

Written evidence submitted by the British Council (TIP0009)

1. Summary

- 1.1 The British Council has a long-established presence in the Indo-Pacific. Our global network of experienced cultural relations professionals operates from 17 countries¹ across the breadth of the region and alongside a large network of partners. While an operationally independent Non-Departmental Public Body (NDPB), we are committed to supporting delivery of the UK's international objectives, including the Foreign Secretary's ambitions for Official Development Assistance (ODA), through our work in creativity and culture, education and the English language.
- 1.2 Shifts in economic power, political and technological power in the region have led to new opportunities for mutual prosperity and new considerations for UK security and foreign policy. Our work is focused on closer cultural and educational ties between the UK and the Indo-Pacific, making it a more attractive partner for collaboration and trade as well as engendering the trust that underpins more sensitive areas like defence and security.²
- 1.3 Strategic focus on the Indo-Pacific must recognise that the region encompasses a group of countries which are highly culturally, economically and politically diverse, and their relationships with each other vary greatly. The UK's historical and contemporary relationships with different countries vary a great deal too. British Council commissioned public perception data undertaken by IposMori from nine countries in the region underlines this complexity. In terms of international competition, the region is a tightly contested arena for influence and attraction, with significant soft power investment from China and Russia.
- 1.4 Intensified engagement in the Indo-Pacific should be underpinned by understanding of this diversity and will have most success if it responds to what other countries – and young people in particular - need. Closer relations with the region require the UK to go beyond increased visibility and communications and prioritise meaningful engagement. Contributions from the UK's arms-length and independent soft power actors, with their own networks, capabilities and insight into the region should be supported and sustained to continue to meet HMG objectives.

2. How we work in the Indo-Pacific

- 2.1 The British Council is operationally independent from the FCDO, comprising a network of highly experienced UK-appointed and local personnel which spans the region. Our work is coordinated through two administrative regions, East Asia and South Asia. Our priority countries in the Indo-Pacific reflect those of the FCDO: ODA-eligible priority countries are Bangladesh, China, India, Indonesia, Malaysia and Vietnam and we also prioritise Japan in the non-ODA space. Of the ODA countries, China is likely to come off the OECD DAC list of ODA eligible countries over the course of this decade.
- 2.2 Collaboration between UK Embassies and High Commissions in the region and the British Council is strong. We are aligned with and contributing to HMG priorities at country and regional level and have in place good mechanisms to facilitate this.

¹ These countries are: Bangladesh, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand and Vietnam.

² Crucially, where this engagement is curated by the British Council trust in the UK government is 16% higher than where no engagement has taken place but also 13% higher than where engagement has happened independently of the organisation.

- 2.3 All British Council Country Directors across the Indo-Pacific work closely with Heads of Mission and their teams and colleagues in regional roles (e.g. SIN) to agree targets in single HMG country plans. Regional Directors are included in the xWhitehall reviews of these plans. Country Directors are invited to weekly Heads of Mission-led team leader meetings and to other strategy and planning groups.
- 2.4 We have cross-HMG country-level Education working groups in place across the region to agree Education priorities for the UK and develop plans, and ensuring co-ordination in-country across FCDO, British Council, DIT, SIN, UKRI and Devolved Administrations. We have in place in-UK x-Whitehall education co-ordination groups for China, India and ASEAN, and are working closely with the UK's mission to ASEAN to develop the education priorities in the context of the UK's ASEAN Dialogue Partner status.

Regional questions

3. UK interests and opportunities

Higher education

- 3.1 **International student mobility:** In recent years, the UK has been the second most popular global destination for international students after the US. Although the UK remains an attractive destination for international students from the Indo-Pacific, young people from the region are increasingly looking closer to home, with providers in East Asia and the Pacific developing their own international status and hosting a growing proportion of the world's globally mobile students.³
- 3.2 Chinese students currently make up 35% of all non-EU international students at UK institutions and are worth at least £1.7billion to UK higher education.⁴ In 2020, the UK overtook the USA as the preferred destination for Chinese students⁵, however there are some signs that a slowdown may be on the horizon. While the UK has benefitted in rising US-China tensions and slowed growth in the number of Chinese students choosing to study in the US since 2017, a deterioration of UK-China relations could impact the numbers of Chinese students studying with UK universities.⁶
- 3.3 Research from the British Council shows that exposure to and experience of the UK – especially cultural experiences – can positively influence choice of study destination.⁷ Enabling cultural engagement with young people in Indo-Pacific countries can therefore support the growth of the UK's international student base, mitigating the impact of the pandemic and helping to ensure the long-term success and sustainability of the sector.
- 3.4 There is an opportunity to grow and diversify the UK's Indo-Pacific student cohort through policy alignment and increased flexibility in the visa system for international

³ The Policy Institute, King's College London (2021), The China question: Managing risks and maximising benefits from partnership in higher education and research

⁴ Times Higher Education (2020), UK universities 'increasingly reliant' on Chinese fee income
Accessible: <https://www.timeshighereducation.com/news/uk-universities-increasingly-reliant-chinese-fee-income>

⁵ Vision Overseas Consulting (2020) Annual Report on Chinese Students' Overseas Study.

⁶ Economist Intelligence Unit (2020) How will the coronavirus affect outbound Chinese students? Accessible: <https://www.eiu.com/n/how-will-the-coronavirus-affect-outbound-chinese-students/>

⁷ British Council (2021), Measuring the cultural dividend: How does interest in UK culture affect Chinese study decisions?

students. For example, the India-UK 'Joint Taskforce for Mutual Recognition of Qualifications', led by the British Council and the Government of India Ministry of Education have established a draft Memorandum of Understanding which covers the mutual recognition of academic qualifications, including Bachelors and Doctoral but also, most importantly, Masters degrees. This has long been a sticking point as UK Masters degrees were not recognised by the Government of India.

- 3.5 Another example is the Graduate Route post-study work visa. This policy has already had a significant impact on visa applications from key markets such as India: student visas granted to Indian nationals increased by 42% in 2020, the largest increase by nationality in sponsored visas last year. The British Council has worked throughout the pandemic to make sure prospective international Indian students and their families have access to the latest information about the Graduate Route, including two virtual recruitment fairs which reached over 6000 students and influencers in India.
- 3.6 International student cohorts from the Indo-Pacific UK can also help to forge closer transnational links between the UK and their home countries after graduating. In London, 60% of international students and alumni of UK universities said that they are more likely to do business with the UK having studied here,⁸ deepening economic connections and building cultural relations.

English Language

- 3.7 The English language plays a prominent role in business, commerce and development in the Indo-Pacific and underpins the educational mobility from the region to the UK outlined above. The ability of English to act as a cultural 'bridge language' gives it major appeal, creating commercial and developmental opportunities for the UK English language teaching (ELT) sector to meet this demand. Three of the largest country markets for the UK private ELT sector are in the Indo-Pacific, including China, Japan and South Korea. These opportunities will not fall into the UK's lap and effort and investment is required to keep up with changing trends and increased competition.
- 3.8 Across emerging economies across the Indo-Pacific, English language learning is perceived as essential to national development, facilitating educational mobility, access to opportunities and building human and social capital. This engagement also builds closer cultural connections and the ability to speak English is associated with positive perceptions of the UK.⁹ It can also address the skills shortages for a global economy that can arise as a consequence of rapid economic growth.
- 3.9 ELT also constitutes an entry point for wider education reform.²⁹ An average of one million new graduates have been entering South Asia's employment sector every month since 2014. This increases the urgency of developing academic systems, improving the quality of learning and identifying resources. Strong higher education systems have been proven to support national success and global sustainable development goals. The British Council's work with education systems at national and regional level in India and Pakistan targets those who are often excluded from education and employment opportunities, contributing to more open and resilient societies.
- 3.10 The role of English in international business looks set to continue – if not grow – and this is also the broad trend in the Indo-Pacific region. In ASEAN in particular,

⁸ Migration Advisory Committee and London First (2018) *Impact of international students in the UK*

⁹ British Council. (2015). The Value of Trust. Access: <https://www.britishcouncil.org/sites/default/files/trust-pays-report-v2.pdf>

stakeholders acknowledge the importance and usefulness of speaking English for cross-border trade and communication.¹⁰ At the same time, the slow shift of global focus away from the Anglosphere is driving shifts in the way English is taught, the standards of learning that are expected, and the types of English learnt. The teaching of English is becoming more focused on explicit business applications, leading to lower standards of English learning but fostering wider adoption. Businesses and teaching institutions in both China and Korea are becoming growing competitors, offering their own English teaching programmes.

- 3.11 Demand for education using online and mobile-based tools is increasing across the region, further fuelled by the pandemic. This is expected to include a demand and focus on English language training for teachers who are expected to deliver English either as a subject or as a medium of instruction in all countries across the Indo-Pacific region. Across 11 countries in the Indo-Pacific region, the British Council is on track to reach 363,000 teachers largely through digital platforms in 2021-22, growing to 586,000 by 2025-26. This offers substantial opportunities for the involvement of UK organisations to develop and deliver content and provide technical capacity and digital tools.¹¹
- 3.12 Informal learning is set to become a major part of how many people, especially younger generations, are introduced to English – the cultural exports that are a central part of modern soft power will become even more influential in supporting informal learning and funnelling people into more structured English education. The UK's success here is dependent on investment and support for soft power exports and institutions

Trade

- 3.13 CPTPP is a huge opportunity for the UK. As noted above, English and education collaboration act as enablers, building the trust and attraction that underpins closer trade with and investment into UK. The UK-China NOW creative and cultural seasons in 2013 and 2015 delivered in the region of £20 million for the UK creative sector.¹² Following the UK in Japan campaign which took place in 2021/22, 72% of audiences of British Council led arts and cultural activities said they were more likely or likely to agree that the UK is a world leader in creativity and innovation.¹³ Major cultural seasons such as those in Australia in 2021, and India and Pakistan in 2022, present very high-profile opportunities to reinforce UK attractiveness as a trading partner.
- 3.14 Trade in creative goods and services is a growing economic force, and its contribution to GDP and share of global trade is only likely to increase as it intersects with the digital and sharing economy. The Indo-Pacific region outstrips all other regions, with ASEAN +3 (China, Japan and Republic of Korea) accounting for \$228 billion of creative goods exports in 2015, almost double that of Europe¹⁴, while the craft sector in India is the second largest employer after agriculture. While North America and Europe are currently the two biggest markets for UK cultural exports, opening access

¹⁰ These insights are drawn from stakeholder roundtables conducted by the British Council has conducted over the summer 2021, including in ASEAN and North East Asia.

¹¹ Pilot projects in Vietnam and Indonesia are offering digital innovation funds for UK and national organisations working together to address the English language teaching and learning demand using tech-enabled solutions.

¹² British Council (2018) UK Year of China exchange 2015 Evaluation report, Accessible: <https://chinanow.britishcouncil.cn/wp-content/uploads/2018/10/British-Council-YoCE-Evaluation-Report-compressed.pdf>

¹³ GREAT (2021) UK in JAPAN Campaign: March 2020 – March 2021 Evaluation

¹⁴ UNCATD statistics

to these rapidly growing Indo-Pacific markets could build large new audience and consumer bases for the UK's cultural and creative industries.

- 3.15 In terms of education provision, the Indo Pacific region hosts the top five countries for UK Transnational Education (TNE is education delivered in a country other than the country in which the awarding institution is based), globally accounting for over 200,000 TNE enrolments¹⁵. These countries are China, Malaysia, Singapore, Pakistan and Sri Lanka. There is still fertile ground for Transnational Education partnerships elsewhere in the region. This is especially true in India, where the market has been so far untapped (UK TNE student numbers are under 10,000 at present) but a potent combination of demographics, the pandemic, increasing internet penetration and the country's new National Education Policy 2020 has created major incentives for TNE development – with potential advantages for the UK as an early adopter.

Arts and culture

- 3.16 As Indo-Pacific nations transition to 'knowledge-based' economies, more reliant on information, skills, and innovation, greater currency is placed on creativity. The ASEAN Strategic Plan for Culture 2016-2025 is evidence that the bloc collectively recognise that arts and culture, having both commercial and cultural value, can catalyse change, and build more inclusive, connected, and prosperous societies. As noted above, the UK is widely regarded to have world-leading creative industries and cultural policies and is well-placed to engage with countries seeking to strengthen and grow their creative economies, bringing mutual prosperity.
- 3.17 The British Council is continuing to play a pivotal role in shaping the strategic direction through policy agendas for the creative economy in the region. Major successes include a lead role alongside UNESCO in developing the first National Cultural Industries Strategy for Vietnam – a landmark Strategy ratified by the Prime Minister in September. In the Philippines the first MOU of its kind was signed between the British Council and national agencies to promote the growth of the creative economy sector of the Philippines. These engagements contribute to regional economic development and help to position the UK creative sector as an expert and favoured partner for collaboration and trade.

4. Competition and cooperation

- 4.1 The UK is seen as an attractive and trusted partner by Indo-Pacific states. This includes both established allies like Japan and Commonwealth partners like India and Singapore but also countries where the UK is perhaps a less familiar partner like Indonesia. British Council research has found that in China, Malaysia and Singapore the UK ranked in the top three most attractive countries in the G20 group. Governments and people across the region are open and indeed keen to engage with the UK across a range of issues both personal - like choosing to study at a UK university– or governmental, such as signing a trade deal or engaging on security issues.
- 4.2 However, competition for influence and attraction in the region is fierce. Germany, Canada and Japan also enjoy positive regional perceptions and sometimes outperform the UK on trust and values associated metrics, although the UK is often ahead of the US. China and Russia are investing heavily in new soft power infrastructure across the Indo-Pacific, while South Korea and Japan are also expanding their reach. This trend is particularly apparent in East Asia and less pronounced in South Asia.

¹⁵ HESA (2021) Higher Education Student statistics

- 4.3 While there is naturally competition for business with EU states in the region (alongside France and Germany, the Netherlands has substantial business interests) there are also extensive common interests. For example, the SHARE programme, which supports the quality and internationalisation of ASEAN HEIs, is funded by the EU and managed by the British Council in Jakarta alongside European partners. This project provides visibility to UK's ASEAN Dialogue Partner bid as well as a model for effective collaboration with European counterparts where there are shared interests. The UK will need to work with a variety of different groupings, some formal some ad hoc, to achieve its aims in the region.
- 4.4 The attraction of the UK offer is not in doubt; however, it can't afford to be complacent if it is to remain a credible, relevant and attractive partner to host countries and partners alike. The UK's soft power assets should be sustained and supported to forge closer links and enhance dialogue across the region. As nations in the Indo-Pacific start to lose their DAC country status, the necessary resources will in the foreseeable future need to be found outside UK's aid budgets.

Country-specific questions

5. UK-Japan collaboration

- 5.1 **Creative Economy and the Arts:** Alongside China and Australia, Japan is one of the largest markets in Asia for the export of services for DCMS sectors with a sustained interest in UK culture and mature partnerships with leading UK institutions. The UK should continue to invest in the development of new cultural and artistic links, helping UK institutions to engage with this market in support of the sector's economic recovery. Through the 'UK in JAPAN' campaign, the British Council has brokered 92 new creative partnerships, of which 62% of the participating UK organisations had not previously worked in Japan.
- 5.2 There is a significant opportunity in the area of Arts and Technology. Despite Japan's global reputation for leading technologies, the cultural sector is a long way behind the UK in harnessing digital technologies to help artists and institutions to reach new audiences. Building on the legacy of the Olympic and Paralympic Games, Japan also seeks to harness the power of the arts to improve well-being and mainstream inclusion. National and municipal funding is being invested to make the arts accessible and to champion the work of disabled artists. Again, there are clear opportunities here for the UK, which is considered a source of leading best practice in this area.
- 5.3 **Higher education:** If the UK is to seek closer trade and security links with Japan, it should invest in equipping the next generation of Brits the skills and experience they need to take forward close bilateral relations. Levels of international student mobility between the UK and Japan trail those of some other key Indo-Pacific partners. Currently over 90% of Japan's international students are from Asia.
- 5.4 The number of UK students at Japanese universities is low (2019: 730 UK students, 2020: 550 UK students), although the Turing scheme promises to significantly increase outward mobility; awarding 1169 mobilities for UK university students to come to Japan in its first year. The Ministry of Education, Culture, Sport, Science and Technology (MEXT) flagship 'Top Global University Project' supports the Japanese government's internationalisation agenda and will continue until 2023.
- 5.5 UK- Japan research collaboration is very high quality (at three-and-a-half times the world average and higher than with the USA, China and Germany), but at a very low volume (less than 20,000 joint citations in the last 5-years). The UK should be seeking

to resource joint calls in priority research fields to raise the volume of joint research and major joint projects. Through the British Council's higher education consortium, RENKEI, we are providing seed funding for new joint research in the fields of Climate Change and Healthcare. We have also brought together UK and Japan universities with partners in ASEAN to support clean growth in the region through new ODA funded research projects.

- 5.6 **English:** While Japan is a large, stable, advanced economy, it ranks 29th on the Ease of Doing Business index. Foreign players face regulatory, linguistic and cultural challenges and English is not universally spoken. MEXT are advancing a major reform of Japan's English education system. This includes the introduction of English as a formal subject at primary level and a new national syllabus.
- 5.7 The UK should be positioning itself as the strategic partner for Japan on English reform. Within this reform agenda, universities are encouraged to assess English language speaking ability as part of the university entrance tests. This change has the potential to catalyse wider change in the way that teachers are trained and in the way that English is taught.
- 5.8 **Ed Tech:** Japan has the lowest usage of Educational Technology in classrooms according to OECD data, with principals reporting that only 10% of students in Japan had lessons incorporating technology. MEXT are making a major investment to upgrade the IT infrastructure in schools across Japan and equip students with digital skills. In the higher education sector, there are plans to introduce a new national platform for online university courses. years.¹⁶ This is another area we should be looking to prioritise: the UK is internationally seen as a leader in this area, having invested in Education Technology over many years.

6. UK-Taiwan collaboration

- 6.1 **English language:** As Taiwan strives to position itself and be recognised as an independent international presence, one of the challenges it is set on overcoming is whether its people can communicate effectively with the English-speaking world. To address this challenge, in 2018 the National Development Council announced the 'Blueprint for Developing Taiwan into a Bilingual Nation by 2030', which makes English language acquisition and proficiency a priority for Taiwan.
- 6.2 ELT is an area of mutual interest for the UK and Taiwan and should be prioritised. The British Council's work in English and Education has been contributing to improved English proficiency in Taiwan for years but saw a step change in their work in this area in 2020, when they were commissioned by the Ministry of Education to provide research and consultancy to inform their Bilingual 2030 policy decisions.
- 6.3 There are further opportunities for the UK to build relations senior officials in Taiwan through ELT: in June 2021 the British Council secured a contract with the Examinations Yuan (the ministry responsible for learning and development within the civil service) to deliver English training to 40 senior ranked civil servants. In August 2021 the Ministry of Education separately asked the British Council to put together a proposal to deliver English training to their civil servants.

¹⁶ BETT 2019: UK is leading the way in how schools should use technology, says Microsoft's head of education, Accessible: <https://news.microsoft.com/en-gb/2019/01/25/bett-2019-uk-is-leading-the-way-in-how-schools-should-use-technology-says-microsofts-head-of-education/>

- 6.4 Since her re-election in January 2020, the Bilingual 2030 Policy is now being driven by President Tsai Ing-wen, who has told the British Council that UK-Taiwan cooperation in this area is welcomed. As President Tsai will step down at the end of her second term in May 2024, the next three years will be critical to the success or failure of the Bilingual 2030 Policy.
- 6.5 **International student mobility:** Policy change in the UK and in Taiwan has created new opportunities for higher education collaboration. In 2020/21, the Ministry of Foreign Affairs announced £100,000 in scholarships solely for UK students to study in Taiwan. To date 18 Taiwanese universities and 150 British students have been awarded the MOFA scholarship. In addition, 227 UK students have secured scholarships to study in Taiwan in 2021/22 through the UK governments' Turing Scheme.
- 6.6 In terms of incoming students, 2019/20 saw the numbers of students from Taiwan studying in the UK rising to 9,469 (a 5% increase), of which 4,465 were in higher education. UK engagement should look to sustain the growth of this market.
- 6.7 The British Council are also in discussion with the Ministry of Education to recruit English Language Teaching Assistants from the UK to come to Taiwan, through the British Council's English Language Teaching Assistants programme. This will be fully funded by the Ministry of Education. The first cohort of English Language Teaching Assistants will come to Taiwan in 2022.

7. UK-Indonesia collaboration

- 7.1 **Higher Education:** Indonesia is one of five priority countries named in the UK's International Education Strategy. This prioritisation reflects significant potential for growth, and where there is opportunity to address barriers to that potential.
- 7.2 Indonesia has one of the world's largest tertiary education systems. The Government has started to implement a broad range of reform policies, with a strong emphasis on reforming higher education and research. There are more than 4,650 universities of which the vast majority are private and only half accredited.
- 7.3 Whilst access to HE is growing, only 8.8% of the population has a tertiary qualification. Indonesia needs to double the current productivity rate and find an additional 3.8million skilled workers to maintain pre-Covid19 growth rates. The focus on skills and human capital development is a national policy priority. In 2016 there were 46,000 Indonesian international students in universities abroad.
- 7.4 British Council focus is on building more partnerships, increasing mobility and the number of students in UK education; as well as strengthening English as a key enabler for Trans National Education (TNE). Research has been completed on the top 50 Indonesian Universities to share with UK. This complements the launch of new British Council Going Global Partnerships to encourage more TNE models between the two countries.
- 7.5 The Indonesia International Students Mobility Awards (IISMA) is a pilot short term (single semester) mobility scholarship that will run from 2021 until 2025. The British Council has working closely with Indonesia's Ministry of Education in advertising IISMA to UK HEIs, as a result securing almost 20% of the 1000 allocation provided this year. The UK's Turing scheme presents an opportunity to connect the two schemes for more reciprocal arrangements and to link student mobility to TNE partnerships.
- 7.6 The Government has also committed to establishing a technical working group to take forward recent recommendations for 'a minimum level of proficiency certified by an

English language test for Indonesian high schools and HEIs' that emerged from research with the British Council and the Indonesian Ministry of Education.

- 7.7 **Creative Economy and the Arts:** Indonesia is looking to be a major player in mainstreaming the creative economy globally, as one of the steps to reach the Sustainable Development Goals (SDGs). It initiated the Resolution for the International Year of the Creative Economy for Sustainable Development, passed by the UN General Assembly in November 2019.
- 7.8 With its world-leading creative sector, there are clear opportunities for the UK to work with Indonesia to develop the creative and social economy. The British Council has worked with the Government of Indonesia on how these sectors can contribute more to both national development goals and as part of the post-COVID economic recovery strategy.¹⁷ Increased policy engagement with Ministry of Tourism & Creative Economy has ensured Creative Economy is rightly included within the UK/Indonesia Joint Trade Review.
- 7.9 **Soft power:** Over the last year and during a period of lockdown the British Council has engaged 2 million people across Indonesia. There is significant interest in the UK, particularly at a time when other countries have closed their borders. The soft power generated by more offers to young people in country – enabling them to build their skills and connect with the UK – will ultimately lead to more students taking UK qualifications and contributing to 2030 global student targets.
- 7.10 There is a sense within FCDO single country plans that soft power is produced by good communications and visibility. This misses a key point – young people in Indonesia are interested in building their skills and increasing their international networks. They need a clear reason for engagement which can be provided with short cultural engagement programmes. These programmes are the conduit for longer term and deeper relationships with the UK and require investment.

8. British Council

- 8.1 The British Council is the UK's international organisation for cultural relations and educational opportunities. We create friendly knowledge and understanding between the people of the UK and other countries. We do this by making a positive contribution to the UK and the countries we work with – changing lives by creating opportunities, building connections and engendering trust. This enhances the security, prosperity and influence of the UK and, in so doing, helps make the world a better, safer place.
- 8.2 Our programme aims to expand the positive relationships between the UK and Indo-Pacific nations and strengthen UK influence and attraction by leveraging the UK's experience in education, English, arts and culture.

For further information contact: parliamentaryaffairs@BritishCouncil.org

¹⁷ This includes published surveys on the supply and demand for the creative economy in Indonesia, with policy recommendations and practical suggestions on ways to support entrepreneurs and practitioners

September 2021