Viet Nam: Towards a New International Education Hub in Southeast Asia

Lessons and Evidence

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Acknowledgements

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Contents

Abbreviations

ASEAN	Association of Southeast Asian Nations
EMI	English as a Medium of Instruction
GDP	Gross Domestic Product
HE	Higher Education
HEIs	Higher Education Institutions
KHDA	Knowledge and Human Development Authority (Dubai, UAE)
MOET	Ministry of Education and Training
RAK	Ras Al Khaimah
TNE	Transnational Education
UAE	United Arab Emirates
UIS	UNESCO Institute for Statistics
UK	United Kingdom
VNU-HCM	Viet Nam National University, Ho Chi Minh City

1 Background

The British Council in Viet Nam and the Ministry of Education and Training Viet Nam signed a memorandum of collaboration on education on 31 October 2021. The memorandum sets out priority areas of collaboration, which aim to strengthen bilateral cooperation between Viet Nam and the UK in education development. Annually, the British Council and the International Cooperation Department, Ministry of Education and Training in Viet Nam, develop a work plan on supporting the internationalisation of higher education (HE) in Viet Nam, which includes strengthening and expanding the transnational education (TNE) sector in Viet Nam. This support is under the British Council's Going Global Partnerships programme, designed to support the development of quality higher education system in Viet Nam, drawing on expertise from UK higher education and enhancing the international reputation of the UK and Viet Nam's HE systems through developing partnerships, connections and trust.

In 2024, the British Council in Viet Nam continues to support the International Cooperation Department Viet Nam's education market studies in two important ways, by providing UK technical support to enhance the quality of the studies and developing a report on the attractiveness of Viet Nam as the next study destination in South East Asia. The activity confirms the British Council's commitment to supporting more engagement for UK universities with Vietnamese counterparts, enabling enhanced two-way student mobility, maximising government policies in supporting student mobility and TNE partnerships between both countries, contributing to the social and economic development of Viet Nam and understanding between two countries.

2 Setting the context:
Viet Nam's place in the global education landscape

Viet Nam occupies a distinctive position in the global landscape of international education, characterised by a significant outflow and a growing inflow of students. As the world's third-largest sending country, Viet Nam has over 137,000 students pursuing education overseas in 2021 (UNESCO Institute for Statistics (UIS)), mainly in other countries in East Asia. Viet Nam hosted approximately 21,000 international students in the same year, seeking both degree and non-degree programmes (The Ministry of Education and Training of Viet Nam, 2024). This imbalance in the country's mobility flows ranks Viet Nam in third place after China and India in a net loss of young talent, which equates to over 100,000 students.

This research looks into addressing this imbalance by exploring the following options:

• Creating more education options for Vietnamese students by attracting high-quality foreign higher education programmes into Viet Nam.

• Attracting globally mobile students to Viet Nam.

3 Aims and objectives

Aims and objectives: This section will outline the primary goals and purposes of establishing Viet Nam as an international education hub in South East Asia. It will detail what the initiative aims to achieve both domestically and internationally.

3.1 Main aim

The overall research aim is to analyse Viet Nam's readiness to be the next international study destination in South East Asia.

3.2 Supporting objectives

The following objectives support the study's primary aim. They have a dual focus and include the following:

• A review of the current situation of student mobility and exchange between Vietnamese universities and their international partners, including national strategies, policies, and statistics at governmental and institutional levels.

• A comparative study on education hubs and reflections on Viet Nam context, including a review of different models of education hubs globally, aimed at identifying opportunities and challenges in attracting foreign investment from education institutions and organisations.

• Policy recommendations on setting up Viet Nam as the next study destination in South East Asia, drawing on the findings of the former reviews.

4 Methodology

The research underpinning this report used a mixed-methods approach, including desk research, policy analysis, and qualitative and quantitative data collection and analysis.

4.1 Desk research and policy analysis

Key government policies affecting international education in Viet Nam were analysed, including policies regarding the establishment of TNE operations in the country, and for student and staff visas. A desk-based review of the operating models of international education hubs was also carried out.

4.2 Qualitative data collection and analysis

To gather insights on the challenges and opportunities in the sector, in-depth interviews with key stakeholders were carried out, including educators, student mobility administrators, stakeholders with responsibility for international education hubs, leaders from higher education institutions (HEIs) in Viet Nam including TNE providers, practitioners and policymakers. Approximately 30 semi-structured interviews were carried out.

A case study methodology was used to identify best practices and draw on the lessons learned from international education hubs in the United Arab Emirates (UAE), Qatar, Malaysia, Mauritius, South Korea and China.
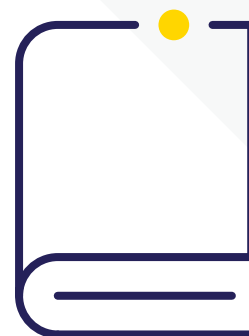
4.3 Quantitative data collection and analysis

This study used online surveys with two stakeholder groups:

All universities in Viet Nam were invited to participate in a study that collected data on inbound international students and institutional priorities, and resources that support international student mobility.

A survey of international students was conducted to understand their experiences better.

In addition, statistical data from government databases, international organisations, and educational institutions was used to analyse student mobility trends further.

5 The state of international student mobility in Viet Nam

Viet Nam is the third largest sending country of globally mobile students. Over the past decades, the number of outbound Vietnamese students gradually increased, which resulted in net loss of young talent. However, this balance can be addressed with the right policy in place. If successful, they can result in more Vietnamese students considering high-quality study options at home, and larger number of international students considering studying in Viet Nam at the higher education level.

5.1 Outbound and inbound student mobility from Viet Nam

Viet Nam is the world's third largest home country for international students. Over the past two decades, since the start of the UIS data, collectively, South Korea and Japan accounted for half of the study abroad students from Viet Nam. The number of internationally mobile Vietnamese students increased continuously, to reach 137,000 in 2021.

Globally mobile students from Viet Nam 1999 - 2021
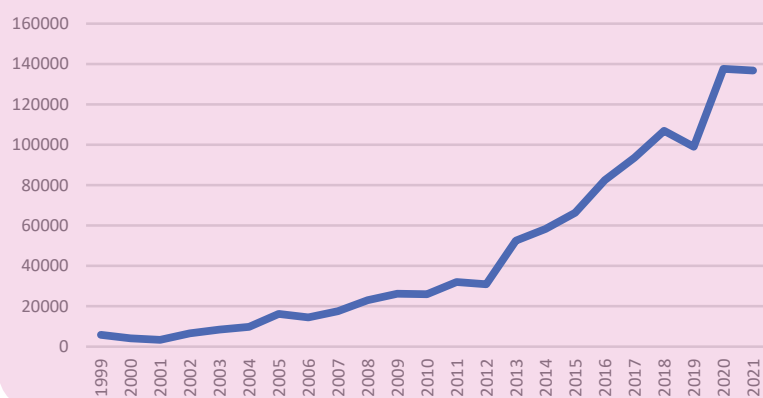
International students in Viet Nam
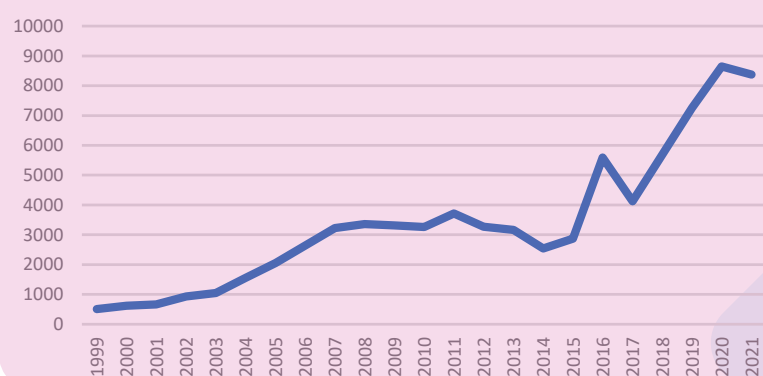
Source: Data extracted on 30 Jul 2024 22:16 UTC (GMT) from UIS.Stat

Most of the international mobility to Viet Nam at the degree level is from its immediate geographical region, with students from Laos accounting for the most substantial share of international students at 74 per cent.

The chart below illustrates Viet Nam's stark imbalance between inbound and outbound students. Viet Nam has the third most significant loss of young talent after China and India. ASEAN countries are ringed in the chart below – those include Malaysia, Singapore and Viet Nam.

Net flows of internationally mobile students 2021

Country	Net flow (approx.)
United States of America	750,000
United Kingdom	560,000
Australia	370,000
Canada	270,000
Germany	260,000
Türkiye	180,000
France	150,000
Netherlands	110,000
Argentina	100,000
Austria	50,000
Kyrgyzstan	40,000
Poland	40,000
Malaysia	40,000
Switzerland	30,000
Czechia	30,000
Singapore	30,000
Belgium	30,000
Spain	30,000
Togo	30,000
Republic of Korea	20,000
Sri Lanka	-20,000
Palestine	-20,000
Azerbaijan	-30,000
Morocco	-30,000
Colombia	-40,000
Brazil	-40,000
Turkmenistan	-50,000
Uzbekistan	-80,000
Viet Nam	-100,000
India	-450,000
China	-820,000

-800,000 -600,000 -400,000 -200,000 0 200,000 400,000 600,000 800,000

Source: Data extracted on 30 Jul 2024 22:16 UTC (GMT) from UIS.Stat

Mature TNE destinations in the Association of South East Asian Nations (ASEAN), like Singapore and Malaysia, rebalanced their student mobility in 2008 and 2010, respectively.

Viet Nam is already popular with students in its immediate region. However, it is essential that it attempts to achieve a balanced diversification of international students on campus.

Intra-regional mobility within South East Asia is increasing. This presents an opportunity for Viet Nam to set up as an international student hub, which will address the persistent imbalance in student mobility by retaining Vietnamese students in the country, and attracting international students.

5.2 Understanding international student mobility to Viet Nam: Survey findings

International student flows to Viet Nam are driven by bilateral partnerships and mobility schemes initiated by other countries, like Australia's New Colombo Plan, the European Union's Erasmus programme, the UK's Turing scheme and ASEAN. In addition, there are self-sponsored students taking part in such mobility.

To facilitate such mobility, the government of Viet Nam has initiated and participated in bilateral government-to-government agreements. Over 20 bilateral agreements were signed over the past 15 years.

The data on international student mobility to Viet Nam is inconsistent and overlooks short-term mobility. To better understand the country's readiness to engage in attracting international students, a nationwide survey of all the universities was conducted, with key findings reported below.

Using English or other foreign languages as a medium of instruction is one of the essential internationalisation strategies adopted by Viet Nam's government and higher education institutions. At present, English as a medium of instruction (EMI) programmes in Viet Nam can be divided into two types: those delivered through a TNE mode and those delivered by Vietnamese universities with domestic degrees. Out of 240 higher education institutions, 123 responded to our survey, a response rate of 51.25 per cent. Data on international students over the past five years was collected from:

• 91 public higher education institutions.

• 29 private higher education institutions.

• Three international universities.

Recent years have seen a steady increase in the number of international students in Viet Nam, primarily driven by partnerships with institutions in Asia, Europe and North America.

The survey found 5,021 international students on long-term mobility at the 120 responding HEIs and 3,927 students on short-term mobility.

Key factors influencing inbound mobility include education affordability, cultural similarities, and Viet Nam's emerging status as a dynamic economy.

However, challenges such as language barriers, limited international recognition of Vietnamese qualifications, and inadequate student support services, still hamper growth.

5.2.1 International students on long-term mobility

Long-term international students in Viet Nam during the period from 2019 to 2024 came from 40 countries, the most prominent of which were Laos, South Korea, Singapore, Cambodia, and China. Viet Nam mainly attracts students from within the region – 18,792 out of 23,604 international students in Viet Nam over the past five years were from Asian countries (equivalent to 3,758 out of 4,721 on annual average), accounting for 74 per cent. Laotian students contribute the biggest share with 9,947 students, 42.14 per cent. However, unlike most other international students who come to study in EMI programmes, Laotian students often study in Vietnamese alongside domestic students.

Long-term international students at 123 Vietnamese HEIs
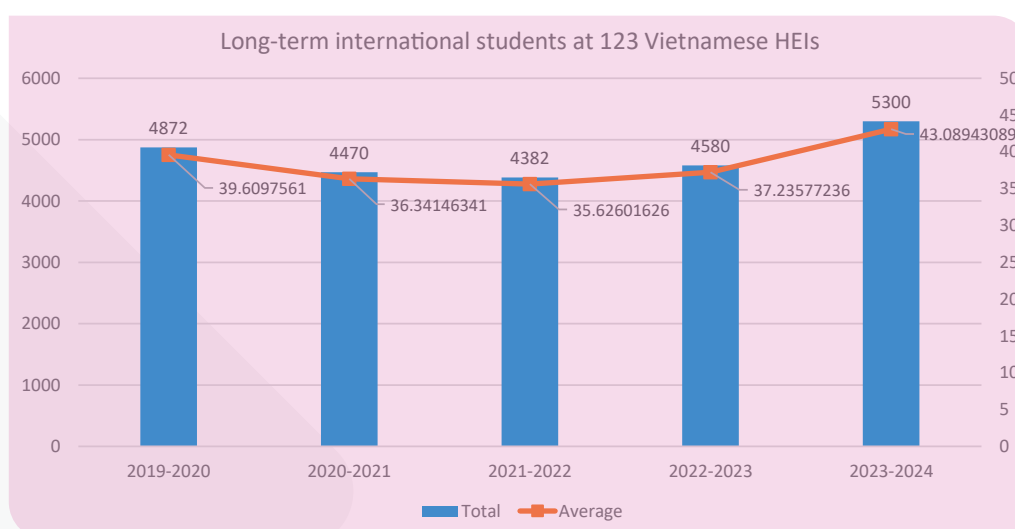
Countries from other continents also send students to Viet Nam, though in limited numbers over the years, such as France (ranked sixth) and the UK (ranked eleventh).

Top five nationalities of long-term international students at 123 Vietnamese HEIs

■ Laos ■ Korea ■ Cambodia ■ China ■ Singapore
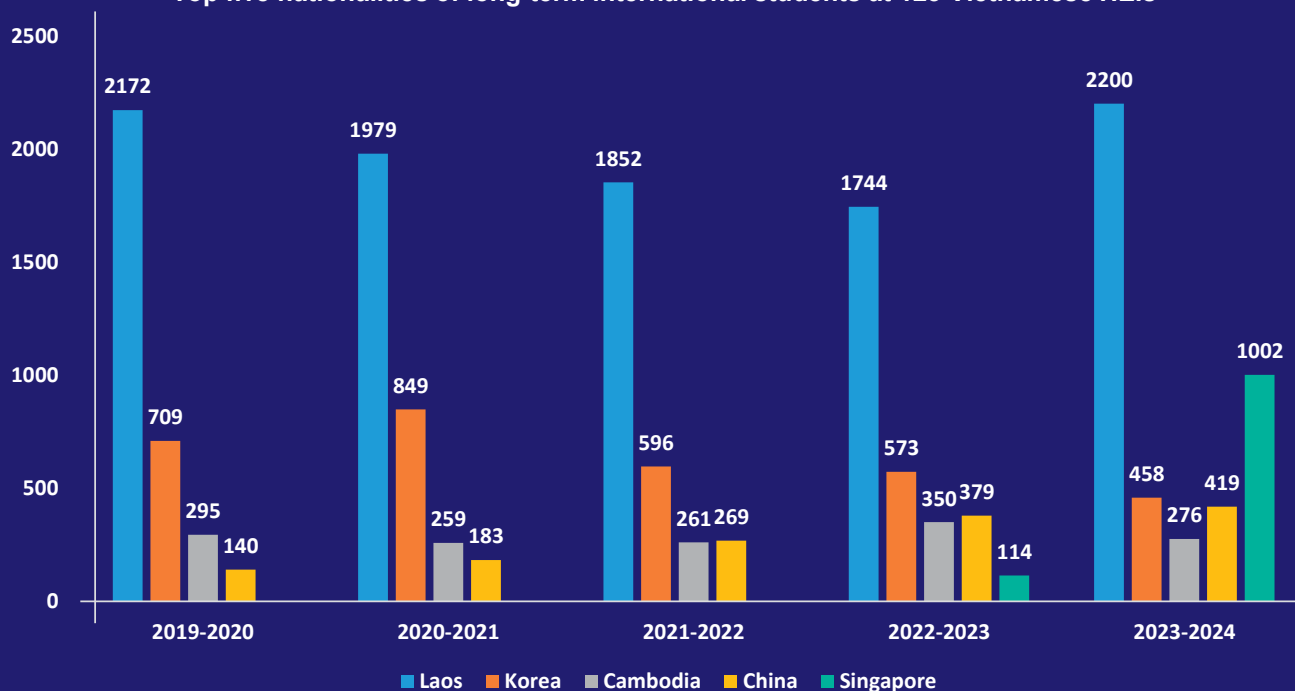
5.2.2 International students on short-term mobility

Students on short-term programmes are mainly from other Asian countries (4,841 out of 7,281, accounting for 66.49 per cent). However, their nationalities are more varied. On an annual average, Singapore leads with 302 students studying in Viet Nam short-term, followed by France (155), China (147), and Korea (124).

Short-term international students at 123 HEIs in Vietnam

■ Total ■— Average
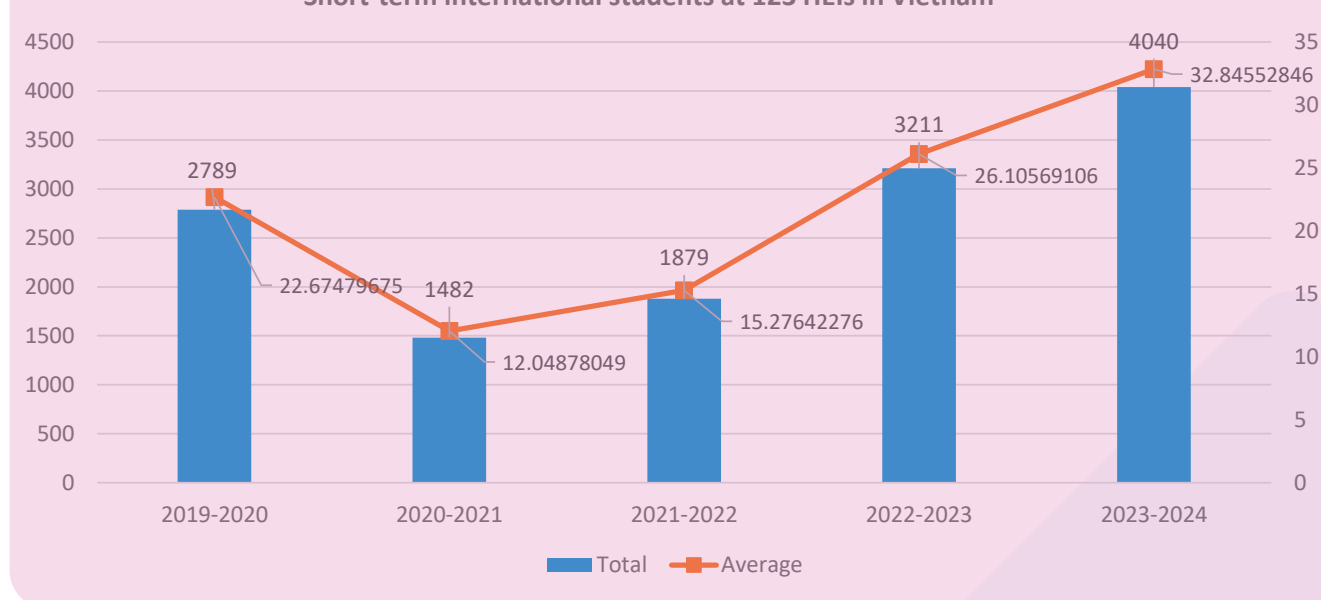
Bilateral institutional agreements between Vietnamese and international HEIs have been the driving factors in fostering short-term international student mobility to Viet Nam. For example, the bilateral agreement between International University – Viet Nam National University, Ho Chi Minh City (VNU-HCM) and National University of Singapore has attracted 125 Singaporean students to Viet Nam since 2021. International University – VNU-HCM also established bilateral agreements with many other international universities, such as Reutlingen University (Germany), HAN University of Applied Science (the Netherlands) and Normandie Business School (France), bringing many international students to Viet Nam.

(1) Excluding students with unknown nationalities reported by the HEIs.

Top five nationalities of short-term international students at 123 Vietnamese HEIs

Legend: Singapore, France, China, Korea, Laos

Values by year:
- 2019-2020: Singapore 104, France 140, China 218, Korea 95
- 2020-2021: France 74, Korea 232
- 2021-2022: Singapore 24, France 49, China 82, Korea 57
- 2022-2023: Singapore 249, France 235, China 135, Korea 138, Laos 151
- 2023-2024: Singapore 1132, France 275, China 300, Korea 97, Laos 79
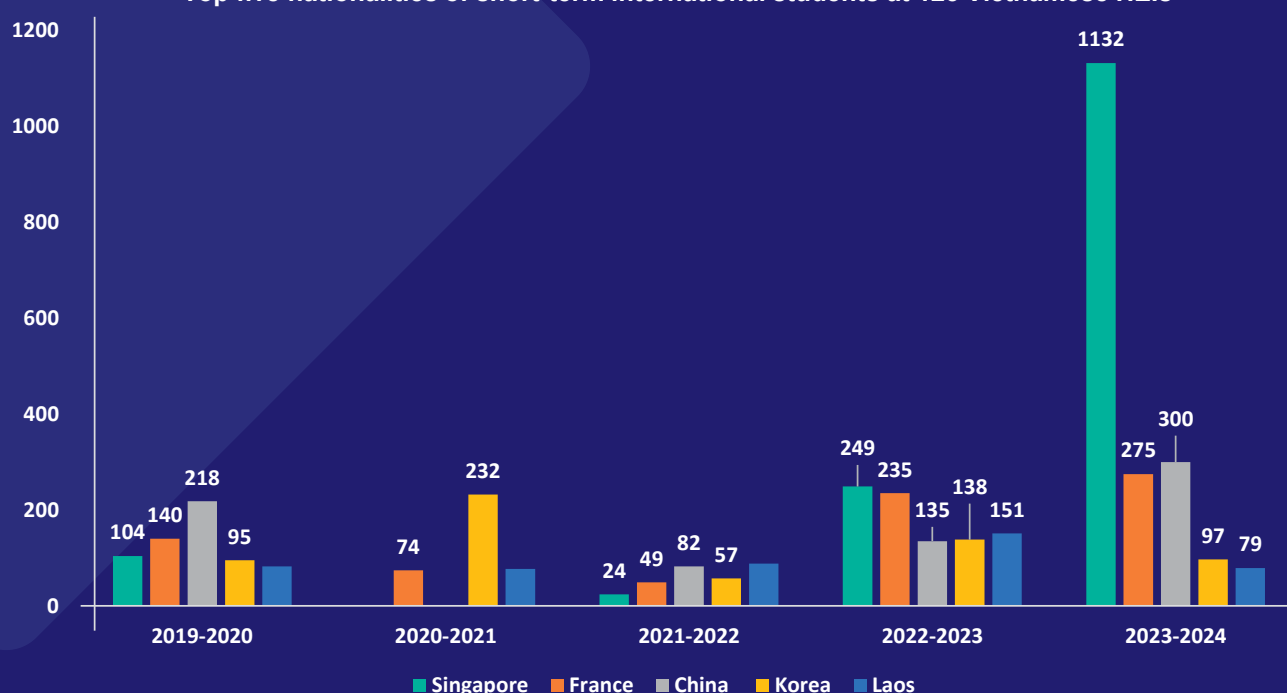
Many of the short-term international students are enrolled on EMI programmes, which appear to contribute to the geographical diversity of the international students in the country.

Our analysis shows that 44 per cent of long-term international students and 63 per cent of short-term international students were concentrated in the top five universities. This suggests a highly unequal distribution, and that only a small group of institutions have the capacity to engage with international students.

5.2.3 Motivation to attract international students

There are several motivations driving universities to set targets for recruiting international students.

The extant literature identifies three main types of motivations: economic-related (e.g., additional income, providing a highly qualified labour force for domestic economies), academic-related (e.g., improving academic quality and increasing university rankings), and environment-related (e.g., enhancing cultural values and the international environment).

As shown in the chart below, environment-related motivations are the most critical drivers for Vietnamese HEIs in recruiting international students, while economic-related motivations are the least important, with academic-related motivations falling in the middle of the spectrum.

Motivations of 123 Vietnamese universities in recruiting international students

Motivation	1	2	3	4	5
Enhance the environment of internationality	3		28	27	65
Enhance cultural vlaues	3		26	30	64
Strengthen partnerships with international institutions	3		27	26	67
Supply highly-qualified labor force for Vietnam	2		52	34	35
Increase ranking	3		35	39	46
Improve academic quality	3		33	37	50
Additional income	4	5	62	41	11
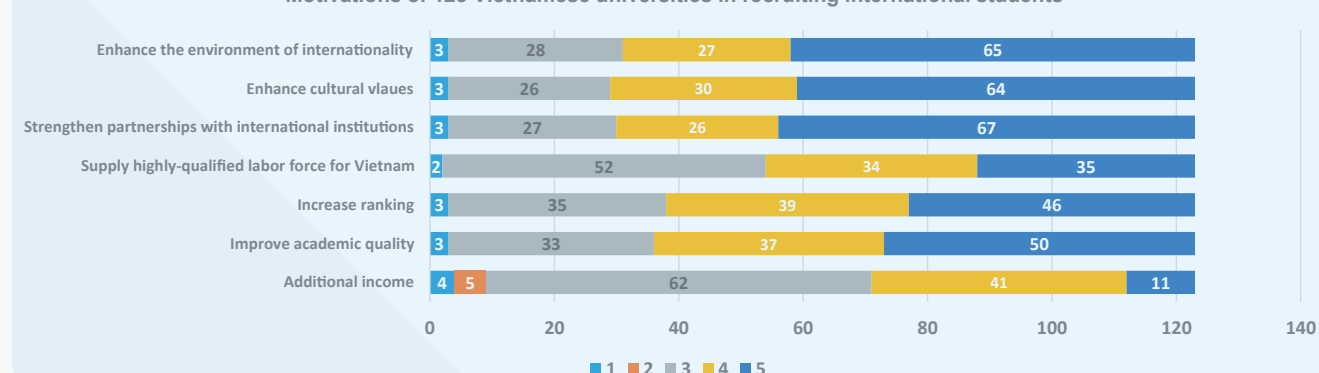
The study also considered strategies used by Vietnamese HEIs to recruit international students. The top ones are resources and procedures that support international student recruitment (84

HEIs), specific strategic goals and policy objectives (78 HEIs), scholarships for international students (66 HEIs), and English-taught programmes (65 HEIs).

Strategies and policies employed by 123 Vietnamese HEIs in attracting international students

Strategy/Policy	Value
English-taught programs	65
Join network or association	47
Partner with agent	27
Program-level accreditation	47
Instituion-level accreditation	19
English as medium of instruction	23
Scholarships for international students	66
Housing support for international students	50
Dormitory for international students	57
Classroom for international students	42
Having specific procedure in international students...	63
Having a dedicated body administrating international...	84
Having specific goals	78

Among the factors analysed, four significantly impact the output of long-term international students:

• Having specific dormitories for international students (ranked first).

• Setting a goal for international student enrolment (ranked second).

• Number of EMI programmes (ranked third).

• Number of international faculty members (ranked fourth).

The five factors significantly impacting short-term international student output are:

• Having specific procedures and regulations for international student recruitment (ranked first).

• International institutional-level accreditation (ranked second).

• Setting goals for international students (ranked third).

• Number of EMI programmes (ranked fourth).

• Number of international faculty members (ranked fifth).

6 Creating an enabling environment for international student mobility and internationalisation at the national level

This research discusses policies to support Viet Nam in its journey towards becoming a new international education hub in South East Asia:

• Create an enabling environment for international student mobility and comprehensive internationalisation at the macro level.

• In addition to the above, support and enable the creation of international education hubs through targeted policies regarding specific cities and zones.

6.1 National policy frameworks for international higher education

This study adapted the British Council's Global Gauge framework study to national policies and environment for international higher education. This simplified analysis considers a range of indicators. The chart below shows a summary of some of the policy-level indicators, which included

the following measures:

• Does the country have an international education strategy?

• Does the country's international education strategy have well-articulated objectives and measurable targets?

• Does the country have a national education brand?

• Does the country have systematic data collection on international students and other areas of internationalisation related to the global education strategy (e.g., inbound and outbound student mobility, student exchanges, international programmes, etc.)?

• Are there well defined student visas which are granted for the duration of the respective course (e.g., a four-year course requires a four-year visa)?

• Are there opportunities for international students to work in parallel with their studies or upon graduation (post-study work)?

National policies for international higher education

Legend:
- Post-study work for international students
- Student visa duration
- International education data (students, programmes)
- National education brand
- Strategy targets and objectives
- International education strategy

(Countries: Taiwan, Malaysia, Viet Nam, UAE, Australia, UK)
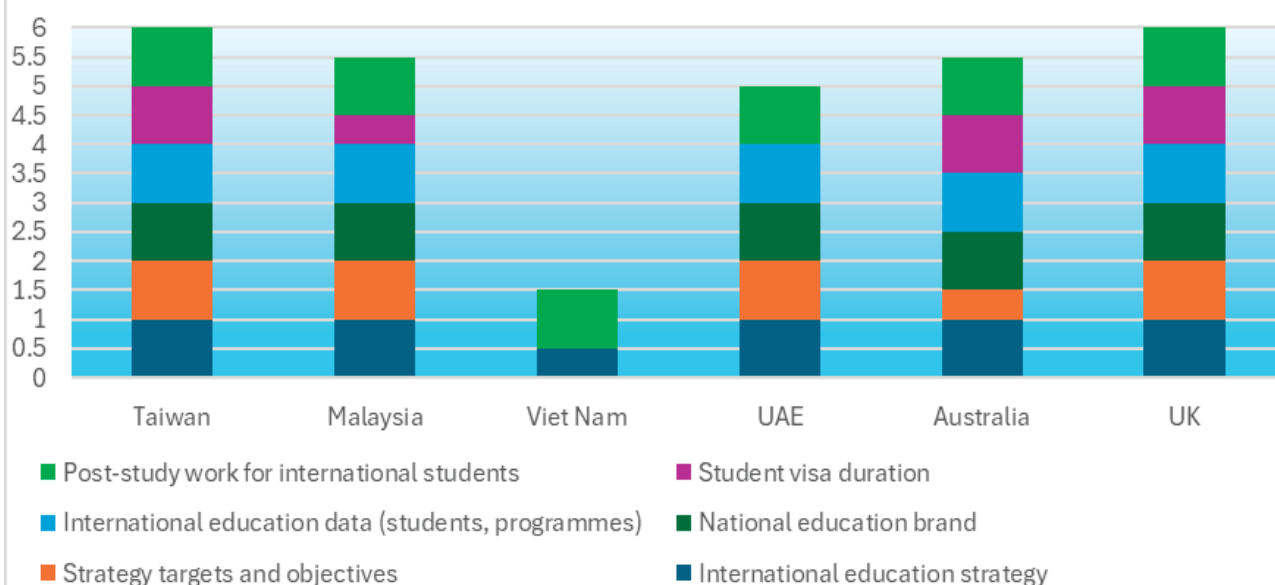
A positive response is scored as one point; if the criterion is partly met, the score is 0.5; and if it is not met,
it is 0.
Two of the comparator countries, the UK and Taiwan, have full marks.

6.2 Lessons from other global study destinations

Viet Nam's government's commitment to internationalisation, evidenced by bilateral agreements for international cooperation in education, is a significant strength. Another advantage is the country's visa policy environment, which enables international students to access post-study work opportunities and be accompanied by their dependents.

However, an area which, as in many other ASEAN countries, disadvantages students is that their student visa does not match the academic course length and requires annual renewal.

Other global study destinations enjoy the benefits of a clear, well-developed national education brand that signals quality education and projects welcome. (All comparator countries have education identities.) A dedicated information portal and student support often support this. This can be extended to include national campaigns to

promote Viet Nam as a safe, affordable, and culturally rich destination for international students.

Detailed and systematic data collection enables the respective agencies to track progress towards meeting their targets. The country's regulatory bodies can use data to monitor student outcomes, the quality of education provision, and the ongoing needs of the international student population.

Streamlined student application processes, recognition of previous degrees and qualifications, transparent entry requirements, fair assessments of international students' learning, expansion of EMI programmes, and the availability of well-publicised scholarships and other means of student support facilitate streamlined transition into the respective national HE systems.

7 Education hubs at the regional and city level in Viet Nam

This section reviews previous attempts in Viet Nam to set up education hubs and details the factors policymakers should consider if the hubs are to be successful.
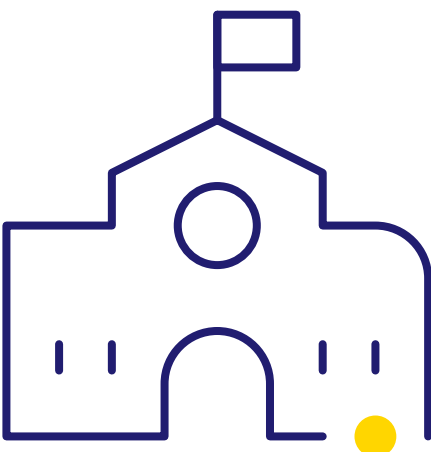
7.1 Natural hubs: positive relationship between urbanisation and higher education

The literature shows that a higher level of urbanisation has a positive impact on economic growth, and this is particularly relevant to ASEAN countries. The concentration of resources and labour in urban centres often results in higher returns on public investment and better economic outcomes. As countries develop economically, cities emerge as centres for industry and commerce, drawing populations from rural areas seeking better employment opportunities. This migration fuels further urbanisation, creating a cycle of growth. Viet Nam's urbanisation levels stand at 43 per cent, indicating the potential to further increase the urbanisation levels of the country. World Bank research recognises the country's success in this area and urges the central and provincial governments to collectively ensure the growth is sustained and delivered efficiently.

In Viet Nam, urban areas accounted for approximately 70 per cent of the country's GDP, highlighting the critical role of urbanisation in economic development.

Based on socioeconomic data and the broader economic literature, the locations with the highest income levels and urbanisation offer the infrastructure required for the natural creation of an education hub.

The chart below shows the distribution of higher education institutions across Viet Nam. The size of the circle indicates the number of higher education institutions in the respective city. Those with the largest numbers are Hanoi (78), Ho Chi Minh (45), Da Nang (11), Thua Thien Hue (10), Thai Nguyen (eight), Nghe An (six), Can Tho and Binh Duong (five each). The remaining cities host four or fewer institutions. See Appendix for the full list.

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(2) https://documents1.worldbank.org/curated/en/249961604688402439/pdf/Overview.pdf.

(3) For details, see: https://en.vietnamplus.vn/plenty-of-room-for-vietnam-to-boost-urban-development-official-post270958.vnp.

Distribution of Universities by Province in Viet Nam

Thai Nguyen

Ha Noi

Nghe An

Number of Universities

- 1
- 5
- 10
- 40
- 70+

Thua Thien Hue

Da Nang

Ho Chi Minh City

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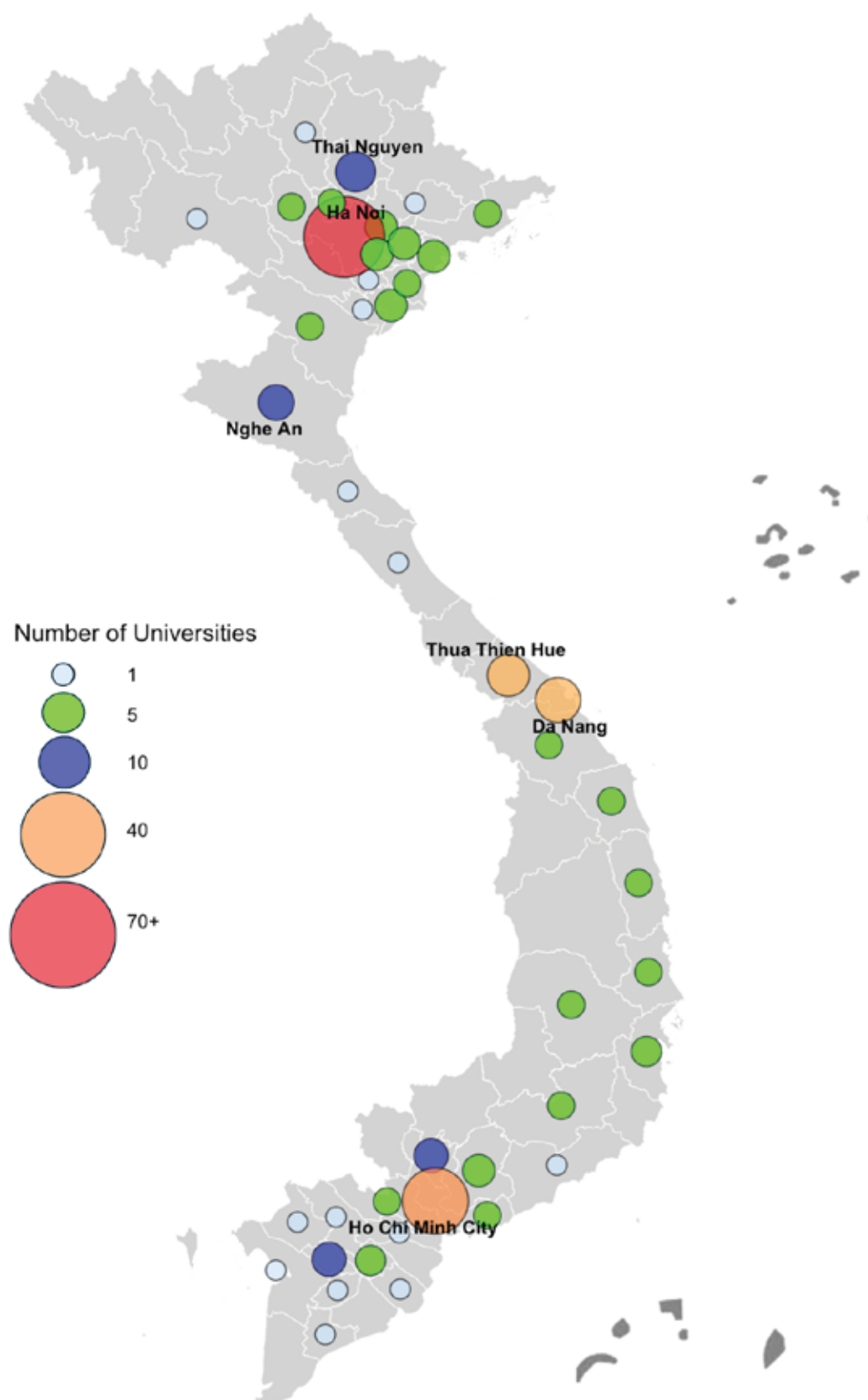
7.2 Previous hub attempts in Viet Nam

From the late 1990s to the early 2000s, the Vietnamese government initiated several scientific and educational projects to relocate universities from congested urban areas to the suburbs. The goal was to relocate universities with small areas within the inner city (under 2 hectares) to the suburbs, with larger areas (minimum 10 hectares) to accommodate larger numbers of students and faculty.

During this period, two projects for the construction of high-tech zones (including education and training) were implemented in the two largest cities in the country: the Hoa Lac High-Tech Park, Hanoi, started in 1998, and the District 9 High-Tech Park, Ho Chi Minh City, started in 2002.

To date, no educational hub project has achieved significant success. Many have only partially operated (e.g., Hoa Lac High-Tech Park), remained unrealised (e.g., Nam Cao University Hub in Ha Nam, Viet Nam International University Township in Hoc Mon, Ho Chi Minh City), or even requested suspension (e.g., Pho Hien University Township), because of numerous challenges.

The Vietnamese government's efforts to establish education zones (or university zones) have faced several challenges that have hindered their success. As detailed below, these challenges can be understood through various lenses, including political, economic, social, and infrastructural factors.

Lack of strategic planning and coordination: Over the past two decades, Viet Nam has launched numerous small and fragmented educational hub projects, such as the Hoa Lac High-Tech Park under the management of the government, and provincial initiatives like Pho Hien University Township, Nam Cao University Hub, and International Education Cities in Quang Ngai and Hai Phong. These projects lacked clear objectives and coherence, with no unified national strategy guiding their development (Pham, 2022). This fragmentation has led to disjointed efforts, hindering the creation of synergies between zones.

Insufficient financial investment and incentives: Developing high-tech and education zones requires substantial investment in infrastructure, facilities, and human resources. However, projects like Hoa Lac High-Tech Park, Pho Hien University Township, Nam Cao University Hub, or Danang University Town have faced funding shortfalls due to perceived risks and uncertain returns. Limited state funding has caused delays, negatively impacting residents who face restrictions on building or repairing their properties. Additionally, the incentives offered have often been inadequate to attract universities and industries. For example, Viet Nam National University lacks the necessary incentives, such as accommodation to encourage faculty to relocate to Hoa Lac High-Tech Park.

Logistical and infrastructural challenges: Bureaucratic obstacles, delays in land clearance and acquisition, and slow infrastructure development have significantly hindered the progress of educational zones like Hoa Lac and Nam Cao, leading to a loss of stakeholder confidence. These zones were in areas with underdeveloped infrastructure, such as transportation and utilities, making it difficult for institutions, their staff and students to commute efficiently.

Previous research shows that urban infrastructure aids the development and expansion of higher education institutions. Better transportation networks make them more accessible to students and faculty. This is further aided by technological and educational infrastructure, including high-speed internet and advanced research facilities, and proximity to cultural institutions, libraries, and other educational resources. The cities also offer a larger pool of potential students, including working professionals seeking to continue their professional development or upskilling, and more opportunities for industry partnerships and research collaborations. Better job prospects for graduates are typically available in urban areas, which further amplifies the appeal of universities to prospective students. The lack of urban infrastructure creates significant operational barriers to the respective institutions, such as transport, communications, local community, and stakeholder engagement.

Many international students value the cultural experience that their study abroad brings, and the cities are a critical decision-making factor in that process. The importance of cities is well-documented in the literature on international students' decision-making factors.

Lack of socioeconomic integration and transport connections: A significant challenge is the lack of integration between the newly constructed educational infrastructure and the surrounding socioeconomic environment. The focus has been on building educational facilities without adequately considering the socioeconomic connections with local communities (Le, 2021). This oversight has resulted in educational zones that are isolated from the economic activities and services students and faculty need. Additionally, successful educational zones must establish strong connections in transportation, economic activity, and academic collaboration.

Historical and cultural resistance: Educational zones in Viet Nam often encounter resistance due to historical significance and cultural attachments. Long-established institutions within the city centres are seen as integral to the nation's development and heritage, making relocation efforts challenging (Giáo dục Việt Nam, 2018). Besides, staff, students, and local communities are reluctant to leave established urban centres, valuing the prestige and benefits of their current locations (Bảo Ngọc & Nguyên Bảo, 2022).
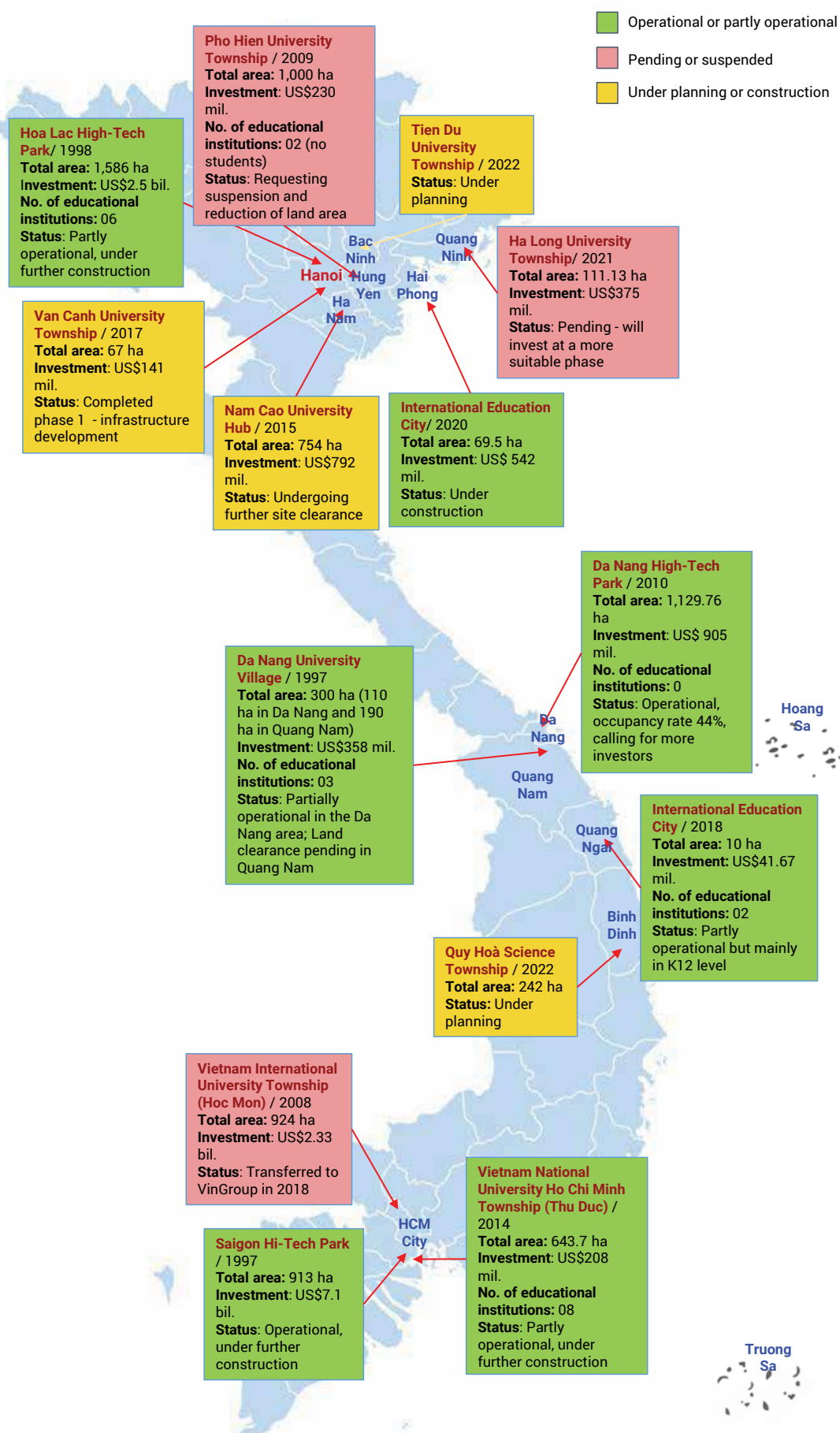
Institutional capacity constraints: The development of new campuses and the relocation of established universities outside urban centres in Viet Nam encounter significant institutional capacity constraints. While some universities have achieved a degree of autonomy and can manage their funding independently, others remain dependent on government budget allocations. This dependency complicates the development process, as the procedures for utilising public funds are often not well-defined. For instance, the

University of Civil Engineering is currently constructing a secondary campus in Ha Nam, covering over 24 hectares. The reliance on self-managed funds for this project has presented substantial challenges, underscoring the broader issue of inadequate institutional capacity to support the growth and development of educational zones (Giáo dục Việt Nam, 2018).

Misalignment with investor and international university priorities: The lack of success in Viet Nam's educational zones is partly due to a misalignment with the priorities of investors and international universities, who focus on feasibility and profitability. Viet Nam's regulations, such as requiring a minimum investment of 1,000 billion VND (approximately US$44 million) for a new university, are perceived as excessive and out of step with these priorities. This high financial barrier discourages participation, making it difficult to attract high-quality institutions and investments, ultimately hindering the development and success of these zones. A more effective approach would involve setting lower initial investment thresholds, allowing institutions to expand gradually as they begin generating revenue, better aligning with investor expectations and reducing financial risk.

To succeed, Viet Nam needs to address these multifaceted challenges through improved strategic planning, increased investment, streamlined regulations, and enhanced infrastructure development. Focussing on aligning incentives with the priorities of investors and international universities will also be critical for attracting high-quality institutions and fostering the growth of vibrant educational hubs.

Education hubs in Viet Nam

Legend:
- 🟩 Operational or partly operational
- 🟥 Pending or suspended
- 🟨 Under planning or construction

Pho Hien University Township / 2009
Total area: 1,000 ha
Investment: US$230 mil.
No. of educational institutions: 02 (no students)
Status: Requesting suspension and reduction of land area

Hoa Lac High-Tech Park / 1998
Total area: 1,586 ha
Investment: US$2.5 bil.
No. of educational institutions: 06
Status: Partly operational, under further construction

Tien Du University Township / 2022
Status: Under planning

Ha Long University Township / 2021
Total area: 111.13 ha
Investment: US$375 mil.
Status: Pending - will invest at a more suitable phase

Van Canh University Township / 2017
Total area: 67 ha
Investment: US$141 mil.
Status: Completed phase 1 - infrastructure development

Nam Cao University Hub / 2015
Total area: 754 ha
Investment: US$792 mil.
Status: Undergoing further site clearance

International Education City / 2020
Total area: 69.5 ha
Investment: US$ 542 mil.
Status: Under construction

Da Nang High-Tech Park / 2010
Total area: 1,129.76 ha
Investment: US$ 905 mil.
No. of educational institutions: 0
Status: Operational, occupancy rate 44%, calling for more investors

Da Nang University Village / 1997
Total area: 300 ha (110 ha in Da Nang and 190 ha in Quang Nam)
Investment: US$358 mil.
No. of educational institutions: 03
Status: Partially operational in the Da Nang area; Land clearance pending in Quang Nam

International Education City / 2018
Total area: 10 ha
Investment: US$41.67 mil.
No. of educational institutions: 02
Status: Partly operational but mainly in K12 level

Quy Hoà Science Township / 2022
Total area: 242 ha
Status: Under planning

Vietnam International University Township (Hoc Mon) / 2008
Total area: 924 ha
Investment: US$2.33 bil.
Status: Transferred to VinGroup in 2018

Saigon Hi-Tech Park / 1997
Total area: 913 ha
Investment: US$7.1 bil.
Status: Operational, under further construction

Vietnam National University Ho Chi Minh Township (Thu Duc) / 2014
Total area: 643.7 ha
Investment: US$208 mil.
No. of educational institutions: 08
Status: Partly operational, under further construction

Map labels: Bac Ninh, Hung Yen, Ha Nam, Hanoi, Quang Ninh, Hai Phong, Da Nang, Quang Nam, Quang Ngai, Binh Dinh, HCM City, Hoang Sa, Truong Sa

8 International education hubs and Viet Nam

TNE has emerged over the past 20 years or so as a critical aspect of higher education internationalisation, demonstrating its potential both for helping meet skills and training needs in countries where demand might outstrip supply, and for widening access to quality international education to students who might not be able or willing to travel internationally.

In this period the international education community has seen significant growth of TNE across the board, in terms of the number and types of education providers offering TNE, models of TNE operations and delivery, number of students studying on TNE programmes, and number of countries involved in TNE provision, whether receiving or sending. Growing TNE is now an explicit target for an increasing number of international education providers and ministries of education.

In connection with this growth, dedicated education hubs have emerged, and are continuing to emerge, in different regions of the world, aimed at attracting the services of quality foreign education providers and helping to meet the growing demand for quality international education 'closer to home'.

Although operating within different regulatory and national environments, these hubs face similar challenges and opportunities for growth. One such common challenge is that of developing an operating context conducive to attracting reputable international education providers and international talent. One common opportunity is posed by the growing global demand for quality international education nearer to home, which has intensified since the pandemic.

Education hubs can indeed play an increasingly strategic role going forward in an international context where it is possible to see a trend toward the regionalisation or 'de-globalisation' of international student mobility, and where a growing number of countries are seeking to leverage inbound TNE to train and retain talent locally.

This section provides a comparative overview of international education hubs, with a view to advancing understanding of their ways of operating, intended rationale, challenges, and opportunities for growth. Thus, it helps inform Viet Nam's decision on the best approach to adopt if it considers establishing a dedicated international education hub in the country.
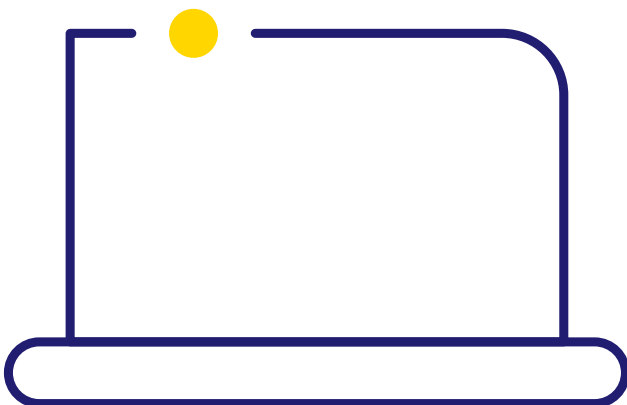
8.1 A comparative overview

International education hubs can have different characteristics and modes of operating. These differences depend primarily on the main purpose for their establishment, the type of ownership, the regulatory-operating framework in place, and financial arrangements. The following table sums up some key features of the hubs taken into consideration.

Hub	Rationale	Ownership	Regulation	Financials
Education City Qatar (first HEI 1999) – Qatar	Supporting national economic growth (meeting skills needs and attracting international talent) Supporting transition into a knowledge-based society	Private with public funding (Qatar Foundation)	**Delivery models:** Branch campus. Multiversity approach encouraged through credit transfer **Approval:** highly selective, generally by invitation **HE regulation:** relying on sending country's accreditation; national accreditation will be required once in place **Broader regulation:** National legislation applies	Provides all teaching facilities, pay salary of staff Provides central student housing, shared student facilities, manage financial aid Shared teaching and learning spaces Student fees go to Qatar Foundation
Knowledge Park (2003) and International Academic City (2005) – Dubai, UAE	Supporting economic diversification and transition to knowledge economy Catering for expats and new companies coming in	Private through public investment (TECOM Group)	**Delivery models:** Branch campus and teaching centre **Approval:** Open to proposals, but alignment with economic priorities increasingly considered **HE regulation:** Free zones are exempted from national regulation Approval and accreditation by local regulator required National accreditation required for qualification recognition **Broader regulation:** As a Free Zone it faces fewer barriers to trade	Provides infrastructures for rent or 'build and lease' Provides some shared building and facilities Shared commercial facilities such as student housing, food halls Student fees go to providers
EduCity Iskandar (2008) – Malaysia	Spurring the economic growth of Iskandar Puteri Supporting urbanisation	Private though public investment (Iskandar Investment)	**Delivery models:** Branch campus **Approval:** Open to proposals **HE regulation:** National accreditation required **Broader regulation:** National legislation applies	Provides premises through 'build and lease' or rental Provides central student housing, leisure activities, student services Provides paid-for support, such as marketing, accreditation, engagement with industry Student fees go to providers
Ras Al Khaimah Academic Zone (2008) – Ras Al Khaimah (RAK), UAE	Catering for expats and new companies coming in Supporting local economic growth	Government (Economic Zone Authority)	Delivery models: Branch campus and teaching centre model Approval: Open to proposals HE regulation: Free zones are exempted from national regulation Approval and accreditation by local regulator required National accreditation required for qualification recognition Broader regulation: As a Free Zone it faces fewer barriers to trade	Provides infrastructures for rent or 'build and lease' Rent is subsidised for initial years Hub provides a one stop shop offering support Some minimum shared facilities, e.g. student housing Student fees go to providers

Hub	Rationale	Ownership	Regulation	Financials
Incheon Global Campus (2008) – South Korea	Supporting economic development Helping address national brain drain Catering for expats and new companies coming in	Government (Incheon Free Trade Foundation)	**Delivery models:** Branch campus; one year required at the home campus **Approval:** Open to proposals, but selective process to ensure that national priorities are met **HE regulation:** Requires national accreditation, although lighter touch as relying on sending country accreditation **Broader regulation:** As a Free Zone it faces fewer barriers to trade	Provides infrastructures, free rental to start with Provides shared facilities, student housing, student services, library Student fees go to providers
Uniciti International Education Hub (2013) – Mauritius	Developing a smart city Supporting national economic growth (meeting skills needs and attracting international talent)	Private (Medine Group)	**Delivery models:** Different models allowed (branch campus, franchise, co-delivery, rental) **Approval:** open to proposals, strategic national and local priorities taken into account **HE regulation:** National accreditation required **Broader regulation:** National legislation applies	Provides premises through 'build and lease' or 'cost-sharing' or for rental Provides paid-for support, such as marketing, accreditation, campus experience, student visa Provides central student housing and leisure activities Student fees go to providers, some to the hubs depending on delivery model
Hainan Li'an International Education Park (2020) – China	Supporting local economic growth Helping address national brain drain	Government (Hainan Government)	**Delivery models:** as in rest of China branch campus, joint institutes or joint programmes by also only area in China where fully foreign owned branch campus model is allowed **Approval:** Open to proposals, but selective process to ensure local and national priorities are met **HE regulation:** Requires national accreditation **Broader regulation:** As a Free Zone it faces fewer barriers to trade, e.g. lower taxation, + more supportive student and staff visa	Provides infrastructures, free rental to start with Provides shared facilities, student housing, student services, and library; some services are charged to institutions based on student number size Provides student funding, and research funding Student fees go to providers

The table above illustrates the different reasons for establishing international education hubs. Generally, they all share a core rationale of boosting the local or national economy by attracting international investment, in the form of international students and expertise, to support capacity development.

There may also be additional motivations depending on the broader socioeconomic context. For example, some hubs cater to expatriate communities, especially those developed within free trade zones that attract multinational companies (such as Dubai, RAK, and Incheon). Other hubs support urbanisation plans, particularly related to greenfield projects (such as Iskandar, Mauritius, and Qatar), and help to mitigate brain drain, especially for traditional sending locations of international students (such as Hainan, Iskandar, and Incheon).

The ownership and funding source for hubs can also vary. Some, like RAK Academic Zone, Hainan International Education Zone, and Incheon Global Campus are fully owned and financed by governments, through a combination of central and local government funding. Others are owned and funded by investment companies financed by governments, such as TECOM in Dubai and Iskandar Investment in Malaysia. Some hubs are fully owned by private entities such as the Medine Group in Mauritius and the Qatar Foundation in Qatar. While Uniciti International Education Hub is exclusively funded by the Medine Group, the Qatar Foundation Education City receives significant support from public funding.

Private investors also play a crucial role in helping foreign providers establish operations, particularly in education hubs where the setup costs are not covered by the hub itself. The levels of support and incentives for foreign providers to operate in different hubs can vary significantly. Typically, more generous incentives and support are associated with hubs supported by public funding, such as Education City in Qatar, the Hainan International Education Zone, and Incheon Global Campus. In these cases, teaching facilities are fully provided and financed by the hubs, with various favourable financial arrangements, such as free rental for the initial years of establishment or subsidised rental fees, like in the RAK Academic Zone.

Generally all hubs, although to different extents, provide some shared facilities, such as student housing, student services, leisure activities, libraries, and food halls. Students may directly pay for these facilities, or in some cases providers may cover the cost based on student enrolment. Hubs may offer additional services to providers, such as assistance with marketing, recruitment, visa support, industry engagement, obtaining operational licenses, and academic accreditation. Some hubs and government entities may also provide scholarships for both national and international students to support their studies with providers based in the hubs.

Hubs located in free trade zones usually have more favourable regulations, not only regarding trade-related aspects like taxation but also with regard to academic regulations. In the UAE, foreign providers operating in the free trade zones of Dubai and Ras al Khaimah are exempt from federal-level accreditation and have established their own academic regulatory bodies, which are generally less prescriptive. The Hainan International Education Zone is the only place in China where foreign providers are allowed to fully own their branch campus. While foreign providers operating within the Incheon Global Campus must undergo accreditation by the national accreditation authority, the process is simplified and less burdensome compared with the accreditation process for Korean universities.

The accepted delivery models might also vary. The most common model accepted by all hubs is the branch campus model. Some hubs accept different delivery models such as smaller teaching centres, or franchise arrangements with local providers. Uniciti International Education Hub can deliver education programmes directly on behalf of foreign providers using their pool of local lecturers. At one point, EduCity Iskandar established its own EduCity College to offer franchised programmes, but has since stopped offering this possibility as it was seen to compete with providers operating in the hub.

Education City in Qatar is the only hub that has been proactively encouraging a multiversity model, whereby students can take courses offered by different providers in the hub and have these recognised towards their degrees. Hainan International Education Zone also intends to encourage this model as it develops further.

Different hubs also tend to attract foreign providers from different prominent sending countries, usually based on geopolitical and historical connections. For example, Uniciti International Education Hub in Mauritius primarily hosts providers from France, the UK and India. EduCity in Malaysia has so far attracted providers from the UK and Singapore. Meanwhile, Education City in Qatar and Incheon Global Campus have primarily sourced their foreign provision from the USA. The hubs with a wider diversity of sending countries are those of Dubai and Ras Al Khaimah, although there is still a predominance of traditional TNE sending countries such as the UK, the USA, and Australia.

The process of attracting foreign providers to operate in an education hub can vary in terms of selectivity and the level of control by the hub. Generally, the higher the government investment, the more selective and centrally driven the process for attracting and approving providers operating in the hub. Qatar Foundation Education City is arguably the most selective, with foreign providers having been proactively invited to operate in the hub according to the identified skills and education needs of the country. Incheon Global Campus is also highly selective, with a particular preference for highly ranked and research-intensive universities.

On the other hand, hubs of a more commercial nature, such as EduCity in Iskandar and Uniciti International Education Hub in Mauritius, are generally more market-driven and open to proposals, while still considering the fit of foreign providers and their planned provision to local education and training needs and priorities. Similarly, education hubs in Dubai are also market-driven and open to external proposals; however, the presence of a regulator such as the Knowledge and Human Development Authority adds a layer of scrutiny to determine the fit of proposed provision to the emirate's strategic priorities.

8.2 Consideration for establishing international education hubs

The above comparative considerations do not point to a single best model for establishing and operating an international education hub. Different models have their advantages and value depending on various factors, particularly the main rationale underlying the establishment of a hub and the broader operating socioeconomic and regulatory context. Based on the above comparative overview and conversations with representatives of the different hubs, as well as with TNE providers with experience in operating within education hubs, it is possible to identify a range of recommendations for developing a successful international education hub.

Key aspects to consider include:

• Setting out a clear rationale for the hub: It is critical to outline clearly from the beginning what goals are to be achieved with the establishment of an international education hub, as these might require different strategies and solutions. Is it, for example, about helping the local economic development and urbanisation of a particular region? Is it about increasing the attractiveness of Viet Nam to international students? Is it about retaining Vietnamese talents in Viet Nam? It can, of course, be all of these and additional goals, but it is important to set them out clearly from the start.

• Understanding the motivations and needs of all key different stakeholders: it is critical to have a clear understanding of the motivations and needs of all key stakeholders upon which the successful realisation of an international education hub depends. For example, what would motivate TNE providers to decide to establish operations in the hub, and what would they need to be encouraged to make this decision? What about the needs and motivations of students (either international or national/regional or both)? Other key stakeholders to consider are investors, who can play a key role where there is limited government investment and the local communities or local/national industry that can inform the choice of TNE provision capable of meeting existing demand for training and skills.

• Developing an attractive environment for TNE providers and students: Based on the rationale for establishing the hubs and the analysis of stakeholders' needs and priorities, it is critical to ensure that the international education hub offers sufficient incentives to attract foreign providers and students, that is supply and demand, in a sustainable way. Factors to consider are:

◦ **Setup costs:** Who will cover the set-up costs? Will there be government support or subsidies? Are private investors available to support initial investments? In order to attract foreign providers, it is important to find ways to lower the financial risk and burden for initial setup, reducing the time for returns on investment.

◦ **Ecosystem:** Is the location of the hub embedded in an ecosystem of demand for skills and training, including for example K-12 providing a pipeline to further education and training providers, and local industries and companies creating demand for further education and training? Is there an existing local demand for education and training by students and employers?

◦ **Student experience:** How attractive is the local environment for students, either national or international? Factors to consider are, for example, the availability of quality student accommodation, transport to and from the campus, leisure activity and food options, as well as of course the quality of teaching and learning facilities and work opportunities.

◦ **Student finance:** Are the scholarships available to attract national and international students? This might be particularly important for hubs located in areas without a natural demand for education and training.

◦ **Student and work visa:** How easy and attractive is the visa system for international students and international staff? Will students be able to work during their studies or after graduation? How long would foreign teaching staff be able to stay in the country or hub for?

◦ **Academic regulation:** Is there a clear process for foreign providers to obtain a licence to operate and the required academic accreditation to deliver their planned programmes of study? How burdensome is that process and is there scope to lessen the academic regulatory burden for foreign providers operating in the hubs?

These are some of the main aspects to consider when developing an international education hub. They will critically inform and will be informed by the selection of the location for the establishment of the hub. A hub that is not well integrated into the local ecosystem of demand for training and skills, and lacks connections to transportation, accommodation, amenities, and leisure activities, will require significant investment to attract initial demand and supply. It will also need to develop the necessary ecosystem and levels of connectivity and urbanisation to become a sustainable education hub.

9 Considerations for UK stakeholders

Previous research detailed a significant rise in intra-regional mobility in East and South East Asia since 2015-16, probably contributing to the slowdown in outbound mobility to the UK. The report concludes that intraregional student mobility is expected to grow further in the region.

Viet Nam's ambition to become an international student hub aligns with those of other regional governments. Vietnamese students have already chosen to study in other East Asian countries. Conversely, Viet Nam is already successfully attracting international students from the region, mainly from Laos and Cambodia. Still, with the right policy mix in place, the diversity of the student population is expected to grow.

Successful TNE in the country will widen the choice of high-quality programmes available locally to students likely to consider other regional destinations. Therefore, high-quality and locally relevant programmes are likely to secure the following benefits for international higher education providers:

• Access to intraregional mobility flows and international students already in Viet Nam (whose proportion is set to continue to grow).

• In addition to the above, engaging with emerging trends futureproofs the international engagement of the respective institution – it is more cost-effective to benefit from naturally occurring trends than to try to reverse them (e.g. engaging in high-cost student recruitment in markets with shifting demand).

• Access a wider pool of Vietnamese students who would have considered study options in the wider East Asia region.

• Forging a strategic partnership with local universities with growing prominence in the region. This can be further strengthened by utilising Turing funding for UK students to undertake mobility experiences in the country. See Vietnamese Universities' Profiles for details on universities interested in partnerships with UK higher education institutions.

• Building strategic alliances in the region – leveraging local partnerships to access their networks in the region.

• Cost-effective and sustainable engagement in a strategic region, which used to be the primary driver of international student demand.

• Ensuring the UK HE sector continues to play a key role in continuing to support Viet Nam's ambition to becoming a leading education hub in South East Asia through further strengthening UK-Viet Nam relationships in higher education.

Viet Nam is positioning itself as a new international education hub in South East Asia by fostering an environment conducive to attracting globally mobile students, high-quality education programmes, and investment.

This report emphasises the government's strategic push towards creating international education zones to bolster international student mobility and widen the study options for its students. Key policy initiatives include infrastructure development, regulatory reforms, and international partnerships. UK HEIs are favourably positioned to benefit from these developments and equally contribute to enhancing Viet Nam's global educational profile. These efforts align with Viet Nam's broader objectives of retaining local talent, attracting international students, and fostering educational innovation.

Universities in Viet Nam are eager to partner with international institutions to co-create programmes, particularly in English-medium instruction, and establish joint research initiatives. By collaborating with Vietnamese universities, international partners can leverage Viet Nam's growing demand for higher education, its strategic push towards internationalisation, and its aim to become an education hub in South East Asia.

Appendix 1: Number of universities at province and city level

No	Province or city	Number of HEIs	No	Province or city	Number of HEIs
1	Hanoi	74	23	Phu Yen	2
2	Ho Chi Minh City	46	24	Quang Nam	2
3	Da Nang	13	25	Quang Ngai	2
4	Thua Thien Hue	11	26	Quang Ninh	2
5	Thai Nguyen	9	27	Thai Binh	2
6	Nghe An	6	28	Thanh Hoa	2
7	Can Tho	5	29	Vinh Phuc	2
8	Binh Duong	5	30	An Giang	1
9	Bac Ninh	4	31	Bac Giang	1
10	Dong Nai	4	32	Bac Lieu	1
11	Hai Duong	4	33	Binh Thuan	1
12	Hai Phong	4	34	Dong Thap	1
13	Hung Yen	4	35	Ha Nam	1
14	Nam Dinh	4	36	Ha Tinh	1
15	Khanh Hoa	3	37	Hau Giang	1
16	Vinh Long	3	38	Kien Giang	1
17	Ba Ria – Vung Tau	2	39	Ninh Binh	1
18	Bình Dinh	2	40	Quang Binh	1
19	Dak Lak	2	41	Son La	1
20	Lam Dong	2	42	Tien Giang	1
21	Long An	2	43	Tra Vinh	1
22	Phu Tho	2	44	Tuyen Quang	1
Total					**240**

Appendix 2: Vietnamese Higher Education Institutions interested in TNE collaboration

https://www.educationinsight.uk/vietnam/index.html

In country support

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