immigration system that is highly functional and attractive to would-be applicants. The introduction of a new Post Study Work Visa (PSWV) by the UK Government was the welcome culmination of pressure from the sector and others (including the Scottish Affairs Committee) over a decade. The Visa is key in attracting talented individuals to choose Scotland as a study destination. After a period working in the UK under the Visa conditions, many students will return to their home countries, adding to Scotland’s global relationships, reputation and soft power. However, many will want to remain in Scotland to work, live and contribute. The PSWV is a vital strategic opportunity to address Scotland’s specific demographic and skills challenges and we hope that both the UK and Scottish Governments can align policy, action and investment to secure outcomes from this opportunity and support employers and international graduates accordingly to ensure that those who want to stay can make this commitment indefinitely. Looking beyond the PSWV, consideration now needs to be given to the support needs to required for early and mid-level researchers. This includes affordability of visa fees and our wish to bring them in line with our competitors and lastly, less of a policy issue, is to ensure that talent can remain indefinitely. Challenges remain with the pathway of International graduates once their Graduate Visa has come to an end and their

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<sup>6</sup> HESA Staff Records

<sup>7</sup> International Graduate Outcomes 2019 i-GO

<sup>8</sup> <https://www.universitiesuk.ac.uk/universities-uk-international/insights-and-publications/uuki-publications/scale-uk-higher-education-transnational-8>



wish to secure employment as part of a sponsored route. Seeing this issues addressed would greatly aid the promotion of Scottish higher education abroad.

- **Student exchange programmes.** We deeply regret the loss of membership in the Erasmus+ programme as a facilitator of inward mobility to Scotland and the opportunity for students to gain experience abroad. Not only was it a scheme that Scotland did extremely well from, not just our students and staff, but in the further education, schools, youth work and community schemes but also as a form of promotion of the values of Scottish higher education. Over 2,700 people at Scotland’s universities had the experience of outward mobility for study or work through Erasmus in 2017/18. Between 2014-18, Erasmus+ funded 164 projects and 17 strategic partnerships in higher education in Scotland at the value of €50.2m and €5.4m respectively. We will work to maximise the potential of the new Turing scheme supporting outward mobility of students only, though an inward element would be very helpful and we support the one-time intention of the Scottish Government to create a new mobility scheme that will give opportunity for reciprocal movement of Scottish domiciled and EU students. To achieve this, the Scottish Government would need to make an investment proportionate in scale to that made by the Welsh Government with its International Learning Exchange. We estimate that an annual investment of £19m is required to establish and replicate such a scheme for universities. With final projects under Erasmus coming to an end in May 2023 it would be timely to have the new scheme in place the same year though no additional resource is being set aside in the Scottish Budget until 2026/27. Our expectation that any funding for a student exchange programme needs to be additional to sustainable core funding of teaching, research and knowledge exchange.

### Future issues

The sector is eagerly anticipating the Scottish Government’s International Education Strategy (IES). The IES will be the first of its kind for the sector in Scotland and it’s an important opportunity to bring together and connect a number of strands of international issues for the sector, some that sit outwith the higher education portfolio, such as transnational education (TNE) and foreign direct investment.

The opportunity to marry the above items with issues such as recruitment so there is a coordinated approach to Scotland’s international higher education outlook will be highly anticipated. We are proudly a partner of Scotland’s national campaign *Scotland Is Now* and higher education can make a contribution beyond the “study” strand we are involved in. The International Education Strategy will allow the sector to connect deeper into the Scottish Government’s “invest” and “work” strands, which we already contribute to, but would seek a more prominent role. Its publication will be much anticipated and give impetus to establishing and/or refining new target markets for the sector.

Alongside the International Education Strategy, there will be a requirement for investment in international promotion for the sector. The sector is an investor and collaborator in *Scotland Is Now*. We believe there is significant scope for further joint investment with both governments to position the sector overseas, improve its brand recognition and its online footprint and visibility.

**ENDS**

