



Education

Globalization

Edited by

Tereso S. Tullao, Jr.

Education & Globalization

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PASCN

PHILIPPINE APEC STUDY CENTER NETWORK



PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES

Surian sa mga Pag-aaral Pangkaunlaran ng Pilipinas

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Please address all inquiries to:
PHILIPPINE APEC STUDY CENTER NETWORK SECRETARIAT
PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES
NEDA SA Makati Building
106 Amorsolo St. Legaspi Village
1229 Makati City, Philippines
Tel. no.: PASCN (63-2) 8939588, 8925817; PIDS (63-2) 8935705, 8924059
Fax no: PASCN (63-2) 8939588; PIDS (63-2) 8939589, 8161091
E-mail: pascn@pidsnet.pids.gov.ph; publication@pidsnet.pids.gov.ph
URL: <http://pascn.pids.gov.ph>; <http://www.pids.gov.ph>

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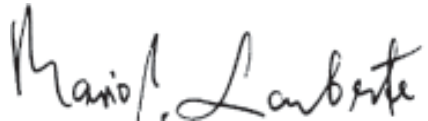
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FOREWORD

To meet the challenges of globalization, it is necessary to prepare individuals for a workplace where responsibilities are constantly changing, where information passes through multiple and informal channels, where initiative-taking is more important than obedience, and where strategies are especially complex because of expansion of markets beyond national borders. Therefore, education must help individuals to perform tasks for which they were not originally trained, to prepare for a nonlinear path, to improve their team skills, to use information independently and, finally, to lay the basis of complex thinking linked to the realities of globalization.

This book tackle the impact of globalization on the key dimensions of our higher educational system. It traces the forces that have contributed and impeded globalization of education and more importantly, it has identified various threats and opportunities brought about by globalization of higher education particularly to a developing country like the Philippines.

On behalf of the PASCN, I would like to express my sincerest gratitude and appreciation to the authors for their contributions to this publication. We hope that they will continue to support our efforts in generating more opportunities for greater understanding and appreciation of national as well as APEC-related issues.

A handwritten signature in black ink, reading "Mario B. Lamberte". The signature is fluid and cursive, with the first name "Mario" being more prominent and the last name "Lamberte" following in a similar style.

Mario B. Lamberte, Ph.D.
President, PIDS
and Lead Convenor, PASCN

PREFACE

When private schools started crying out foul over the ‘sprouting’ of new programs offered by foreign educational service providers without the supervision from appropriate government educational agencies, they have realized then, that indeed, the impact of globalization has seeped into the educational sector.

As an all-embracing contemporary phenomenon, globalization has affected almost all aspects of human life. With greater interdependence among nations, groups and individuals, wealth has been enhanced through global trade and investment but at the price of exposing vulnerable sectors to systematic risks and uncertainties. Globalization is an irreversible reality of contemporary human life. It is a complex and sometimes a paradoxical process. As it tries to integrate the global village, at the same time, it breaks down traditional institutions. It has brought about unequal consequences that even the efficiency gains are being challenged by sectors that are hurt by the conduct of liberalization and deregulation of the economy. The negative effects of globalization not only on the productive sectors of the economy but also on environment, health, education and society as a whole can no longer be ignored. The key in understanding the fundamental drawback of globalization is the uneven responses to the path of integration. These asymmetric consequences that accompany it have created wide divides between those included from those excluded in the globalization process.

The services sector is becoming the leading economic sector in the country today. Close to half of the country's gross domestic product is produced by services and an equal proportion of the labor force is employed by the sector. With the advancement in information technology, a move towards knowledge-based industries, and the stiff competition globally, the role of trade in services will become more and more prominent in the future. Educational services being a part of the services sector, cannot escape the challenges of globalization.

Rapid developments in information and communications technology are leading Filipinos to alternative educational systems including corporate universities, virtual universities, asynchronous delivery systems, branch campuses, and distance education. The proliferation of these competing service providers along with the traditional roles and functions of universities are challenging higher educational institutions to assess their significance in the light of current trends in the quest for knowledge. In particular, there is a need to review whether the existing governance structures, curricular programs, and delivery systems in higher educational institutions are still appropriate with the rapid developments fueled by the new demands of a more integrated world and the changing training needs of the labor force as the country moves towards knowledge-based industries.

The need to manage the adverse consequences of globalization emanates from its complexity, divergent effects, asymmetrical impacts and accompanying risks and uncertainties. In education, for example, it is widening the educational divide among institutions within and outside national boundaries that may exacerbate the existing inequities in educational access and quality. With its impact on breaking down hierarchy, globalization is also threatening the relevance of educational institutions and inducing new configurations within academic institutions. These realities should compel universities to participate in a dialogue so that this process can be well managed and its negative consequences mitigated. Specifically the dialogue is intended to understand this complex process, analyze its impact, and compel educators to act accordingly.

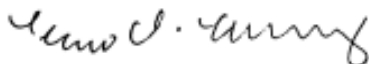
This book on *Education and Globalization* is a welcome development for several reasons. Aside from tackling the impact of globalization on the key dimensions of higher educational institutions, the articles included in the volume are useful materials for discussions and debate in shaping the country's position in the next round of negotiations under the General Agreement on Trade in Services (GATS) that will focus, among others, on the liberalization of educational services.

The Philippines is mitigating the threats of globalization in order to harness the benefits of global integration. The paper of Allan Bernardo serves as an excellent introduction to the various models and the changing discourse in the internationalization in higher education. The paper of Tereso Tullao, Jr. presents the role of domestic regulation in preparing the readiness of our professionals and Higher Education Institutions for globalization. The paper of Veronica Ramirez on benchmarking is an evaluation on how selected nursing and maritime programs, the suppliers of highly mobile Filipino professionals, in the country compare with the academic programs in various educational institutions in selected APEC economies. The paper of Zenon Udani presents the various schemes on how professional organizations in this country conduct their continuing education for personal, professional and organizational development.

The articles in the book become more relevant in the light of possible pressure for liberalization of the educational sector in the next round of GATS negotiations. Currently, even without formal commitments to liberalize the sector, the proliferation of and entry of various foreign educational service providers in the country have been observed. Although there are no commitments yet in the GATS pertaining to educational services, the fact that these foreign service providers are allowed to operate in the country through various modes of supply, the educational sector was de facto opened. Since entry of foreign service providers were allowed in the sector, albeit not explicitly, the country may be obligated to extend the same privilege to other WTO members under the principle of most favored nation (MFN) or the non-discrimination in the application of market access. In addition, this will make the educational sector vulnerable in the next round of

negotiation. The current situation will make it easier for countries interested in our educational sector to request that the sector be liberalized. What reasons can the Philippines give to countries in denying their requests since, when in fact, de facto, foreign educational service providers are already operating in the country?

This book will not be made possible without the generous grants from the Philippine APEC Study Center (PASCN). Special thanks are extended to Dr. Mario Lamberte, President of Philippine Institute for Development Studies (PIDS), the lead convener of the network and Dr. Myrna Austria, the Executive Director of PASCN. The papers included in this volume have been subjected to various technical reviews by experts and have been presented in various regional conferences. For their critical and valuable comments that helped improved the initial drafts of the papers, we thank Dr. Ma. Serena Diokno, Dr. Mona Valisno, Dr. Emily Tan, Atty. Abelardo Dumondon, Commissioner Antonieta Fortuna-Ibe, Dr. Luisa Doranilla, Atty. Julito D. Vitriolo and Ms. Marie Escueta.



Tereso S. Tullao, Jr.

De La Salle University, Manila

October 18, 2002

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CHAPTER



Higher Education and Globalization

An Integrative Report

Tereso S. Tullao, Jr.
Research Project Coordinator

INTRODUCTION

Globalization is described as a complex process of creating worldwide networks of capital, technology, and information made possible through enhanced competition, stronger interconnection and greater interdependence. Competition has brought enormous changes in the structure of production and distribution in the global economy. Through the expansion of worldwide networks and interconnections, globalization has accelerated the interdependence among nations, groups and individuals (Castells 1997 in Brunner 2001). Even its unintended consequences permeate within these global networks (Giddens 1990). By compressing the time-space dimension (Harvey 1989), globalization has created environments functioning in real-time across the globe (Ohmae 1990).

As a worldwide phenomenon, globalization has affected all aspects of human life. In politics, it continues to threaten the legitimacy and influence of the nation-state as it yields to international agreements, international institutions and new forms of sovereignty geared towards global governance (Held et al. 1990). In economics, it has deepened and expanded global trade causing structural changes in production and distribution based on comparative competitiveness of economies. It has also exposed the global village to systematic risks associated with the integration of the world economy including, among others, environmental destruction and the spread of crisis (Brunner 2001). From a sociological perspective, through various forms of networks, globalization has established a veritable global civil society by

galvanizing and linking various national non-governmental organizations on common issues of public action aimed specifically to counter the effects of globalization on various aspects of society (Brunner 2001). In the cultural sphere, the establishment of global communication industries has threatened, and to some extent weakened, national values and traditions through the emergence of multiethnic and multicultural societies towards a global culture (Brunner 2001).

FORCES OF GLOBALIZATION

Globalization through international trade agreements

The role of trade in the expansion of global output has significantly increased over time. In the 1950's only about 7 percent of total global production output was traded. Currently, the share of exports to global output has risen to 25 percent (Smeets 1999 in Pinstrup-Andersen 2000). Between 1970 and 1998, the value of foreign direct investment grew 15 folds while transnational corporations have risen from 7,000 to 53,600 (French 2000). There are many reasons for the expansion of global trade over these years. Many small economies have traditionally leaned towards the international market as a natural recourse due mainly to their limited domestic markets. Hong Kong, Singapore, Taiwan and to some extent, South Korea have used the global economy, that dwarfs their local economies, as their targeted market to push their rapid economic growth. Other countries have used export and the external market because of their sad experiences with import substituting industrial policies that lead to inefficiencies and economic stagnation. The experience of some economies in Asia and Latin America attests to these failures of inward economic orientation.

The forces towards the globalization of educational services are reinforced to a great extent by the globalization of professions and the accession of an increasing number of economies to international commercial agreements. Nations have recognized the inevitability of economic globalization and have subjected themselves to the disciplines of these trade agreements to reap the benefits of an integrated world market knowing too well that such action may entail social costs.

Over the years, global trade has also expanded because of international agreements that meant to reduce, if not remove trade barriers. Foremost among these commercial accords were concluded under several rounds of negotiations under the General Agreement on Tariffs and Trade (GATT). The GATT is intended to govern the international trade in goods by requiring acceding economies to reduce tariffs and non-tariff barriers systematically within a scheduled period. There were at least eight rounds of international negotiations that were completed since 1947 after the failure of forming the International Trade Organization. Between these periods, the average tariff for industrial commodities in developed countries has been reduced from 40 percent to 4 percent (French 2000).

The latest of these trade negotiations is the Uruguay Round completed in 1994 that paved the way towards the establishment of the World Trade Organization

in 1995 and the birth of other trade agreements including the General Agreement on Trade in Services (GATS) and Trade Related Intellectual Property Rights (TRIPS).

The GATS is a multilateral agreement that covers legally enforceable rights to trade internationally in all services except in the exercise of government authority. The agreement also serves as an avenue of economic growth for all trading countries in addition to putting in place a set of transparent rules and regulations limiting the intervention of governments and other institutions in the flow of trade in services.

Previous trade negotiations did not include services mainly due to its perceived non-tradability. However, developments in information technology, rapid improvements in telecommunications, expansion of foreign direct investments and the rise in the global flow of human resources exerted pressures for the substantial growth in international trade in services.

A review on the specific commitments made by contracting parties on trade in services will definitely be a major task in the next round of negotiations in the WTO. Although the Philippines has acceded to subject selected industries in the services sector under the rules of GATS, it did not, however, make any specific commitment on professional services including a related subsector, the educational services. Thus, the forthcoming discussions on measures pertaining to the expansion of trade in the services sector will put a heavy pressure on the Philippines to make specific obligations in uncommitted sectors that in turn may usher the opening of trade in educational services.

Expansion of knowledge and shift towards a knowledge-based economy

The rapid growth and structural transformation of developed economies have been attributed to a great extent to an increasing share of the services sector. A large portion of the services sector, in turn, is dependent on skilled professionals and the utilization of knowledge as the major inputs of production replacing the primacy of manual labor and physical capital. As a consequence, the share of knowledge-content commodities or technology-content services and products and services traded globally has risen to 54 percent in 1996 from 33 percent in 1976 (World Bank 1997 in Salmi 2000). Thus, the current competitive edge of economies is increasingly sourced from technical innovations and competitive use of knowledge than from the abundance of the traditional productive resources. The importance of knowledge, its utilization in various economic activities and its role as the new engine of growth are attributed to a great extent on the phenomenal explosion in the global stock of knowledge.

Explosion in information and communications technology

Knowledge is not only expanding exponentially, it is now easily accessible across the globe due to the rapid developments in information and communications technology (ICT). This has hastened and strengthened the linkages of universities, research institutions, scientists and other individuals in the knowledge industry.

The current global economic restructuring is made possible by the continuing rapid spread and deep integration of advanced information and communications infrastructure based on convergence of technology and telecommunications, broadcasting, computers, and content providers. According to OECD, the foundations of what is referred to as an information society are being laid out by the tremendous impact of these communications networks on current socio-economic relations, institutions and structures (Brunner 2001). This emerging society is characterized by a networked structure (the Internet and the world wide web), prominence of knowledge-based industries, and organizational innovations in economic, legal and social institutions towards the establishment of a learning society. Thus, integration with or exclusion from the emerging information society will become the definitive factor explaining the development process of economies in the future (Castells 1999 in Brunner 1999). In addition, the advances in telecommunications and information technology have facilitated the delivery of educational services across national boundaries. Global education has become a reality that is transforming educational institutions in their training of human resources. In a more open trading environment, the human resource needs of economic sectors have become more similar giving rise to the harmonization of training requirements. The convergence of educational standards internationally will feed further to a greater expansion of global education.

OBJECTIVES OF THE INTEGRATIVE PAPER

1. To present an overall framework in understanding the impact of globalization on higher education
2. To trace the forces that have contributed to the globalization of higher education
3. To trace the factors that have impeded the globalization of higher education
4. To identify various threats and opportunities brought about by the globalization of higher education particularly for a developing country like the Philippines
5. To present a unifying theme for the research team on globalization and higher education
6. To summarize the key results of the various papers included in the research team

THE IMPACT OF GLOBALIZATION ON HIGHER EDUCATION

The globalization process together with the shift towards a knowledge-based economy as the major engine of growth and the explosion in ICT have affected the enrollment, governance structure, functions, roles, and delivery of higher education across nations.

Enrollment

It is estimated that there are 48 million learners around the world in 1999. With the expansion in educational access and enhanced demand, this number is projected to increase further and reach 159 million by the year 2025 with Asia accounting for 87 million. Given this projected increase, the amount spent on higher education and training will make the sector a significant market worldwide (Lenn 2001). The expansion of demand for higher education and training is also influenced to a great extent by rapid economic growth in countries that enhanced participation rates in schools. The demand for skilled workers in knowledge-based industries has also boosted the demand for post secondary education.

Governance structure

In the light of expanding interdependence and interconnectedness of various global networks, the focus of academic inquiry has become a search for solutions to complex problems. As a consequence, universities will have to change their governance structure to give way to multidisciplinary and interdisciplinary modes of interaction in instruction and research. Universities structured along disciplinary lines with a department forming the unit of academic organization will have to yield to the formation of research teams composed of individuals coming from various disciplines. Teamwork through interdepartmental, interuniversity and international linkages will define how knowledge is transmitted, utilized and expanded in higher educational institutions. The focus on teamwork, interdisciplinary undertaking and holistic education will give greater importance to general education. However, the delivery and approach to general education will need rethinking in the light of rapid expansion of knowledge and over specialization in various disciplines.

The benefits and costs of internationalization of education can also be viewed in terms of its impact on the inputs of education, on one hand, and the outputs of education, on the other hand. From the inputs perspective, the key issue on global education lies on the improvement of key educational inputs of the country's HEIs including faculty qualifications, academic programs, and research activities. From an output view, the question whether global education can lead to international recognition, accreditation and hopefully mutual recognition of graduates of HEIs in the external labor markets will preoccupy educators and policymakers.

There are certain prerequisites, however, for reaping the benefits of global education. Due to certain structural deficiencies in higher education in the country, it is perceived that many schools may not yet be ready to engage in international cooperation or other modalities of global education. Thus, opening the educational sector to liberalization may serve as a potential threat to the survival of some schools. These institutions may naturally oppose any form of liberalization.

In addition, the expansion of trade in educational services will require harmonization of qualifications of service providers considering the existing

variances in training requirements, and standards of academic programs across countries. From an institutional perspective, the expansion of trade in services as stipulated in the GATS will be influenced, to a great extent, by domestic regulation (Art. VI on domestic regulation) and mutual recognition (Art.VII on mutual recognition).

Functions and roles

Accompanying increases in enrollment in higher education worldwide is the changing pattern in training needs to suit the increasing demand of a knowledge-based economy for skilled workers. But more than just the completion of degrees in higher educational institutions is the need for retraining programs after graduation through continuing education. Furthermore, schools no longer have the monopoly in delivering knowledge and information in the light of the expanded role of media and computerized networks that constitute the new components of the knowledge industry (Brunner 2001). Thus, the traditional model of a university becomes anachronistic and has to adapt to these pressures by accommodating clientele beyond secondary school graduates. Higher educational institutions will also have to reinvent themselves in the way they provide educational and training services in the light of increasing competition from institutions that provide distance learning, corporate universities, academic brokers and other new service providers (Salmi 2000). The emergence of new and efficient competitors in the provision of training services may push some research-oriented HEIs to relinquish training. They have to reflect on what their campuses should focus on: transmission or creation of knowledge.

Delivery of higher education

It is estimated that educational materials in electronic form are doubling every 10 years due to the developments in ICT. This new form of educational materials has greatly supplemented the equally expanding printed materials. With the enormity of information and knowledge coming from various sources, the problem of information overload is apparently replacing the problems of shortage of information or slowness of its delivery in the past. These developments have influenced how higher education is now being delivered.

The role of private institutions is becoming very significant in the delivery of higher educational services. These institutions are more innovative and flexible in treating education as a profitable economic venture. Thus, charging students with fees means they have to cater and adapt to the changing needs of their clientele. These characteristics are giving the publicly funded institutions stiff competition in the share of student enrollment, talents and other resources (Futures Project). Traditional universities that have over emphasized research at the expense of instruction will have to overhaul their strategies in attracting students in the light of the market-friendly styles of their new competitors.

With the onset of developments in ICT, other modes of delivery have emerged including **branch campuses** (campuses set up by an institution in a country to provide its educational programs to foreign students), **franchises** (institution A approves institution B in another country to provide one or more of A's programs to students in country B), **articulation** (systematic recognition by institution A of specified study at institution B in another country as partial credit towards a program at institution A), **twinning** (agreements between institutions in different countries to offer joint programs), **corporate program** (companies that sell curriculum and training services), **distance education programs** (distance education programs that are delivered through satellites, computers, correspondence, or altogether through technological means across national boundaries.), and **study abroad programs** (student from country A goes to country B to live and study at an institution in country B.) (Lenn 2001).

Opening the educational sector of countries in the ASEAN region may also contribute to the growing external pressures for the Philippines to evaluate the reasons why these countries considered the liberalization of their educational services. The entry of foreign players in the school system has been viewed as a way of augmenting the limited number of colleges and universities, lower the cost of overseas education, avail of the professional services and academic programs of excellent foreign educational institutions and improve the quality of higher education domestically.

Various examples in the region have utilized the entry of foreign educational investments to expand and enhance higher education. In Thailand, foreign universities have been allowed to establish branches locally. In Malaysia, twinning partnership has been allowed as well as the establishment of branches and other forms of linkages to expand the number of school placements domestically. Singapore is currently attracting a number of well-known universities from the United States, which has made the city-state a regional hub. It is also actively recruiting foreign professors to further improve and make its universities internationally competitive.

The pressure for globalization in the educational sector is not only coming from external forces but also from internal factors. The educational sector in the Philippines is quite important in many respects. Education as an investment in human capital has indeed contributed in explaining increases in labor productivity, as well as national income of many nations. It is crucial that developing countries, therefore, invest heavily in education, in order to improve productivity and enhance their growth potentials.

HEIs in the country number around 1,450 with 113 state colleges and universities employing close to 90,000 faculty members and enrolling more than two million students pursuing various academic programs. Given the inadequacies of our educational sectors including, among others, the lack of qualified teachers, absence of research activities, underdeveloped graduate programs and inadequacy of academic programs, there is a need to search for alternative modes of educational

delivery that may rectify the ills of higher education in the country. These inadequacies will have to be addressed since they will reflect on the capacity of the sector in the formation of the country's manpower in a global setting. A more important question to answer is to evaluate whether the impact of globalization on educational services will indeed contribute to correcting such inadequacies.

Widening the educational divide

Since the availability of information and communication infrastructures is an important component that facilitates the global integration of higher education, the impact of globalization on education in developing countries becomes more pronounced by widening of the knowledge gap brought about by technological divide. Many HEIs in developing countries may not be able to exploit the tremendous opportunities offered by the explosion of knowledge and the benefits of the ICT revolution because of insufficient resources. It is, therefore, possible that a dualistic system of higher education in developing countries may emerge as a result of globalization where select universities participate in global education while the technologically handicapped institutions remain isolated and stagnant.

More than a mere identification of modalities, there is a need to situate how these current models may bring various benefits to the country's educational setting. In particular, will these modalities enhance the productivity and efficiency of the country's educational institutions or will they further exacerbate existing problems of gaps between schools? An evaluation of the benefits and costs of the modalities will provide an appropriate perspective in deciding whether to open the educational sector or not. Will the process of liberalization just reinforce the existing dualism in the Philippine educational system? Will liberalization improve quality and educational processes or will this further exacerbate the emerging gaps between selected quality schools and the myriad of HEIs in the country.

Moreover, with the liberalization in the movement of persons, particularly highly skilled workers, developing countries will be confronted with brain drain and low educational quality brought about by globalization and the movement of professions and highly skilled workers.

UNIFYING THEME OF THE VOLUME

Given these threats and opportunities, what options do higher educational institutions in developing countries have to pursue? One of the key responses to these challenges is the maintenance of quality to reap the tremendous opportunities offered by globalization and the mitigation of its enormous threats. Thus, there is a need to study how this important issue of quality assurance is sustained and developed in the context of a globalized environment in higher education. At a macro perspective, government policies pertaining to the provision of educational services and movement of professionals should be developmental and not purely regulatory. These policies are meant to improve the quality of the incumbents and not merely

to protect them. At the micro level, there is a need to study how educational institutions are responding to the threats and opportunities of globalization in line with quality assurance. A study on benchmarking, accreditation, continuing education, curriculum revision are all intended to improve the quality of educational services.

Given the importance of quality assurance in the discussion on the implication of globalization on higher education, the unifying theme chosen for the research team is *Quality Maintenance and Development: Response to the Threats and Opportunities in the Globalization of Higher Education*. Through various forms of quality assurance programs, educational institutions may be able to reap the opportunities of globalization and mitigate its negative consequences. Thus, the research papers are intended to evaluate the readiness of HEIs in the Philippines as well as their graduates, the Filipino professionals, to participate and compete in a global setting.

The paper of Dr. Allan Bernardo examines various modes of globalization in education and identifies both the positive and negative contributions of this phenomenon to the development of higher education in the country. The analysis discusses the quality of education in the country as a major setback for participation in a global educational setting. The maintenance and development of quality by leading universities were also discussed.

The paper of Tereso Tullao presents the avenues of making domestic regulation work for globalization. He argues that rather than making these regulatory bodies impede the international flow of educational services and the professional services, they should be made more developmental. In such a perspective, inflows of foreign professionals into the economy may be dealt with the readiness of qualified domestic professionals. In the same light, the outflow of professionals may be made possible because of the qualification requirements of Filipino graduates and professionals are comparable with requirements abroad.

The paper of Veronica Ramirez shows how academic programs in selected HEIs in the country compare with similar institutions in the region through benchmarking with their best practices. The focus on the maritime and nursing programs aims to evaluate the quality of educational institutions in preparing the two internationally mobile Filipino professionals.

The paper of Dr. Zenon Udani presents the process of continuing education as another important avenue for responding to the threats and opportunities of globalization of professions services. He cites various programs pursued by professional groups in the country in upgrading their members through continuing education. Preparing globally competitive Filipino professionals through the processes of information, formation and transformation are inherent in continuing professional education programs. Updating the competence of professionals regularly is a necessary condition for making them ready to confront any threat of international competition.

Avenues for internationalization of higher education

The initial task in evaluating the contributions of opening the educational sector to foreign players is to understand the meaning of global education and the avenues for the internationalization of education. In view of this, the topic on avenues for globalization will focus on the identification of its various modalities. The paper of Dr. Allan Bernardo explores and reviews the various models of internationalization of education pursued in the past, current practices, and possible trends in the future. More than identifying the modalities, it recognizes the need to assess how these current models may provide various benefits to the country's educational setting. His paper provides an overview on the readiness of Philippine HEIs for international competition. It examines whether the modalities will enhance the productivity and efficiency of HEIs or further exacerbate existing problems of gaps between schools. Benefits and costs of modalities are evaluated to provide an appropriate perspective in deciding whether to open the educational sector or not, for liberalization may just reinforce the existing dualism in the educational system. Possibilities of improvement in the quality and educational processes are weighed against the tendency of further widening gaps between some selected quality schools and the myriad of HEIs in the country.

The paper suggests discerning two strong agenda in various internationalization activities:

- a. The traditional internationalization, which is consistent with the spirit of cooperation among nation states of the old world order
- b. Globalization, which involves the discourses of integration of economies, competition, mass culture, distributed knowledge production systems, and high technology.

Activities that may be classified as being originally in the spirit of internationalism include:

- a. International student mobility
- b. Faculty exchange and development
- c. Research and collaboration
- d. Foreign language study
- e. Building international perspectives
- f. International networks.

Internationalizing higher education opens door to various issues and consequences. Firstly, the stronger Philippine institutions can position themselves as a destination for student and staff mobility, if they can develop well-defined niches in the higher education market based on areas of strength around which they can develop internationally or regionally competitive programs. The elite institutions will be in the best position to participate and to benefit from international networks; as such networking requires certain quality and efficiency of participating institutions. In addition to elite institutions, participation in international education programs might be limited to students from high-income families, and to institutions with strong

financial resources that can be channeled to develop programs that will enable them to meet the requirements of international networks. As a consequence, there is a strong likelihood that international programs might lead to the intensification of the existing weaknesses in the Philippine higher education.

Bernardo concludes that the Philippine higher education system could best benefit from international education activities in terms of improving the quality of programs and resources. Thus, the paper suggests that quality improvement be a primary consideration in engaging international higher education through:

- a. Strengthening the quality and the efficiency of Philippine higher education
- b. Improving access to quality higher education
- c. Creating the external environment that will be conducive to and supportive of international education activities.

Alternative routes for expanding trade under GATS

Preference for Article VI is premised on the principle that recognition of qualification of service providers should operate within the basic right of sovereign nations to regulate their domestic economy and their power to influence activities within its territory. Article VI prevents countries in setting up barriers to trade in services arising from the course of the administration of domestic regulation. Such domestic disciplines should be 'objective, transparent, not burdensome than necessary to ensure the quality of service, not inherently restriction on the supply of service.'

Article VII, on the other hand, focuses on the formation of international agreements on standards pertaining to training, qualification, experience and licensing of various service providers. Mutual recognition agreements set the details on recognition mechanisms, implementation, rules and procedures on licensing and safeguard measures. Because mutual recognition agreements are usually difficult to initiate and take a long time to formulate and implement given the wide gaps in educational requirements, qualifications, training and other standards across countries, domestic regulation becomes the practicable alternative for expanding trade in professional services, including educational services.

Within the framework of the GATS on domestic regulation, the paper of Dr. Tereso Tullao focuses on how two government agencies, the Commission on Higher Education (CHED) and the Professional Regulation Commission (PRC), articulate domestic regulation within the bounds allowed by GATS. The paper centers on reforming the functions of PRC and CHED from regulatory to developmental. Specifically, Tullao identifies and assesses the regulatory functions and powers of CHED in monitoring the operations of HEIs in the country. In addition, it reviews the regulatory functions of PRC relative to the principles utilized in the formulation of domestic regulations under GATS.

The paper suggests measures to improve the quality of Filipino professionals, an essential function of PRC, through:

- a. Enhancement of the continuing professional education
- b. Enforcement of government regulations on the working environment for professionals
- c. Focus on the development of specialization among professionals
- d. Creation of pressures for innovation by establishing norms that exceed the toughest regulatory hurdles to stimulate upgrading of skills and productivity among professionals.

For the improvement of higher education in the country, a basic purpose of the CHED, Tullao suggests that efforts must be undertaken for the:

- a. Improvement of faculty qualifications through massive faculty development programs
- b. Expansion of research and improvement of graduate education
- c. Rationalization of higher educational institutions
- d. Improvement in the role of CHED in information dissemination
- e. Rationalization of the price of higher education

Based on the foregoing reform issues, his paper suggests the need to evaluate the relevance of the labor market test as a requirement for allowing foreign professionals to practice in the country and of a consistent over-all competition policy of the country on the practice of professions. Mandatory disclosure for all professionals and the rule on advertising need to be reviewed.

For the developmental functions of CHED, the paper suggests that the agency assist in the development of HEIs in the areas of faculty development, research and graduate education through financial incentives. The agency should disseminate information on the compliance of HEIs in meeting minimum academic requirements, faculty profile, student profile, performance of students, quality of facilities and other educational inputs.

The PRC, on the other hand, should provide avenues for specialization within the profession and empower various professional organizations particularly in granting of supplemental and secondary professional titles. The PRC may also expand its information dissemination activities beyond the publication of a list of leading and worst performing schools in the production of professionals and move towards information on market access in other countries, avenues for professional development and compliance of establishments with appropriate business environments for professionals. Other developmental functions are detailed in the paper.

Readiness of higher education for globalization

Mutual recognition, however, focuses on entry of services through international agreements on acceptable qualifications, norms, standards and other requirements. These items may differ across countries and as mentioned earlier they are more difficult to arrange. Given the difficulties in forming mutual recognition agreements, the paper of Dr. Veronica Ramirez sets the preliminary groundwork

towards mutual recognition. Her paper on international benchmarking will allow Philippine educational institutions to evaluate and review their academic programs in terms of the best practices implemented in academic institutions in the region.

Readiness of higher education to meet globalization is determined in this research project in terms of the capability of academic programs in preparing students towards global trading environment as well as training Filipino graduates comparable with graduates of HEIs in other countries.

The paper of Dr. Ramirez, to some extent, evaluates the readiness of maritime and nursing education in the country to compete in global education. It evaluates the competitive edge of maritime and nursing education in the country in relation to international standards by benchmarking them with academic programs of other HEIs in the APEC region using three sets of indicators to measure performance of maritime and nursing education. These indicators are then compared with the performance of similar academic programs in the APEC region. The choice of maritime and nursing education is based on a significant and increasing number of graduates of these programs deployed in the global market in recent years.

Ramirez's paper highlights the following comparative advantages of the nursing profession against international counterparts:

- a. The profession is founded on a combination of competency-based and community-oriented curriculum
- b. The four-year requirement to earn a bachelor's degree in nursing
- c. The general education grounded on liberal arts strengthens the character and values of a person as caregiver
- d. The medium of instruction is English
- e. The capability to participate in research in nursing and other health sciences
- f. The flexibility and openness to the use of new teaching approaches
- g. The active involvement in extension work that reaches out to multisectors

For local maritime institutions, the following comparative advantages were derived:

- a. The 3-1 bachelor's degree program consisting of general education, specialization and one-year apprenticeship
- b. The use of English as medium of instruction
- c. The emphasis of discipline, hard work and team work in maritime education, which are essential characteristics of servicemen in the industry
- d. The institutions' ties with the shipping industry

On the basis of the significant findings, Ramirez recommends that some educational inputs and processes have to be improved by the local nursing and maritime institutions to be able to turn out graduates who can compete in the global market. As an immediate concern, nursing and maritime HEIs should focus on the

improvement of internal efficiency. Studies on competitive advantages of Filipino nurses and seafarers against global counterparts are suggested as a benchmarking mechanism. With such studies, local HEIs may then aim for regional accreditation and certification.

The paper of Dr. Zenon Udani explores another dimension of readiness by tackling the role of continuing education in the formation of competitive Filipino professionals. Dr. Udani's paper focuses on retooling programs after graduation. It presents a framework on the role of continuing education and to what extent this has been used in the information, formation and transformation of human resources. It also evaluates the state of continuing professional education (CPE) among selected professions in the Philippines. Specifically, it identifies the initiatives and plans of selected professional associations in retooling Filipino human resources, and identifies alternative modes of professional education to keep Filipino professionals competitive and fit in the face of developments in the global labor market.

While updating the competence of members of professional organizations on current issues in their field is already the dominant thrust of the professional associations, Udani suggests that professional associations must go beyond updating and transcend to levels of competence building and performance enhancement of professionals. Various activities of professional organizations were detailed to illustrate the extent of their commitment to continuing professional education.

CONCLUSION

Knowing the threats and opportunities that lay ahead equips HEIs in the country to pursue strategic options. With the enhancement of quality and further improvement in processes and access to education, HEIs may reap the tremendous opportunities offered by globalization and counter its accompanying enormous threats. The issue of quality assurance, its sustainability, and development in the context of a globalized environment in higher education, need to be studied carefully. Government policies pertaining to the provision of educational services and movement of professionals should focus on developmental activities rather than purely regulatory, an activity PRC and CHED are used to and are currently doing. More than protecting incumbent professionals and educational institutions, policies should be meant to improve incumbents' competence. In line with quality assurance, the response of educational institutions to threats and opportunities should be studied. Details of benchmarking, accreditation, continuing education and curriculum revision, studies should be expanded to continuously improve the quality of educational services. Through various forms of quality assurance programs, the education sector will be able to reap the opportunities of globalization and mitigate its negative consequences. This will determine the readiness of HEIs in the Philippines as well as their graduates, the Filipino professionals, to participate and compete in a global setting.

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2

CHAPTER



Domestic Regulation & the Trade in Service: The Role of the Commission on Higher Education (CHED) and the Professional Regulation Commission (PRC)

Tereso S. Tullao, Jr.

EXECUTIVE SUMMARY

The next round of negotiations under the World Trade Organization (WTO) will focus on, among others, trade in services. While the Philippines has agreed to subject selected industries in the services sector under the rules of the General Agreement on Trade in Services (GATS) contingent to certain limitations on market access and national treatment, it did not, however, make any commitment on professional services and on a related sub-sector, educational services. Thus, further discussions on liberalization measures in the services sector will put a greater pressure on the Philippines to make commitments in the trade in professional services as well as educational services.

One of the rules of conduct embodied in the GATS is the permission for acceding countries to regulate the provision of any service domestically provided that such domestic regulatory measures are not meant to discriminate against the entry of foreign service providers.

In a liberalized trading environment, domestic regulations are allowed to promote some socially acceptable goals. However, in practice, they may be abused

and may go beyond what is mandated by the GATS. Thus, the study will provide an analysis and evaluation on the extent government agencies established for the regulation of higher education and professional services are used in promoting social objectives, protecting consumers' welfare, or protecting the industry's interests.

The study has the following objectives:

- To identify and analyze the basis utilized in formulating the rules on domestic regulations under the General Agreement on Trade in Services (GATS).
- To evaluate the existing disciplines on domestic regulations in certain professions.
- To identify and assess the regulatory functions and powers of the Commission on Higher Education (CHED) in monitoring the operations of higher educational institutions (HEIs) in the Philippines.
- To identify and assess the regulatory functions and powers of the Professional Regulation Commission (PRC) in the practice of various professions in the country.
- To review the regulatory functions of CHED and PRC relative to the principles utilized in the formulation of domestic regulations under GATS.
- To propose various measures that would make the regulatory powers and functions of CHED and PRC consistent with the GATS rules on domestic regulation.
- To propose various measures that would contribute to the development of higher education in the country and improve the global competitiveness of Filipino professionals.

DOMESTIC REGULATION AND INTERNATIONAL TRADE

An important section in the general framework of rules and obligations of the GATS is the article containing Disciplines on Domestic Regulations. Domestic regulations are laws and policies that exist in an economy which recognizes the right of a nation to preserve its sovereignty by influencing activities within its borders especially with regards to matters of public safety and national security. It may also be defined quite broadly to include all microeconomic government interventions, from pollution control policy to implementing licensing procedures and technical standards. While the GATS ultimately aims for the elimination of barriers in the trade of services, these domestic regulations are subject to certain conditions.

Article VII, on the other hand, encourages signatories to enter into mutual recognition agreements. "For the purpose of the fulfillment, in whole or in part, of its

standards or criteria for the authorization, licensing or certification of service suppliers...a member may recognize the education or experience obtained, requirements met, or licenses or certification obtained in a particular country."

Domestic regulation is based on national differences that compel nations to define the way they should conduct their economic affairs. In the economic sphere, the overriding reason for government regulation is the failure of the market system due to three major causes: exclusion of markets, asymmetric information, and imperfect competition. Aside from correcting market failure, another argument supporting domestic regulation is for equity considerations.

In the course of regulating an economic activity, the problem of asymmetric information can occur between the government and its implementing agencies. The objectives and instruments of the regulator are typically analyzed using the principal-agent framework. The model characterizes the principal (government) as capable of defining the required outputs but unable to achieve them by simple fiat. Instead, the principal has to contract with agents who are self-interested, and may well not share the principal's aims.

At the level of economic transactions, the problem of asymmetric information is particularly serious in the social sectors compared with the other sectors of the economy. In the social sectors consumers tend to be more vulnerable and less informed when compared with the well-informed professional providers. Furthermore, difficulties of monitoring providers' behavior imply that contracting systems in social sectors tend to generate higher transactions processing and monitoring costs. Thus, treating situations with asymmetric information, the mandatory disclosures, liability insurance requirements and other labeling techniques may be prescribed to make the information more even to all economic actors. (Rollo and Winters, 1999)

A second relevant problem is the higher level of uncertainties that tends to prevail in the social sectors. These uncertainties are further exacerbated by the presence of high externalities. For these reasons, governments establish rules and policies for licensing and technical standards. Many transactions pose risks for consumers. In an attempt to control such risks, governments will require sellers to be licensed or alternatively, certified or registered.

Thus, domestic regulation is meant to reduce, if not avoid risk, in the light of asymmetric information, high degree of uncertainty, and the presence of externalities. In such a situation, the option of labeling may be considered as an appropriate regulatory measure. While licenses are difficult or costly to employ making them an implicit barrier to entry that limits market competition, increases the price, and reduces consumer choice, it may, on the other hand, serve to enhance service quality.

Government regulation of economic activities is typically divided into three classifications: antitrust policy, economic regulation and social regulation. Antitrust policy is aimed at preserving competitive vigor in the economy as a whole; economic regulation, concerned with pricing and output decisions in specific industries; and social regulation, aimed at securing various social goods such as a cleaner environment and safer products and workplaces.

There are several suggestions on strengthening the provision on domestic regulation. Article VI of the GATS provides a basic framework for minimizing the trade restrictions created by domestic regulations. Article VI can be expanded to cover the scope of transparency stated in Article I by requiring members to explicitly state the public policy objective served by a regulation. The inclusion in Article VI of a new provision that would encourage Members to limit the scope of regulations to what is necessary to achieve the objective served by the regulation is recommended. Another addition to Article VI should include a provision that would encourage countries to adopt performance-oriented regulations rather than regulations that directly seek to establish bureaucratic control over the specific activities carried out by enterprises. Another possible addition is to encourage member countries to use market-based incentives and disincentives to achieve desired social objectives with greater economic efficiency rather than directive regulations that seek to control the behavior of the market participants. Finally, Article VI could encourage self-regulation by industry that satisfies the achievement of the desired social objective.

Efforts to create sectoral guidelines for the liberalization of trade in professional services have focused on the development of a model agreement for accounting services. The basic goal of these negotiations is to expand the provisions contained in Article VI (4) of the GATS. Negotiators are focusing, in particular, on three criteria built into this provision. Regulations must be based on objective and transparent criteria, they must not be more burdensome than necessary to ensure the quality of the service, and any licensing procedure in itself must not restrict the supply of the service.

The basic issue for governments in accounting, as in other professional services, is to ensure the professional competence of the individual service provider, monitor professional performance, and discipline any lapses of professionalism. From a trade point of view the key issues are whether the standard and procedures adopted by individual governments constitute unreasonable barriers to the trade.

The best method of ensuring that professional licensing and qualification standard and procedures are not hidden devices that restrict competition is to require full transparency of both the regulatory objectives and the regulations. The

rule should also stipulate that regulations achieve their stated objectives in the least burdensome manner.

COMMISSION ON HIGHER EDUCATION

The Commission on Higher Education (CHED) was created under Republic Act (RA) 7722 in 1994 as a separate and independent agency from the Department of Education Culture and Sports (DECS). As an offshoot of the trifocalization in the educational reforms in the early 1990's, CHED was assigned the responsibility to oversee the system of higher education in the country and for formulating policies, plans and programs for the development of public and private higher education institutions. Although an independent agency, it is attached to the Office of the President for administrative purposes.

Under Section 8 of RA 7722, the Commission has the following powers and functions:

- a. Formulate and recommend development plans, policies, priorities, and programs on Higher Education;
- b. Formulate and recommend development plans, policies, priorities, and programs on research;
- c. Recommend to the executive and legislative branches, priorities and grants on higher education and research;
- d. Set minimum standards for programs and institutions of higher learning recommended by a panel of experts in the field and subject to public hearing, and enforce the same;
- e. Monitor and evaluate the performance of programs and institutions of higher learning for appropriate incentives as well as impose sanctions such as, but not limited to, diminution or withdrawal of subsidy, recommendation on the downgrading or withdrawal of the accreditation, program termination or school closure;
- f. Identify support and develop potential centers of excellence in program areas needed for the development of world-class scholarship, nation building and national development;
- g. Recommend to the Department of Budget and Management, the budgets of public institutions of higher learning as well as general for the use of their income;
- h. Rationalize programs and institutions of higher learning and set standards, policies and guidelines for the creation of new ones as well as convert or elevate schools to institution of higher learning, subject to budgetary limitations and to the number of institutions of higher learning in the province or region where creation, conversion or elevation is being sought;

- i. Develop criteria for allocating additional resources such as research and program development grants, scholarship, and other similar programs: Provided that these shall not detract from the fiscal autonomy already enjoyed by colleges and universities;
- j. Direct or redirect purposive research by institutions of higher learning to meet the needs of agro-industrialization and development;
- k. Devise and implement resource development schemes;
- l. Administer the Higher Education Development Fund, as described in Section 10 of RA 7722, which will promote the purposes of higher education;
- m. Review the charters of institutions of higher learning and state universities and colleges including the chairmanship and membership of their governing bodies and recommend appropriate measures as basis for necessary action;
- n. Promulgate such rules and regulation and exercise such other powers and functions as may be necessary to carry out effectively the purpose and objective of this Act; and
- o. Perform such other functions as may be necessary for its effective operations and for the continued enhancement, growth and development of higher education.

Among the powers vested on CHED, a number of them are regulatory in nature including setting minimum standards for programs and institutions, monitoring, evaluating and imposing sanctions on the performance of programs and institutions and setting standards, policies and guidelines on the rationalization of programs and institutions. Some of the specific regulatory powers that may impact on our GATS commitments on trade in professional services include, among others, the entry of foreign students, establishment of foreign linkages, entry of foreign professors, accreditation of academic units, establishment of schools and branches, qualification requirements for foreign students and tuition fees for foreign students.

THE PROFESSIONAL REGULATION COMMISSION (PRC)

The Professional Regulation Commission (PRC) is a government agency under the Office of the President charged with the regulation and supervision of various professions under its jurisdiction. It was created by Presidential Decree No. 223 in June 22, 1973 and empowered to implement various laws and policies of the government including the technical and ethical standards governing the practice of professions. In December 5, 2000, the Professional Regulation Commission Modernization Act of 2000 (RA8981) was signed into law and repealed the various laws defining the legal basis of the PRC.

The practice of profession is governed by various legislation implemented by boards composed of practicing professionals in the field and subject to the supervision of the PRC.

Pursuant to its mandate, the PRC carries out regulatory, licensing, and supervisory functions. As such, it formulates, prescribes and promulgates policies, rules and regulations, and standards relative to the admission and practice of professionals. It also administers the licensure examinations for professional practice in cooperation with the various Professional Regulatory Boards (PRBs). After the licensure examination, the PRC issues certificates of registration to the new professionals. The renewal of professional licenses is another function performed by PRC in conjunction with PRBs. To ensure compliance and professional standards, it conducts periodic inspection of establishments with the cooperation of the PRBs. To assure the global competitiveness and excellence of Filipino professionals, the Commission, in previous years, has enforced compliance with the continuing professional education (CPE) requirements. As a quasi-judicial body, it investigates and adjudicates complaints and cases against professionals.

With the passage of the PRC Modernization Act of 2000, additional powers and functions were granted to the Commission. It can require an examinee, who has failed three times to pass the licensure examination, to take refresher courses. It is also required to provide schools offering courses for licensure examinations with copies of sample test questions on examinations recently conducted by the Commission within six months from the release of the examination results. It has to monitor the performance of schools in licensure examinations by publishing the results of their performance. In addition, it has to adopt and institute a comprehensive rating system of schools on the overall performance of their graduates in licensure examinations. The PRC Modernization Act of 2000 has also repealed the mandatory requirement of continuing professional education (CPE) for the renewal of professional licenses.

Under the direct supervision of the Commission are 38 Professional Regulatory Boards and two Specialty Boards that exercise administrative, quasi-legislative, and quasi-judicial powers over their respective professions. The 40 PRBs which are created by separate enabling laws, perform the following functions subject to review and approval by the Commission:

- Regulate the practice of professions;
- Monitor the conditions affecting the practice of the profession;
- Recommend the registration of a foreign professional without examination subject to certain conditions;

- Recommend the issuance of certificate of registration/license or special temporary permit to foreign professionals subject to certain conditions;
- Prepare the contents of licensure examinations;
- Score and rate the examination papers of licensure examinations;
- Subject to the approval of the Commission determine the appropriate passing average rating in licensure examinations;
- Determine, prescribe, and revise the course requirements;
- Visit/inspect schools and establishments for feedback;
- Adopt and enforce a Code of Ethics for the practice of their respective professions;
- Administer oaths and issue Certificate of Registration;
- Investigate violations of set professional standards and adjudicate administrative and other cases against erring registrants; and
- Suspend, revoke, or reissue Certificate of Registration for causes provided by law.

In addition to the above functions and powers, the PRC and various PRBs implement rules on the entry of foreign professionals, regulations on recognition, registration, limitations and restrictions on practice and rules on advertising. These domestic regulatory rules will have an effect on the supply mode of transfer of natural persons and will be subjected to the conditions on domestic regulation set under Art. VI of the GATS.

REGULATORY FUNCTIONS OF CHED AND PRC AND GATS PRINCIPLES ON DOMESTIC REGULATION

The framework on domestic regulation in the GATS operates mainly on three principles: "... each Member shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective, and impartial manner." (Art VI:1).

Regulation on the practice of professions facilitates the removal of market inefficiencies and seeks to lessen social costs of consumers by minimizing risks posed by foreign service providers. Risks are minimized through licensing procedures, requirements and technical standards set by local authorities, all of which should be consistent with GATS provisions on domestic regulations (Art VI, GATS). These standards ensure the quality of service and professional competence of foreign providers.

A major difference is observed in the provision of Article VI:4 and rules governing the employment of foreigners in educational and professional services. According to the labor market test, employment of a foreign professional will be

allowed only after the determination of non-availability of a person in the Philippines who is competent, able and willing at time of application to perform the services for which the alien is desired.

The labor market test under the Labor Code is one of the main barriers for trade in services. This law is especially posing trade restrictions in the education sector, where foreign professionals may only be allowed to teach in the absence of any other Filipino competent enough to teach the subject where the foreigner specializes in. In addition, the foreign reciprocity rule requires that the country where the foreigner came from must apply the same principle or standard for the entry of Filipino professionals.

Measures to Improve the Quality of Filipino Professionals

Enhance the Continuing Professional Education Program

Under this program, professionals undergo enhancement programs to continually upgrade and update their knowledge competence and awareness of developments in their respective professions brought about by modernization and advances in technology. There is value in requiring professionals to have continuing education as a process of domestic regulation since this is in line with the protection of consumers and the promotion of public interest.

Although the current implementation of this program has been a subject of criticism, the importance of CPE should not be underestimated. Thus, proposals of some sectors to eliminate the CPE program as a precondition for renewal of license is uncalled for. In fact, the deletion of this requirement under the PRC Modernization Act of 2000 is a wrong move because continuing professional education is one of the pillars of domestic regulation of professionals enshrined under the GATS. What is needed is to restructure the program and its accreditation system towards graduate education, research and inventions away from its current emphasis on attendance of seminars. (Tullao 1998).

Enforce Government Regulations on the Working Environment for Professionals

With the entry of foreign professionals, the PRC should educate the public on consumer education particularly the rights of consumers of professional service. The PRC should enjoin professionals to disclose information so that consumers may be guided accordingly. In an environment of asymmetric information, the role of the PRC is bridge this information gap by requiring professionals to disclose their professional competence aside from the licensure from the PRC. However such disclosure may violate the code of ethics of professionals regarding advertising.

Focus on the Development of Specialization Among Professionals

Government has critical responsibilities for providing the fundamentals including basic education, national infrastructure, and research in areas of broad national concern. Yet these kinds of generalized efforts produce not so clear an impact on the competitive advantage of professional services. Rather, the factors that translate a significant effect on competitive advantage are advanced, specialized, and industry-related initiatives. Mechanisms such as specialized apprenticeship programs, research efforts in universities connected with an industry, trade association activities, and private investments of companies ultimately create the factors that will yield competitive advantage.

Create Pressures for Innovation

Firms should seek out pressure and challenge, not avoid them. Part of the strategy is to take advantage of the domestic market to create the impetus for innovation. To do that, firms should establish norms that exceed the toughest regulatory hurdles to stimulate upgrading of skills and productivity among professional employees. In addition, adequate incentive schemes should be developed so as to discourage local professionals from migrating and practicing their professions overseas.

Measures to Improve Higher Education in the Country

Improve the Faculty Qualifications

In the light of poor qualifications of faculty where only one-third of faculty members possess the minimum requirements to teach, there is a need to have massive faculty development programs to upgrade and retool faculty members in more than 1,300 institutions of higher learning all over the country. This should be a continuous long-term program involving various forms of faculty development programs. The core program should be earning of graduate degrees in various fields here and abroad. This measure should be supplemented by attendance in seminars and post-doctoral studies.

Expand Research and Improve Graduate Education

Related to the supply constraint mentioned above, there is a need to develop and expand graduate studies beyond programs in education and business. If we have to develop and upgrade our professionals in various fields, all these fields

should have excellent quality graduate programs available in the country. Research and graduate education can be improved by limiting graduate education and research to qualified universities through a flagship/consortia system.

Rationalization of Higher Educational Institutions

Currently, there are more than 1,300 higher educational institutions (HEIs) all over the country offering various courses to more than two million students. There are some 108 state universities and colleges (SUCs) that eat up more than 75 percent of the public funding to higher education. The huge number of both private and public HEIs, their geographic locations and program offerings have to be rationalized because they contribute to a great extent to the poor quality of higher education in the country. This issue of poor quality due to the proliferation of programs in an overexpanded tertiary education is being addressed through a moratorium on the establishment of new programs.

Improve the Role of CHED in Information Dissemination

As a government body, the CHED can assist in addressing the problem of asymmetric information between graduates of educational institutions and employers. Upon graduation, institutions should confer meaningful degrees and certificates, perhaps including a warranty, to their graduates. Given this, an employer or parent should be able to trust that a degree signifies bona fide intellectual attainment, and students might be willing to pay for education services more than its worth in the marketplace.

Rationalize the Price of Higher Education

In order for the students to realize the value of higher education, a move towards internalizing the true cost of higher education should be undertaken. Public sector schools should start implementing full cost pricing by charging higher tuition fees, and by increasing the responsibility of local government units in financing SUCs. This prescription is based on the notion that the primary beneficiaries of higher education are the students and therefore they should pay for the internalized benefits. However, deserving and qualified students who cannot afford to pay must be given assistance in the form of scholarships to address the equity issues.

Reforms in the Regulatory Powers of PRC

Based on a policy paper on regulatory reform on professional services, GATS members should reform their rules and practices to increase economic competition in the professions. In particular, governments, especially competition authorities,

should rescind or modify regulations that unjustifiably prevent entry and fix prices, and that prohibit truthful, nondeceptive advertising about prices and service offerings.

To ensure consumer protection, member countries should make competition law applicable to professional business services, subject to safeguards. To do this, governments should rescind or modify exemptions for the professions and their regulatory bodies from the generally applicable competition law, consistent with preserving sufficient oversight to ensure adequate quality of service. This may require action both by national and subnational (state and provincial) authorities.

Governments should consider developing mutual recognition agreements (MRAs) for various facets of “professional qualifications” such as educational qualifications, competence, and skills.

Reforms in the Regulatory Powers of CHED

With globalization as a backdrop, CHED should not focus on establishing regulatory policies that are restrictive in nature, but rather, more developmental policies that can enhance the competitiveness of Filipino students when they become professionals. In addition, CHED can assist in the transformation of Philippine universities as leading institutions of higher learning in the region.

The role of CHED is to set standards. Although it cannot close down schools it can, however, close down academic programs that do not meet the minimum requirements set by the commission. Another aspect of improving quality through setting of standards is the role of accreditation. Although accreditation is voluntary on the part of HEIs, CHED encourages institutions to undergo accreditation process undertaken by various agencies under the umbrella group of the Federation of Accrediting Agencies of the Philippines (FAAP).

Policy Recommendations

Based on the discussion in the previous sections the following are the recommendations:

- a. There is a need to evaluate the relevance of the labor market test as requirement for allowing foreign professionals to practice in the country.
- b. The domestic regulation governing the practice of professions should be consistent with the overall competition policy of the country.
- c. There is a need to revisit and review the rule on advertising to make it more as a tool of mandatory disclosure for all professionals.

- d. The CHED should focus on its developmental functions by assisting the development of higher educational institutions in the areas of faculty development, research and graduate education through financial incentives.
- e. The CHED should channel its regulatory functions towards the dissemination of information particularly on the compliance of higher educational institutions in meeting minimum academic requirements, faculty profile, student profile, performance of students, quality of facilities and other educational inputs.
- f. The PRC should focus on its developmental function by providing avenues for specialization within the profession and by empowering the various professional organizations particularly in the granting of supplemental and secondary professional titles.
- g. As part of the regulatory function of the PRC, it should expand its information dissemination activities beyond the publication of a list of leading and worst performing schools in the production of professionals and move towards information on market access in other countries, avenues for professional development and compliance of establishments on appropriate business environment for professionals.
- h. The PRC should encourage the formation of outstanding professionals and give monetary incentives to young and promising professionals as well as give recognition to outstanding works, research, and inventions of professionals.
- i. Review the provision of RA 8981 that removed compulsory continuing professional education as a requirement for renewal of professional licenses.
- j. Review the provision of RA 8981 that requires only licensed and registered professionals to teach subjects covered in licensure examinations.

Areas for Future Research

- a. Need to examine the perspectives of trade and professional associations as regards domestic regulation. It would be interesting to know what role these associations should play in the determination of rules and regulations pertaining to the practice of professions. In a political environment where consultation is taken seriously, should these private organizations play a key role in the formulation of domestic regulation? What then is the implication of their participation on regulatory capture?

- b. Since the basis of domestic regulation is the social risks associated with an unregulated activity in an environment full of uncertainties, there is also a need to study the type and costs of social risks or the threats to public interest that become the basis for domestic regulation including the regulations on the entry of foreign professionals into the country.
- c. Since accession to international agreements may imply internationalization of standards, a study on the social costs of harmonization of standards and its impact on domestic regulation will determine our readiness for harmonization. Is it worth our while to surrender a huge part of our sovereignty in the name of international harmonization?
- d. Since foreign professionals wishing to practice domestically are usually those that bring with them vast professional experience, there is a need to study the feasibility of adopting a separate category for foreign professionals willing to practice with a corresponding set of licensing requirements and sphere of practice. Is such alternative GATS compliant? If not, how do we make it GATS compliant?
- e. A study to evaluate whether indeed regulatory measures are meant to minimize social risks in the light of asymmetry in information or are they domestic walls created to limit the market for professionals for local and foreign aspirants. Is domestic regulation a form of monopolization of the practice of professions?
- f. A study to determine the possible compensating differences that may be considered when granting recognition to foreign professionals wishing to practice
- g. domestically.

ABSTRACT

Domestic regulation is a major element that defines the global trade in services under the rules of General Agreement on Trade in Services. The study traces the various perspectives in the formulation of domestic regulation from market imperfections, exclusion of markets and asymmetric information. It identified the regulatory functions, and assessed the powers of the Commission on Higher Education (CHED) and Professional Regulation Commission (PRC) pertaining to the entry of foreign professionals and service providers. The assessment includes comparison with

the GATS prescription that domestic regulation should be reasonable, objective, transparent, not burdensome than necessary and should not be used as restriction on trade. Drawing from the need to address the problem of asymmetric information in the delivery of professional services for public interest and consumer protection, the study recommends various ways of refocusing the regulatory functions of CHED and PRC.

INTRODUCTION

The next round of negotiations under the World Trade Organization (WTO) will focus, among others, on trade in services. While the Philippines has agreed to subject selected industries in the services sector under the rules of General Agreement on Trade in Services (GATS) contingent to certain limitations on market access and national treatment, it did not, however, make any commitment on professional services and a related subsector, educational services. Thus, further discussions on liberalization measures in the services sector will put a greater pressure on the Philippines to make commitments in the trade in professional services as well as educational services.

Aside from the stimulus coming from WTO negotiations, developments in the region are putting enough push for the Philippines to review its competitive edge in the trade in professional services and educational services. Some countries in the ASEAN have started to liberalize their trading environment in the services sector including professional services. As part of the current reform measures, they are opening up their educational services and their professional services sector to international competition. In the field of education, they view the entry of foreign schools as a way of augmenting their limited number of colleges and universities, lower the cost of overseas education and improve the quality of higher education available locally. In the Philippines, however, these developments may not be well received by the 1,300 institutions of higher learning which view the entry of foreign players as potential threats to their market shares.

One of the rules of conduct embodied in the GATS is the permission for acceding countries to regulate the provision of any service domestically provided that such domestic regulatory measures are not meant to discriminate against the entry of foreign service providers.

In a liberalized trading environment, domestic regulations are allowed for the promotion of some socially acceptable goals. However, in practice, they may be abused and go beyond what is mandated by the GATS. Thus, the study will provide an analysis and evaluation on the extent government agencies established for the

regulation of higher education and professional services are being used in promoting social objectives, protecting consumers' welfare, or protecting the industry's interests. Specifically, we want to know whether the existing regulatory measures governing higher education and the practice of professions are consistent with the disciplines allowed by the GATS under domestic regulation. More importantly, we want to investigate whether these domestic regulatory rules facilitate the development of the sectors they are regulating and assist in reaping the benefits of a liberalized trading regime. In addition, we want to investigate whether domestic regulations serve as protective walls to the sectors and hinder their full development to face global competition.

Part of the study is to analyze the various rationales used as basis for formulating the rules on domestic regulation under GATS. In addition, we will review the provisions and disciplines governing the practice of professions, specifically accountancy, consistent with GATS rules and the free trade in services. We will also determine the regulatory functions of CHED in monitoring and directing the operations of institutions of higher learning in the country. In a similar vein, we will specify the regulatory functions of PRC in overseeing the practice of various professions. From these evaluations, we would like to propose measures on how to make the regulatory functions of CHED and PRC consistent with the GATS rules. At the same time these proposed measures should contribute towards the development of higher education in the country and prepare Filipino professionals to face competition in a global trading setting.

Objectives of the Study

- To identify and analyze the basis used in formulating the rules on domestic regulations under the General Agreement on Trade in Services (GATS);
- To evaluate the existing disciplines on domestic regulations in certain professions;
- To identify and assess the regulatory functions and powers of the Commission on Higher Education (CHED) in monitoring the operations of higher educational institutions (HEIs) in the Philippines;
- To identify and assess the regulatory functions and powers of the Professional Regulation Commission (PRC) in the practice of various professions in the country;
- To review the regulatory functions of CHED and PRC relative to the principles used in the formulation of domestic regulations under GATS;

- To propose various measures that would make the regulatory powers and functions of CHED and PRC consistent with the GATS rules on domestic regulation; and
- To propose various measures that would contribute to the development of higher education in the country and improve the global competitiveness of Filipino professionals.

Significance of the Study

In investigating the crucial role played by the educational sector in a global environment, one can view it as a supplier of human resources, on one hand, and the as a major player and subject of the liberalization process, on the other hand.

Although GATS rules allow for domestic regulations under a liberalized global flow of services, it is possible that domestic regulations are used not only to safeguard legitimate social interests but more so to protect vested domestic interests. As a consequence, it may create a domestic monopoly in a service provider being regulated. To the extent that the latter consequence occurs, it is also possible that it may lead to slow development of the sector or the professional service.

Thus, it is important to know whether existing policies being pursued by regulatory agencies like CHED and PRC are antidevelopmental or counterproductive in the light of a liberalized trading regime in the professional services and educational services. The study can assist our policymakers in aligning these agencies with the country's commitments with GATS. While they pursue legitimate domestic regulatory objectives, these agencies should promote the improvement of higher education, and at the same time contribute in the production of competent Filipino professionals ready to compete with foreign counterparts domestically and internationally.

Expanding trade in professional services will require measures towards the accreditation of qualifications of service providers in the light of existing differences in training, requirements, standards, licensing mechanisms across countries. These differences, in turn are brought about by various systems of domestic regulations influenced by the socioeconomic and cultural milieu operative across countries. In establishing guidelines for harmonization of qualifications, member countries under GATS have different views on which pertinent article of the trade agreement should prevail: Article VI on domestic regulation or Article VII on recognition of qualifications.

Preference for Art. VI is premised on the principle that recognition of qualifications of service providers should operate within the basic right of sovereign nations to regulate their domestic economy. If this view is held, the intention of

Art. VI is to prevent the setting up of barriers to trade in services arising from the course of the administration of domestic regulation. Such domestic disciplines should be objective and transparent, not burdensome than necessary to ensure the quality of service, not inherently to restrict the supply of service. (Tullao 1999)

In the same study by Tullao, it was pointed out that various alternatives for harmonization of standards are being put forward including the establishment of mutual recognition agreements and other measures but there was no mention on the implications of domestic regulations on the free flow of professional services internationally.

As mentioned earlier, educational reforms are being implemented in various countries in the region. These reform measures have certain implications on the trade in services. In Thailand, some responses to expand and improve the quality of higher education include the private internalization of cost, reduction in government subsidy and the permission for foreign universities to establish branches locally. In Malaysia, they have allowed twinning, partnership, establishment of branches and other forms of linkages to expand the number of school placements domestically. Singapore is currently attracting a number of well known universities in the United States as their regional site in Asia (Tullao 2000a).

In the Philippines, the CHED has initiated programs towards the internationalization of higher education. These include the international business program, academic linkages, internationalization of curriculum, international consortium and global networking (Tullao 2000b).

Regulations applied in the professional services have as their primary objective the need to ensure and maintain certain quality of the service and hence to protect the consumers. Most professional services are heavily regulated and for good reasons; but it is also true that regulations can be unnecessary and usually unintended barrier to trade in services. Overly burdensome regulation could have a disproportionately large impact on foreign professionals who wish to enter foreign markets. The existence of unreasonable regulations can impede the development and growth of trade in services.

The movement of foreign professionals and skilled workers across borders on either a temporary or permanent basis is unquestionably an important factor that can contribute to the international competitiveness of many businesses. However, the hiring of foreign professionals can be a grueling process (Bachler 1996). People have to cope with a thicket of governing regulations that so often seems meaningless, awkward and conflicting (Weston et al. 1996).

The OECD (1996) has conducted a survey and has compiled an inventory of regulations on access to professional services in the OECD member countries.

In the field of trade in accountancy services, the general impediments being cited include among others, restrictions on international payments, restriction on the mobility of personnel, impediments on technology and information transfer, public procurement practices, differential taxation treatment, double taxation, monopolies and subsidies. On the other hand, the specific impediments affecting accountancy include nationality requirements, compartmentalization/scope of practice limitations, restriction on advertising, solicitation and fee setting, quantitative restrictions on international relationships and use of firm names.

In the area of educational services, direct restrictions generally take the form of immigration requirement and foreign currency controls. There are also indirect barriers including the absence of objective criteria in determining the equivalent of academic degrees earned abroad. In this regard, the development of agreement on standards for professional training, licensing and accreditation might significantly benefit trade under this mode of supply as foreign-earned degrees become more portable. There are, however, international companies, aware of the importance of the qualifications obtained abroad, which dispense with requiring formal certification and or recognition.

There are several potential barriers to trade under the supply mode of commercial presence. These restrictions include the inability to obtain national license (e.g., to be recognized as a degree/certificate-granting educational institution), measures limiting direct investment by foreign educational providers (equity ceiling), nationality requirement, need test, restriction in recruiting foreign teachers and the existence of government monopolies and high subsidization for local institution.

In architectural and engineering services, for instance, it has been pointed out that difficulties for foreign professionals could normally arise from non recognition or limited acknowledgement of home country education, qualification or accreditation of licenses. Other barriers include nationality and residency requirements, restriction on incorporation, restricted eligibility for contracts including government procurement contracts, and prohibition on advertising. Sometimes, compulsory partnership with local professionals is required.

In the area of health and medical services, three types of regulation seem to be particularly relevant as they may directly affect supply and demand. The first set of regulations pertains to qualification and licensing requirements for individual health professionals. The second category refers to approval requirements for institutional suppliers such as clinics and hospitals. The third group includes rules and practices

governing reimbursements under mandatory insurance schemes. Since health related quality criteria may differ significantly between individual activities, members scope for operating qualification and licensing requirements under these provisions could be assessed on a case-to-case basis.

Recognition measures applying foreign licenses, qualification or standards may determine the economic value of commitment under the GATS. Such measure could affect the insurance portability or the possibility for the professionals working abroad without undergoing additional test and examinations.

Regulatory barriers to trade in the legal profession consist of the following: nationality requirement, restriction on their movement, restriction on legal forms and restriction on foreign equity. Important national treatment limitation includes restriction on partnership with local professionals, restrictions on the hiring of local professionals, restriction on the use of international and foreign firm names, residency requirements and in general, discrimination in the licensing process.

The above discussion gave us the key common barriers that need to be threshed out if trade in services, particularly professional services will have to be expanded. The need to hire foreign workers may be inevitable in a global environment. Low unemployment rate, the booming need for workers with special skills (particularly in the information technology industry) and the increasing globalization and integration of multinational companies all contribute to the need for foreign labor. Given these conditions, employers of all sizes and in any industry may be confronted with the question of how to hire foreign nationals. Hence, looking at these barriers and proposing possible solutions for their reduction and eventual elimination may bring about a better and smoother trade in services.

DOMESTIC REGULATION AND INTERNATIONAL TRADE

The Role of Domestic Regulation under the General Agreement on Trade in Services (GATS)

The process of liberalizing the services sector has been expanding in recent years as the sector continues to account for more than 50 percent of production and employment in most developed and developing countries. Over the years, the traditional components of the sector such as transport, legal services, banking, insurance and other financial services have been augmented to include new and fast growing ones. Through the improvements in infrastructure and advances in technology the sector has grown considerably with the contributions coming from telecommunications, information and data processing and business services.

Notwithstanding its importance and impact on the economy, the services sector has been neglected in economic analysis in the past due to its inherent characteristics that make it difficult to trade internationally as compared with merchandise goods. Services are (1) intangible, though often incorporated in tangible products; (2) nonstorable; and finally, (3) involve a simultaneous action between the service provider and the service consumer. (Stephenson 1999).

Unlike the production of goods, ownership of a service is not transferred during the process of service provision. Thus, services cannot be stored, and this inability means that services are produced and consumed simultaneously. In addition, this characteristic of service transactions impacts on how international transactions in services are conducted. If a service provider in one country can produce a desired service, then he must interact with consumers in other countries to provide it. Thus, the provision of services to foreign markets often necessitates the movement of capital (through foreign direct investments) or labor (personnel to manage such activities or to provide different types of expertise, including basic labor). (Stephenson 1999)

International transactions in services have been defined according to four modalities. These are (1) through cross border flows in which neither the supplier nor the producer move physically but instead rely upon an intermediate service such as a telecommunications network; (2) through the movement of a consumer to a supplier's country (such as tourism); (3) through the movement of a commercial organization to a consumer's country, which equates with foreign direct investments; and (4) through the movement of an individual service supplier to the consumer's country. (Sampson and Snape 1985)

It is clear from the categories of international service transactions that trade in services cannot be promoted without the willingness on the part of governments to allow multiple modes of delivery, including the movement across national borders of the services themselves, or service providers, or of consumer of services. (Low 1995)

Although these qualities have posed difficulties in coming up with a multilateral set of rules similar to that of the GATT in the case of global trade in merchandise goods, the growing importance of the services sector have altered these notions and perceptions. In fact, this shift towards the importance of services is viewed with optimism as a key solution to the growing problem of unemployment and economic growth.

The GATS contained disciplines on policies, rules and regulations that ensured the equitable trading of services across countries. Unlike trade barriers in goods such as tariffs that can be settled at the customs, problems for the suppliers

of services usually start beyond the border. The objective of GATS is to progressively liberalize investments and services trading through a multilateral set of agreements mandated to eliminate barriers and allow for a smooth trading environment characterized by the absence of any discriminatory factor.

An important section in the general framework of rules and obligations of the GATS is the article containing Disciplines on Domestic Regulations. Domestic regulations are laws and policies that exist in an economy which recognizes the right of a nation to preserve its sovereignty by influencing activities within its borders especially with regard to matters of public safety and national security. It may also be defined quite broadly to include all microeconomic government interventions, from pollution control policy to implementing licensing procedures and technical standards. While the GATS ultimately aims for the elimination of barriers in the trade of services, these domestic regulations are subject to certain conditions. These regulations should be “a) based on objective and transparent criteria, such as competence and the ability to supply the service; b) not more burdensome than necessary to ensure the quality of the service; and c) in the case of licensing procedures, not in themselves a restriction on the supply of the service. ” (ART VI:4). Article VI further gives special attention to qualification requirements and procedures, technical standards and licensing requirements, all of which should “not constitute unnecessary barriers to trade in services” (Art VI:4).

Article VII, on the other hand, encourages signatories to enter into mutual recognition agreements. “For the purpose of the fulfillment, in whole or in part, of its standards or criteria for the authorization, licensing or certification of service suppliers... a member may recognize the education or experience obtained, requirements met, or licenses or certification obtained in a particular country.” Presumably, domestic measures that escape the scrutiny of national treatment and Article VI(5) provisions will need to be dealt with through Article VI(4) or Article VII(2). In effect, a strict reading of Article VI could eventually preempt the need for treaty-based recognition (Nicolaidis and Trachtman 2000).

The Basis for Domestic Regulation

Economies vary in many dimensions including political systems, social norms, and the cultural values of their people. It is these national differences that compel nations to define the way how they should conduct their economic affairs through domestic regulation. In the economic sphere, the overriding reason for government regulation is the failure of the market system due to three major causes: exclusion of markets, asymmetric information, and imperfect competition. Because of market failure, there is a need to regulate the market to arrest the inefficiencies that may result. But such corrections should be viewed together with their corresponding costs (Rollo and Winters 1999). Aside from correcting market failure, another argument

supporting domestic regulation is for equity considerations. In the case of social regulation, for example, individual companies may not take into account the full social cost of their actions. Direct regulation represents one approach to the problem of obtaining such information (Guasch and Hahn 1997).

From an economic perspective, regulations often limit the number of firms, the number of people employed, the number of distribution outlets, the services that can be sold, prices, marketing practices, and distribution channels. There are regulatory measures that protect incumbent firms from domestic and foreign competition. The rationale often cited for such intervention is the promotion of public interest. Public interest demands that consumers are protected from the shady practices associated with excessive competition, or consumers are assured of a stable supply of reliable products at reasonable prices. Sometimes public interest is served by protecting consumers from monopolistic elements in the market. In some instances, regulation is based on industry rationalization or on the capacity of a market to support only a limited number of providers.

Because of the welfare implications of regulating the economy, domestic regulation should be transparent, predictable and nondiscriminatory in their objectives and application. These qualities give the policy a certain degree of predictability that economic players can take into consideration when making their decisions. Moreover, it can reduce the scope of corruption in the application of regulatory measures. These qualities can also reduce compliance cost and can enhance the legitimacy of the regulatory agency. Regulatory bodies should be subject to review and free from regulatory capture of interest groups. Predictability also implies that responsibilities for ensuring the desired outcomes are clearly spelled out.

In the course of regulating an economic activity, the problem of asymmetric information can occur between the government and its implementing agencies. The objectives and instruments of the regulator are typically analyzed using the principal agent framework. This approach models both the internal and external economic relations of the government as the central principal facing decentralized agents, that is, policy departments or “purchasers” contracting with devolved agencies and independent firms.

The model characterizes the principal as capable of defining the required outputs but unable to achieve them by simple fiat. Instead, the principal has to contract agents who are self-interested, and may well not share the principal’s aims. In most cases the agents know more than the principal does, for example about their costs or how much effort they are putting in and about the quality of the output they are supplying. There is therefore, the problem of asymmetric information. The government, being the regulator, has to try to specify incentive

contracts to align the motives of the agent as closely as possible with the regulator's objectives.

At the level of economic transactions, the problem of asymmetric information is particularly serious in the social sectors compared with the other sectors of the economy. For example, in most utilities, consumers and independent monitoring agencies can gather sufficient and pertinent information regarding the service they are getting. In addition, defining what constitute a good service in the sector is a relatively simple activity. However, in the social sectors, consumers tend to be more vulnerable and less informed compared with the well-informed professional providers. The extent of addressing this asymmetric information is a matter that can be influenced by policy, but still a substantial amount of information will remain solely in the hands of the service providers. Furthermore, difficulties of monitoring providers' behavior imply that contracting systems in social sectors tend to generate higher transactions processing and monitoring costs. Thus, treating situations with asymmetric information, the mandatory disclosures, liability insurance requirements and other labeling techniques may be prescribed to make the information more even to all economic actors (Rollo and Winters 1999).

A second relevant problem is the higher level of uncertainties that tends to prevail in the social sectors. These uncertainties are further exacerbated by the presence of high externalities. For these reasons, governments establish rules and policies for licensing and technical standards.

Many transactions pose risks for consumers. In an attempt to control such risks, governments will require sellers to be licensed or alternatively, certified or registered, by some public or private body. Licensing covers a broad range of regulatory activities with a primary task of setting standards governing the practice of professions to weed out the "unfit" or "unsafe." Specific activities in licensing procedures include among others defining the scope of the license, setting minimum criteria, identifying the best applicant, and determining the length of retaining the license for the best applicant.

Thus, domestic regulation is meant to reduce, if not avoid risk, in the light of asymmetric information, high degree of uncertainty, and the presence of externalities. In such a situation, the option of labeling may be considered as an appropriate regulatory measure. The cost of insurance may be sufficient against loss resulting from taking unwarranted risks and product liability. However, in an environment where there is incomplete information, economic players may take too much or too little risk since the estimate on the probability distribution is less accurate compared with risky activities associated with known probabilities (Rollo and Winters 1999).

While licenses are difficult or costly to employ making them an implicit barrier to entry that limits market competition, increases the price, and reduces consumer choice, it may, on the other hand, serve to enhance service quality. One of the most common ways in which a regulatory agency affects the behavior of firms is through formal standards or mandates about how or how much a particular activity may be done. Standards are aimed at objectives as diverse as increasing workplace and product safety, producing a cleaner environment, and providing consumers with better information. They may be enforced through criminal sanctions, withdrawal of a license, civil fines, or adverse publicity. Performance and specification standards, for example, prescribe some level of attainment for a particular aspect of a service.

Current public discussions on international competitiveness place a new emphasis on the impact of regulatory change on the trade balance. A rise or fall in net exports is treated as a significant advantage or a disadvantage for any regulatory policy. Moreover, domestic regulation is often blamed for the secular decline in trade performance.

The claim that domestic regulation affects trade performance may seem plausible. Much regulation does indeed raise domestic firms' costs. Quality, safety, and environmental regulation, for example, typically require specific capital investment and/or changes in production techniques. Even traditional price and entry regulation, with no direct control over production methods, can involve administrative, legal, and managerial costs, as well as downstream factor input distortions. At least in the long run, such regulatory measures result in inward shifts in the cost schedules that may affect the firm's entry in international marketplaces. While such shifts may be warranted on grounds of economy-wide domestic optimality, they will tend to hurt the trade performance of affected firms.

Studies have documented that the indirect impacts of regulations are nontrivial and have forced some firms to divert resources from production of tangible output towards making production safer or cleaner or satisfying regulators. To some extent, regulation has contributed to a slowdown in productivity growth; others have blamed it for reductions in the rate of technological innovation.

There are two reasons for inefficient regulation. One is economic and the other is political. The economic reason is that it is difficult for a government authority to regulate because it lacks the necessary information. The firm usually is better informed than the regulator; however, it rarely has an incentive to tell the regulator all it knows. Such information asymmetries imply that economic regulation will rarely achieve an efficient outcome. That does not mean that regulation is not a useful approach for increasing economic efficiency when an industry is subject to increasing returns to scale or there are network externalities. It does mean, however,

that the effectiveness of regulation is limited and that it has some serious structural defects (Guasch and Hahn 1997).

Similarly, the regulator imposing social recognition must frequently base decisions on very limited information (Lewis 1996). Political problems with regulation also lead to inefficient economic results. Since regulation redistributes resources and rents, politicians often use it to secure political gains rather than to correct market failures. A larger array of regular instruments such as quotas, licenses, and subsidies are used to transfer significant amounts of wealth from consumers to small groups of producers (Guasch and Hahn 1997).

That regulation is expensive or that it may have important indirect effects does not mean, however, that it is “not worth it.” In principle, regulation comes with full knowledge that it often carries a steep price. But regulation can confer important benefits.

If we lived in a world where we were perfectly and costlessly informed about all the risks that confront us in product or labor markets and if we were capable of flawlessly analyzing all these information, then health and safety regulation would be unnecessary. Consumers and workers would demand compensating differentials before they would bear any risk, and producers and employers would then have incentives to provide services or provide working conditions of optimal safety. In the real world, however, the underproduction of information in markets, information asymmetries, and the bound rationality of transactions often make such regulation desirable.

Formulation of Public Policy and Government Regulation

In the continuing debate over the competitiveness of nations, the focus of discussions is on the role of the government in economic activities. Many see government as an essential supporter of industry, employing a host of policies to contribute directly to the competitive performance of strategic or target industries. Others, on the other hand, view that the operation of the economy should be left to the workings of the market with no interference from government.

Both views have their own inadequacies. On one hand, advocates of government support for industry frequently propose policies that would actually hurt companies in the long run and only create the demand for more assistance. On the other hand, advocates of a diminished government presence ignore the legitimate role that government plays in shaping the context and institutional structure surrounding companies and in creating an environment that simulates companies to gain competitive advantage.

Government regulation of economic activities is typically divided into three classifications: antitrust policy, economic regulation and social regulation. Antitrust policy aimed at preserving competitive vigor in the economy as a whole; economic regulation, concerned with pricing and output decisions in specific industries; and social regulation, aimed at securing various social goods such as a cleaner environment and safer products and workplaces.

Antitrust policy applies broadly to all industries, although a few have obtained partial exemptions from its restriction. At its core, antitrust is a consumer protection policy. It seeks to protect consumers (and society) from the consequences of anticompetitive or monopolistic behavior: restricted output, prices above costs, and a misallocation of resources. The application or threat of antitrust enforcement can alter the number of firms in a market, affect their pricing and output decisions, alter conditions of market entry or exit, and affect marketing practices.

Economic regulation, on the other hand, has often been motivated by a view that some markets are inherently noncompetitive. It is utilized as an alternative since antitrust policy is not the appropriate corrective measure. Typically, such regulation involves government licensing of a limited number of (private) sellers in exchange for the sellers' submission to the strict price regulation by a (public) commission or an authority. Frequently, such regulation is extended to other dimensions of the product, such as service quality, or even to the sellers' decisions about how to produce the product.

Social regulation is not directly concerned with the pricing or output decisions of firms or industries but with controlling what are seen as undesirable consequences of firm behavior. While economic regulation typically has a massive effect on the firms within one particular industry, social regulation applies to many firms scattered across the whole economy. Social regulation has broad power to alter firm behavior, from hiring practices to production decisions to marketing strategies. Much social regulation is based on the belief that even where competitive pricing prevails, some market outcomes will require correction. Even competitive firms, e.g., may pollute excessively or expose their workers or customers to unnecessary risks.

In the Philippine context, regulation can be viewed in the way laws are formulated, administered and interpreted. In principle, the legislative branch makes law, the executive branch administers and enforces them, and the judiciary interprets laws and gives them meaning. But these generalizations obscure the awesome complexity of the interaction among the branches of government. Each branch affects the behavior of the others, and in many cases, areas of responsibility overlap or conflict. Judges frequently make law as well as interpret it.

Individuals who run agencies in the executive branch must be confirmed, and legislative committees can inquire quite forcefully into the performance of these individuals once confirmed. Many acts of Congress, on the other hand, originate from the actions of, or in response to actions of, other branches of government. But this apparent confusion of roles is by design a part of the system of checks and balances that limit the coercive power of each branch. All three branches are heavily involved in the business of regulation.

Administration of economic and social regulation is similarly complex. Most such regulation originate with a congressional statute, but the language of such statute is often quite vague, and it is up to the various federal regulatory agencies (and the courts) to give these statutes practical meaning.

The cost of regulation or the costs of carrying out a given regulatory policy have real economic costs. At their normative best, these costs are akin to market transaction costs. They are the resource expenditures incurred to achieve a resource reallocation through nonmarket means. At their worst, they represent welfare worsening reallocations and or nonproducing rent seeking activities. In either case, they represent social expenditures to be minimized.

Evaluation of the Rules on Domestic Regulation under the GATS

Strengthening Article VI of the GATS on Regulation

Article VI of the GATS provides a basic framework for minimizing the trade restrictions created by domestic regulations. A strengthening of this article could go a long way in facilitating real market access liberalization by committing countries to the reform of regulations that impede market-oriented competition. Article VI now provides that (a) regulations be administered in a reasonable, objective and impartial manner; (b) countries establish procedures for the review of regulations at the request of service suppliers; (c) regulations be based on objective and transparent criteria, not more burdensome than necessary to ensure the quality of the service, and in the case of licensing procedures, not restrict the supply of the service.

Article VI can be expanded to cover the scope of transparency stated in Article I by requiring members to explicitly state the public policy objective served by a regulation. This would facilitate any examination of whether the regulation is “more burdensome than necessary to ensure the quality of the service,” as provided in Article VI (4) (b).

An interpretation of Article VI could also clarify that the words “quality of service” in VI (4) (b) refers not only to the reliability of the service from the perspective of an individual consumer, but that they also encompass regulations aimed at the achievement of the full range of social objectives, including safety, integrity of networks, providing service to underserved regions or population segments, etc. This broader interpretation of the term quality of service is consistent with the overall thrust of Article VI but is not necessarily clear if the sentence involved is taken by itself, outside the broader context of Article VI as a whole.

The inclusion on a new provision in Article VI is recommended that would encourage members to limit the scope of regulations to what is necessary to achieve the objective served by the regulation. This would be fully consistent with and would amplify the spirit of the requirement that regulation not be more burdensome than necessary to ensure the quality of service. Countries would be encouraged to regulate only those activities that have a direct bearing on a regulatory objective and not seek to regulate ancillary activities carried out by the same firm. Such a provision, for example, would encourage countries to limit their regulation of infrastructure services to the term of access to physical infrastructures such as pipelines and electric transmission lines, leaving it to competitive suppliers to decide what services to provide over the network at what prices.

Another addition to Article VI should include a provision that would encourage countries to adopt performance-oriented regulations rather than regulations that directly seek to establish bureaucratic control over the specific activities carried out by enterprises. Such a provision would parallel a similar provision embedded in the GATT Code on Technical Barriers to Trade and would also be fully consistent with and amplify GATS Article VI (4) (a), which requires regulations to be based on objective and transparent criteria.

Another possible addition could encourage member countries to use market-based incentives and disincentives to achieve the desired social objectives with greater economic efficiency than directive regulations that seek to control the behavior of the market participants. For example, it would be far more efficient in economic terms to allocate scarce resources such as landing slots through an auction than through a system of licensing that benefit the incumbents.

Finally, Article VI could encourage self-regulation by industry that satisfies the achievement of the desired social objective. At the same time, it should require member governments in such cases to ensure that compulsory private regulator or standard-making activities are open to all service providers, including foreign service providers.

The Sectoral Negotiations

In some heavily regulated sectors, some degree of international rule making on a sectoral basis is inevitable, particularly where the regulation specifically limit competition or competitive entry, or where the regulations set high performance standard for service providers. Countries where regulations permit open entry and competition are concerned about market access condition in countries that limit competition. Countries with strict performance standard are reluctant to open entry to foreign firms that are not required to maintain adequate performance standards by their own governments. International trade and competition in these sectors may therefore require some degree of international understanding on the allowable forms and extent of competition, and of the minimum performance standards that should be met.

It would be a mistake, however, for the WTO to establish highly detailed disciplines. It needs to take to heart the principle of subsidiarity, and avoid excessive rule making. As was the case in the GATT treatment of standards, the WTO should focus on establishing legally binding obligations centered on some key principles and procedures while leaving much of the substantive detail to other international organizations, national governments, and voluntary private bodies. This calls for judicious blend of legally binding obligations on key principles, voluntary guidelines that could serve as reference points for international regulatory norms, and references to standards and work carried out in other public and private organizations.

Efforts to create sectoral guidelines for the liberalization of trade in professional services have focused on the development of a model agreement for accounting services. These negotiations are still under way, with a December 1997 target date. The basic goal of these negotiations is to expand on the provisions contained in Article VI (4) of the GATS. Negotiators are focusing, in particular, on three criteria built into this provision. Regulations must be based on objective and transparent criteria, they must not be more burdensome than necessary to ensure the quality of the service, and any licensing procedure in itself must not restrict the supply of the service.

The basic issue for governments in accounting, as in other professional services, is to ensure the professional competence of the individual service provider, monitor professional performance, and disciplines any lapses on professionalism. From a trade point of view the key issues are whether the standard and procedures adopted by individual governments constitute unreasonable barriers to the trade. This can be the case if the standards or procedure establish for evaluating a provider's

qualification unnecessarily discriminate against foreign practitioners or unnecessarily restrict entry by both domestic and foreign applicants.

In most cases the qualifications, regulations and procedures established for the licensing of the country's own professionals cannot be directly transferred to the licensing of foreign professionals. Foreigners do not necessarily enter as apprentices, they may not have acquired a local educational degree, their professional experience abroad may or may not be directly relevant, and the fact that they may not permanently reside within the country may require alternative approaches for disciplining unprofessional behavior. The establishment of a separate set of regulations and procedures for qualifying and licensing foreign professionals may thus actually facilitate trade. In fact, Article VI(6) directs members to establish procedures to verify the competence of professionals from other member countries. Thus GATS implicitly recognized the need for a specific procedure in licensing to license foreign practitioners. Although this may facilitate trade, it has the potential for violating the principle of national treatment because of separate rules for domestic service providers and for foreign service providers.

The issue from a trade point of view is whether the qualifications, regulations, and procedures established for foreign professionals are equivalent in their regulatory effect and not more burdensome than the procedures and standard imposed on a country's own professionals. Any rulemaking under the GATS needs to establish basic principles concerning the objectivity and equivalence of both qualifications and procedures established for licensing foreign professionals. They should not get into substantive details, which are better addressed through bilateral agreements (as provided for in Article VI of the GATS) or international standards developed through the appropriate international professional association (as provided for in Article VI(5) (6) of the GATS).

Nondiscriminatory standards and procedures for ensuring the professional competence and professional performance of accountants can become barriers over time to entry if they are used to limit entry into the profession and thereby raise the income of current members. The second issue from a trade point of view, therefore, is whether a country's regulations for the licensing of professionals are an appropriate means to achieving legitimate social objectives and whether they are not more cumbersome or restrictive than necessary to achieve that objective.

The best method of ensuring that professional licensing and qualification standards and procedures do not restrict competition is to require full transparency of both the regulatory objectives and the regulations. The rule should also stipulate that regulations achieve their stated objectives in the least burdensome manner. Transparency will enable anyone to test whether the objectives are legitimate and whether the regulations involved provide the least burdensome and employ the least

trade distorting method of accomplishing the objective. It may also be helpful to establish the link to establish international standards in the field by encouraging member to make use of applicable international standards. In most professions, international professional bodies have emerged for the development of standards. The GATT Code on Technical Barrier to Trade has a similar approach and encourages by encouraging countries to adopt international standards with which to measure the desired level of performance.

Disciplines on Domestic Regulation in the Accountancy Sector

Elements, Conditions and Disciplines in the Practice of Accountancy

The creation of the Disciplines on Domestic Regulation in the Accountancy Sector by the Working Party on Professional Services of the WTO marked the beginning of the development of GATS disciplines on the domestic regulation of services. It contains provisions for the transborder practice of accountancy in accordance with Art IV:4 of the GATS, where regulatory requirements set by host countries should be based on objective and transparent data and should not be more burdensome than necessary to meet regulatory objectives. In addition to objectives and general provisions, the disciplines include detailed guidelines on transparency, licensing and qualification requirements, procedures and technical standards.

With regards to transparency, the disciplines require each member to make available to those concerned all information including the names and addresses of local authorities responsible for the licensing of professionals, a list of all necessary requirements, procedures and technical standards on how to obtain, renew or retain licenses and other administrative reviews and procedures. Reasons of such regulations should also be available upon request of other members, whose views regarding these regulations should be accommodated.

Requirements in to licensing should be pre-established and objective based on the provisions set by Art VI:4. The terms and conditions set relating to acquiring or maintaining licenses should be kept at a minimum trade-restricting level, taking into consideration factors such as costs and local conditions. When membership to a professional organization is required, the terms and conditions set by members should be reasonable and should not include any precondition to meet legitimate objectives. Furthermore, the required period of membership, when it is a prior condition to get a license, should be kept at a minimum.

Licensing procedures should be pre-established, publicly available and objective, and shall not in themselves constitute a restriction on the supply of the service (Art IX:1, Disciplines on Domestic Regulation on the Accountancy Sector).

As provided for in Art VI:4 of the GATS, these procedures “should not be more burdensome than necessary to meet the regulatory objective.” Members should ensure that any procedure relating to acquisition of a license be pursued at the least burdensome manner possible, for instance, documents required by licensing authorities should not exceed the number required necessary to obtain the license, applicants should be given the opportunity to correct errors made in completing the applications, authenticated documents should be accepted in place of the original documents, and the process of authenticity by local authorities should be simple. Applicants are to be informed without undue delay if application requirements are incomplete, and reasons for rejection should be available upon request by the unsuccessful applicant.

Qualification requirements should be set on the basis of “... equivalency of education, experience and/or examination requirements.” (Art X:1, Disciplines on Domestic Regulation on the Accountancy Sector). Examinations prepared by local authorities are limited only to activities relevant to seeking authorization. These requirements “... may include education, examinations, practical training, experience and language skills.” (Art X:1, Discipline on Domestic Regulation on the Accountancy Sector). Mutual recognition agreements (MRAs) may be used by members in expediting the process of qualifications verification and in instituting standards for equivalency of education.

Qualifications verification shall take place within six months and applicants shall be informed of any additional requirements. Examinations are to be scheduled at least once a year, and shall be open to all suitable applicants, including foreign and foreign-qualified applicants. Examination fees should represent administrative costs involved, including those for verification of information and processing, and should not in themselves, serve as a restriction. Compromise fees for applicants from developing countries may be adopted.

Technical standards adopted should be utilized only to fulfill legitimate objectives. Internationally recognized standards of relevant international organizations shall account for these obligations to ensure that they are formulated in accordance to the obligations of each member under the GATS.

Various Perspectives in the Formulation of the Disciplines in the Practice of Accountancy

Some countries have commented on the disciplines. In the case of Japan, it has raised several concerns regarding the contents of the document. For example, in the case where subfederal governments, such as in provinces or states, are able to establish regulations containing different criteria, certain disciplines should be set

up to encourage members to harmonize, as far as possible, these regulations by applying the most liberal of established regulations.

A more specific concern is the modification of the term “license” to read as “license or registration” in order to reflect the system or practices of each member country. In Japan, lawyers (bengoshi) and foreign legal consultants (gaikokuho-jimu-bengoshi) are only subject to the registration system once the qualification requirement has been cleared and not to licensing procedures. The processes required to have a qualification is a bar examination for lawyers (bengoshi) and a simple screening of a foreign legal consultant (gaikokuho-jimu-bengoshi) provided there is approval by the Ministry of Justice. As this does not lead to obtaining a license, it is not right, as far as Japan is concerned, to use the term “license” when referring to those legal services.

Thus, it is not appropriate to introduce any expression that requires an examination as a precondition. In Japan, an examination is not imposed on foreign consultants (gaikokuho-jimu-bengoshi) as a qualification requirement. In addition, Japan does not see the rationale for requiring an individual to be a member of a professional organization before applying for a license.

Moreover, Japan feels that it is not necessary to establish a system “to inform another member, upon request, of the rationale behind domestic measures.” Once the system of securing transparency of domestic regulations among member countries has been established, this additional obligation may increase the unnecessary administrative burden.

Australia, on the other hand, believes disciplines developed in accordance with Article VI should apply to all sectors, with the effect of those disciplines building up as members expand the scope of their scheduled commitments.

Members need to establish what would constitute a necessary barrier to trade in services. Article VI:4 does not define legitimate objectives, apart from the reference to “not more burdensome than necessary to ensure the quality of the service.” The accountancy disciplines (in Section II, paragraph 2) specify four legitimate objectives: protection of consumers; the quality of the service; professional competence; and the integrity of the profession. Further work on legitimate objectives in domestic regulation should build on those definitions. “Quality” could be interpreted broadly enough to cover reliability, efficiency, comprehensiveness and other like concepts.

Other concepts could be added as the Working Party develops its thinking on the subject. The Working Party could, for instance, review the continued use of nationality or permanent residency requirements as a condition for meeting

qualification and licensing requirements for service providers. In addition, the Working Party might seek to examine a framework of good administrative practice, possibly by trying to give more specific and practical application to the scope of legitimate public policy objectives in regulatory field.

The United States believes that members should develop disciplines on transparency in services that are at least as comprehensive as those prevailing in WTO agreements on trade in goods.

Existing GATS obligations on transparency are weaker than similar provisions in the WTO Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary (SPS) Agreements and in the generally accepted Accountancy Disciplines. They do not establish a regular, formal system of notification. Rather, they consist only of an obligation to publish (and not necessarily before they are effective) or otherwise make publicly available measures affecting trade in services, and establish inquiry points that will provide, upon request, specific information on a member's regulatory measures or other international agreements to which it is a party.

The GATS also contains two exceptions from general transparency obligations. Article IIIb exempts members from providing confidential information, the disclosure of which would impede law enforcement, otherwise contrary to the public interest or which would prejudice the legitimate commercial interest of public or private enterprises. Article XIVbis, paragraph 1(a) exempts members providing information which they consider contrary to essential security interests. Members should note that future disciplines on transparency should not be construed as affecting operation of these GATS articles.

With regards to applying regulations, where a license or qualification is required to provide a service, members should address obligations to specify and make publicly available measures relating to the criteria to obtain such a license or qualification and the terms and conditions under which it is offered or revoked.

Where feasible, it would also be appropriate to make administrative licensing procedures publicly available. Coverage of such procedures could include, by way of example, information specifying the period of time normally required to reach a decision on a complete, uncontested application for a license or authorization to provide a service; descriptions of the nature and extent of disciplinary actions; and the notification relating to reasons for denial or revocation of a license or authorization.

Implementation of these transparency measures should also include making publicly available the names, official addresses and other contact information (including website, telephone, facsimile) of competent authorities.

COMMISSION ON HIGHER EDUCATION

Legal Basis

The Commission on Higher Education (CHED) was created under RA 7722 in 1994 as a separate and independent agency from the Department of Education Culture and Sports (DECS). As an offshoot of the trifocalization in the educational reforms in the early 1990's, CHED was assigned the responsibility to oversee the system of higher education in the country and to formulate policies, plans and programs for the development of public and private higher education institutions. Although an independent agency, it is attached to the Office of the President for administrative purposes.

The Commission is composed of the following offices: Board of Advisers, Office of the Commissioners, Office of the Executive Director, Regional Field Offices and Technical Panels.

The Board of Advisers is composed of the DECS Secretary as Chairman and the NEDA Director-General as Vice Chairman. The other members are the DOST Secretary, DTI Secretary, DOLE Secretary, President of the Federation of Accrediting Agencies of the Philippines, President of FAPE and additional two members.

The Office of the Commissioners is composed of five full time commissioners headed by a Chairman.

The Executive Director heads the Secretariat that implements the plans and policies of the Commission. It coordinates the activities and projects of the various offices including the Higher Education Development Fund, International Affairs, Administrative and Finance Service, Legal Affairs Service, Programs and Standards, Policy and Planning, Research and Information and Student Services.

There are 15 regional field offices headed by regional directors. These offices are the implementing units of the Commission in the different regions of the country.

The technical panels set the standards for various clusters of disciplines. The panels are composed of senior specialists or academicians and experts from the academe, government, industry and professional societies/associations.

Higher education institutions (HEIs) in the country maintain their own internal organizations. The framework of such organization is generally divided into two areas: policy formulation and policy implementation. The formulation and

approval of all policies, rules and standards in the institutions are undertaken their respective Board of Regents or Board of Trustees; whereas the implementation of policies on the management of the institution is vested on the president or chief executive officer.

Publicly-funded state universities and colleges (SUCs) are established by legislation that define their institutional charters. They are authorized to award degrees or open new courses upon approval of their respective Board of Regents. Because of SUCs autonomous charters, CHED has no direct supervision and control over them. However, to align the programs of SUCs with CHED's policies and thrusts, the chairmanship of the Board of Regents of all state universities and colleges is given to the Chairman of the Commission on Higher Education or his/her representative as provided for under RA 8292 (1997).

Private HEIs, on the other hand, are organized and governed under the Corporation Code. The Commission on Higher Education has extensive power over these private institutions in terms of regulation on the establishment or closure of private schools, program and course offerings, curricular development, the setting of school calendar, building specifications and determination of tuition fees. A degree of freedom is granted to private schools that have attained Level III accreditation.

Powers and Functions of CHED

Under Section 8 of RA 7722, the Commission has the following powers and functions:

- a. Formulate and recommend development plans, policies, priorities, and programs on Higher Education;
- b. Formulate and recommend development plans, policies, priorities, and programs on research;
- c. Recommend to the executive and legislative branches, priorities and grants on higher education and research;
- d. Set minimum standards for programs and institutions of higher learning as recommended by a panel of experts in the field and subject to public hearing, and enforce the same;
- e. Monitor and evaluate the performance of programs and institutions of higher learning for appropriate incentives as well as impose sanctions such as, but not limited to, diminution or withdrawal of subsidy, recommendation on the downgrading or withdrawal of the accreditation, program termination or school closure;

- f. Identify support and develop potential centers of excellence in program areas needed for the development of world-class scholarship, nation building and national development;
- g. Recommend to the Department of Budget and Management the budgets of public institutions of higher learning as well as general for the use of their income;
- h. Rationalize programs and institutions of higher learning and set standards, policies and guidelines for the creation of new ones as well as convert or elevate schools to institution of higher learning, subject to budgetary limitations and to the number of institutions of higher learning in the province or region where creation, conversion or elevation is being sought;
- i. Develop criteria for allocating additional resources such as research and program development grants, scholarship, and other similar programs: Provided that these shall not detract from the fiscal autonomy already enjoyed by colleges and universities;
- j. Direct or redirect purposive research by institutions of higher learning to meet the needs of agro-industrialization and development;
- k. Devise and implement resource development schemes;
- l. Administer the Higher Education Development Fund, as described in Section 10 of RA 7722, which will promote purposes of higher education;
- m. Review the charters of institutions of higher learning and state universities and colleges including the chairmanship and membership of their governing bodies and recommend appropriate measures as basis for necessary action;
- n. Promulgate such rules and regulation and exercise such other powers and functions as may be necessary to carry out effectively the purpose and objective of this Act; and
- o. Perform such other functions as may be necessary for its effective operations and for the continued enhancement, growth and development of higher education.

Regulatory Powers of CHED

A number of the powers vested on CHED are regulatory in nature including setting minimum standards for programs and institutions, monitoring, evaluating

and imposing sanctions on the performance of programs and institutions and setting standards, policies and guidelines on the rationalization of programs and institutions. Some of the specific regulatory powers that may impact on our GATS commitments on trade in professional services include, among others, the entry of foreign students, establishment of foreign linkages, entry of foreign professors, accreditation of academic units, establishment of schools and branches, qualification requirements for foreign students and tuition fees for foreign students.

Entry of foreign students

CHED Memorandum Order (CMO) No. 53, series of 1997 dated October 24, 1997 enumerates the procedures for the acceptance of foreign students in tertiary level. The order provides that any Philippine school whose programs are recognized by the CHED and approved by the Commission on Immigration in accordance with Section 69-f of CA NO. 163, as amended by RA Nos. 118, 134, 144, 749, and 827 are authorized to accept foreign students.

On September 2000, Executive Order (EO) 285 was issued amending the rules and regulations governing the admission and stay of foreign students in the country. In addition, the EO was issued to promote the country as a center for education in the Asia-Pacific region. An interagency committee on foreign students composed of various agencies including the Commission on Higher Education (CHED), Department of Foreign Affairs (DFA), Bureau of Immigration and Deportation (BID), National Bureau of Investigation (NBI), and the National Intelligence Coordinating Agency (NICA) was tasked to issue a memorandum order on the implementing guidelines of EO 285.

Among the highlights of the implementing order include:

- a. Only schools with programs accredited by the Federation of Accrediting Agencies of the Philippines (FAAP) or with equivalent accreditation by the Commission on Higher Education (CHED) and the Bureau of Immigration and Deportation (BID) are authorized to admit foreign students.
- b. The BID will publish an updated list of schools in consultation with CHED.
- c. Schools authorized to admit foreign students should establish a Foreign Student Unit that will submit reports to CHED regional offices and the BID on the enrollment of foreign students and a status report on students that will include those who are missing, have transferred, failed to take the final examination, dropped from the rolls or with derogatory records. Failure to comply is a

ground for the cancellation of the authority to admit foreign students.

- d. The information submitted will be used by concerned agencies to monitor the activities of foreign students. The BID shall investigate, apprehend, and prosecute foreign students who violate the country's immigration laws and regulations.
- e. Foreigners holding tourist visa are allowed to convert their admission status to student visa or special study permit.
- f. Certain categories of aliens do not require student visas or special student permits:
 - Tertiary enrollment in Philippine schools of the spouses and unmarried dependent children below 21 years old of permanent foreign residents, aliens with valid working permits, personnel of foreign diplomatic and consular missions residing in the Philippines, personnel of duly accredited international organizations residing in the Philippines, holders of Special Investor's Resident Visa (SIRV) and Special Retirees Resident Visa (SRRV) and foreign students in the Philippines with 47 (a) (2) visa
 - Children of the above mentioned admission category holders who are already enrolled before their marriage and or before reaching the age of 21 shall be allowed to convert their admission category to that of student visa to enable them to finish their studies
 - Spouses and children of personnel of foreign diplomatic and consular missions and duly accredited international organizations located in the Philippines who desire to remain in the country to enroll for the first time or finish their studies higher than high school and qualify under prescribed regulations can be allowed to convert their admission category to that of a student visa.

Schools that are not yet accredited are given a one-year grace period to apply for accreditation. They are required to have their programs recognized by the CHED. To be recognized, they must have achieved the requirements beyond the "permit"

authority granted to operate academic programs. Failure to have their programs accredited will force these schools to transfer their foreign students to another accredited institution.

Applicants from other countries follow stringent steps before they are accepted as foreign students.

Once the applicant is admitted into his desired course of study, the school shall issue him A Notice of Acceptance (NOA). The school may, however, require him to submit in advance a Certificate of Eligibility for Admission (CEA) issued by the CHED for certain courses of study, such as medicine and nursing, where restrictions on the enrollment of foreign students may exist due to the shortage of facilities. Once issued, the certificate remains valid for the duration of his course, provided the student attends his classes and receives satisfactory grades.

A foreign student desiring to study in the Philippines shall communicate directly with the Philippine school he/she wishes to enroll in and shall comply with the school institutional requirements, which include the submission of the following documents: Original copy of the student's personal history statement; documentary proof of adequate financial support to cover expenses for the student's accommodation and subsistence, as well as school dues and other incidental expenses; and scholastic records.

When the school is satisfied with the student's compliance with its requirements, it shall issue a NOA. The required documents should be hand carried to the DFA by the school's designated liaison officer for the issuance of a student visa. The DFA endorses the documents to the Philippine Foreign Service Post located in the student's country of origin or legal residence for the issuance of a student's visa after ascertaining the student's identity and admissibility under existing DFA regulations. Upon approval of the issuance of student visa, the DFA informs the school concerned, copy furnished CHED, on the action taken. When the foreign students arrive, the school assists them in securing an Alien Certificate of Registration (ACR) and Certificate of Residence for Temporary Student (CRTS) from the Bureau of Immigration.

There are responsibilities and tasks assigned to schools and government agencies involved in the process of accepting foreign students into the country.

For Higher Educational Institutions (HEIs)

- Accept and initially evaluate authenticated Transcript of Records and Personal History Statements (PHS) of the applicants;

- Send Notice of Admission (NOA) to DFA together with the Transcript of Records, Affidavit of Support and Personal History Statement;
- Assist foreign students upon arrival in securing an Alien Certificate of Registration for Temporary Students (CRTS) from the Bureau of Immigration;
- Submit the necessary regular reports to the CHED and BID on the status and academic performance of accepted foreign students; and
- Send reports to the BID, the NBI and the NICA, copy furnished CHED, foreign students with derogatory records, those who dropped out or failed to take the final examination for the term and those who have completed their courses.

For the Commission on Higher Education (CHED)

- Prepares periodically, an updated list of each school with its corresponding courses under recognition status to be submitted to the members of the interagency Committee on Foreign Affairs and the school authorized to admit foreign students;
- Issues the Certificate of Eligibility for Acceptance (CEAs) for courses like dentistry and medicine;
- Requires schools to submit enrollment list of foreign students together with a report on promotions and graduates;
- Supports NBI, BID and NICA on action taken against foreign students with derogatory records; and
- Monitors schools with foreign students to countercheck their enrollment list submitted by the school.

For the Department of Foreign Affairs (DFA)

- Accepts recommendations from school for student-visa applications;
- Approves or denies application based on the documents submitted;
- Sends notice of approval/denial to school copy furnished CHED;
- Advises student to register with the BID, upon arrival in the country; and
- Provides CHED, NICA, and BID, with an updated list of foreign students granted with student visas at the end of each school term.

For the Bureau of Immigration and Deportation (BID)

- Issues ACR and CRTS to foreign students upon arrival in the Philippines;
- Reports to CHED on schools that tolerate the continued stay of foreign students upon arrival in the Philippines; and
- Investigates, apprehends and prosecutes, if necessary, foreign students who do not comply with or violate Philippine Immigration Laws and Regulations.

For the National Intelligence Coordinating Agency (NICA)

- Maintains a list of foreign students in the Philippines as provided by the schools; and
- Coordinates and checks whenever necessary the activities of other intelligence agencies regarding the activities of foreign students brought to their attention.

For the National Bureau of Investigation (NBI)

- Checks and investigates wherever necessary the activities of foreign students brought to their attention which appear to be inimical to the security of the state;
- In coordination with the BID, apprehends foreign students not complying with Philippine immigration laws and regulations.

A decreasing trend in the number of foreign students has been noted from school year 1994-1995 to 1998-1999 (See Table 3.1). A 10.2% increase was observed in school year 1995-1996 when enrollment reached 5284 students. In subsequent years, foreign student enrollment has steadily declined.

In terms of nationality, Americans outnumber the rest accounting for 24.5 % of the total enrollees for 1998-1999. Other nationalities with significant presence in our HEIs are Koreans (19.23%), Chinese (16.35%), Taiwanese (7.54%) and Indonesians (3.64%).

In terms of academic program, medicine and health related courses appear to be the most popular among foreign students, registering 1,188 enrollees in 1998-1999 or 33.79% of all foreign students. Other popular programs among foreign students are arts and sciences courses (24.94%), graduate studies (12.26%), and business courses (11.49%).

HEIs located in Metro Manila account for 61.43% of all foreign students in 1998-99. Other regions with significant foreign students are regions VI, I and III. The University of Sto. Tomas tops all HEIs in the number of accepted foreign students. Other popular schools among foreigners are St. Louis University, De La Salle University-College of St. Benilde and Lyceum of Northwestern Philippines.

It can be implied from the above requirements that the primary basis for the regulation of the entry of foreign students is the protection of national security from foreigners who may enter the country through the numerous educational institutions in the country. Given that the country has more than 1,300 HEIs and more than 80 percent of these HEIs are private institutions dependent on tuition fees for their operations, there is a possibility that these institutions would welcome additional students coming from other countries. Since many of our HEIs are not accredited by agencies under the FAAP umbrella, the leniency of their admissions policy for both local and foreign students is not a far-fetch observation. If this is the case, educational institutions can become efficient routes for entering the Philippines to pursue non-educational activities. Because of the potential threat of foreign students on national security, an interagency committee on the entry of foreign students has been formed composed mainly of agencies of government involved in police and national security matters.

In the past, many foreigners have used educational institutions, specially the non-accredited ones, as base for their entry into the country. Thus, the requirement of accreditation coming from FAAP is very crucial in granting accreditation to schools to accept foreign students. What is the basis then for another accreditation to be conducted by the BID? In the first place, the purpose of accreditation is merely to determine whether schools have met the minimum standards set by various accrediting agencies. This certification of accreditation coming from FAAP agencies is more than enough for BID to grant the certification of schools to accept foreign students. Is there a need for a second accreditation to be conducted by BID? Does BID have the capability to evaluate the academic qualifications of HEIs to accept foreign students? What is the basis of collecting a P10,000 accreditation fee? If the purpose is to encourage foreign students to enter, and make the country an attractive center of education, why do we have to collect fees from students specially those taking short courses in the country?

There are a number of foreign students who enter the country as tourists and take short courses or seminars in learning English as a second language. Given the competitiveness of the tuition fees charged by colleges and universities in the country, foreigners find it convenient to study English here and enter the country via a tourist visa. However, because of the new rules, these tourists may now be considered as foreign students and may be asked to follow the procedures required

by the BID. Such procedures and collection of fees can make the erstwhile competitive academic programs in the country very expensive.

Foreign Linkages

The Philippines has always placed great value on international cooperation programs in education, science and business. As a result, exchange agreements between HEIs in the Philippines and universities abroad expanded. Faculty and students exchange programs, joint research, offshore education and teleconferencing paved the way for intercultural understanding and intellectual growth. On January 11, 2000 CHED issued Memorandum Order (CMO) No.1 Series of 2000 containing the policies and guidelines in the implementation of international linkages and twinning programs. The said order aims to achieve the following objectives:

- To upgrade the present quality of academic programs through collaborative activities, effective exchange of faculty and cooperation in research;
- To strengthen educational, cultural, social, economic and political bonds between the Philippines and foreign institutions;
- To develop a pedagogical reform through international linkages in higher education and research;
- To promote and facilitate international mobility of teaching staff and students as an essential part of quality and relevance of higher education; and
- To enhance existing higher educational goals in the country;

The implementation of the international linkages and twinning programs shall be the CHED's responsibility in coordination with and assistance from other concerned government agencies, such as the DFA and the BID. HEIs recognized by the CHED, and which have attained at least a level II accreditation and foreign institution of higher learning recognized by their respective governments and accredited by their accrediting bodies as quality institutions can be considered partner institutions of this program.

As provided for in this memorandum the twinning program can be done through faculty student exchange; collaborative research, scholarship grants, short and long term training, curriculum development and enhancement, library and laboratory enrichment and cultural exchange. The HEIs in the Philippines shall identify potential partners and should determine the potential fit between themselves and the candidate foreign partner institution. Both partners shall draft the MOA in terms of programs, duration, evaluation and termination of the agreement.

The parties shall review the proposed agreement and submit the same to the CHED which shall determine whether it complies with all the National Laws as well as the its policies. The CHED shall evaluate the following documents containing the objectives and the nature of the twinning program, background of the foreign institution including its recognition from the Ministry of Education and its equivalent, proposed MOA of the contracting party, approval of the proposed MOA by Foreign Ministry and Ministry of Education or its equivalent, certification of accreditation of the contracting parties. As part of the requirement set by CHED, Philippine HEI intending to offer a degree, diploma or certificate to foreign students under the twinning programs shall have at least level II accreditation. Foreign universities and colleges intending to offer a diploma or certificate leading to undergraduate, graduate or postgraduate degrees to Filipino students as represented by their authorized representative in the country should present the highest level of recognition from their respective governments duly authenticated by their respective embassies and consulates in the country.

The CHED encourages the participation of recognized HEIs in international networks and consortia and considers it crucial to the understanding of global issues, the development of highly skilled human resource and the overall institutional growth.

HEIs obtaining membership in international networks and consortia shall at least be recognized by CHED. They shall have the financial mechanism to support the membership in the network.

Philippine HEIs shall seek the approval of the CHED in joining academic consortia and networks with programs leading to awarding of undergraduate, graduate and post graduate degrees. In this case the institution shall be required to submit to CHED the following documents containing the objectives and nature of the consortium/network, Memorandum of Understanding/Agreement stating the degree to be conferred, certification of recognition of programs, Level II or Level III accreditation of the programs to be awarded.

Recognized HEIs in the country desiring to become part of an international consortium and network that does not lead to awarding of an undergraduate, graduate and postgraduate degrees, may take part freely in this collaborative activities.

In terms of evaluating and validating the program, the CHED shall implement a system that will ensure adherence to international standards of excellence on international programs.

It would be the responsibility of the partner institution to assign officials authorized to assess and evaluate the implementation of the linkages and the twinning program including the mode of financing and institutional support during the program's duration. On the other hand, Philippine HEIs will be required to submit a report on the status of the international linkage and twinning programs to CHED.

Given that majority of educational institutions in the country are privately owned, there is a strong motivation for Philippine schools to increase their enrollment by establishing partnerships with foreign colleges or universities. The attraction of such partnership is based on a promise that Filipino students will earn foreign degrees while taking courses in the country. However, there are foreign colleges with questionable reputation that may manage to use unaccredited Philippine private schools to gain entry and exploit the country's educational market.

It is in this light that the memorandum issued by CHED and the measures adopted therein are meant to protect the public from scrupulous individuals trying to extract commercial gains rather than delivering quality education. The thrust of CHED is part of its standard-setting function and is not meant to discourage the formation of cooperative partnership between local educational institutions and foreign colleges and universities. Thus, it is required that a Philippine HEI participating in such linkages have at least a Level II accreditation. Foreign colleges and universities are likewise required to have their program offerings accredited to ensure that academic seriousness takes precedence over commercial considerations.

Entry of Foreign Professors

Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment (DOLE).

The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired.

In order to secure an Alien Employment permit the applicant is required to write a letter of request addressed to the Regional Director of DOLE. The applicant should enclose his/her curriculum vitae, contract of employment, and a photocopy of the passport and visa. For those going to work in higher education, endorsement from CHED must be secured.

In securing an endorsement from CHED, the school informs the CHED of its need to hire foreign professors. After screening the qualifications of a foreign professor, the school attaches a copy of the visa, passport, birth certificate, academic and professorial credentials of the foreign professor. Endorsement is issued if the CHED finds the papers in order. In case of doubt, the CHED counterchecks with the embassy of the applicant to ensure that the applicant is a registered national.

After the issuance of an employment permit, the alien shall not transfer to another job or change his employer without prior approval of the DOLE Secretary. Any non-resident alien who takes up employment in violation of the law shall be punished accordingly under Articles 289 and 290 of the Labor Code. In addition, any employer employing non-resident foreign nationals shall submit a list of such nationals to the Secretary of Labor within 30 days after such date indicating their names, citizenship, foreign and local addresses, nature of employment and status of stay in the country.

Accreditation of Academic Units

An important item in facilitating the flow of foreign students in the country is the accreditation of academic units earned in foreign schools. The CHED has adopted several guidelines in accrediting foreign units.

The basic document upon which the said accreditation shall be based is the student's transcript of records or its equivalent duly authenticated by the concerned Philippine Mission Abroad (PMA) or by the student's consulate/embassy in the Philippines. In case of vagueness in certain courses, their descriptions may be requested. Validating examinations may also be required of the students upon the discretion of the academic dean. Similarity of course descriptions shall be the main consideration in accreditation. Substitution of courses may be granted, provided the course contents are at least substantially similar. In case of doubt, the evaluator may refer to the syllabus of the foreign school where the student studied. The number of units to be granted accreditation shall not exceed the number of units earned, nor exceed the residency requirement of CHED or the school. Unused earned units may be credited for any free elective subject.

For subjects requiring prerequisite, the grant of advanced credit may be allowed on the prerequisite, upon application of the student on the basis of validating examinations. The required six units of Filipino may be offset by a corresponding number of unused units earned either in the student's country of origin or in the school where presently enrolled. Only units earned by foreign students in the collegiate level shall be given credits. Units earned in terminal/vocational courses and in high school shall not be credited. The CHED will provide the school with comparative

equivalent on foreign educational system as quite for proper evaluation and placement of foreign students.

For foreign students who desire to take up medicine, dentistry, law and other courses where the government, through the CHED, has imposed restrictions in enrollment due to shortage of facilities, they must first have their credentials evaluated by the HEI where they intend to enroll. If the said credentials are in order and the HEI concerned deems the student qualified, the said foreign student shall then present his/her notice of Acceptance (NOA) and other pertinent documents to CHED through the Office of Student Services. If found in order, the CHED shall then issue a certificate of Eligibility for Admission (CEA) in accordance with the provision of Executive Order NO. 188 and other laws, rules and regulations on the matter.

However, HEIs are now authorized to determine the eligibility of students for admission to law, medicine and dentistry courses per CHED Memorandum Order NO. 46s. 1996 provided the following are met and observed:

Law: The applicant-student must be a graduate of a Bachelor's degree and must have earned 18 units of English, 6 units of Mathematics and 18 units of social sciences subjects.

Medicine: The applicant-student must be a graduate of a bachelor's degree and must have earned at least 15 units of biology, 10 units of chemistry, 9 units of mathematics, 5 units of physics and 12 units of social sciences subjects. The applicant must have taken and passed the National Medical Admission Test (NMAT).

Dentistry: The applicant-student must be a graduate of a pre-dentistry course which should include 15 units of English, 3 units of mathematics, 10 units of chemistry, 5 units of botany, 12 units of social sciences subjects, 9 units of Filipino and 3 units of personal and community hygiene.

Establishments of Schools and Branches

Based on the definition given in the Manual of Private Schools and Regulation, a foreign school is an institution duly established and authorized by Philippine Law to operate educational programs which principally adhere to either universally accepted and recognized educational policies and standards of a unique and differentially prescribed system of education of a particular country other than the Philippines.

The Manual allows the establishment of foreign school but it also states that no school may cater exclusively to aliens or that aliens comprise more than 1/3 of the school's enrollment. This prohibition is based on the constitutional provision which Filipinizes not only the ownership, proprietary control and academic administration but also student population. However, the Constitution provides for two exceptions:

- (1) Those schools established for foreign diplomatic personnel and their dependents; and
- (2) Those schools provided for other temporary residents, unless otherwise provided by Law

The first exception may not be repealed by legislation whereas the second may be repealed. Schools exclusively maintained by foreigners for their own nationals which discriminate against Filipinos are not allowed in this country because such schools "feed divisiveness, bigotry, prejudice and exclusiveness."

CHED Memorandum No.01 series of 2000 states that on a case to case basis, and consistent with national and economic development policies, it may authorize the establishment and operation of an educational institution with foreign equity in special economic zones to ensure that all services shall be available to foreign investors and their dependents in the said special economic zone. Appropriate procedures and clearances to be obtained from the CHED and SEC shall be followed by the foreign university establishing its branch in the Philippines in consortium with a local university. It is expected that the two contracting parties shall accord mutual help for each other in everything that may be needed in this endeavor and shall develop a special agreement in accordance with the laws and regulations of each country.

Qualification Requirements for Foreign Students

To be eligible for admission to a college course, applicants must be graduates of a DECS-approved secondary course. Applicants who do not possess this qualification are not eligible for admission to any college course.

Private schools should publish their standards, requirements, and regulations for admission in the school prospectus or other written materials for the information of applicants. Graduates of foreign high schools who did not entirely satisfy the specific requirements of certain college courses could be admitted into college, but with an entrance deficiency which has to be corrected during their freshman year. This could be done only by taking and passing all of the regular courses offered in that year. If they failed to remove the deficiency before the opening of the second year, their sophomore load would be reduced accordingly. Foreign students who have not

graduated from high school but have completed at least 11 curriculum years in elementary and secondary education in other countries may, at the discretion of the admitting school, be accepted into college courses. The Philippine basic education generally consists of only 10 years of schooling—6 years of elementary and 4 years of high school. Hence, a foreign student who has finished his 11th year of basic education in another country is qualified to enter a Philippine college.

Tuition Fees for Foreign Students

The current deregulation policy on tuition and other standard school fee charges in HEIs is based on the provisions of Batas Pambansa 232, specifically Sec.42 Chapter 5 thereof, which states that “Each private school shall determine its rate of tuition and other school fee or charges. The rate and charges adapted pursuant to this provision shall be collectible and their application or use authorized, subject to rules and regulations promulgated by MECS (now CHED).”

The CHED upon its creation by virtue of RA 7722 in 1994, continued to implement the deregulation of tuition and other standard school fee charges coming up with CMO Nos. 03 and 16 s. 1997 later superseded by CMO 13 s. 1998, outlining the guidelines and procedures to be followed by HEIs intending to increase tuition fees (see attached CMO No.13 series of 1998).

As of June 15, 2000, a total of 420 private HEIs applied for tuition fee increases, representing about 36% of the 1,167 all over the country. Increases averaged from a low of 10% (Region 11), to a high of 17% (Region VIII and XI) for a national average of 13%. The National Capital Region (NCR) recorded the most number with 77 HEIs, out of its 224, accounting for about 18.33 of the national total with an average increase of 11%.

As far as foreign students are concerned, there are no existing rules and regulations regarding how much tuition fee a school should charge foreign students. It has been a practice that foreign students are charged the same fees with that of local students. However, additional charges termed as developmental fund or foreign students fund are charged to foreign students. The respective institutions are given leeway on which fees to charge.

THE PROFESSIONAL REGULATION COMMISSION (PRC)

Legal Basis

The Professional Regulation Commission (PRC) is a government agency under the Office of the President charged with the regulation and supervision of

various professions under its jurisdiction. It was created by Presidential Decree No. 223 in June 22, 1973 and empowered to implement various laws and policies of the government including the technical and ethical standards governing the practice of professions. In December 5, 2000, the Professional Regulation Commission Modernization Act of 2000 (RA8981) was signed into law and repealed the various laws defining the legal basis of the PRC.

In previous years, the practice of various professions was under the supervision of the Office of the Boards of Examiners. However it was misconstrued as nothing but an examination unit. Considering that all professional laws creating the various boards have empowered the boards with the supervision and regulation of professional practice in the Philippines, such power, however, was not clearly known to all. Seeing the need to enforce the laws regulating the various professions, the PRC was created to administer, implement, coordinate and supervise the various boards of examiners.

Laws Governing the Practice of Various Profession

As mentioned earlier, the practice of profession is governed by various legislation implemented by boards composed of practicing professionals in the field and subject to the supervision of the PRC. The following is an enumeration of the various boards governing the practice of professions and their respective laws that define the scope of the regulated profession.

The Board of Aeronautical Engineering under supervision of the PRC is in charge with the licensing and regulation of the aeronautical engineering profession. The practice of the profession is regulated by law as defined by Republic Act 1570 otherwise known as the “Philippine Aeronautical Engineering Decree”.

The Board of Agricultural Engineering under the supervision of the PRC is in charge with the licensing and regulation of the agricultural engineering profession. The practice of the profession is regulated by law as defined by Republic Act 3927 otherwise known as the “Philippine Agricultural Engineering Law”.

The Board for Naval Architecture and Marine Engineering under the PRC is in charge with the licensing and regulation of the naval architecture and marine engineering profession. The practice of the profession is regulated by law as defined in Republic Act 4565, otherwise known as “An Act To Regulate The Practice Of Naval Architecture And Marine Engineering In The Philippines”.

The Board of Chemical Engineering under the PRC is in charge with the licensing and regulation of the chemical engineering profession. The practice of the

profession is regulated by law as defined in Republic Act 318, otherwise known as the "Chemical Engineering Law".

The Board of Civil Engineering under the PRC is in charge with the licensing and regulation of the civil engineering profession. The practice of the profession is regulated by law as defined in Republic Act 1582, otherwise known as "Civil Engineering Law " .

The Board of Electronics and Communications Engineering under the PRC is in charge with the licensing and regulation of the electronics and communications engineering profession. The practice of the profession is regulated by law as defined in Republic Act 5734, otherwise known as "The Electronics and Communications Engineering Act of the Philippines".

The Board of Geodetic Engineering under the PRC is in charge with the licensing and regulation of the geodetic engineering profession. The practice of the profession is regulated by law as defined in Republic Act 4374, otherwise known as the "Geodetic Engineering Law".

The Board of Mechanical Engineering under the PRC is in charge with the licensing and regulation of the mechanical engineering profession. The practice of the profession is regulated by law as defined in Republic Act 8495, otherwise known as the "Philippine Mechanical Engineering Act of 1998".

The Board of Mining Engineering under PRC is in charge with the licensing and regulation of the mining engineering profession. The practice of the profession is regulated by law as defined in Republic Act 4274, otherwise known as the "Mining Engineering Law of the Philippines".

The Board of Accountancy under the PRC is in charge with the licensing and regulation of the accountancy profession. The practice of the profession is law as defined in Republic Act 692, otherwise known as "The Revised Accountancy Law".

The Board of Architecture under the PRC is in charge with the licensing and regulation of the architecture profession. The practice of the profession is regulated by law as defined in Republic Act 545, otherwise known as "An Act to Regulate the Practice of Architecture in the Philippines".

The Board of Criminology under the PRC is in charge with the licensing and regulation of the criminology profession. The practice of the profession is regulated by law as defined in Republic Act 6506, otherwise known as "An Act Creating the Board of Examiners for Criminologists in the Philippines and for Other Purposes".

The Board of Dentistry under the PRC is in charge with the licensing and regulation of the dentistry profession. The practice of the profession is regulated by law as defined in Republic Act 4419, otherwise known as “An Act to Regulate the Practice of Dentistry in the Philippines and for Other Purposes.”

The Board of Forester under the PRC is in charge with the licensing and regulation of the practice of forestry. It is regulated by law as defined in Republic Act 6239, otherwise known as “An Act to Regulate the Practice of Forestry in the Philippines”.

The Board of Geology under the PRC is in charge with the licensing and regulation of the geology profession. The practice of the profession is regulated by law as defined in Republic Act 6239, otherwise known as “An Act to Regulate the Practice of Geology in the Philippines and to Provide for Licensing and Registration of Geologist”.

The Board for Librarians under the PRC is in charge with the licensing and regulation of the practice of librarianship. The practice of the profession is regulated by law as defined in Republic Act 6966, otherwise known as “An Act to Regulate the Practice of Librarianship and Prescribing the Qualifications of Librarians.”

The Board of Master Plumbers under the PRC is in charge with the licensing and regulation of the plumbing profession. The practice of the profession is regulated by law as defined in Republic Act 1378, otherwise known as “An Act to Regulate the Trade of Master Plumbers”.

The Board of Medical Technology under the PRC is in charge with the licensing and regulation of the medical technology profession. The practice of the profession is regulated by law as defined in Republic Act 5527, otherwise known as “An Act Requiring the Registration of Medical Technologist, Defining their Practice and for Other Purposes”.

The Board of Medicine under the PRC is in charge with the licensing and regulation of the medical profession. The practice of the profession is regulated by law as defined in Republic Act 2382, otherwise known as “The Medical Act of 1959.”

The Board of Midwifery under the PRC is in charge with the licensing and regulation of the midwifery profession. The practice of the profession is regulated by law as defined in Republic Act 7392, otherwise known as “An Act Revising Republic Act 2644, as Amended”, otherwise known as the “Philippine Midwifery Act”.

The Board of Nursing under the PRC is in charge with the licensing and regulation of the nursing profession. The practice of the profession is regulated by law as defined in Republic Act 7392, otherwise known as “An Act Regulating the Practice of Nursing in the Philippines”.

The Board of Optometry under the PRC is in charge with the licensing and regulation of the optometry profession. The practice of the profession is regulated by law as defined in “Revised Optometry Law of 1995”.

The Board of Pharmacy under the PRC is in charge with the licensing and regulation of the practice of pharmacy. The practice of the profession is regulated by law as defined in Republic Act 5921, otherwise known as “An Act Regulating the Practice of Pharmacy and Setting Standards of Pharmaceutical Education in the Philippines and for Other Purposes”.

The Board for Professional Teachers under the PRC is in charge with the licensing and regulation of the teaching profession. The practice of teaching in elementary and secondary schools regulated by law as defined in Republic Act 7836, otherwise known as “An Act to Strengthen the Regulation and Supervision of the Practice of Teaching in the Philippines and Prescribing a Licensure Examination for Teachers and Other Purposes.”

The Board of Veterinary Medicine under the PRC is in charge with the licensing and regulation of the practice of veterinary medicine. The practice of the profession is regulated by law as defined in Republic Act 382, otherwise known as “An Act to Regulate the Practice of Veterinary Medicine”.

The legal profession on the other hand is not under the supervision of the Professional Regulation Commission. The licensing and regulation of the legal profession is under the Supreme Court of the Philippines.

Powers and Functions of the Professional Regulation Commission (PRC)

Pursuant to its mandate, the PRC carries out regulatory, licensing, and supervisory functions. As such, it formulates, prescribes and promulgates policies, rules and regulations, and standards relative to the admission and practice of professionals. It also administers the licensure examinations for professional practice in cooperation with the various Professional Regulatory Boards (PRBs). After the licensure examination, the PRC issues certificates of registration to the new professionals. Then renewal of professional licenses is another function performed

by PRC in conjunction with PRBs. To ensure compliance and professional standards, it conducts periodic inspection of establishments with the cooperation of the PRBs. To assure the global competitiveness and excellence of Filipino professionals, the Commission, in previous years, has enforced compliance with the continuing professional education (CPE) requirements. As a quasi-judicial body, it investigates and adjudicates complaints and cases against professionals.

With the passage of the PRC Modernization Act of 2000, additional powers and functions were granted to the Commission. It can require an examinee, who has failed three times to pass the licensure examination, to take refresher courses. It is also required to provide schools offering courses for licensure examinations with copies of sample test questions on examinations recently conducted by the Commission within six months from the release of the examination results. It has to monitor the performance of schools in licensure examinations by publishing the results of their performance. In addition, the PRC has to adopt and institute a comprehensive rating system for schools on the overall performance of their graduates in licensure examinations. The PRC Modernization Act of 2000 has also repealed the mandatory requirement of continuing professional education (CPE) for the renewal of professional licenses.

Under the direct supervision of the Commission are 38 Professional Regulatory Boards and two Specialty Boards that exercise administrative, quasi-legislative, and quasi-judicial powers over their respective professions. The 40 PRBs which are created by separate enabling laws, perform the following functions subject to review and approval by the Commission.

- Regulate the practice of professions;
- Monitor the conditions affecting the practice of the profession;
- Recommend the registration of a foreign professional without examination subject to certain conditions;
- Recommend the issuance of certificate of registration/license or special temporary permit to foreign professionals subject to certain conditions ;
- Prepare the contents of licensure examinations;
- Score and rate the examination papers of licensure examinations;
- Subject to the approval of the Commission, determine the appropriate passing average rating in licensure examinations;
- Determine, prescribe, and revise the course requirements;
- Visit/inspect schools and establishments for feedback;
- Adopt and enforce a Code of Ethics for the practice of their respective professions;
- Administer oaths and issue Certificate of Registration;

- Investigate violations of set professional standards and adjudicate administrative and other cases against erring registrants; and
- Suspend, revoke, or reissue Certificate of Registration for causes provided by law.

Rules on the Entry of Foreign Professionals

Services provided by accountants, engineers and architects are but some of the fastest-growing sectors in different economies, but the international flow of these professional services remain restricted by a complex set of rules on domestic regulation. In the Philippines, the entry and stay of foreign professionals are subject to rigid control and restrictions. These restrictions can be gleaned from the various laws that are being enforced to see to it that entry of foreign professionals is well regulated.

For example, Article XII, Section 14 of the Philippine Constitution provides that the “practice of profession in the Philippines shall be limited to Filipino citizens, save in cases prescribed by law.” A profession as defined is a “calling which requires the passing of an appropriate government board or bar examination such as the practice of law, medicine, public accountancy, engineering, and others.” This privilege to practice a profession as enshrined in our Constitution is limited only to Filipino citizens. This, however, is not an absolute rule since laws regulating various professions allow certain exceptions. Thus, pursuant to a treaty, or on grounds of reciprocity, or with respect only to certain professions such as medicine, or in favor of a particular foreigner for special reasons, foreigners may be allowed to practice in the Philippines.

This Constitutional mandate is, in turn, used as basis in various legislation regulating the practice of professions as well as in Article 40 of the Labor Code of the Philippines. The pertinent provision of the Labor Code states that “any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment. The employment permit may be issued to a non resident alien or to the applicant employer after a determination of the nonavailability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired.”

Although entry of foreign professionals is allowed, it is subject to a rigid labor demand test. This test maintains a very strong preference towards the hiring of Filipino professionals. As long as there is an available Filipino professional who can render the services required, entry of a foreign professional will not be allowed. After passing the labor market test, a foreign professional has to fulfill the provision of RA 5181 that

requires three years of residence in the Philippines before he can practice his profession.

This Constitutional restriction on the entry of foreign professionals can be evaluated either on the basis of public interest or the country's economic philosophy. On the basis of public interest, only persons who have undergone the necessary academic preparation and have passed the appropriate government examination and who possess such other special qualifications prescribed by the government are allowed to practice a profession. Thus, restriction on the unqualified individuals is understandable in order to protect the general public from the ill effects of any malpractice. However, on what grounds of public interest can we exclude foreign professionals to practice domestically if they are allowed to practice in their home territory? If someone is certified not to inflict harm or threaten public interest in his home country why is he suspect to inflict harm in a foreign country? This is only possible if in case the country of citizenship of the foreign professional is at war with the host country. Otherwise, there is no basis for using public interest as a ground for restricting the entry of a foreign professional.

The basis for restriction then will have to be analyzed from the economic philosophy the host country wishes to pursue. There is a strong indication that this is the case since there is a Constitutional provision specifying effective control of the economy by Filipinos. This condition does not only cover economic enterprises but more so the practice of various professions. Although the intention of this Constitutional mandate is to inculcate the value of patronizing the services of local professionals to assist in their own development and at the same time save on foreign currency, it has the effect of promoting protectionism.

This economic philosophy of protecting local professionals may have in fact hindered the development of professions in the country and has affected the quality of service. Unless we have a superior technology over other nations, one can question the use of nationality differences to determine the quality of service delivery.

Regulations on Recognition

If nationality is not the crucial issue in restricting the entry of foreign professionals, then public interest demands that some forms of recognition be bestowed to qualified and certified foreign professionals. As it is, there is no absolute prohibition or restriction on foreigners who intend to practice their professions in the Philippines. Although our domestic regulations are indeed restrictive, they allow for certain exceptions. A mechanism is provided for that allows foreigners to practice their professions. This route is found in one of the powers of PRC under Section 7 (j) of RA 8981 or The PRC Modernization Act of 2000:

Upon recommendation of the Professional Regulatory Board concerned, to approve the registration of and authorize the issuance of a certificate of registration/license and professional identification card with or without examination to a foreigner who is registered under the laws of his state or country and whose certificate of registration issued therein has not been suspended or revoked: Provided, That the requirements for the registration or licensing in said foreign state or country are substantially the same as those required and contemplated by the laws of the Philippines and that the laws of such foreign country or state allow the citizens of the Philippines to practice the profession on the same basis and grant the same privileges as those enjoyed by the subjects or citizens of such foreign state or country: Provided, further, That the Commission may, upon the recommendation of the Board concerned, authorize the issuance of a certificate of registration/license or a special temporary permit to foreign professionals who desire to practice their professions in the country under reciprocity and other international agreements; consultants in foreign-funded, joint venture or foreign-assisted projects of the government, employees of Philippine or foreign private firms or institutions pursuant to law, or health professionals engaged in humanitarian mission for a limited period of time: Provided, finally, That agencies, organizations or individuals, whether public or private, who secure the services of a foreign professional authorized by law to practice in the Philippines for reasons aforementioned, shall be responsible for securing a special permit from the Professional Regulation Commission (PRC) and the Department of Labor and Employment (DOLE) pursuant to PRC and DOLE rules.

Based on the new law, foreign professionals are not granted unconditional access in our country. The conditions for granting recognition for a foreigner to practice his profession in the Philippines are as follows: similarity in the educational and licensing requirements in other countries, reciprocity and international agreements. Under PD 223, however, international prominence was another condition allowed for foreign professionals to practice in the country. This deleted condition in RA 8981 in fact overrules the other conditions as the test for recognition. In particular the pertinent deleted provision states that “the Commission may, upon recommendation of the Board concerned, and approval of the President, authorize the issuance of a certificate of registration to any foreigner, without examination or a temporary special permit to practice the profession regardless of whether or not reciprocity exists in the practice of his profession between his country and the

Philippines and under such conditions as may be determined by the Commission, if such foreigner is internationally known to be an outstanding expert in his chosen profession or a well known specialist in any of its branches, and that his services are urgently necessary for lack or inadequacy of local experts or if his services will promote the advancement of the profession in the Philippines." (Section 5 (j) PD 223)

This deleted provision was previously seen as an avenue that will facilitate country's move towards mutual recognition agreements with other countries in the region without violating our laws. However, there is something subjective in these decisions to grant recognition. They have to be decided by the appropriate Professional Regulatory Board. A lenient board, for example, may allow the free entry and recognition of foreign professionals to practice domestically. However, a board composed of professionals who are protective of their interests, may deny recognition, even if the condition of international prominence, reciprocity and similarity in educational and licensing requirements are fulfilled. Although this provision is a ground for opening up, it is subject to personal interpretation and is meant as an exception rather than the rule. If the recognition of all foreign professionals has to go through the process and final approval by the President to practice and recognize, the intention of the law is really to limit the entry of foreign professionals.

However, the deletion of this important condition under RA 8981 may further restrict the entry of foreign professionals into the country. The universities and research institutions may be adversely affected by the removal this condition for entry. If in the past, it was difficult to enter, now the entry of distinguished professionals is not even allowed.

In addition, one of the key changes in the PRC Modernization Act of 2000 (RA8981) is the removal of the mandatory requirement of continuing professional education (CPE) for the renewal of a professional license. Although CPE is considered as an integral component of programs on quality assurance that would facilitate the movement of professionals internationally, this dimension has been overlooked during the discussions in the formulation of RA 8981. The contentious issues during the deliberations of the new law were focused on the abuses in the provision of CPE and the selection of CPE providers. CPE as practiced in this country has become too commercialized and has deviated from its real objective of professional updating towards maintaining the quality of professionals for global competition. Moreover, the problem of selecting and accrediting CPE providers turns into a turf war among competing professional organizations. Instead of competing in terms of the quality of providing CPE services, some have gone to the extent of questioning their competitors' existence in courts. Because of this pressing domestic problem, our legislators as well as professional organizations failed to

recognize that CPE is an integral part of the disciplines in the regulation of professions consistent with the provisions of the GATS.

Because of the removal of this requirement, the only determinant of professional competence to practice in this country is based on a single examination. However, international standards on the practice of professions go beyond the initial licensure examination. Other succeeding activities and measures of professional growth and advancement should also be included. Here, meaningful experience and continuing professional education become very critical components of the quality and competence of the professionals. Thus, the removal of this mandatory requirement was indeed a disservice to our professionals and may threaten our initial commitments with GATS.

In the light of the removal of CPE as a mandatory requirement, several options may be implemented. A system of accreditation and promotion in the professional ranks may be instituted by professional organizations. Elevation to ranks may require more competencies as evidenced by acceptable outputs. In addition, linking the development of research and graduate education to HEIs, on one hand, and the improvement of CPE programs, on the other hand, can also be explored. Another avenue is to adopt the best practices of the private sector in conducting CPE programs for their employees. Moreover, the program of giving awards for best technical papers, research and outstanding young scientists can be integrated with the current practice of PRC and various professional organizations in giving outstanding professional awards (Tullao 1999).

Regulations on Registration

In our economy registration or licensing of professionals usually requires compliance with certain standards. To be registered as a professional in our country, membership in a professional body is not required. However, prospective applicants must pass the examination given by the appropriate Professional Regulatory Board and meet the requirements of prescribed laws governing professional practice and other laws pertaining to their profession. No certificate of registration shall be issued to any candidate convicted of any offense involving moral turpitude, or found guilty of immoral or dishonorable conduct, and candidate of unsound mind by a court of competent jurisdiction. However for reason of equity and justice, the Commission may issue a certificate of registration upon recommendation of the Board. But this can only be done after the lapse of two years. The certificate of registration shall show the full name of the registrant and a serial number and shall be signed by all the Members of the Board and the Chairman of the Commission.

Taking a professional oath in the form prescribed by the Commission before any person authorized to administer the same is also required. In addition to this, a

successful examinee is required to pay the registration fee as provided for by Law. This annual registration fee shall be charged to every practicing professional. Failure to pay this fee for five continuous years shall be sufficient cause for the suspension of his registration certificate. The license shall be valid for three years. Under the RA 8981, the previous compliance with the CPE program for the renewal of certificate of registration has been removed as a requirement.

Limitations and Restrictions on Practice

A survey of the laws governing various professions would indicate the presence of specific provisions limiting and imposing restrictions on the practice of professions. The most common limitation specified in the laws governing the practice of a profession is the absence of a valid certificate of registration that would be the evidence of the person's capacity to render professional services. Without such valid certificate of registration no one is legally allowed to practice. For example, Section 25 of PD 692 provides that "xxx all partners of a partnership organized for the practice of public accountancy shall be registered public accountants in the Philippines. The Commissioner of the Securities and Exchange Commission shall not register any corporation organized for the practice of public accountancy."

On the other hand, Section 13 of RA 545 provides that "Unless exempt from registration, no person shall practice or offer to practice architecture in the Philippines without having previously obtained a certificate of registration from the Board of Examiners for Architects. It shall be unlawful for any architect, to seek to avoid the provisions of this act by the use of any other than the title "architect" and no person shall practice architecture in this country, or present themselves as qualified for such practice, unless and until they have qualified and been registered as provided in this act."

A similar provision can be found in Section 11 of RA 318 wherein it provide that "unless exempt from registration, no person shall practice or offer to practice chemical engineering in the Philippines as defined in the Act without having previously obtained a certificate of registration from the Board of Examiners for Chemical Engineers created under this act."

Section 28 of PD 1570 considers it unlawful for any person to practice or offer to practice aeronautical engineering, or use the title aeronautical engineer, or use any word, figure or letter or sign, that would convey he is an aeronautical engineer, if he was not able to obtain a valid certificate of registration. Further, any firm or company engage in designing, planning, construction, installation, alteration, manufacture or marketing of any aircraft and its components, accessories, instruments,

equipment and supply without the certification, supervision or guidance of an aeronautical engineer.

These provisions are meant to define the meaning and application of a professional. This is not meant to exclude foreigners but covers the citizens of the country who are not licensed to practice the profession. Here, public interest is the basis for the exclusivity of the profession.

Another restrictive provision on the practice of the profession is the requirement that only licensed and registered professionals can teach subjects for licensure examinations. Under Section 11 of RA 8981, "all subjects for licensure examinations shall be taught by persons who are holders of valid certificates of registration and valid professional licenses of the profession and who comply with the other requirements of the CHED."

This provision has been questioned not only on its restrictive effects but its impact on the development of higher education. For example, a doctoral degree holder in mathematics cannot teach mathematics for engineering students because mathematics is a subject covered in licensure examination. In the same light, who is better prepared to teach auditing or accounting, a non-CPA but with a Ph.D in accountancy or a graduate of BSA with a professional license in public accounting?

Rules on Advertising

A perusal of the various laws governing the practice of professions reveals that there are certain laws that in specify in detail the restrictions on advertising. However, similar provisions cannot be found in the laws governing other professions. Section 10, of the Code of Ethics for Accountancy provides "that a CPA shall not advertise, or cause or allow to be advertised, his professional attainment or services except in stating qualifications in applications for employment. However, publication of authorship of book, technical reports and studies lectures or papers delivered in conferences and seminars and similar activities which are beneficial to the profession as a whole are not considered advertising."

Section 20 of the Code of Ethics for Dentist, provides more detailed and specific prohibitions and restrictions on advertising. The dentist or the dental clinic is not allowed to have more than one window or building sign per exposure. The letters in the sign should not be more than 8 cm. by 8 cm. in size and it should show only the name of the dentist, the term dentist or dentistry. Terms such as "X-ray", "Gas", "Air -abrasive", "dental laboratory," "Air-conditioned", or any technical term must not appear in the card, stationeries, office doors and signboards of the dentist. He may use professional cards to identify himself but the card must be of traditional type and size.

There are also restrictions on advertising imposed on Architects in the practice of their profession. An architect is not allowed to use paid advertisement nor use self-laudatory, exaggerated or misleading publicity. However, the presentation of factual materials, verbal or visual of the aims, standards and progress of the profession through literature or by industrious application of his work or services which tend to dignify the professional or advance public knowledge of the architect's function in society may be presented through any public communication media. The architect shall not mislead the public through advertisement, signs or printed matter citing his professional specialization unless such qualifications are well-known facts or sanctioned by professional consensus and years of experience.

In the field of engineering, restrictions on advertising focus mostly on restrictions against self laudation. There is no restriction on advertising for an agricultural engineer. However, a chemical engineer shall not indulge in self laudatory advertisement or make exaggerated, untrue, or misleading statements in media or any public forum. On the other hand, civil engineers and mechanical engineers are prohibited to advertise in self-laudatory language, or in any other manner derogatory to the dignity of the profession. For an electrical engineer, he is required to advertise only his work or merit in simple manner and avoid any practice that will discredit or do injury to the dignity and honor of his profession. There is a prohibition against self laudation in advertisement and making false statements with respect to his/her qualifications and experience. The mining engineer may publish or disseminate professional calling cards or advertise his/her expertise provided that the content and information are true and not exaggerated. For geodetic, metallurgical electronics and communication engineers the law is silent as far as restrictions on advertising is concerned.

Although the reasons cited for regulating advertisement for professionals may be reasonable since they prohibit self-laudatory, untrue, derogatory and misleading information, this should not be interpreted as a general prohibition on advertising. Even in other countries, the ethics on advertising for professionals has been revised to exclude false advertising. But since advertising is a form of disclosure it can enhance information being relayed to potential clients. Thus, advertising should be treated as a means of addressing asymmetries in information between the customers and the professional service providers that lead to the formation of the right decision for the clients. But since everyone is free to organize and present this information to the public, it can lead to false advertising. What can be done by the PRC and PRBs is to present to the professionals a template of what information they should disclose to the public instead of focusing on the various limitations for advertising. In this way, every one is required to disclose the same information that

would benefit the consumers without the unnecessary derogatory and false information that may threaten the dignity of the profession.

REGULATORY FUNCTIONS OF CHED AND PRC AND GATS PRINCIPLES ON DOMESTIC REGULATION

Framework in Domestic Regulation in the GATS and the Disciplines on the Practice of Professions

The framework on domestic regulation in the GATS operates mainly on three principles: "... each member shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective, and impartial manner" (Art VI:1). The extent at which domestic regulation is pursued extends to cover professional services. At its core, Article VI lays down guidelines on licensing requirements, procedures and technical standards to be adopted by members and enforced on foreign service providers which should be based according to Art VI: 4 on objective and transparent data. Procedures set should not be more burdensome than necessary to meet regulatory objectives and licensing requirements/procedures should not in themselves constitute as barriers in the practice of professions. The establishment of domestic regulations as provided for in the GATS ensures each member that transborder trade in services will be as less restrictive as possible, while observing transparent and nondiscriminatory standards.

Regulation on the practice of professions facilitates the removal of market inefficiencies and seeks to lessen social costs of consumers by minimizing risks posed by foreign service providers. Risks are minimized through licensing procedures, requirements and technical standards set by local authorities, all of which should be consistent with GATS provisions on domestic regulations (Art VI, GATS). These standards ensure the quality of service and professional competence of foreign providers.

Comparative Analysis

Congruence and Differences on the Practice of Domestic Regulation on Educational Services and Professional Services with the Criteria Set by GATS

The Working Party on Professional Services (recently replaced by the Working Party on Domestic Regulation through the Decision on Domestic Regulation adopted by the Council for Trade in Services last April 26, 1999) has so far covered only the accountancy sector in terms of forming sectoral disciplines for each profession. The following analyses of congruence and differences on the practice of domestic

regulation on educational services and professional services and the criteria set by the GATS are based on the general provisions of Article VI of the GATS.

On Article VI:2, “Each member shall maintain or institute as soon as practicable, judicial, arbitral or administrative tribunals or procedures which provide, at the request of an affected service supplier, for the prompt review of, and where justified, appropriate remedies firm administrative decisions affecting trade in services.” If we apply this provision on educational services, parallel bodies are established in educational institutions and they are unique for each institution. Schools that are authorized by CHED to admit foreign students are required to establish a Foreign Students’ Unit within their organization. This unit is the one coordinating with various government agencies involved in the processing of the application of a foreign student. In addition, the CHED is empowered to approve the establishment and operation of educational institutions with foreign equity.

For professional services, on the other hand, part of the powers and functions of the various professional regulatory boards together with the PRC are congruent with the provision of this article (Sec. 9, RA 8981). Moreover, administrative investigation that may affect the practice of the profession services are carried out by the relevant professional regulatory board.

Article VI:3 states that “where authorization is required for the supply of a service on which a specific commitment has been made, the competent authorities of a member shall, within a reasonable period of time after the submission of an application is considered complete under domestic laws and regulations, inform the applicant of the decision concerning the application.” We observe a matching of the current practice affecting the entry of foreign students with the spirit of this provision. For example, graduates of foreign schools who did not entirely satisfy the specific requirements of certain college courses could be admitted into college but with an entrance deficiency that has to be corrected during the students’ freshmen year. This could be done while taking and passing all of the regular courses offered in that year. If they failed to remove the deficiency before the opening of the second year, their sophomore load will be reduced accordingly. For professional services, this provision can be compared with the rules and regulations governing the practice of professionals. For establishment and operation of educational institutions with foreign equity, appropriate procedures and clearances should be followed and secured by the foreign university and its local partner from CHED and SEC.

Article VI:4 of the GATS defines the commitments relating to the qualification requirements and procedures, technical standards and licensing requirements. They must be “a) based on objective and transparent criteria, such as competence and the ability to supply the service; b) not more burdensome than necessary to ensure the

quality of the service and c) in the case of licensing procedures, not in themselves a restriction on the supply of the service.”

We see the similarity of this provision with the requirements set in admitting foreign students. For example, foreign students who have not graduated from high school but have completed at least 11 curriculum years in elementary and secondary education in other countries may, at the discretion of the admitting school be accepted into college courses. The CHED will provide the school a comparative equivalent on foreign education systems as basis for proper education and placements of foreign students. There are no existing rules and regulations regarding how much tuition fee a school should charge foreign students.

A major difference is observed in the provision of Article VI:4 and rules governing the employment of foreigners in educational and professional services. According to the labor market test, employment of a foreign professional will be allowed only after the determination of non availability of a person in the Philippines who is competent, able and willing at time or application to perform the services for which the alien is desired.

Regulatory Powers of CHED and PRC and their Impact on Trade in Services

Based on the similarities and differences presented in the previous section, the regulatory powers of CHED and PRC may prevent the entry of foreign professionals.

The labor market test under the Labor Code is one of the main barriers for trade in services. This law especially poses trade restrictions in the education sector, where foreign professionals may only be allowed to teach in the absence of any other Filipino competent enough to teach the subject where the foreigner specializes in. In addition, the foreign reciprocity rule requires that the country where the foreigner came from must apply the same principle or standard for the entry of Filipino professionals. This restriction can serve, to some extent, a factor contributing to the deterioration of the quality of education provided here in the Philippines. In fact, as mentioned earlier, the deletion of “international prominence” as a condition for entry of foreign professionals under RA 8981 may also adversely affect the development of higher education in the country.

Allowing foreign professors to teach here in the Philippines should be looked upon as an opportunity rather than as a disadvantage to local professionals in the academe. Given the state of higher education in the Philippines and the quality of instruction and research, their talents can serve as resources, which can be tapped for the development of graduate education as well as the expansion of research activities in many educational institutions. Foreign professors, in the first place, cannot be viewed as displacing the domestic professors since the compensation package and

the teaching conditions are enough disincentives for the foreigner to come and teach in the country. But barring professionals from entry even if they are willing to take the compensation package is a disservice to the development of the educational system.

Moreover, the restriction posed by the labor market test and the foreign reciprocity requirement creates a major challenge for the country's effort in establishing a more conducive environment for foreign investment. How can the Philippines attract foreign companies to do business in our country if there are restrictions in the entry of professionals needed for these businesses? We know that the quality of professionals, both domestic and foreign, is a major ingredient for success of any foreign investment in the country. However, this concern has been addressed, to some extent, by RA 8981 by allowing the granting of special temporary permits to foreign professions who are employees of foreign private firms or institutions.

On the other hand, there are those who view the labor market test as a means for the development of Filipino understudies. According to this perspective, foreign professionals will only be allowed to work in the country not only due to the absence of local expertise but also to develop local professionals. Thus, the labor market test should not be seen as a restrictive condition against foreign professionals but as a proactive measure towards the development of Filipino professionals.

Measures for the Development of Higher Education and the Improvement of Global Competitiveness of Filipino Professionals

Measures to Improve the Quality of Filipino Professionals

Enhance the Continuing Professional Education Program

The Continuing Professional Education (CPE) is one of the flagship programs of the Commission aimed at raising and enhancing the professionals' level of competence to ensure their competitiveness anywhere in the world. Under this program, professionals undergo enhancement programs to continually upgrade and update their knowledge; competence and awareness of developments in their respective professions brought about by modernization and advances in technology. There is value in requiring professionals to have continuing education as a process of domestic regulation since this is in line with the protection of consumers and the promotion of public interest.

Although the current implementation of this program has been subject to criticism, the importance of CPE should not be underestimated. Thus, proposals of some sectors to eliminate the CPE program as a precondition for renewal of license

is uncalled for. In fact, the deletion of this requirement under the PRC Modernization Act of 2000 is a wrong move because continuing professional education is one of the pillars of domestic regulation of professionals enshrined under the GATS. What is needed is to restructure the program and its accreditation system towards graduate education, research and inventions away from its current emphasis on attendance to seminars (Tullao 1998).

To make CPE a more relevant program beyond a requirement for the renewal of a professional license, there is a need to empower professional organizations in granting titles and hierarchical ranks to licensed professionals as a way of recognizing their enhanced knowledge, skills and competencies in the profession. Under this scheme, the PRC together with the appropriate professional regulatory board will continue to be in charge of the process of licensing the professional. However, the granting of supplemental or secondary titles beyond what is given in a professional licensure examination should be the responsibility of accredited professional organizations. The practice of various medical associations serves as a good example in recognizing different qualifications of its members by giving titles as fellow, diplomate and others.

Although replication of this practice can be done in other professions, there are some problems regarding its implementation. For example, when there are several professional organizations within a profession, the question of which organization should give accreditation and recognition and which should grant the titles or even give continuing professional education to its members is somewhat controversial. The problem is aggravated when these professional organizations are competing with each other. The title and rank given by one profession may be questioned by the competing organization and may diminish the value of the title and professional rank granted. In addition, there are difficulties in granting differentiated titles based on ranking as compared to titles based on professional specialization.

Enforce Government Regulations on the Working Environment for Professionals

When tough regulations set standards that will spread internationally, they give the nation's professionals a head start in developing services that will be valuable elsewhere. These strict regulations recognize the fact that they will promote competitive advantage by stimulating and upgrading the quality of services provided by professionals. To give value to the professions, the PRC together with the appropriate professional regulatory board can inform the public and the professionals which companies and establishments are complying with the requirements in providing a conducive working environment to the practice of a profession.

Another important task of a regulatory body is the generation and dissemination of information to the public. Instead of being viewed as a protectionist agency shielding Filipino professionals from foreign competition, the PRC can project a truly regulatory body of protecting consumer interest by publishing the leading schools producing the best professionals in various fields. This measure has been integrated in the PRC Modernization Act of 2000. It should also give regular awards to outstanding professionals and cite them for their accomplishments in the development of the profession. Together with the professional regulatory boards, it should encourage the public in investigating malpractice and violations of the code of ethics of professionals.

With the entry of foreign professionals, the PRC should educate the public on consumer education particularly the rights of consumers of professional service and should enjoin professionals to disclose information so that consumers may be guided accordingly. In this light, the PRC together with the professional regulatory boards should review the guidelines in advertising and explore this as an avenue for disclosure.

In an environment of asymmetric information, the role of the PRC is bridge this information gap by requiring professionals to disclose their professional competence aside from the PRC licensure. However such disclosure may violate the Code of Ethics of professionals regarding advertising. Thus, there is a need to review the role of advertising in marketing professional services. Is marketing meant to market the services of a professional that undermines his/her professional stature or is it a legitimate means of disclosing information to the public about the capabilities of a professional?

Focus on the Development of Specialization Among Professionals

Government has critical responsibilities for providing the fundamentals including basic education, national infrastructure, and research in areas of broad national concern. Yet these kinds of generalized efforts produce a not so clear impact on the competitive advantage of professional services. Rather, the factors that translate significant effects on competitive advantage are advanced, specialized, and industry-related initiatives. Mechanisms such as specialized apprenticeship programs, research efforts in universities connected with an industry, trade association activities, and, private investments of companies ultimately create the factors that will yield competitive advantage.

Part of this task of professional improvement and specialization is included in continuing professional education programs particularly research, graduate education and industry linkages. Thus, there is need to emphasize the significant role played by research and graduate education in developing specialized

professionals. Given the potential market for graduate education among the huge number of Filipino professionals, the CPE program can usher the development of graduate studies in various fields in our universities. The tie-up of the development of professionals with the development of HEIs can become an ideal symbiotic relationship. The growth and development of one sector will depend on the other sector. The presence of strong graduate programs in universities is a precondition for the development of our professionals. On the other hand, professionals who are seriously pursuing their continuing education programs towards the development of specialized professionals are major factors for the development of strong graduate programs.

Create Pressures for Innovation

A design that can significantly facilitate the international flow of professional service providers is through mutual recognition arrangement. The discussion towards a mutual recognition arrangement is focused on the details of recognition mechanism, implementation, rules and procedures on licensing and safeguards. But the main concern of local professionals and professional organizations in these discussions is the reality of the benefits liberalization can bring to them as practicing professionals. It has been argued that liberalization can improve the quality of services from accountancy to taxation services but individual professionals are more often than not apprehensive of the free entry of foreign competition.

Firms should seek out pressure and challenge, not avoid them. Part of the strategy is to take advantage of the domestic market to create the impetus for innovation. To do that, firms should establish norms that exceed the toughest regulatory hurdles to stimulate upgrading of skills and productivity among professional employees. In addition, adequate incentive schemes should be developed so as to discourage local professionals to migrate and practice their professions overseas. For example, giving annual awards in recognition for the outstanding performance of professionals should help in institutionalizing this incentive scheme together with the provision of financial resources for research, inventions and other scientific activities of professionals. To do this, there is a need to strengthen the pivotal role played by professional organizations in making professionals more competitive, productive and innovative.

Monetary incentives, good working environment and avenues for professional growth are necessary for professionals to become innovative and key agents of change in the economy. Empowering professionals is another key factor in keeping them in the country and preventing/minimizing migration abroad.

Measures to Improve Higher Education in the Country

Improve the Faculty Qualifications

In the light of the poor qualifications of faculty where only one-third of faculty members possess the minimum requirements to teach, there is a need to have a massive faculty development program to upgrade and retool faculty members in more than 1,300 institutions of higher learning all over the country. This should be a continuous long-term program involving various forms of faculty development programs. The core program should encourage earning of graduate degrees in various fields here and abroad. This measure should be supplemented by attendance in seminars and post-doctoral studies.

There are major obstacles, however, in hurdling this problem. First, financial resources should be available to finance the cost of sending faculty members to graduate schools. It should pay for the explicit direct cost of education as well as the implicit opportunity cost of studying. Second, the supply of quality graduate programs in various fields should be ready to meet the huge demand for faculty development.

However, given that a sizable portion of students are enrolled in private educational institutions relying mostly on student fees for operation, the private schools cannot be expected to finance this ambitious faculty development program. Because of the huge financial constraints, HEIs will have to be supported to some extent by CHED together with a substantial participation by local and international funding agencies in financing this long-term project. In addition, alternative measures of delivering graduate education by the key institutions of higher learning should be explored together with other programs that will yield lower costs and minimum displacement of faculty members.

Expand Research and Improve Graduate Education

Related to the supply constraint mentioned above, there is a need to develop and expand graduate studies beyond programs in education and business. If we have to develop and upgrade our professionals in various fields, all these fields should have excellent quality graduate programs available in the country. Research and graduate education can be improved by limiting graduate education and research to qualified universities through a flagship/consortia system. In addition, financial incentives should be given to centers of excellence on the promotion of research and improvement of graduate education.

Towards this end, CHED's identification and selection of the centers of excellence among HEIs in various disciplines can contribute towards the

enhancement of graduate education in the country. The roles and responsibilities of the identified centers are to meet international academic standards by focusing on research undertakings in order to further update and improve the system. These institutions will be asked to extend their services to other HEIs through technology transfer, industry linkages, sharing of expertise, technical assistance, training and scholarships.

A common concern in graduate school in the Philippines, however, is the length of time to complete a program, the quality and efficiency of academic courses, thesis and research. This problem involves several issues including among others the academic load of faculty members, inadequate support for departmental research teams, underdeveloped culture of mentoring, lack of funds for research and graduate scholarship. Given the complexity of the problem, some leading educators have suggested the formation of consortium agreements and cooperation towards the development of quality graduate programs similar to the experience of the UP Ateneo DLSU consortium in science and math education. In addition, the expertise of foreign experts should also be tapped to assist in improving the quality and efficiency of our graduate programs (Nebres 1998).

Rationalization of Higher Educational Institutions

Currently, there are more than 1,300 higher educational institutions all over the country offering various courses to more than 2 million students. There are some 108 state universities and colleges (SUCs) that eat up more than 75 percent of the public funding to higher education. The huge number of both private and public HEIs, their geographic locations and program offerings have to be rationalized because they contribute to a great extent to the poor quality of higher education in the country.

This issue of poor quality due to the proliferation of programs in an overexpanded tertiary education is being addressed through a moratorium on the establishment of new programs. However, even with this policy prescription, there is a continuous proliferation of HEIs, particularly the conversion of overgrown high schools into state colleges and the conversion of state colleges into state universities.

An alternative avenue in rationalizing the number and spatial distribution of HEIs in the country is through the flagship approach that would identify a university that would be the national leader-institution in a given discipline. Zonal universities, possibly one each in Luzon, Visayas and Mindanao, could be identified and assigned responsibilities for training the prospective scientists and senior experts. Regional universities would be expected to produce professionals in the numbers needed by the region. Provincial institutes would be identified for purposes of training skilled workers.

Improve the Role of CHED in Information Dissemination

As a government body, the CHED can assist in addressing the problem of asymmetric information between graduates of educational institutions and employers. Upon graduation, institutions should confer meaningful degrees and certificates, perhaps including a warranty, on their graduates. Given this, an employer or parent should be able to trust that a degree signifies bona fide intellectual attainment, and students might be willing to pay for education services more than its worth in the marketplace.

To make these credentials meaningful, the CHED using its regulatory power can require each school to adopt a reliable academic assessment system. Some of that assessment should be common across multiple institutions and handled externally, as a kind of academic audit. This would give customers reliable information about the quality, effectiveness, and market value of various campuses, and would help various stakeholders including students, parents, government agencies, funding agencies, foundations and private philanthropists gauge the quality of educational institutions. Given this information, stakeholders can make the appropriate decisions regarding the school. Information dissemination as part of the regulatory functions of CHED is a legitimate one since it addresses the imperfections of the market instead of interfering with the market.

Rationalize the Price of Higher Education

In higher education, more than 80 percent of the students are enrolled in over 1,200 private HEIs charging the full cost of education in their tuition and other fees. There is wide variability in tuition across programs and schools. Almost all private HEIs source their funds for school operations from tuition and other student fees. With limited state support and inadequate external sources of funds, private financing of higher education has been cited as one of the main factors for the low quality of academic programs, lack of research activities, faculty with heavy teaching loads and low faculty compensation in many private educational institutions. In increasing tuition fees, private schools have to make proper consultations with their publics. Seventy percent of the proceeds from the tuition increases are used for salary increases, 20 percent for facilities upgrading, and 10 percent as return on investment for school owners.

In public higher education, the increase in the number of SUCs to 108 has resulted to a significant increase in the budgetary allocation for higher education. More than three-fourths of the government budgetary allocation to higher education goes to the operations of SUCs whose students account for not more than 20 percent of total enrolment in HEIs. The wide variation of the cost per student in many SUCs is a manifestation of the inefficient use of government funds in the delivery

of public higher educational services. In addition, the authority granted to SUCs to establish autonomous branches is another avenue for them to increase their demand for more budgetary allocations and may threaten the viability of existing private educational institutions. For these reasons, there is a need to rationalize the SUCs particularly in the use of limited government funds.

Proposals for the rationalization of SUCs include, among others, a moratorium on the creation and expansion of SUCs, increase the internalization of cost of education except for disadvantaged students, and expansion of the role of local government units (LGUs) in financing and supporting the operations of SUCs. Because of the huge amount of budget given to SUCs and the variability of cost per student across the country, there is a need to rationalize government support to public HEIs taking into account efficiency and equity considerations.

Thus, in order for the students to realize the value of higher education, a move towards internalizing the true cost of higher education should be undertaken. Public sector schools should start implementing full-cost pricing by charging higher tuition fees, and by increasing the responsibility of LGUs in financing SUCs. This prescription is based on the notion that the primary beneficiaries of higher education are the students and therefore they should pay for the internalized benefits. However, deserving and qualified students who cannot afford to pay must be given assistance in the form of scholarships to address the equity issues. However, the socialized scheme of charging tuition fees in many SUCs may not be politically feasible at this point in time except for the University of the Philippines System.

Reforms in the Regulatory Powers of PRC

Based on a policy paper on regulatory reform on professional services, GATS members should reform their rules and practices to increase economic competition in the professions. In particular, governments, especially competition authorities, should rescind or modify regulations that unjustifiably prevent entry and fix prices, and that prohibit truthful, non-deceptive advertising about prices and service offerings.

Member countries should make competition law applicable to professional business services, subject to safeguards to ensure consumer protection. To do this, governments should rescind or modify exemptions for the professions and their regulatory bodies from the generally applicable competition law, consistent with preserving sufficient oversight to ensure adequate quality of service. This may require action from both national and subnational (state and provincial) authorities.

Especially for services to individual clients, consumer protection is still necessary. To achieve it, member countries should develop innovative regulatory

approaches. When they revise restrictions on entry, affiliation, and business from, the regulator should adopt alternative approaches, such as insurance, bonding, client restitution funds, or disciplinary control at the point of original licensing that provide protection while permitting greater competition. Member countries may also consider revising rules that unduly restrict the freedom of professionals to associate with other practitioners and to opt for innovative, more efficient organizational forms.

Advancing the liberalization of international trade and investment in professional services is an important component of regulatory reform. Member countries should implement the policy recommendations reached at the Third OECD Workshop on Professional Services held in February 1997: (a) professional service providers should be free to choose the form of establishment, including incorporation, on a national treatment basis, because alternative measures are available to safeguard personal liability, accountability, and independence of professional service providers; (b) restrictions on partnerships of foreign professionals with locally-licensed professionals should be removed, starting with the restriction on the right to temporary associations for specific projects; (c) restriction on foreign participation in ownership of professional services firms should be reviewed and relaxed, (e) local presence requirements should be reviewed and relaxed subject to availability of professional liability guarantees or other mechanisms for client protection; and (f) national regulatory bodies should cooperate to promote recognition of foreign qualifications and competence and develop arrangements from upholding ethical standards.

Governments should consider developing mutual recognition agreements (MRAs) for various facets of “professional qualifications” such as educational qualifications, competence, and skills. Care must be taken that MRAs do not inhibit procompetitive national reforms by indirectly reinforcing an unsatisfactory status quo. Multilateral consideration could also be given to development and adoption of core requirements regulating access to services and activities, which, if widely used, could increase transparency, reduce user costs, and stimulate competition. The OECD could play a role in these processes.

Reforms in the Regulatory Powers of CHED

Today’s universities have three key missions: generating new knowledge; transferring knowledge to future generations; and serving the needs of industry and the community. However, these missions receive varying emphasis in different types of universities, which in turn influence their impact on local economic development.

Universities are no longer the detached institutions. Instead, they make an active and positive contribution to local economic development both as external income generators and through their contributions to image enhancement, inward investment, spin-out new firm formation, improving the skills base, and technology and nontechnology transfer as well as the quality of life through their social and cultural provision. The problem, however, is that aspect of the external and internal policy environments within which universities operate that mitigate against closer links being forged whither one locates. The challenge facing universities is to transcend to the notion that they must either 'think globally' or 'act locally' and to develop new ways in which they can do both. Unless this is achieved, they will be unable to retain their three key missions of generating new knowledge, transferring knowledge and serving their local community, and will under-perform as catalysts for local economic development.

With globalization as a backdrop, CHED should not focus on establishing regulatory policies that are restrictive in nature, but rather, more on developmental policies that can enhance the competitiveness of Filipino students when they become professionals. In addition, CHED can assist in the transformation of Philippine universities into leading institutions of higher learning in the region.

The CHED, for example, should monitor colleges and universities in the various professional fields. This can be made possible through the help of the different regulatory boards who will be responsible for proper accreditation of these different HEIs. If financial support cannot be given to universities in the light of budget constraints, the CHED can protect the various stakeholders of education by disseminating information regarding the status of schools on compliance with minimum standards of teaching, facilities and other educational inputs. Disclosure of such compliance serves two purposes. On one hand, it serves as a protection for students and their parents and on the other hand, it motivates and pressures educational institutions to improve.

More and more, CHED is veering away from its regulatory image and moving towards implementing its developmental role as envisioned by the Higher Education Act of 1994. It has organized technical panels that assist the Commission in the review, revision and improvement of curriculum in various disciplines. At a lower level, the approval of academic degree programs is granted upon the recommendation of a Quality Assurance Team composed of experts in the field drawn from the both public and private HEIs.

The role of CHED is to set standards. Although it cannot close down schools, it can however, close down academic programs that do not meet the minimum requirements set by the Commission. The key officials of CHED do recognize the importance of its developmental function. However, other personnel both in the

central and regional offices do not share the same view. It should be noted that over 95 percent of CHED personnel were drawn from the erstwhile Bureau of Higher Education of DECS where the regulatory functions of a government agency was stressed. This is being changed, albeit slowly, through the process of recruitment and human resource development.

The task of the central office is to set standards through the cooperation of various technical panels. It delegates the major tasks of implementation of these standards to the regions. For example, the implementation of the scholarship program has been decentralized using accredited institutions in identifying the potential scholars. Another area where CHED can relax or even remove its rule is the issuance of SO (Special Order) to students who have finished an academic degree as a requirement for graduation.

Another aspect of improving quality through setting of standards is the role of accreditation. Although accreditation is voluntary on the part of HEIs, CHED encourages institutions to undergo accreditation process undertaken by various agencies under the umbrella group of the Federation of Accrediting Agencies of the Philippines (FAAP). Accreditation is an important factor considered by various technical panels in awarding the centers of excellence/development to institutions to its programs. It is also a major input in exempting institutions in some of the requirements set by CHED in establishing new academic programs. Because of the importance of accreditation and to fine tune the process of accreditation, the Presidential Commission on Educational Reforms (PCER) has recommended the formation of accrediting bodies for various disciplines.

POLICY RECOMMENDATIONS

Based on the discussion in the previous sections the following are the recommendations:

- a. There is a need to evaluate the relevance of the labor market test as requirement for allowing foreign professionals to practice in the country.
- b. The domestic regulation governing the practice of professions should be consistent with the overall competition policy of the country.
- c. There is a need to revisit and review the rule on advertising to make it more a tool of mandatory disclosure for all professionals.
- d. The CHED should focus on its developmental functions by assisting the development of HEIs in the areas of faculty development, research and graduate education through financial incentives.
- e. The CHED should channel its regulatory functions towards the dissemination of information particularly on the compliance of HEIs

in meeting minimum academic requirements, faculty profile, student profile, performance of students, quality of facilities and other educational inputs.

- f. The PRC should focus on its developmental function by providing avenues for specialization within the profession and by empowering the various professional organizations particularly in the granting of supplemental and secondary professional titles.
- g. As part of the regulatory function of the PRC, it should expand its information dissemination activities beyond the publication of a list of leading and worst performing schools in the production of professionals and move towards information on market access in other countries, avenues for professional development and compliance of establishments with appropriate business environment for professionals.
- h. The PRC should encourage the formation of outstanding professionals and give monetary incentives to young and promising professionals as well as give recognition to outstanding works, research, and inventions of professionals.
- i. The PRC together with CHED should sponsor and finance research projects in various disciplines.
- j. Review the rule on the entry of foreign professionals. There is a need to adopt a more liberal rule on the entry of professors as a contribution towards the development of research culture and graduate education in our HEIs.
- k. Review the rules on entry of foreign students. Foreign students can be a stimulus in the development of private schools as a source of foreign exchange. The export potentials of short-term courses in English, information technology, business and entrepreneurship and medical arts should be explored.
- l. Review the provision of RA 8981 that removed compulsory continuing professional education as a requirement for renewal of professional licenses.
- m. Review the provision of RA 8981 that requires only licensed and registered professionals to teach subjects covered in licensure examinations.

AREAS FOR FUTURE RESEARCH

- a. Need to examine the perspectives of trade and professional associations as regards domestic regulation. It would be interesting to know what role these associations should play in the determination of rules and regulations pertaining to the practice of professions. In a political environment where consultation is taken seriously, should these private

organizations play a key role in the formulation of domestic regulation? What then is the implication of their participation in regulatory capture?

- b. Since the basis of domestic regulation is the social risks associated with an unregulated activity in an environment full of uncertainties, there is also a need to study the type and costs of social risks or the threats to public interest that become the basis for domestic regulation including the regulations on the entry of foreign professionals into the country.
- c. Since accession to international agreements may imply internationalization of standards, a study on the social costs of harmonization of standards and its impact on domestic regulation will determine our readiness for harmonization. Is it worth our while to surrender a huge part of our sovereignty in the name of international harmonization?
- d. Since foreign professionals wishing to practice domestically are usually those that bring with them vast professional experience, there is a need to study the feasibility of adopting a separate category for foreign professionals willing to practice with a corresponding set of licensing requirements and sphere of practice. Is such alternative GATS compliant? If, not how do we make it GATS compliant?
- e. A study to evaluate whether regulatory measures are indeed meant to minimize social risks in the light of asymmetry in information or are they domestic walls created to limit the market for professionals for local and foreign aspirants. Is domestic regulation a form of monopolization of the practice of professions?
- f. A study to determine the possible compensating differences that may be considered when granting recognition to foreign professionals wishing to practice domestically.

University of the Philippines (UP). *Guidebook for Foreign Students*. UP Campus Diliman: Quezon City.

Appendix 1

DOCUMENTARY REQUIREMENTS FOR THE ISSUANCE OF VARIOUS PERMITS TO FOREIGN STUDENTS

9(F) STUDENT VISA UNDER EO 423 FOR FOREIGN STUDENTS:

(To be submitted in two (2) copies: Original and Photocopy)

1. *Notice of Acceptance (NOA)* from the school containing a clear impression of the school's official seal, addressed to the student;
2. *Letter from the School Registrar* requesting issuance of a 9(f) student visa applicant addressed to:

The Director
Visa Division – *Office of Consular Affairs*
Department of Foreign Affairs
3. Five (5) copies of the 1998 Revised *Original Personal History Statement (PHS)* duly signed by the applicant in English and in national alphabet, accompanied by personal seal, if any, original left and hand prints on PHS and original photos
4. *Transcript of records/Scholastic records*, duly authenticated by the Philippine Embassy or Consulate in the applicant's country of origin or legal residence. **"SEEN and NOTED"** stamp is not acceptable;
5. *A notarized Affidavit of Support and proof of adequate financial support* to cover expenses for student's accommodation and subsistence, school dues and other incidental expenses
6. Xerox copy *Passport pages* where name, photo, birth date and birthplace appear; and
7. Certified true copy of the Certificate of Eligibility for Admission (CEA) for students of Dentistry and Medicine.

In addition to the documents submitted to the DFA, the student shall submit the following requirements to the Consular Officer at the Philippine Foreign Service Post upon notice of interview:

- a. ORIGINAL copy of the *school's Notice of Acceptance (NOA)* containing a clear impression of the school's dry seal, addressed to the student;
- b. ORIGINAL copy of the *Certificate of Eligibility for Admission (CEA)* issued by the CHED, if enrolled in courses or programs where restrictions may exist due to shortage of facilities, as in Medicine or Dentistry.
- c. *Police Clearance* issued by the national police authorities in the student's country of origin or legal residence, authenticated by the Philippine Foreign Service Post having consular jurisdictions over the place; and
- d. *Medical Health Certificate* issued by an authorized physician including standard size chest x-ray.

CERTIFICATE OF ELIGIBILITY FOR ADMISSION TO THE DENTAL COURSE OF FOREIGN STUDENTS (CED)

1. *Transcript of Records*
2. *Birth/Baptismal Certificate/Photocopies of passport, ACR & ICR*
3. *Letter of Acceptance indicating the quota of the College of Dentistry of Accepting HEI and quota number of student*
4. *Application Fee in the amount of Sixty Pesos (P60.00)*

CERTIFICATE OF ELIGIBILITY FOR ADMISSION TO THE MEDICAL COURSE OF FOREIGN STUDENTS (CEM)

1. Transcript of Records showing completion of a degree course
2. Copy of Diploma or a certification of graduation authenticated by the Registrar where he/she graduated
3. NMAT
4. Birth/Baptismal Certificate/Photocopies of Passport, ACR & ICR and Certificate of good moral character from two (2) professors in college
5. Letter of Acceptance indicating the quota of the College of Medicine of Accepting HEI and quota number of student
6. Application Fee in the amount of Sixty Pesos (P60.00)

CERTIFICATE AUTHENTICATION/VERIFICATION (CAV)

(This is a CHEDRO delegated function but for purpose of accommodating students from far flung regions, OSS issues CAV)

1. *Transcript of Records*
2. *Diploma (xerox or photocopy)*
3. *Certification of Clinical Experience (For Nursing Only)*
4. *Certification of Graduation and Special Order No.*
5. *Application Fee of P30.00*

Appendix 2

Various Rules Governing the Practice of Professions in Accountancy, Architecture, Civil Engineering and Electrical Engineering

	ACCOUNTANCY	ARCHITECTURE	CIVIL ENGINEERING	ELECTRICAL ENGINEERING
A. Rules on the Entry of Professionals	<p>No foreign accountant shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Board of Accountancy law unless the country of which he is a citizen specifically permits Filipino accountants to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>The entry and stay of professionals are subject to the labor market tests and other restrictions, to wit;</p>	<p>No architect shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Architecture Law unless the country of which he is a citizen specifically permits Filipino architects to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>Article XII, Sec. 14 of the Philippine Constitution provides that the practice of profession in the Philippines shall be limited to Filipino</p>	<p>No foreign civil engineer shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Civil engineering law unless the country of which he is a citizen specifically permits Filipino civil engineer to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>Article XII, Sec. 14. of the Philippine Constitution provides that the practice of profession in the Philippines shall be limited to Filipino</p>	<p>No foreign electrical engineer shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Board of Electrical Engineering law unless the country of which he is a citizen specifically permits Filipino electrical engineers to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>The entry and stay of professionals are subject to the labor market tests and other restrictions, to wit:</p>

	<p>Article XII, Sec. 14. of the Philippine Constitution provides that the practice of profession in the Philippines shall be limited to Filipino citizens save in cases prescribed by law.</p> <p>To operationalize these Constitutional provisions Article 40 of the Labor Code, as amended, provides that: "Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and</p>	<p>citizens save in cases prescribed by law.</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code, as amended, provides that: Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired.</p>	<p>citizens save in cases prescribed by law.</p> <p>To operationalize these Constitutional provisions, article 40 of the Labor Code, as amended, provides that: Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired.</p>	<p>Article XII, Sec. 14 of the Philippine Constitution provides that the practice of profession in the Philippines shall be limited to Filipino citizens save in cases prescribed by law.</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code, as amended, provides that: Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and</p>
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<p>Regulations on Recognition</p>	<p>willing at the time of application to perform the services for which the alien is desired.”</p> <p>Republic Act No, 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p> <p>The mechanisms to take account of qualifications, experience, expertise acquired by foreign professionals in another economy are the provision on reciprocity. Under PD 692, “The Revised Accountancy Law”, specifically Sec 23 on Foreign Reciprocity provides: “No foreigner shall be admitted to the examination or be registered as Certified Public Accountant unless he proves in the manner provided for by the Professional Regulation Commission that, by</p>	<p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p> <p>No person who is not a citizen of the Philippines at the time he applies to take the examination shall be allowed to take it unless he can prove in a manner provided by the Rules of Court that, by specific provision of law, the country of which he is a citizen, subject, or national either admits citizens of the Philippines to the practice of the same profession without restriction or allows them to practice it after an examination on terms of strict and absolute equality with citizens,</p>	<p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p> <p>No person who is not a citizen of the Philippines at the time he applies to take the examination shall be allowed to take it unless he can prove in the manner provided by the Rules of Court that, by specific provision of law, the country of which he is a citizen, subject or national either admits citizens of the Philippines to the practice of the same profession without restriction or allows them to practice it after an examination on terms of strict and absolute equality with citizens,</p>	<p>willing at the time of application to perform the services for which the alien is desired.</p> <p>Republic Act No, 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p> <p>No foreign engineer shall be admitted to take a board examination, be given a certificate of Registration, or be entitled to any of the rights and privileges under this Act unless the country of which he is a subject or a citizen specifically permits Filipino engineers to practice within its territorial limits on the same basis as the subjects or citizens of such country. (Section 38, RA No. 7920)</p>
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	<p>specific provision of law, the country of which he is a citizen, subject or national, allows citizens of the Philippines to the practice of accountancy profession after an examination on terms of strict and absolute equality with the citizens, subjects or nationals of said country, including the unconditional recognition of prerequisite degrees issued by the institutions of learning duly recognized by the government of the Republic of the Philippines.</p> <p>There are no automatic recognition or mutual recognition agreements between the professional bodies and their counterparts in other economies.</p>	<p>subjects, or nationals of the country concerned including the unconditional recognition of degrees issued by institutions of learning duly recognized for the purpose by the Government of the Philippines: Provided, That if he is not a citizen of the Philippines, and was admitted to the practice of the profession in the Philippines after December 8, 1941, his active practice in that profession either in the Philippines or in the state or country where he was practicing his profession, shall not have been interrupted for a period of two years or more prior to July 4, 1946, and that the country or state from which he comes allows the citizens of the Philippines by specific provision of law, to practice the same profession without restriction or on terms of strict and absolute</p>	<p>subjects or nationals of the country concerned, including the unconditional recognition of degrees issued by institutions of learning duly recognized for the purpose by the Government of the Philippines: Provided, That if he is not a citizen of the Philippines, and was admitted to the practice of a profession in the Philippines after December 8, 1941, his active practice in that profession, either in the Philippines or in the state or country where he was practicing his profession, shall not have been interrupted for a period of two years or more prior to July 4, 1946, and that the country or state from which he comes allows the citizens of the Philippines by specific provision of law, to practice the same profession without restriction or on terms of strict and absolute</p>	<p><i>Exemption from Examination and Registration</i></p> <p>Examination and registration shall not be required of foreign electrical engineers, erection/ commissioning/ guarantee engineers employed as technical consultants by the Philippine government or by private firms, for which the pertinent professional society certifies that no qualified Filipino professional is available, or foreign electrical installers for the erection and installation of a special project or for any other specialized work, subject to the following conditions:</p> <p>That the above-mentioned foreign professionals are legally qualified to practice their profession in their own</p>
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		<p>equality with citizens, subjects or nationals of the country or state concerned. (Section 35, RA No. 545)</p>	<p>equality with citizens, subjects or nationals of the country or state concerned. (Section 25, RA No. 1582)</p>	<p>country in which the requirements are qualifications of obtaining a license or certificate of registration are not lower than those specified in this Act;</p> <p>That the scope of work to be performed by said foreign professionals shall be limited only to the particular work for which they were contracted;</p> <p>That prior to commencing work, the foreign professional shall secure a special permit from the PRC;</p> <p>That said foreign professional shall not engage in private practice on their own account;</p> <p>That for every foreign professional contracted pursuant to this section, one Filipino understudy who is registered under</p>
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				<p>the provisions of this Act shall be employed by the private firm utilizing the services of such foreign professional for at least the duration of the alien expert's tenure with said firm: and</p> <p>That the exemption herein granted shall be good only for six(6) months; renewable for another six(6) months at the discretion of the Board: Provided, that in case the foreign professional ceases to be employed in accordance with this section and engages in an occupation requiring registration as electrical engineer, such professional must be registered under the provisions of this Act.</p>
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<p>B. Regulations on Registration</p>	<p>Membership in a professional body is not a requirement for licensing or registration.</p> <p><i>Issuance of Certificate of Registration</i></p> <p>A Certificate of Registration as CPA shall be issued by the Board of Accountancy to those who have satisfactorily passed the examination prescribed or otherwise complied with the requirements of the Board.</p> <p>All certificates of registration shall show the full name of the registrant, shall have a serial number, and shall be signed by all the members of the Board and the Chairman of the Professional</p>	<p>Membership in a professional body is not a requirement for licensing or registration.</p> <p><i>Issuance of Certificate of registration</i></p> <p>The Professional Regulation Commission shall upon recommendation of the Board, issue a certificate of registration upon payment of the registration fee as provided in this Act to any applicant who, in the opinion of the Board and after approval by the Professional Regulation Commission has satisfactorily met all the requirements specified in this Act.</p> <p>All certificates of registration shall show the full name of the registrant, shall have a serial number, and shall</p>	<p>Registration shall not be required of the following persons:</p> <p>Officers or enlisted men of the United States and Philippine Armed Forces, and civilian employees of the Government of the United States stationed in the Philippines while rendering civil engineering services for the United States and/or Philippines.</p> <p>Civil engineers or experts called in by the Philippine Government for consultation, or specific design and construction of fixed structures as defined under this Act, provided that their practice shall be limited to such work.</p> <p>Membership in a professional body is not a requirement for licensing or registration.</p>	<p>As prerequisite for registration as professional electrical engineer, registered electrical engineer, and registered master electrician, the applicant registered shall comply with the following requirements:</p> <p><i>a. Professional Electrical Engineer</i></p> <p>For the purpose of confirming the service record and clarifying the technical report submitted by the applicant for registration as a professional electrical engineer, an oral examination or interview shall be conducted on the following documents to be submitted to the Board:</p> <p>Certified experience record from the date applicant took oath as a registered electrical engineer indicating the</p>
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	<p>Regulation Commission and attested by the official seal of the Board.</p> <p>A certificate of registration shall not be issued to any candidate who has been convicted by a court of competent jurisdiction of any criminal offense involving moral turpitude, or has been found guilty of immoral or dishonorable conduct after due investigation by the Board of Accountancy, or has been declared to be of unsound mind.</p> <p><i>Period of validity of a Professional License</i></p> <p>The statement of the period of validity of the professional license declares the payment of the</p>	<p>be signed by all the members of the Board, and the Professional Regulation Commission and shall be attested by the official seal of the same Board.</p> <p>The issuance of a certificate of registration by the Board to the registrant shall be evidence that the person named therein is entitled to all the rights and privileges of a registered architect, while said certificate remains unrevoked and unsuspended.</p> <p>All registrants under this Act shall be required to take a professional oath before the Board or before any person authorized to administer this, before commencing the practice of the profession.</p>	<p><i>Issuance of Certificate of registration</i></p> <p>A certificate of Registration for civil engineer shall be issued to any applicant who passes the examination after the approval of his ratings and upon payment of the required fees.</p> <p>Every certificate of registration shall show the full name of the registrant with a serial number, and shall be signed by the members of the Board and duly authenticated by the seal of the Board.</p> <p>The Board for Civil Engineers may refuse to issue a certificate to any person convicted by a court of competent jurisdiction of any criminal offense involving moral turpitude, or to any person guilty of immoral or dishonorable conduct, or to any person of unsound mind.</p>	<p>inclusive dates, companies worked for, description of specific responsibilities, significant accomplishments as well as the name position of immediate supervisors;</p> <p>Technical paper covering an evaluation, an analysis or a critical discussion of an electrical engineering project or subject, on one or several technical aspects such as: design, construction, installation, commissioning, testing, operation, maintenance, repair, research and the like. The technical paper shall be supported by engineering principles and data. Published or unpublished scientific paper or treatise on electrical engineering theories and applications may be considered as complying with the requirement;</p> <p>Three(3) certifications signed by three(3)</p>
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	<p>annual registration fees for three (3) years and/or compliance with the Continuing Professional Education (CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for</p>	<p><i>Period of validity of a Professional license</i></p> <p>The statement of the period of validity of the professional license declares the payment of the annual registration fees for three (3) years and/or compliance with the Continuing Professional Education (CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter but not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited</p>	<p>All registrants under this Act shall be required to take a professional oath before the Board or before any person authorized to administer oaths, before commencing the practice of the profession.</p> <p><i>Period of validity of a Professional license</i></p> <p>The statement of the period of validity of the professional license declares the payment of the annual registration fees for three(3) years and/or compliance with the Continuing Professional Education (CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter but not later</p>	<p>professional electrical engineers to the effect that the experience record submitted by the applicant is factual and that the technical paper submitted was actually prepared by the applicant.</p> <p>The applicant must obtain passing marks on the experience record and on the technical report in order to qualify for registration as a professional electrical engineer.</p> <p><i>b. Registered Electrical Engineer</i></p> <p>The applicant shall pass a written examination on different subjects or group of subjects as follows:</p> <ol style="list-style-type: none"> 1. Mathematics 2. Engineering Science and Allied subject
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	<p>membership are provided for by the APO'S.</p>	<p>professional organization (APO). Qualification and requirements for membership are provided for by the APO's.</p>	<p>than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for membership are provided for by the APO's.</p>	<p>3. Electrical Engineering professional subjects</p> <p>The passing general weighted average rating shall be seventy percent(70%) with no grade below fifty percent(50%) in any group of subjects listed above.</p> <p>The examination question on the foregoing subject shall cover only basic theories and principles, and shall exclude question based on experience and trade practices. The number of questions shall be such the examinations can be finished in three (3) consecutive eight-hour days.</p> <p>c. Registered Master Electrician</p> <p>The applicant shall pass a written examination on</p>
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				<p>the different subjects or group of subjects as follows:</p> <ol style="list-style-type: none">1. Technical Subjects2. Philippine Electrical Code, Parts 1 & 2 <p><i>Issuance of Certificate of Registration</i></p> <p>The registration of professional electrical engineer, registered electrical engineer and master electrician commences from the date his name is entered into the roll of registrants or licensees for his profession. Every registrant who satisfactorily met all the requirements specified in this Act, upon payment of the registration fee, shall be issued a certificate of registration. The certificate shall remain in full force and effect until</p>
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				<p>withdrawn, suspended or revoked in accordance with law.</p> <p>Every certificate of registration shall show the full name of the registrant with a serial number, and shall be signed by the members of the Board and duly authenticated by the seal of the Board.</p> <p>All registrants under this Act shall be required to take a professional oath before the Board or before any person authorized to administer oaths, before commencing the practice of the profession.</p> <p><i>Period of validity of a Professional license</i></p> <p>The statement of the period of validity of the professional license declares the payment of the annual registration fees for three (3) years and/or compliance with</p>
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				<p>the Continuing Professional Education (CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter but not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for membership are provided by the APO's.</p> <p>The practice of electrical engineering is a professional service admission to which is</p>
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				<p>based on individual and personal qualifications. Hence, no firm or corporation may be registered or licensed as such for the practice of electrical engineering.</p> <p>However, persons properly qualified and licensed as professional electrical engineers may, among themselves, form a partnership, association and collectively render electrical engineering service. Individual members of such partnerships or associations shall be responsible for their own respective acts. (Section 35, RA No. 7920)</p>
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<p>Regulations of Professional Firms</p>	<p>Professional firms are regulated by another government agency specifically the Securities and Exchange Commission and not by the Professional Regulations Commission (PRC). However, under the Revised Accountancy Law, it provides that all partners of partnership organized for the practice of public accountancy shall be registered public accountants in the Philippines. The Commissioner of Securities and Exchange Commission shall not register any corporation organized for the practice of accountancy. The following is the outline for the scope of entitlement to the practice of Accountancy, to wit:</p> <p>A. Corporation</p> <p>No corporate practice of Accountancy is allowed</p>	<p>The practice of architecture is a professional service, admission to which shall be determined upon the basis of individual, personal qualifications. No firm, company, partnership, association or corporation may be registered or licensed as such for the practice of architecture: Provided, however, that persons properly registered and licensed as architects may, among themselves and with a person or persons properly registered and licensed as civil engineers, form and obtain registration of, a firm, partnership, or association using the term "Architects" or "Architects and Engineers," but, nobody shall be a member or partner of such firm, partnership or association unless he is a duly registered or licensed architect or civil</p>	<p>The practice of civil engineering is a professional service, admission to which must be determined upon individual and personal qualifications. No firm , partnership, corporation, association or corporation may be registered or licensed as such for the practice of geodetic engineering: Provided , however, that persons properly registered and licensed as civil engineers may, among themselves or with a person or persons properly registered and licensed as architects, form and obtain registration of a firm, partnership or association using the term "Engineers" or "Engineers and Architects," but , nobody shall be a member or partner of such firm, partnership or association unless he is a duly licensed civil engineer or architect, and the members who are civil</p>	<p>Professional firms are regulated by another government agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission.</p> <p>The use of international or foreign firm names is regulated by another government agency and not by the Professional Regulation Commission.</p>
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	<p>B. Partnerships</p> <p>Must be registered with the Board of Accountancy/ Professional Regulation Commission</p> <p>All partners must be Certified Public accountants (CPAs) registered with Board of Accountancy/ PRC</p> <p>C. Sole Proprietorships</p> <p>Must be CPAs registered with the Board of Accountancy/ PRC</p> <p>If with staff composed of CPAs, must be registered with the Board of Accountancy/PRC</p>	<p>engineer, and the members who are architects shall only render work or services proper for an Architect as defined in this Act, and members who are civil engineers shall also render work and services which are proper for a civil engineer as defined under the law regulating the practice of civil engineering, individual members of such firm, partnership or association shall be responsible for their respective acts. (Sec. 34, RA No. 545)</p> <p>Professional firms are regulated by another government agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission</p> <p>Not applicable</p>	<p>engineers shall only render work and services proper for a civil engineer, as defined in this Act, and the members who are architects shall also only render work and services proper for an architect, as defined in the law regulating the practice of architecture; individual member of such firms, partnership or association shall be responsible for their own respective acts. (Section 24, RA No. 1582)</p> <p>Professional Firms are regulated by another agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission.</p> <p>The use of international or foreign firm names is regulated by another government agency and not by the Professional Regulation Commission.</p>	
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<p>C. Limitations and Restrictions on Practice (Marketing Solicitation, and Advertising)</p>	<p>A CPA shall not advertise, or cause or allow to be advertised, his professional attainments or service, except in stating qualifications in applications for employment. However, publication of authorship of books, technical reports and studies, lectures or papers delivered in conferences and seminars and similar activities which are beneficial to the profession as a whole are not considered advertising.</p> <p>A CPA in public accounting shall not seek to obtain clients by solicitation.</p>	<p>The use of international or foreign firm names is regulated by another government agency and not by the Professional Regulation Commission</p> <p>The Architect shall not use paid advertisement nor use self-laudatory, exaggerated or misleading publicity. However, the presentation of factual materials, verbal or visual of the aims, standards and progress of the profession through literature or by industrious application of his work or services which tend to dignify the professional or advance public knowledge of the Architect's function in society may be presented through any public communication media.</p> <p>The Architect shall not solicit nor permit to</p>	<p>He shall not advertise in self-laudatory language, or in any other manner derogatory to the dignity of the Profession.</p>	<p>An electrical engineer should only advertise his work or merit in a simple manner and avoid any practice that will discredit or do injury to the dignity and honor of his profession.</p>
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	<p>Advertising is a form of solicitation. Publication of an announcement is permitted only for the opening of a new office, change in partners, change in office location or telephone number(s), or reorganization of firm or practice, provided it contains basic information essential to the announcement and is of reasonable size.</p>	<p>solicit his name, advertisements or other solicit in his name, advertisements or other support towards the cost of any publication presenting his work. He should refrain from taking part in paid advertisement endorsing any materials of construction or building equipment.</p> <p>The Architect shall not mislead the public through advertisements, signs or printed matter citing his professional specializations unless such qualifications are well known facts or sanctioned by professional consensus and years of experience.</p>		
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<p>Restrictions on Fee Setting</p>	<p>The restriction on fee-setting provides that a CPA in public accounting shall not offer or render professional service under an arrangement whereby no fee will be charged unless a specified finding or result is attained, or where the fee is otherwise contingent upon the findings or results of such services. However, a CPA's fees may vary depending on the complexity of the services rendered.</p> <p>Fees are not regarded as being contingent if fined by courts or other public authorities as in the tax matters, or if determined based on the results of judicial proceedings or the findings of the governmental agencies.</p>	<p>The Architect shall charge his client for services rendered, a professional fee commensurate with the work involved and with his professional standing and experience based upon the Basic Minimum Fee prescribed under the "Standards of Professional Practice" of the "Architects National Code".</p> <p>The architect shall not undertake, under a fixed contract sum agreement, the construction of any project based on plans prepared by him.</p> <p>The Architect shall be compensated for his services solely through his professional fee charged directly to the client. He shall not accept nor ask for any other returns in whatever form from any interested source other than the Client.</p>	<p>He shall not participate in competitive bidding on a price basis to secure a professional engagement.</p> <p>He shall not to compete with another engineer for employment on the basis of professional charges by reducing his usual charges and in this manner attempting to underbid after being informed of the charges named by another.</p>	<p>An electrical engineer should not accept compensation from more than one interested party for the same professional service pertaining to the same work, without the consent of all affected party.</p> <p>An electrical engineer should not be financially interested in the bids of a contractor on competitive work for which he expects to be employed as an engineer, unless he has the consent of his client or employer.</p> <p>An electrical engineer should not compete with another engineer on the basis of compensation for particular work by means of underbidding, after the results of a public bidding are announced.</p>
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Appendix 3

Various Rules Governing the Practice of Professions in Aeronautical Engineering, Agricultural Engineering, Chemical Engineering and Electronics & Communications Engineering

	AERONAUTICAL ENGINEERING	AGRICULTURAL ENGINEERING	CHEMICAL ENGINEERING	ELECTRONICS & COMMUNICATIONS ENGINEERING
Rules on the Entry of Professionals	<p>No foreign aeronautical engineer shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Aeronautical engineering law unless the country of which he is a citizen specifically permits Filipino aeronautical engineer to practice within its territorial limits on the same basis or citizens of such country. (Section 42 CA 294 on Foreign Reciprocity).</p> <p>Article XII, Sec. 14 of the Philippine Constitution provides that the practice of profession in the</p>	<p>No foreign agricultural engineer shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Agricultural engineering law unless the country of which he is a citizen specifically permits Filipino agricultural engineer to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>Article XII, Sec. 14. Of the Philippine Constitution provides that the practice of profession</p>	<p>The entry and stay of professionals are subject to the labor market tests and other restrictions, to wit:</p> <p>“Article XII, Section 14 of the Philippine Constitution provides that the practice of profession in the Philippines shall be limited to Filipino citizens save in cases prescribed by law.”</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code of the Philippines, as amended, provides that: “Any alien seeking admission to the Philippines for employment purposes</p>	<p>The entry and stay of professionals are subject to the labor market tests and other restrictions, to wit:</p> <p>“Article XII, Section 14 of the Philippine Constitution provides that the practice of profession in the Philippines shall be limited to Filipino citizens save in cases prescribed by law.”</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code of the Philippines, as amended, provides that:</p> <p>“Any alien seeking admission to the</p>

	<p>Philippines shall be limited to Filipino citizens save in cases prescribed by law.</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code, as amended, provides that: Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform</p>	<p>in the Philippines shall be limited to Filipino citizens save in cases prescribed by law. To operationalize these constitutional provisions Article 40 of the Labor Code ,as amended provides that :admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired.</p>	<p>and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment. The employment permit may be issued to a non resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired."</p> <p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p>	<p>Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment. The employment permit may be issued to a non resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired."</p> <p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p>
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Rules on Registration	<p>the services for which the alien is desired.</p> <p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p>	<p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p>		
	<p>Membership in a professional body is not a requirement for licensing or registration.</p> <p>A certificate of Registration for aeronautical engineer shall be issued to any applicant who passes the examination after the approval of his ratings and upon payment of the required fees.</p> <p>Every certificate of registration shall show the full name of the registrant with a serial Number , and shall be signed by the members of the Board</p>	<p>Membership in a professional body is not a requirement for licensing or registration.</p> <p>A certificate of Registration for agricultural engineer shall be issued to any applicant who passes the examination after the approval of his ratings and upon payment of the required fees.</p> <p>Every certificate of registration shall show the full name of the registrant with a serial Number, and shall be signed by the members of the Board and duly</p>	<p>Membership in a professional body is not a requirement for licensing or registration.</p> <p>The Board of Chemical Engineers shall, within one year after the approval of Republic Act No. 318, issue certificates of registration as chemical engineer to any applicant who on the date of the approval of Republic Act No. 318 is:</p> <p>A Filipino citizen;</p> <p>At least 25 years of age;</p> <p>Of good moral character; and</p>	<p>Membership in a professional body is not a requirement for licensing or registration.</p> <p>Registration</p> <p>i. A Certificate of Registration as Registered Electronics and Communications Engineer shall be issued to any applicant who passes the examination hereinafter provided upon payment of the required fees: Provided, that the first Board may issue within a period not exceeding two years from the composition of the</p>

	<p>and duly authenticated by the seal of the Board.</p> <p>The Board may refuse to issue certificate of registration to any person convicted by a court of competent jurisdiction of any criminal offense involving moral turpitude, or to any person guilty of unprofessional, unethical, immoral or dishonorable conduct, or to any person of unsound mind.</p> <p>All registrants under this Act shall be required to take a professional oath before the Board or before any person authorized to administer oaths, before commencing the practice of the profession.</p> <p>The statement of the period of validity of the professional license</p>	<p>authenticated by the seal of the Board.</p> <p>The Board may refuse to issue certificate of registration to any person convicted by a court of competent jurisdiction of any criminal offense involving moral turpitude, or to any person guilty of unprofessional, unethical, immoral or dishonorable conduct, or to any person of unsound mind.</p> <p>All registrants under this Act shall be required to take a professional oath before the Board or before any person authorized to administer oaths, before commencing the practice of the profession.</p> <p>The statement of the period of validity of the professional license declares the payment of the annual registration</p>	<p>A holder of a certificate of registration as chemical engineer under Act No. 2985, as amended; or a holder of the degree of Bachelor of Science in Chemical Engineering (B.S.Ch.E) or its equivalent, and has practiced the profession as defined in this Act for a period of not less than five years.</p> <p>Provided, however, that persons who on the date of the approval of Republic Act No. 318 are employed in industrial plants and have been engaged in the practice of chemical engineering service for a period of at least five years without serious accident as certified to by their employers may be granted, upon application within one year after the approval hereof and in the discretion of the Board, a certificate of proficiency</p>	<p>said Board, a certificate of registration as electronics and communications engineer, without the necessity of undergoing the examination herein prescribed to its members and to any applicant who, with his application for registration as electronics and communications engineer, shall present evidence or other proof satisfactory to the Board showing (a) that he has a specific record of at least ten years of active practice in electronics and/or communications engineering, (b) that he is</p> <p>ii. of a responsible character indicating that he may be entrusted to perform or render professional electronics/communications engineering service as defined in R.A. No. 5734, and (c) who is a bona fide member of any officially registered association of electronics and</p>
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	<p>declares the payment of the annual registration fees for three(3) years and/or compliance with the Continuing Professional Education (CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter but not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for membership are provided for by the APO's.</p>	<p>fees for three(3) years and/or compliance with the Continuing Professional Education (CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter but not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for membership are provided for by the APO's.</p> <p>Professional Firms are regulated by another</p>	<p>in that branch of chemical engineering wherein he had been practicing. Such certificate shall entitle the holder to practice in that branch of chemical engineering for which he has qualified.</p> <p>Every certificate of registration shall show the full name of the registrant, have a serial number, and be signed by the members of the Board, the Chairman of the Professional Regulation Commission and shall be authenticated by the official seal of the Board.</p> <p>A Certificate of Registration as Chemical Engineer shall be issued to any applicant who passes the examination hereinafter provided upon payment of the required fees.</p>	<p>communications engineers in the Philippines.</p> <p>iii. Every certificate or registration shall show the full name of the registrant with a serial number, and shall be signed by the members of the Board, attested to by the Secretary of the Board of Examiners and duly authenticated by the official seal of the Board.</p> <p>The certificate of registration issued by the Board to the registrant shall be evidence that the person named therein is entitled to the rights and privileges of a registered electronics and communications engineer while said certificate remains in force or unrevoked.</p> <p>iv.</p>
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	<p>Professional Firms are regulated by another government agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission.</p> <p>The use of international or foreign firm names is regulated by another government agency and not by the Professional Regulation Commission.</p>	<p>government agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulations Commission.</p>	<p>All applications must be filed with the Professional Regulation Commission and shall be subject to the payment of the fees prescribed by the Professional Regulation Commission.</p> <p>The regulated activities can not be carried out by holders of a foreign license except, in cases where such foreign professional have been granted Special Temporary Permit by the Board of Chemical Engineering and by the PRC.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualifications and requirements for membership are provided for by the APO's.</p> <p>Yes. Professional firms are regulated by another</p>	<p>v. All applications must be filed with the Professional Regulation Commission and shall be subject to the payment of the fees prescribed by the Professional Regulation Commission.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualifications and requirements for membership are provided for by the APO's.</p> <p>Professional firms are regulated by another government agency specially the Securities and Exchange Commission (SEC) and not by the Professional Regulations Commission (PRC).</p> <p>The use of international or foreign names are</p>
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			<p>government agency specially the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission (PRC). However, under the Chemical Engineering Law, it provides that a firm, co-partnership, company, corporation, or association can engage in the practice of chemical engineering in the Philippines, provided only that such practice is carried out by chemical engineers holding valid certificates of registration and in the regular employ of said firm, co-partnership, company, corporation or association, or by persons holding valid certificates of proficiency issued by the Board for the particular branch of chemical engineering involved in such practice.</p>	<p>regulated by the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission.</p>
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			<p>In case of a firm, co-partnership, company, corporation or association, the manager, administrator or the person who has charge of the management or administration of the business shall be held personally liable for any violation of R.A. No. 318.</p> <p>The use of international or foreign names are regulated by the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission.</p> <p>The mechanism to take account of qualifications, experience, expertise acquired by foreign professionals in another economy is the provision on reciprocity. Under Republic Act No. 318, "Chemical Engineering Law" specifically Section 26 on Foreign Reciprocity</p>	
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			<p>provides: "Except in the case of persons otherwise exempt under the provisions of this Act, no foreign chemical engineer shall be granted any of the rights or privileges under this Act, unless the country of which he is a subject or citizen permits Filipino chemical engineers to practice within its territorial limits on the same basis as the subjects or citizens of such country.</p> <p>Exemption from Registration: Registration shall not be required of the following classes of persons upon proper application for exemption with the Board of Chemical Engineering:</p> <p>Foreign chemical engineers called in by the Republic of the Philippines for consultation or for a</p>	
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		<p>specific design or installation, or project: Provided, that their practice shall be confined to such work: And provided, further, that said engineers are legally qualified to practice chemical engineering in their own state or country and that the requirements and qualifications for obtaining a certificate of registration in said state or country are not lower than those specified in Republic Act No. 318.</p> <p>Foreigners employed as technical officers, professors, or consultants in such special branches of chemical engineering as may, upon the recommendation of the Board and in the judgment of the Chairman of the Professional Regulation Commission (PRC), be necessary and indispensable for the country: Provided,</p>	
		<p><i>Exemption from Registration</i> - Registration for practice as agricultural engineers shall not be required of the following:</p>	

		<p>a. Agricultural engineers from other countries called in consultation only and exclusively in specific cases. And those who are attached and organizations and assigned to perform certain definite work in the Philippines, provided they do not engaged in private practice on their own accounts agricultural engineers in the Philippines;</p> <p>b. Agricultural engineers attached to the Armed Forces of the United States stationed in the Philippines whose rendering services as such only for the said armed forces and within the limits of their territorial jurisdiction; and</p> <p>Foreign agricultural engineers employed as exchange professors or instructors in recognized local schools, institutes,</p>	<p>however, That they do not engage in private practice at their own account as chemical engineers.</p> <p>Foreigners who, on the date of the approval of Republic Act No. 318, had been in the actual and bona fide practice of chemical engineering for at least five (5) years in the Philippines as certified by the Chairman of the Professional Regulation Commission.</p> <p>Foreigners who, on the date of the approval of Republic Act No. 318, had been in the actual and bona fide practice of chemical engineering in their respective countries for at least five (5) years: Provided, that no foreign chemical engineer shall be allowed to practice his profession in the Philippines unless the country of which he is a citizen or subject permits</p>	<p>The mechanism to take account of qualifications, experience, expertise acquired by foreign professionals in another economy is the provision on reciprocity. Under R.A. No. 5734, "The Electronics and Communications</p>
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<p>Rules on Recognition</p>	<p>Upon application and payment of the required fee, and subject to approval of the Commission, the following may be granted temporary certificates of registration as aeronautical engineering in the Philippines;</p> <p>a. Aeronautical engineers from foreign countries called for consultation or for a specific design, construction or project, whose services in the Philippines shall be limited only to such particular work, and such engineers are legally or technically qualified to practice aeronautical engineering in their own country, and</p> <p>b.</p> <p>c. Any person from foreign countries employed as technical officers or professors in such specialized branches</p>	<p>colleges or universities where a regular course in agricultural engineering is taught. (Sec. 10 R.A. No. 3927)</p> <p><i>Foreign Reciprocity -</i> Notwithstanding the requirement of section 12 of R.A. No. 3927, that the applicant for examination for the practice of agricultural engineer must be a Filipino citizen, any foreigner who meets other requirements of said Act may be admitted for examination if he proves to the satisfaction of the Board, that by specific provision of law, the country of which he is a citizen, either admits Filipino citizen to the practice of agricultural engineering without restriction or allows them to practice agricultural engineering after passing and examination on terms of strict and absolute equality with citizens,</p>	<p>Filipino chemical engineers to practice their profession within its territorial limits</p>	<p>Engineering Act of the Philippines" specifically Section 23 on Foreign Reciprocity provides: "No foreigner shall be admitted to an examination or registration as electronics and communications engineer under this Act unless he proves in the manner as provided by the Board that, by specific provisions of law, the country, state or province of which he is a citizen, subject, or national admits Filipino citizens to the practice of electronics and communications engineering after an examination on terms of strict and absolute equality with the citizens, subjects, or national of said country, including the unconditional recognition of prerequisite degrees issued by institutions of learning duly recognized by the Government of the Philippines.</p>
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	<p>of aeronautical engineering as may, in the judgement of the Commission be necessary and indispensable for the country.</p> <p>Subject to approval of the Commission, the Board may issue a special permit, renewable every year, to any person specified under this section who shall file with it an application for the issuance of such permit, accompanied by evidence or other proof satisfactory to the Board showing that the applicant is competent to perform the service or activity for which said permit is sought, and that the issuance of such permit will not jeopardize the interest of any citizen of the Philippines duly registered as aeronautical engineer under this Decree: Provided, that such permit shall be subject to the rules and</p>	<p>subjects, or nationals of said country, including the unconditional recognition of pre-requisite degrees granted by institutions of learning duly recognized by the Government of the Philippines. (Sec.26 R.A. 3927)</p>		
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	<p>regulations of the Board, and may be suspended, revoked, or reissued by the Board in the manner prescribed for the suspension, revocation and reissuance of the certificate of registration. (Section 21, RA No. 1570)</p> <p>The Commission may, upon recommendation of the Board concerned, approve the registration and authorize the issuance of a certificate of registration with or without examination to a foreigner who is registered under the laws of his country: Provided, that the requirements for the registration or licensing in said foreign state or country are substantially the same as those required and contemplated by the laws of the Philippines and that the laws of such foreign country or state allow the citizens of the Philippines to practice the</p>			
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	<p>profession on the same basis and grant the same privileges as the subjects or citizens of such foreign state or country: Provided, further, that the applicant shall submit competent and conclusive documentary evidence, confirmed by the Department of Foreign Affairs showing that his country's existing laws permit citizens of the Philippine to practice the profession under the rules and regulations governing citizens thereof: Provided, finally, that the Commission may, upon recommendation of the Board concerned, and approval of the President, authorize the issuance of a certificate of registration without examination or a temporary special permit to practice the profession to any foreigner regardless of whether or not reciprocity exists in the practice of his profession between his</p>			
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	<p>country and the Philippines and under such conditions as may be determined by the Commission, if such foreigner is internationally known to be an outstanding expert in his chosen profession or a well known specialist in any of its branches, and that his services are urgently necessary either for lack of inadequacy of local experts or if his services will promote the advancement of the profession in the Philippines. (Section 5 (j), Presidential Decree No. 223)</p>	<p>There is no restriction on advertising, soliciting and marketing</p>		
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<p>Limitations and restrictions on the Practice of Profession</p>	<p>Restriction on Advertising</p> <ul style="list-style-type: none"> - He shall be dignified in explaining and discussing his work and shall refrain from self-laudatory advertising or propaganda. 	<p>He should, in the public interest and to maintain the standards of the profession, observe the principles of reasonable or adequate compensation for those engaged in agricultural engineering work, including those employed in subordinate capacities (Sec. 5 c Code of Ethics)</p> <p>He should not take away from another engineer a prospective employment after becoming aware that definite steps have been taken by the latter toward consummation. (Sec. 5 g Code of Ethics)</p> <p>He should not resort to unfair competition by underbidding or reducing the usual fees after acquiring information as to the fees offered by the other engineers from similar services. (Sec. 5h Code of Ethics)</p>	<p>A Chemical Engineer shall not indulge in self-laudatory advertisement nor make exaggerated untrue, or misleading statements in media or any public forum.</p>	<p>An Electronics and Communications Engineer shall not accept any other compensation, financial or otherwise, except from one interested party for a particular service or other services related therewith without the consent of all parties concerned.</p> <p>An Electronics and Communications Engineer shall not accept commissions or allowances, directly or indirectly, from contractors, suppliers and all other parties dealing with his clients and/or employers in connection with the work for which he is responsible.</p> <p>An Electronics and Communications Engineer shall not be financially interested in the bid or bids of contractors, suppliers and other interested</p>
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<p>Restriction on Fee setting</p>	<p>He shall uphold the principle of appropriate and adequate compensation for those engaged in engineering profession, including those in the subordinate capabilities in the interest of public service and maintain the standards of profession.</p> <p>He shall not compete, by underbidding through reduction in his normal fees on the basis of charges for work, after having been informed of the charges submitted by another engineer.</p>		<p>A Chemical Engineer shall not accept compensation, financial or otherwise from more than one client or employer who is in the same line of business or has conflicting interest with the others, without the consent of all parties;</p> <p>He shall not accept compensation directly or indirectly from parties dealing with his client or employer except with the consent of his client or employer.</p> <p>Fees are not regarded as being contingent if fined by courts or other public</p>	<p>parties participating in a competitive work or job on which he has been employed as engineer without full knowledge and consent of his clients or employers.</p> <p>Electronics and Communications Engineer shall uphold the principle of appropriate and adequate compensation for those engaged in the engineering profession, including those in the subordinate capacities, in the interest of public service and maintenance of the standards of the profession.</p> <p>An Electronics and Communications Engineer shall not compete, by underbidding, through</p>
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			<p>authorities as in the tax matters, or if determined based on the results of judicial proceedings or the findings of the governmental agencies.</p>	<p>reduction in his normal fees on the basis of charges for work, after having been informed of the charges submitted by another engineer.</p> <p>Fees are not regarded as being contingent if fined by courts or other public authorities as in the tax matters, or if determined based</p>
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Appendix 4
Various Rules Governing the Practice of Professions in Geodetic Engineering, Mechanical Engineering, Metallurgical Engineering, and Mining Engineering

	GEODETIC ENGINEERING	MECHANICAL ENGINEERING	METALLURGICAL ENGINEERING	MINING ENGINEERING
Rules on the Entry of Professionals	<p>No foreign geodetic engineer shall be admitted to examination , be given a certificate of registration or be entitled to any of the rights or privileges under the Board of Geodetic Engineering Law unless the country of which he is a citizen specifically permits Filipino geodetic engineers to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>The entry and stay of professionals are subject to the labor market tests and other restrictions, to wit:</p>	<p>No foreign mechanical engineer shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Board of Mechanical Engineering Law unless the country of which he is a citizen specifically permits Filipino mechanical engineers to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>The entry and stay of professionals are subject to the labor market tests</p>	<p>No foreign metallurgical engineer shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Metallurgical Engineering Law unless the country of which he is a citizen specifically permits Filipino metallurgical engineer to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>Article XII, Sec. 14. Of the Philippine Constitution provides that the practice of profession in the</p>	<p>No foreign mining engineer shall be admitted to examination, be given a certificate of registration or be entitled to any of the rights or privileges under the Mining Engineering Law of the Philippines unless the country of which he is a citizen specifically permits Filipino mining engineer to practice within its territorial limits on the same basis or citizens of such country (Section 42 CA 294 on Foreign Reciprocity).</p> <p>Article XII, Sec. 14. Of the Philippine Constitution provides that the practice of profession in the Philippines shall be</p>

	<p>“Article XII, Section 14 of the Philippine Constitution provides that the practice of profession in the Philippines shall be limited to Filipino citizens save in cases prescribed by law.”</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code of the Philippines, as amended, provides that:</p> <p>“Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-</p>	<p>and other restrictions, to wit:</p> <p>Article XII, Sec. 14. Of the Philippine Constitution provides that the practice of profession in the Philippines shall be limited to Filipino citizens save in cases prescribed by law.</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code, as amended, provides that: Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the department of Labor and Employment. The employment permit may be issued to a non-</p>	<p>Philippines shall be limited to Filipino citizens save in cases prescribed by law.</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code, as amended, provides that: Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of</p>	<p>limited to Filipino citizens save in cases prescribed by law.</p> <p>To operationalize these Constitutional provisions, Article 40 of the Labor Code, as amended, provides that: Any alien seeking admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the department of Labor and Employment. The employment permit may be issued to a non-resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired.</p>
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	<p>availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired.”</p> <p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p>	<p>resident alien or to the applicant employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien is desired.</p> <p>Republic Act No, 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p>	<p>application to perform the services for which the alien is desired.</p> <p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p>	<p>Republic Act No. 5181 requires three (3) years of residence in the Philippines before a foreigner can practice his profession.</p>
Regulations on Recognition	<p>No foreigner shall be admitted to examination or registration as geodetic engineer under this Act unless he proves in the manner provided for by the Rules of Court that, by specific provisions of law, the country of which he is a citizen, subject or</p>	<p>No foreign mechanical engineer or mechanic shall be allowed to practice mechanical engineering or be given a certificate of registration or be entitled to any of the privileges under this Act unless he can prove in the manner provided by the rules of Court or by specific provisions of law</p>	<p>Registration shall be required of the following classes of persons upon proper application for exemption with the Board of Metallurgical Engineering:</p> <p>Foreign consultants, engineers and technicians called in by the Republic of the Philippines for</p>	<p>Practitioners in mining engineering engaged by the Republic of the Philippines for consultation or for specific purposes regarding the mining industry: Provided that their practice shall b3e confined to such work only.</p>

	<p>national, admit Filipino citizens to the practice of geodetic engineering after an examination on terms of strict and absolute equality with the citizens, subjects or national of said country, including the unconditional recognition or prerequisite degrees issued by institutions of learning duly recognized by the Government of the Philippines. (Section 31, RA No. 4374)</p>	<p>or regulations, that the country of which he is a subject or citizen, in the spirit of reciprocity, permits Filipino mechanical engineers and/or mechanics to practice within its territorial limits on the same basis as the subject or citizens of such country or state. (Sec. 39, RA No. 8495)</p> <p>The following shall be required to secure a Temporary/Special Permit from the Board subject to the approval by the Commission:</p> <p>Mechanical engineers, installation, commission or guarantee engineers from other countries called in for consultation or for a specific design or installation, project not requiring more than three(3) months residence in the Philippines in a twelve(12) month period: Provided, That such</p>	<p>consultation or for specific assignment or project;</p> <p>Foreign consultants, engineers and technicians employed by private firms for which the pertinent profession society certifies that no qualified Filipino is available, in which case the court may, in its discretion, allow them to practice without registration: Provided, that the private firm shows justification for the need of said consultants, engineers, technician to the satisfaction of the Board: Provided further, that the period of employment shall be for one (1) year extendable for another year but not to exceed three (3) years for any one individual.</p> <p>Employment of foreigners under paragraphs (a) and (b) shall be subject to the following conditions:</p>	<p>Foreigners employed by private firms as technical consultants in branches of mining engineering, for which the pertinent professional society certifies that no qualified Filipino is available, the Board may, at its discretion, allow them to practice without registration subject to the following conditions: That the applicant's curriculum vitae shall be submitted to the Board on or before arrival in the country; That the applicant will not engage in private practice on his own account;</p> <p>i. That for every applicant one Filipino understudy who is registered under the provision of this Act be employed by the private firm utilizing the services of such</p>
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		<p>engineers are legally qualified to practice mechanical engineering in their own country or state in which the requirements and qualifications for obtaining a certificate of registration are at least equal to or more than those specified in this Act as certified by the Board;</p> <p>1. Foreigners employed as technical officers, training officers or consultants in such special branches of mechanical engineering who, in the judgment of the Board are necessary and advantageous for the country particularly in the aspect of technology transfer, may be</p>	<p>That the applicant is of good reputation and moral character;</p> <p>That the applicant's curriculum vitae and detailed description of his assignment shall be submitted to the Board together with his application for exemption;</p> <p>That the applicant will not engaged in private practice on his own account;</p> <p>That for every applicant one Filipino understudy who is registered under P.D. No 1536 shall be employed by the private firm utilizing the services of such applicant for at least the duration of the foreign expert's tenure with said firm; and</p> <p>That the applicant is legally qualified to practice his profession in his own state or country</p>	<p>applicant for at least the duration of the alien expert's tenure with said firm; and</p> <p>ii. That the exemption shall be good only for six months renewable for another six months at the discretion of the Board: Provided, that in case the applicant ceases to be employed in the categories provided in paragraphs (A) and (B) hereof, and engages in an occupation requiring registration as mining engineer, such person must be registered under the provisions of this Act: Provided, further, That those</p>
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		<p>issued temporary permits: Provided, that such engagements have satisfied conditions, as may be deemed necessary as follows:</p> <p>2.</p> <p>a. Non-availability of a mechanical engineer and/or mechanic in the country who is competent, able and willing at the time of engagement to perform the service for which the foreigner is desired for;</p> <p>b. The foreigner must have been in prior employ of the engaging firm, or its foreign business</p>	<p>and that the country of which he is a citizen or subject permits Filipino Metallurgical engineers and metallurgist to practice their profession within its territorial limits. (Section 13, P.D. No. 1536)</p> <p>The Commission may, upon recommendation of the Board concerned, approve the registration and authorize the issuance of a certificate of registration with or without examination to a foreigner who is registered under the laws of his country: Provided, that the requirements for the registration or licensing in said foreign state or country are substantially the same as those required and contemplated by the laws of the Philippines and that the laws of such foreign country or state allow the citizens of the Philippines to practice the</p>	<p>falling under paragraphs (A) and (B) of this section should first secure a certificate of exemption from the Board: And, provided, finally, that each private firm shall be allowed a maximum of three consultants at any one time.</p> <p>Petitioners who are registered mining engineers or are certified as mine, mill or quarry foreman under Act No. 2985, as amended, and under the rules and regulations promulgated thereunder, shall ipso-facto be recognized and registered under this Act, and shall be allowed to retain their certificates issued by the former Boards of Examiners.</p> <p>The Commission may, upon recommendation of</p>
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		<p>partner, outside of the Philippines for a period of not less than one(1) year immediately preceding the date of his engagement;</p> <p>c. Any particular or specific engagement shall not be in excess of six(6) months but may be renewed once, if necessary, except when such engagement is for a newly established firm in which case the period of engagement may be for a longer term but not to exceed a total term of two(2) years. (Sec.31, RA No. 8495)</p>	<p>profession on the same basis and grant the same privileges as the subjects or citizens of such foreign state or country: Provided, further, That the applicant shall submit competent and conclusive documentary evidence, confirmed by the Department of Foreign Affairs showing that his country's existing laws permit citizens of the Philippine to practice the profession under the rules and regulations governing citizens thereof: Provided, finally, that the Commission may, upon recommendation of the Board concerned, and approval of the President, authorize the issuance of a certificate of registration without examination or a temporary special permit to practice the profession to any foreigner regardless of whether or not reciprocity exists in the practice of his profession between his</p>	<p>the Board concerned, approve the registration and authorize the issuance of a certificate of registration with or without examination to a foreigner who is registered under the laws of his country: Provided, that the requirements for the registration or licensing in said foreign state or country are substantially the same as those required and contemplated by the laws of the Philippines and that the laws of such foreign country or state allow the citizens of the Philippines to practice the profession on the same basis and grant the same privileges as the subjects or citizens of such foreign state or country: Provided, further, That the applicant shall submit competent and conclusive documentary evidence, confirmed by the Department of Foreign Affairs showing that his</p>
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			<p>country and the Philippines and under such conditions as may be determined by the Commission, if such foreigner is internationally known to be an outstanding expert in his chosen profession or a well known specialist in any of its branches, and that his services are urgently necessary either for lack of inadequacy of local experts or if his services will promote the advancement of the profession in the Philippines. (Section 5 (J), Presidential Decree No. 223)</p>	<p>country's existing laws permit citizens of the Philippine to practice the profession under the rules and regulations governing citizens thereof: Provided, finally, that the Commission may, upon recommendation of the Board concerned, and approval of the President, authorize the issuance of a certificate of registration without examination or a temporary special permit to practice the profession to any foreigner regardless of whether or not reciprocity exists in the practice of his profession between his country and the Philippines and under such conditions as may be determined by the Commission, if such foreigner is internationally known to be an outstanding expert in his chosen profession or a well known specialist in any of its branches, and that his services are</p>
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				<p>urgently necessary either for lack of inadequacy of local experts or if his services will promote the advancement of the profession in the Philippines. (Section 5 (j)), Presidential Decree No. 223)</p> <p>Membership in a professional body is not a requirement for licensing or registration.</p> <p><i>Issuance of Certificate of registration</i></p> <ul style="list-style-type: none">• A certificate of Registration for mining engineer shall be issued to any applicant who passes the examination after the approval of his ratings and upon payment
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<p>Rules on Registration</p>	<p>Membership in a professional body is not a requirement for licensing or registration.</p> <p><i>Issuance of Certificate of registration</i></p> <p>A certificate of registration for geodetic engineer shall be issued to any applicant who passes the examination after the approval of his ratings and upon payment of the required fees: Provided, that upon payment of the required fees, the Board may issue within a period of not exceeding two years after the approval of this act, a</p>	<p>Membership in a professional body is not a requirement for licensing or registration</p> <p><i>Issuance of Certificate of registration</i></p> <p>A certificate of registration shall be issued upon payment of the registration fee to any applicant who has satisfactorily met all the requirements for the particular grade he is registering.</p> <ul style="list-style-type: none"> • All certificates of registration shall show the full name of the 	<p>Membership in a professional body is not a requirement for licensing or registration.</p> <p>Issuance of Certificate of registration – The Board of Metallurgical Engineers shall issue certificates of registration to:</p> <p>Examinees who have successfully passed the board examinations for metallurgical engineers and have complied with the requirements of the rules and regulations prescribed by the Board:</p>	<p>of the required fees.</p> <ul style="list-style-type: none"> • Every certificate of registration shall show the full name of the registrant with a serial number , and shall be signed by the members of the Board and duly authenticated by the seal of the Board. • The Board may refuse to issue certificate of registration to any person convicted by a court of competent jurisdiction of any criminal offense involving moral turpitude, or to any person guilty of unprofessional,
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	<p>certificate of registration as geodetic engineer, without the necessity of undergoing the examination herein prescribed, to any applicant , who:</p> <ul style="list-style-type: none"> a. Is a holder of a registration certificate as private, or mineral or cadastral land surveyor; b. Is a graduate of a recognized course in surveying and has passed the Civil Service examination as assistant surveyor, or assistant mineral land surveyor, or mineral land surveyor, or senior cartographer, supervising computer, and 	<p>registrant, shall have a serial number , and shall be signed by all the members of the Board and shall be attested by the official seal.The issuance of a certificate of registration by the Board shall be evidence that the person named therein is entitled to all he privileges of a registered mechanical engineer, certified plant mechanic, as the case maybe, while the said certificate remains unnerved or unsuspended.</p> <ul style="list-style-type: none"> • The Board shall not issue a 	<ul style="list-style-type: none"> a. Persons who have applied for registration without examination and who posses the qualifications listed in Section 16 P.D. No. 1536 and have complied with the requirements of the rules and regulations prescribed by the Board; and b. Applicants for Metallurgical Plant Foreman as approved by the Board. All certificates of registration shall state the full name of the registrant, shall have a serial number and shall be signed by all members 	<p>unethical, immoral or dishonorable conduct, or to any person of unsound mind.</p> <ul style="list-style-type: none"> • All registrants under this Act shall be required to take a professional oath before the Board or before any person authorized to administer oaths, before commencing the practice of the profession. <p><i>Period of validity of a Professional license</i></p> <p>The statement of the period of validity of the professional license declares the payment of the annual registration fees for three(3) years and/or compliance with the Continuing</p>
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	<p>has practiced field surveying for at least twenty years in and/or out of the government service; or</p> <p>c. Is a commissioned line officer of the Bureau of coast and geodetic Survey or a retired offer of the said Bureau who has at least five (5) years of continuous practice service as a commissioned line officer at the time of retirement.</p> <p>Every certificate of registration shall show the full name of the registrant with a serial Number and shall be signed by the members of</p>	<p>certificate of registration to any person convicted by court of competent jurisdiction of any crime involving moral turpitude, or immoral or dishonorable conduct or any person of unsound mind declared by a court of competent jurisdiction.</p> <ul style="list-style-type: none"> • All registrants under this Act shall be required to take professional oath before the Board or before any person authorized to administer oaths, before commencing 	<p>of the Board, the Commissioner of the PRC, and shall be attested to by the official seal of the Board: Provided, that the issuance of certificate of registration by the Board to a registrant shall be evidence that the person named therein is entitled to all rights and privileges of a Registered Metallurgical Engineer or Metallurgical Plant Foreman while said certificate remains unrevoked or unsuspended. (Sec. 20 P.D. No. 1536)</p>	<p>Professional Education CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter but not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for membership are provided for by the APO's.</p> <p>Professional Firms are regulated by another</p>
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	<p>the Board and duly authenticated by the seal of the Board.</p> <p>All registrants under this Act shall be required to take a professional oath before the Board or before any person authorized to administer oaths, before commencing the practice of the profession.</p> <p><i>Period of validity of a Professional license</i></p> <p>The statement of the period of validity of the professional license declares the payment of the annual registration fees for three(3) years and/or compliance with the Continuing Professional Education (CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birthdate in</p>	<p>the practice of profession.</p> <p><i>Period of validity of a Professional license</i></p> <p>The statement of the period of validity of the professional license declares the payment of the annual registration fees for three (3) years and/or compliance with the continuing Professional Education (CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter but not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p>	<p>Every certificate of registration shall show the full name of the registrant with a serial number , and shall be signed by the members of the Board and duly authenticated by the seal of the Board.</p> <p>All registrants under this Act shall be required to take a professional oath before the Board or before any person authorized to administer oaths, before commencing the practice of the profession.</p> <p><i>Period of validity of a Professional license</i></p> <p>The statement of the period of validity of the professional license declares the payment of the annual registration fees for three(3) years and/or compliance with the Continuing Professional Education</p>	<p>government agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulations Commission.</p> <p>The use of international or foreign firm names is regulated by another government agency and not by the Professional Regulation Commission.</p>
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	<p>the year indicated and shall be renewed thereafter but not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for membership are provided for by the APO's.</p> <p>The practice of geodetic engineering is a professional service, admission to which shall be determined upon the basis of individual and personal qualifications. No firm, company, partnership, association or corporation may be</p>	<p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for membership are provided by the APO's.</p> <p>No firm, company, partnership, association or corporation may be registered or licensed as such for the practice of mechanical engineering: Provided, however, That persons properly registered and licensed as mechanical engineers may form and obtain registration with Security and Exchange Commission of a firm, partnership or association using the term "Mechanical Engineers" and or "Architect and Mechanical Engineers" but nobody shall be a member, partner or</p>	<p>(CPE) and the validity of the Certificate of registration.</p> <p>The license unless sooner revoked or suspended for cause, shall be valid up to the licensee's birth date in the year indicated and shall be renewed thereafter but not later than the twentieth day of the month following the date of expiration. Otherwise penalties shall be imposed.</p> <p>Membership to professional bodies is the main concern of the respective accredited professional organization (APO). Qualification and requirements for membership are provided for by the APO's.</p> <p>A firm, co-partnership, company, corporation or association can practice</p>	
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	<p>registered or licensed as such for the practice of geodetic engineering; Provided:</p> <p>That this will not be construed as preventing any combination of geodetic engineers from using the term "Geodetic Engineer"; Provided, further, That the majority of the members of the partnership, firm or association are properly registered and licensed geodetic engineers.</p> <p>Members of the partnership, firm or association are responsible for their individual acts. (Section 28, RA No.4374)</p> <p>Professional firms are regulated by another government agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission.</p>	<p>associate unless he is a duly registered and licensed mechanical engineer, and the members who are mechanical engineers shall only render work and services proper for mechanical engineers as defined in this Act.</p> <p>Professional firms are regulated by another government agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulation Commission.</p> <p>The use of international or foreign firm names is regulated by another government agency and not by the Professional Regulation Commission.</p>	<p>metallurgical engineering in the Philippines, Provided that such practice is carried out by metallurgical engineer holding valid certificates of registration issued by the Board and in the Regular employ of said firm, co-partnership, company, corporation or association. (Sec.25 P.D. No. 1536)</p> <p>Professional Firms are regulated by another government agency specifically the Securities and Exchange Commission (SEC) and not by the Professional Regulations Commission.</p> <p>The use of international or foreign firm names are regulated by another government agency and not by the PRC.</p>	
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<p>Regulations for Practice</p> <p>Restrictions on advertising solicitation and marketing</p>	<p>The use of international or foreign firm names is regulated by another government agency and not by the Professional Regulation Commission.</p>	<p>He shall not advertise in self-laudatory language, or in any other manner derogatory to the dignity of the profession.</p> <p>He shall not be joining a firm, partnership, association, or corporation registered prior to the approval of R.A. 4374, one of whose purposes is to engage in geodetic engineering work without actually or actively practicing geodetic engineering in or in behalf of said firm, partnership, association or corporation, when the same is in actual</p>	<p>He should be entitled to a just and fair compensation for services rendered. In the computation of such compensation, the period of time consumed, the knowledge, experience, ability and reputation brought into plan shall be taken into consideration, every factor to be accorded such weight as shall be just and reasonable in each specific case. (Rule 9 Code of Ethics)</p> <p>He shall uphold the principle of appropriate and adequate compensation for those</p>	
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		<p>prosecution of said purpose.</p> <ul style="list-style-type: none">• Mechanical engineers shall not attempt to compete with geodetic engineers or junior engineers for employment on the basis of professional charges, by reducing his usual rate and in this manner, attempting to underbid him after knowing the rate offered by another geodetic engineer or junior engineer.• He shall not join a firm , partnership, association, or corporation registered prior	<p>engaged in engineering profession, including those in the subordinate capacities in the interest of public service and maintain the standards of profession.</p> <ul style="list-style-type: none">• He shall not compete, by underbidding through reduction in his normal fees on the basis of charges for work, after having been informed of the charges submitted by another engineer.•• He shall exercise fairness, justice and integrity, when negotiating and/or	
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<p>Restrictions on fee setting</p>	<p>He shall not advertise in self-laudatory language, or in any other manner derogatory to the dignity of the profession.</p> <p>He shall not be joining a firm, partnership, association, or corporation registered prior to the approval of R.A. 4374, one of whose purposes is to engage in geodetic engineering work without actually or actively practicing geodetic engineering in or in behalf of said firm, partnership, association or</p>	<p>to the approval of R.A. 4374, one of whose purposes is to engage in geodetic engineering in or in behalf of said firm, partnership, association, or corporation, when the same is in actual prosecution of said purpose.</p>	<p>executing contracts between his clients and/or employer and the contractors and other parties shall not be financially interested in any bid or bids of contractors, suppliers or other interested parties in the performance of work which he is responsible.</p> <ul style="list-style-type: none"> • He should be entitled to a just and fair compensation for services rendered. In the computation of such 	
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	<p>corporation, when the same is in actual prosecution of said purpose.</p> <p>The geodetic engineer is entitled to a just and fair compensation for his services. In the computation of such compensation., the period of time consumed , his knowledge, skill, experience, and reputation, and the</p>		<p>compensation, the period of time consumed, the knowledge, experience, ability and reputation brought into plan shall be taken into consideration, every factor to be accorded such weight as shall be jest and reasonable in each specific case. (Rule 9 Code of Ethics)</p> <ul style="list-style-type: none">• He shall uphold the principle of appropriate and adequate compensation for those engaged in engineering profession, including those in the subordinate capacities in the	
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	<p>depreciation of instruments and materials used shall be considered and accorded such weight as is just and reasonable.</p> <p>He shall accept compensation, financial or otherwise, for his services from his client or employer only.</p> <p>He shall not compete with another geodetic engineers or junior geodetic engineers for employment on the basis of professional charges, by reducing his usual rate and this manner, attempting to underbid him after knowing the rate offered by another geodetic engineer or junior geodetic engineer.</p>		<p>interest of public service and maintain the standards of profession.</p> <ul style="list-style-type: none"> • He shall not compete, by underbidding through reduction in his normal fees on the basis of charges for work, after having been informed of the charges submitted by another engineer. • He shall exercise fairness, justice and integrity, when negotiating and/ or executing contracts between his clients and/or 	<p>The mining engineer may publish or disseminate professional calling cards or advertise his expertise provided that the content and information is true and not exaggerated.</p>
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			<p>employer and the contractors and other parties shall not be financially interested in any bid or bids of contractors, suppliers or other interested parties in the performance of work which he is responsible.</p>	<p>He shall uphold the principle of appropriate and adequate compensation for those engaged in engineering profession, including those in the subordinate capabilities in the interest of public service and maintain the standards of profession.</p> <p>He shall not compete, by underbidding through reduction in his normal fees on the basis of charges for work, after having been informed of the charges submitted by another engineer.</p>
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3

CHAPTER



Continuing Professional Education: Training & Developing Filipino Professionals Amidst Globalization

Zenon Arthur Siloran Udani, Ph.D.

ABSTRACT

Continuing Professional Education (CPE) in one's profession is indicative of a person's genuine concern for his present and future work. Professional associations are one of the avenues through which CPE is realized. *Updating* members of professional associations on current issues relevant to their field is unquestionably important. Moreover, professional associations must aim at *competence building* and *performance enhancement* among their members (Nasseh 1996). Likewise, professional associations should take great interest in molding the characters of professionals by inculcating their *core values* and the related *positive attitudes* among their members, which should ultimately translate into *ethical behavior*.

EXECUTIVE SUMMARY

Competitive globalization, accelerated change, and application of technology solutions are given realities of the new millennium. In the workplace, men and women need to be continually vigilant about their professional and personal development. Continuing professional education (CPE) must be a constant concern of the business enterprise, the individual employee, and professional associations.

Year 2000 saw the scrapping of the CPE credits requirement for the renewal of professional licenses. This drew mixed reactions. Those who applauded the decision

thought that a load was removed from their backs. They need not waste time and money attending virtually useless seminars just to earn CPE credits. Moreover, this also kept them from being a party to corruption, where grease money is traded for the “seamless” renewal of licenses.

Those who were against the removal of the CPE requirement thought that professionals would be missing a lot of opportunities for professional development in the absence of what could drive them towards this objective. Any requirement stipulated by law induces compliance. Although it is a fact that professional associations are *not* the sole source of CPE, these associations can serve a distinct role in prodding people to aspire for professional and personal excellence.

With or without the CPE requirement, continuing education among professionals should be an ongoing process. Notwithstanding the limitations of professional associations, they can still be of effective service to professions.

Updating members of professional associations on current issues in their field is unquestionably important. This appears to be the dominant thrust of the professional associations surveyed in this paper. However, CPE in these professional associations must go beyond this stage. *Competence-building* and *performance-enhancement* must also be encouraged among the members of professional associations (Nasseh 1996). This requires creativity, vision and diligence from the leadership of the professional associations. Ultimately, it is the personal vision, professional drive, and sense of urgency of the individual members that would guarantee positive outcomes and improvements in professional competence and performance.

CPE is a shared concern among all the professional organizations or associations surveyed in this paper. It is reflected in their vision and mission statements, and their professional activities. This is a good sign. Serious commitment to CPE or “CPE in action”, however, varies among these associations. While CPE is a veritable need of all professionals and all professional associations to compete globally and address the training and development needs of individuals, its realization and implementation depends on the following factors and courses of action as gleaned by the researcher from the professional associations studied:

- Competent and proactive leadership in professional organizations
- An explicit, operative commitment regarding CPE in an organization’s mission and goals

- Assigning CPE as the primary concern of a committee within the association
- Institutionalizing CPE through concrete programs and plans of action
- Giving a more definite focus on CPE which can serve as the central theme of educational activities of the association
- Evaluating CPE endeavors of the association annually, and drawing the best practices and concrete courses of action
- Publishing a scholarly professional journal which will encourage research and development among association members
- Networking and benchmarking with similar international professional organizations, working towards Mutual Recognition Agreements between countries
- Upgrading and updating library resources of the association, earmarking the necessary budget for books, publications, educational videos and compact discs
- Developing an interactive website that will enhance communication and exchange of ideas and experiences among professionals through discussion groups, electronic bulletin boards, etc. and networking the association with similar international organizations
- Establishing stronger linkages with colleges, universities and business organizations in order to develop world-class curricular and non-curricular courses and programs

In a related study entitled "Continuing Professional and Technical Education in the Philippines" by Edralin (1999), the author's recommendations may also be considered in making CPE serve its intended purpose among professional organizations. These are:

- *Formulation of a unifying HRD (human resource development) framework*
- *Review of matrix on continuing education*
- *Greater access to education, training, and retraining*
- *Incentives for professionals and technical workers*
- *Tax incentives to firms*
- *Needs identification and assessment*
- *Effective integration of education and employment*
- *Active tripartite cooperation*
- *Financing schemes*

Moreover, to keep CPE relevant to professions, certain challenges have to be considered. Tullao (1999, p.32) underlines “the need to refocus CPE programs towards research, graduate education, inventions and publications.” He adds, “Professional organizations should have their own journals reviewed by national or international experts. They should also sponsor professional lectures where their distinguished members or outside experts are asked to discuss topics of their expertise. Similar to the quest of higher educational institutions to make research outputs of their professors published in international journals, professional organizations should encourage their members to publish in refereed international journals.”

Business enterprises should be encouraged to invest resources in training and developing their people by giving them the appropriate incentives. In the absence of external incentives, firms are still duty bound to develop their people for the sake of the viability and growth of the enterprise.

Colleges and universities can also help in the professional development of the future work force by aligning their curricula to the needs of companies and industries. Strategic alliances with professional or industry associations in the curricular design of courses will enhance the employability of graduates and empower professionals in the work place.

The researcher also highly recommends a similar study on the CPE activities of business associations like the Philippine Chamber of Commerce, Inc. (PCCI) and their regional counterparts. Best practices can be drawn from this research and a better awareness of CPE in these business associations can spur more investment in professional development.

Another interesting area for future research in the field of CPE is APEC collaboration in the training and development of professionals in the financial

services sector. This matter has grown in relevance and importance amid globalization.

Ultimately, professionals must realize that they are the best “architects” of their personal professional development plans. They have to be more proactive and take the initiative in enhancing their competence and performance.

INTRODUCTION

Amid the continuous formation of the global community, Filipino professionals must seriously consider their continuing professional education (CPE) —understood as training and development in their field of expertise and beyond. This professional drive towards lifelong learning will keep them, at the least, useful and productive in their present jobs, competitive in their skills, talents, and knowledge vis-à-vis their foreign counterparts (Tullao 1999), and potentially employable, should the risk of losing their jobs loom into the picture.

In any case, CPE must be oriented towards genuine people development – understood as “getting the right values into their hearts, getting the right skills into their hands, and placing the right ideas in into their minds” (Estanislao 1994). In this manner, it assumes a holistic approach that encourages both technical and ethical competence among professionals.

By and large, CPE is an initiative which professionals must assume as a personal commitment. This should even be clearer with the abolition of the CPE credits requirements in the renewal of professional licenses. Professionals must improve in professional competence and personal character to cope with changes in the labor market and the global workplace. Nowadays when jobs are very demanding, competitive and scarce, Filipino professionals must take it upon themselves to invest in their professional training and development. Business organizations, nonetheless, stand to gain from investing in their people (Udani 1995). “Developing people is a fundamental managerial task that is even more important and much more challenging than managing physical resources from one day to the next. Thus, it is always timely for management to ask itself, ‘What can we do for our people? What *more* can we do to help them become *better*?’” (Udani 1995) By doing so, they can enhance the competence and productivity of their people, empowering their organizations to be competitive in the global market.

This paper focuses on professional organizations or associations and their efforts at providing CPE among their members. Specifically, it looks into:

- the state of CPE among selected professions in the Philippines through the plans, initiatives, and programs of the corresponding professional associations
- modes of delivery of CPE among these professional associations that ensure fitness of the beneficiaries amid the globalization of the workplace
- the strengths and weaknesses of the professional associations as regards CPE delivery

The study will also employ a training and development paradigm in pursuing the aforesaid objectives. Lastly, the study will also identify areas of improvement for CPE in the chosen professional associations.

SIGNIFICANCE OF THE STUDY

The study will allow heads and members of professional associations to learn from each other in the field of CPE. Good practices that merit replication and neglected practices that would surface from the descriptive survey should allow the professional associations to assess their strengths and weaknesses. Knowing these, professional organizations and external CPE providers will be prodded to review, reconsider, and evaluate the relevance and effectiveness of their training and development activities for Filipino professionals. Moreover, these associations can identify key areas for development and improvement in their programs.

CPE AND LIFELONG LEARNING

Education is a lifelong process. It is not just an isolated event that happened once in the past but it is a continuing activity in a person's life. As such it must be actively pursued as a personal goal and a common good shared by members of an organization or professional association. By seriously pursuing CPE, professionals clearly discern what their respective professions demand them *to be* and what their clients or employers expect them *to do*.

Professional organizations and CPE providers must be genuinely concerned about the people they train and develop. More than just handing information to people, they must engage in true-to-goodness education which calls for drawing out the best in people—"educing" what is latent in them, and transforming what is potential into something actual. Moreover, the training and development policies

and activities that they pursue must reflect the demands of both the local and global markets. By doing so, they help Filipino professionals “to meet international competition” (Tullao 1999).

CPE in this study is understood in its broadest sense. It is any form of education after one’s bachelor’s degree aimed at increasing and enhancing a person’s level of competence, both in the technical, non-technical and ethical realm. CPE is part of the larger field of lifelong learning (LL), which assumes that the human person is a naturally learning being from childhood to adulthood. Limits to such endeavor are basically internal factors related to the individual—his values and attitudes, his level of motivation and personal drive, his aptitude, and physical abilities.

Where educational opportunities and affiliation to a professional association are absent, CPE and LL are very much in the hands of the individual. The drive to progress in one’s career, to jack up one’s income and land a better job are among the motives for seeking and fostering CPE and LL.

It must also be noted that one’s present work can be a veritable field for growing professionally and personally. Continuous effort to work hard and work well despite all odds, such as inadequate learning tools, rewards the worker in the long run with better knowledge and skills, healthy values and attitudes.

Fortunately, there are business organizations that take human resources development (HRD) seriously. The strategic decision to invest in people is sometimes induced not just by economic and business considerations but by the chief executive’s or management’s commitment to developing people.

Over the years, millions of pesos have been invested in training and developing people. While employee selection and hiring standards are important, continuing professional education is still needed by people. Gains in productivity, translated to higher profitability and earnings, are expected outcomes from such investment.

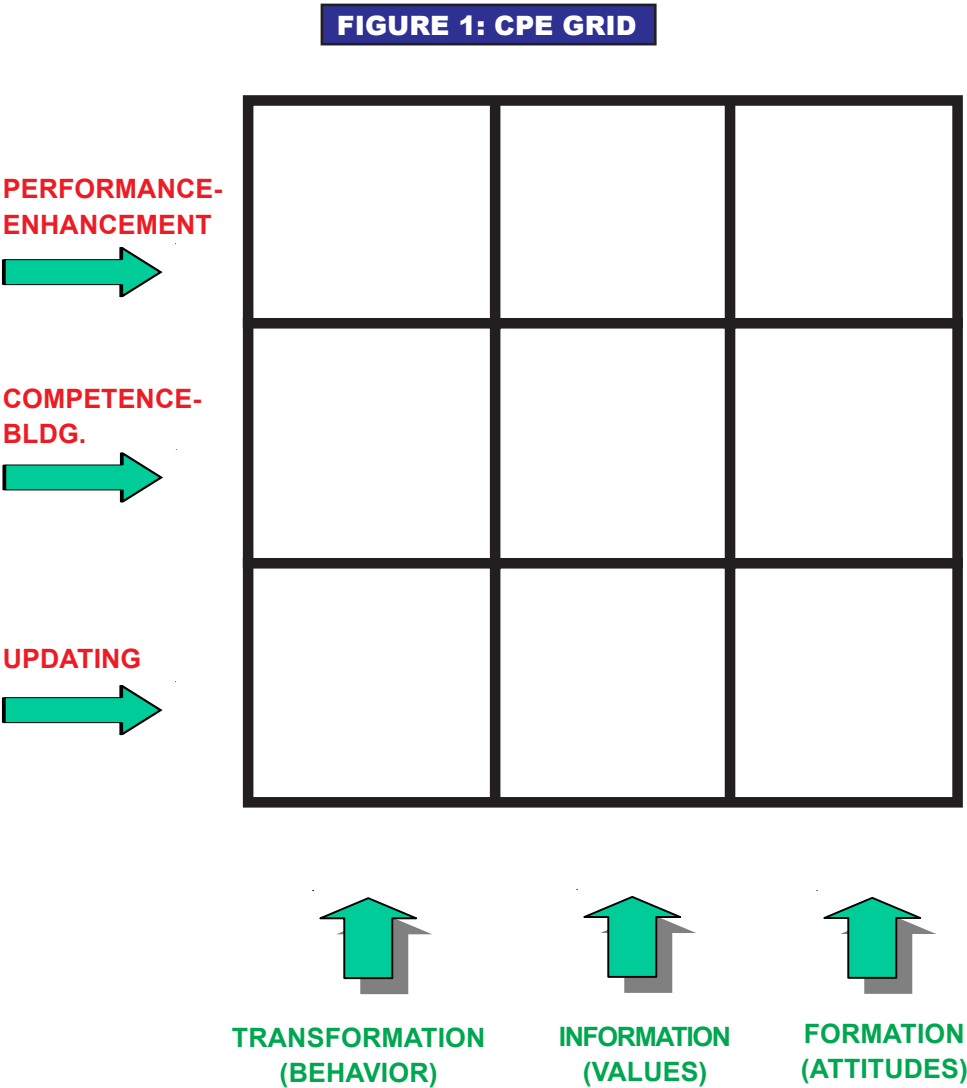
However, the budget for HRD is often the first one to go when cost cutting is deemed necessary for the viability and survival of the business organization. Nonetheless, this does not necessarily mean that CPE will come to a halt, as managers can also be educators at the same time.

CPE melds naturally with lifelong education. There is a clear need though to understand and appreciate LL better. There is also “the need to rethink and broaden the notion of lifelong education. More than adapting to changes in work, education through life should also constitute a continuous forging of one’s own personality—one’s knowledge and aptitudes, but also the critical faculty and the ability to act. It

should enable people to develop awareness of themselves and their environment and encourage full participation in work and society” (Delors et al. 1995).

AN INTEGRAL PARADIGM FOR CPE

In featuring the CPE activities of the professional associations considered in this study, an integral paradigm for CPE (or the CPE GRID – Figure 1) will be used. The parameters of the paradigm will also serve as the indicators pertinent to gathering data from the organizations and understanding their CPE activities better.



The etymology of “education” tells us that it is more than just passing information from the teacher to the students (Bellah et al. 1992). Aside from instruction, true education involves drawing out the best in people—“educing” what is latent in them, and helping them actualize their potentials. Steve Forbes asserts: “Education enables us not only to gain knowledge but also to develop sound character, to discover our God-given talents, to lead honorable lives, to become truly good parents, neighbors and citizens” (Forbes 1999). Thus, the teacher can be compared to a sculptor who transforms a formless stone into a masterpiece. Such sense of idealism thrives in the lives of many teachers; teachers who have made it their mission to teach their students both competence and character. As Forbes aptly puts it, “education is about more than just developing our intellects. It is about building the architecture of our souls” (Forbes 1999).

The bases for coming up with the grid are the twin ideas inherent in the traditional notion of education: to help the young and old *to be smart* and *to be good*. Today’s management gurus would refer to these as competence (being smart) and character (being good). The vertical bar in Exhibit 1 covers the competence ladder, while the horizontal bar, the character continuum.

Competence in the context of this research is understood as the technical knowledge, skills and expertise pertinent to a given profession. Character, on the other hand, refers to the “human” side of the professional—his personal values, attitudes and virtues; his people and motivational skills; his leadership and ethical qualities. Activities and programs gathered from the professional associations, directly or indirectly related to competence and character building, served as the bases for classifying the organizations in the CPE grid. Admittedly, it is a lot easier to decipher whether a seminar, conference or program of a given organization deals with updating, competence-building, information and formation. The last stages of the competence and character continuum—performance enhancement and transformation, respectively—are more difficult to monitor as this would require a close mentoring and monitoring of individuals for a given period of time. At the risk of appearing arbitrary, the researcher used his judgment on the nature of the cluster of activities carried out by a given organization and its explicit strategic intent (through the organizational vision, mission and value statements) in lodging some professional associations in the right-uppermost quadrant corresponding to both performance enhancement and transformation.

An explanation of the CPE grid as applied to professional associations is further called for. On the competence side, *updating* involves the purely technical dimension of a given profession. Professionals are kept informed of the developments and current events in their field. This may give rise to opportunities for professional

growth, career movements and even business. Updates may be of local or international scope. *Updating* "provides practicing professionals with a level of knowledge comparable to those professionals graduating from professional schools. In other words, it closes the gap created by changes in technology, science, and skills between these two generations of professionals" (Nasseh 1996).

Professional updates which trigger build up in knowledge and related skills move professionals to the next stage of competence-building. As they realize that what they know and what they can do are no longer sufficient to be productive and effective professionals, *competence-building* becomes a more urgent concern. "It calls not only for updates in professional school basic knowledge and skills, but also for education derived from pluralistic sources (continuing education for professions) found useful in assuming competence required by what professionals actually do for a living" (Nasseh 1996).

At the stage of competence-building, professionals, aided by their associations, would have identified their key areas of professional development and growth.

As they habitually work on acquiring more relevant knowledge and applying the crucial work skills, they gradually move into the stage of *performance enhancement* where desired action is generated and sustained for a long period of time. This stage is anchored on "the act of performing a job efficiently, skillfully, and completely" (Nasseh 1996). Regular performance appraisals should be able to capture some of the improvements due to CPE.

Looking at the *character dimension* of CPE this time (i.e., the horizontal bar), a number of professional associations espouse a set of core values that address both the professional and personal development of the members. Integrity, which is related to ethical, professional behavior, is a value common to many of these associations.

The *information* stage basically deals with expounding on the core values of the organization. This could involve integrating them in the programs, seminars, workshops, etc. of the professional association. Thus, members become more aware of the relevance and importance of values in their professional field. Likewise, their personal value system may also be strengthened and guided in the right direction as demanded by ethical, professional behavior.

Core values are broad in nature. They are specified and expressed through particular attitudes. Thus, the stage formation sets in. *Formation* implies the personal assimilation and "ownership" of positive work and social values.

The value of integrity, for instance, could influence one's attitude towards ethics in selling or marketing, intellectual property rights, etc. The more palpable a professional association's commitment is to its espoused values, the greater interest it would have in molding the attitudes and behaviors of its members. After all, the quality of professional behavior bespeaks one's mettle in a given profession.

The moment core values and attitudes are imbibed in a habitual and stable manner, the stage of *transformation* is reached. Transformation, though, is a lifelong job. Professional associations who reward the best persons or model professionals in their field make their positive statement for transformation. This means they envision their members to be both technically competent, and men and women of excellent character.

From the foregoing discussion, one would be able to infer the implication of being lodged in one of the nine boxes or combinations in the grid based on the activities, programs and explicit strategic intents of the professional associations in the study. The CPE grid conceptualized by the author presents the right, uppermost box as the ideal for professional associations where performance enhancement and transformation are carried out explicitly or implicitly.

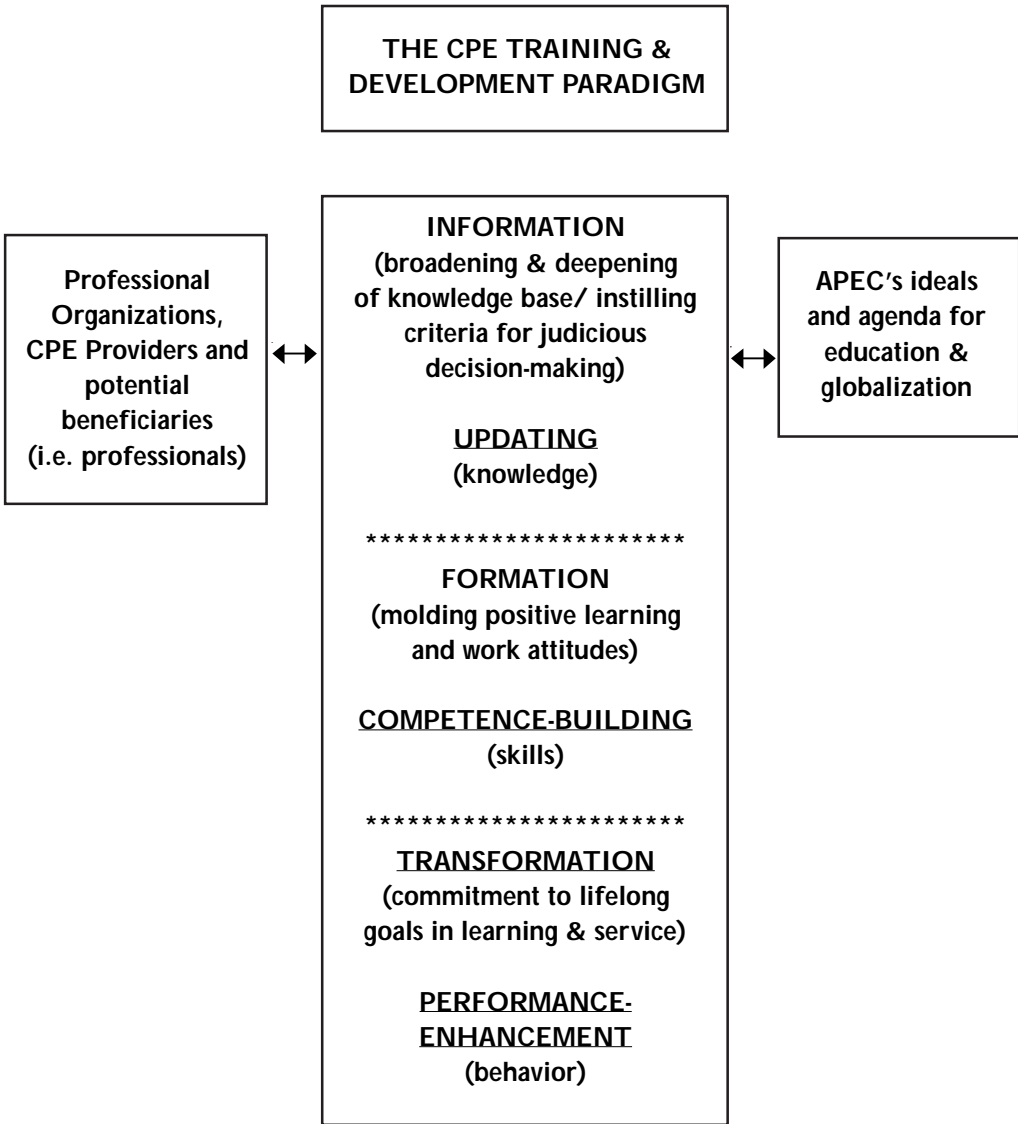
While professional associations legitimately pursue the vertical axis of competence, given its three stages or levels, they are reminded and encouraged to also pursue the path of the horizontal axis of character. The nine boxes within the grid represent combinations of the different levels of pursuing both competence and character development in the CPE of professional associations.

The grid serves as a CPE template for professional associations. Analyzing the strategic intent and activities of the organizations covered in this study, the author used the grid, lodging them to one of the boxes. The CPE grid can, at least, serve as a guide in charting the professional and personal development initiatives of the professional associations.

The integral CPE paradigm or grid used in studying professional education and development in the professional associations is holistic in nature. It captures the basic learning content (Delors et al. 1995) such as "knowledge, skills, values and attitudes."

The basic components of the paradigm are shown and discussed below:

FIGURE 2



Stage-Level I: Information/Updating

In the context of this study, information refers broadly to whatever shapes the value system of the professional. Updating, on the other hand, refers to the profession-related, technical data and know-how. Updating also presents the emerging trends and developments including current events in the professional field.

This phase basically involves the transmission and acquisition of knowledge, skills, and values; defined as the movement or transfer of knowledge from the CPE teacher to the student, or the discovery of information or knowledge by the student with the guidance of the teacher. Knowledge here refers to selected and processed information, sifted through universal principles and stored in the mind of the teacher. Skills, on the other hand, pertain to the educator's acquired abilities which are useful in communicating effectively his knowledge and wisdom to the students.

At this level, the effectiveness and success of the teacher in transmitting his knowledge and skills to students enable them to acquire sound criteria in gathering information needed for judicious decisionmaking. Moreover the students are aided in building their value system.

This stage describes the CPE teacher as technician, i.e., one who merely imparts knowledge and skills. Although we accept the necessity of teaching knowledge and skills to prepare students for the workplace, we also recognize the fact that this is not the sole and essential purpose of education.

The general tendency of many educational institutions to provide students with a fragmented kind of education, one that leans heavily on the technical side or academics and has little or no regard for the affective and moral development of the students, is a paradigm that we want to veer away from. We have observed that there are currently many higher education institutions which parry from this integrative goal of education (Bellah et al. 1992). They treat academics and character development as two separate domains that have nothing to do with each other. Hence, schools and professional associations have relegated themselves to concerns of technical and academic achievement, to the sole task of transmitting knowledge and skills. The philosopher Mortimer Adler (1984) criticized this current trend. Beyond information and knowledge, students should be equipped with things they need to face and live up to the challenges of daily life. Bellah et al. echo a similar belief: "We must recover an enlarged paradigm of knowledge, which recognizes the value of science but acknowledges that other ways of knowing have equal dignity. Practical reason, in its classical sense of moral reason, must regain its importance in our educational life" (Bellah et al. 1992).

Certainly the prevailing phenomenon observed in professional schools is at variance with the contention that “all educational and formative work” of the schools aims at no less than influencing “the student’s whole personality” (Brezinka 1994). Hence, the rationale for proposing two higher levels to the realm of teaching and learning.

Stage-Level II: Formation/ Competence-Building

Formation/competence building, which follows information/updating in our paradigm, refers to the strengthening of sound criteria or standards (i.e. based on universal values or principles), the molding of positive attitudes to guide learners in making moral choices or decisions, and the translation of technical know-how to competence. The CPE teacher commits himself to enhancing the moral cognition or reason of the students and improving their work competencies as well; the educator’s intent is to have the students adopt or identify with a set of criteria or standards and attitudes.

At this level, the teacher helps and empowers students to make educated choices in professional life. To be effective, however, the CPE teacher should teach the criteria or standards within the context of the professional experience. Otherwise, they become decontextualized or irrelevant. Decontextualized learning of these criteria, here, refers to their lack of “relation or connectedness” with the professional theme being studied. Doyle (1999) asserts that teachers ought to integrate these standards in a context. To do this, CPE teachers ought to have the keenness to discover the “natural or uncontrived applications” of these standards to the professional content being pursued. This is a feasible task because value-laden standards are intrinsic to academic learning (e.g., coming up with excellent work, submitting deadlines on time, listening attentively in class, participating in discussions, cooperating responsibly in groupwork, solving problems skillfully and creatively, making sound and prudent decisions, etc.). A well disposed student necessarily gets formed in meeting these standards. The mutual commitment of the teacher and the students to these academic standards, i.e. the teacher’s consistent enforcement and the students’ assiduous observance of these standards, is a natural, yet effective way of positively forming the students’ character. Teachers with this educational paradigm would certainly not allow themselves to become boringly pedantic or moralistic in class.

Being open to the formative and “mentor” role of educators in the exercise of their profession, CPE teachers can transmit moral values and professional competence by being very good professionals and persons. Character and competence are both taught and caught. Intellectual honesty and professionalism are values which students can learn through the example of their mentors. By

being demanding, and yet gentle with the students, educators can indirectly teach patience, discipline, order and respect for the laws of nature. Moreover, by training their students to be responsible in their professional requirements and duties, teachers are sharing in the task of helping them to become productive and respectable citizens in civil society.

Stage-Level III: Transformation/Performance Enhancement

The last phase involves transformation/performance enhancement. In this level, expected and desired behaviors are manifested. This also concerns exercising influence over a student's moral reason, affectivity, and professional behaviour by means of the CPE teacher's inspiring example and by his commitment to and consistent demonstration of excellence in teaching. Such influence impels the student to embody the ideals proposed by the teacher and help him espouse lifelong commitments to learning and service.

According to Harned (1999), transformation consists of enabling people to pursue "higher causes." Both teachers and students must learn how to look beyond themselves and pursue their work in service of others. Doing so, they multiply the possibilities of learning and growing professionally and personally. The transformational process, however, morally obliges the teacher to lead the students by edifying example. The transformational teacher must exemplify the convictions he is striving to instill in the students. A true educator is distinguished by his ability to effect the transformational level of teaching.

All throughout the educational process, information/updating, formation/competence building and transformation/performance enhancement ought to take place simultaneously. It is important, however, for the CPE teacher to ensure the integrity of the information he transmits to the students for only true or genuine knowledge can be the foundation of effective formational and transformational teaching. The teacher, should not, however, settle for the mere imparting of veritable knowledge. Through the knowledge that he imparts, the CPE teacher must set the impetus to shape the students' minds according to ethical ideals naturally drawn from it; such formidable task is further propelled and intensified by the teacher's illustrious example so that these ideals do not only stimulate the students' minds, but move their hearts and transform their actions as well.

At the stage of transformation/performance enhancement, the learning professional is not just content with knowledge and decisionmaking skills. On the basis of the good that he knows, he realizes, discovers the seriousness of life that he decides to change not just his worldview or outlook in life but his whole life. This

sometimes may include a 180-degree turn which a person takes after a deep realization about committing himself to a more noble purpose in his professional and personal life. On the part of the teachers, they see their work not just as a matter of passing information, no matter how well they may do it. Moreover, they are not content with just helping the students to do well in their decisions. These teachers take it upon themselves to help develop good professionals and good persons simultaneously. While not neglecting the need to be excellent teachers or instructors, they see their duty as “formers” and “transformers” of men and women.

Professional schools and CPE providers must also look into how they can positively and fruitfully influence the decisionmaking patterns and lifelong goals of the students they are committed to train and form well. One can only be ethically formed, for instance, if he is continually informed by ethical principles and examples nurtured within and without an educational institution’s culture. And one can be transformed personally only through constant, lifelong formation. Thus, the continuity of formation and transformation of a person also depends on the commitment of the school to development-oriented goals and ideals.

To move from one phase of the paradigm to the next, the key factor is personal commitment to the ideals embedded in the paradigm. The student, as well as the CPE teacher, must be a docile, willing and intelligent subject and protagonist in the educational process. Moving from one stage to the next requires a firm personal decision guided by an awareness of what is truly good for people. Moreover, the student needs the encouragement of the teacher. And the CPE teacher, on the other hand, needs the support of the professional association.

This CPE paradigm or grid has its use in studying the professional associations. But limited information about the CPE activities provided by these organizations is a clear delimitation in making an accurate judgment of how these organizations are performing vis-à-vis the given parameters of indicators. Nonetheless, the paradigm or grid can serve as a helpful assessment tool for both the professional associations and individual professionals.

SELECTED PROFESSIONAL ASSOCIATIONS

Selected professional associations or organizations addressing the CPE needs of “backbone” professions were studied in this research. The selection of the associations were based on their relevance to the business organization in particular, and the Philippine economy in general. The professional associations not covered by this research can be the subject of future studies.

The following organizations were included in this study:

- *the Institute of Corporate Directors;*
- *the Management Association of the Philippines;*
- *the Bankers Association of the Philippines;*
- *the Financial Executives of the Philippines;*
- *the Philippine Institute of Certified Public Accountants;*
- *the Personnel Management Association of the Philippines;*
- *the Philippine Society for Training and Development;*
- *the Philippine Computer Society;*
- *the Philippine Medical Association;*
- *the Philippine Nursing Association; and*
- *the Institute of Integrated Electrical Engineers.*

As previously stated, the main focus of the research was the CPE thrust and activities of the professional organizations. The information and data used in this study included:

- the professional association's vision, mission and values statement;
- the association's thrust as regards CPE; and
- the various programs and activities of the association that promote CPE among members.

The Institute of Corporate Directors (ICD)

Directors of corporate boards play a very important role in the life of corporations. Their guidance and decisions can either make or break business organizations. For this matter, they have to be fit for their jobs, preferably men and women of competence and character.

Launched in September, 1999, the Institute of Corporate Directors (ICD) "envision[s] internationally competitive institutions with corporate governance practices in line with global standards in a free and open economy." It sees itself as "an agent of corporate governance reforms in the Philippines and the Asia-Pacific region through interactive continuing education for CEOs and corporate directors, proactive advocacy and networking undertaken with the spirit of open regionalism."

ICD is not exactly a professional association similar to those included in this study. It can be considered as a provider of professional education for corporate directors. It is not entirely new as a concept. Similar organizations in the U.S., Canada

and some European countries exist. And ICD, being a fledgling organization, has benefited from the experience of its counterparts in other countries. In fact, in its first conference on corporate governance, heads of similar organizations in other countries came to the Philippines as resource speakers.

The existence of ICD is a blessing to Philippine organizations given the crucial role of corporate directors in charting and steering the businesses that they govern. Their competence and integrity have a significant bearing on the viability, growth and development of their organizations.

While appointed board directors are assumed to be well-qualified professionals, their credentials and wealth of experience must be enhanced by CPE. This would enable them to actively participate and effectively contribute in board meetings. The need for CPE is even more urgent among board members who assume their position because of familial connections.

Noting the weakness of family businesses as regards corporate boards, Cruz (2000) observes that "families don't normally have a functioning Board of Directors. If the board is composed of only family members, then sessions are held informally since formal sessions are considered too bothersome and bureaucratic. If there are non-family members on the board, board meetings are rarely held, because family issues are considered taboo subjects and not to be discussed in front of non-family members."

Cruz adds: "Even the so-called professional boards of family businesses serve mostly as an advisory board to the owners. They usually have little authority and seldom vote on major issues. They seldom fulfill the true function of a board, which is corporate governance."

"Globalization and trade liberalization are changing the competitive environment. Family businesses must transform themselves to become globally competitive. In this environment, the owner-manager cannot continue shouldering total responsibility for the business. However, sharing responsibility with the board must also mean sharing authority with the board."

"In today's business environment where all business firms must become globally competitive, the family business must realize that, more and more, it cannot survive without a real and functioning board of directors."

Whether an entity is a family business or not, its corporate directors need to keep themselves professionally fit for their crucial roles. In this regard, ICD helps in strengthening the credibility and confidence of corporate directors. It goes beyond informing and updating directors of their roles. They are prodded to set their sights

on enhancing their performance as corporate governors and made conscious about caring for their integrity and character.

At its fledgling stage in the Philippines, ICD has the following educational programs for corporate directors and CEOs:

- *Study Sessions on How to Make Corporate Boards More Effective;*
- *Professional Seminars on selected facets of corporate directorship; and*
- *Corporate Retreats on strategic management perspectives.*

Its advocacy programs consist of:

- *Conferences for relevant government agencies;*
- *Symposia for chambers of commerce and professional organizations; and*
- *Forum for international fund managers and other investor groups.*

In the area of networking, it envisions:

- *An ASEAN network of centers for corporate governance;*
- *An East Asian network of institutes of directors; and*
- *An Asia Pacific forum for corporate governance reforms.*

With the integrity, credibility and prominence of ICD's trustees and officers, it can veritably serve as a catalyst in the continuing development and professionalization of members of corporate boards. Over its last few months of existence, ICD has attracted some executives to attend its out-of-town educational workshops. Such activities are self empowering in nature.

In May last year, ICD mounted the "Open Conference on Corporate Governance and Related Reforms in the Philippines", attended by more than 300 top executives in the country.

By committing itself to the professionalization of board members, ICD contributes to the long-term strength and viability of the organizations it serves. As it is now, ICD targets not just informing corporate directors about developments in their field but also aims at empowering board directors to be more competent and performance focused.

ICD has also started empowerment programs among some government agencies. In a recent open conference on national governance in June 2001 at the Manila Hotel, the Bangko Sentral ng Pilipinas and the Securities and Exchange Commission were featured in one of the forums. Steps and measures towards good

governance undertaken by these agencies were presented by representatives of these two agencies.

Under the leadership of former finance chief Dr. Jesus P. Estanislao, ICD intends to service more private and public organizations in these next few years.

Given the performance enhancing and transformational short courses and intensive programs of the ICD, it can be lodged in the right uppermost box of the CPE Grid. Its commitment to empower board members of organizations and call on their integrity and character can be gleaned from its thrusts, programs and activities.

The Management Association of the Philippines (MAP)

Strong and hefty organizations bank on a competent and trustworthy top management. Over the past 50 years, the MAP has served as an association for CEOs, COOs, and management educators. More than just an association, MAP also stands as a support group and sounding board for top executives. Presently, MAP has close to 700 members.

Evident in MAP's objectives is its drive toward professional development. MAP aims to:

- *Foster management excellence;*
- *Help uplift the standards of management practice in the country;*
- *Establish and maintain closer relations among senior business and industrial management executives;*
- *Promote a broad exchange of latest management information and practices; and*
- *Assist educational and other institutions in interpreting the needs of commerce and industry in so far as the management career is concerned.*

One can glean from these objectives MAP's intent to update its members about the emerging trends in their field, build their competence and enhance their performance as top managers.

Within MAP is the Management Development and Scholarship Committee which *"plans and implements activities relevant to the continuing management education of members and other senior executives. It develops specific programs to introduce members to new management theories, concepts, practices and techniques; enhance their management skills; and expand their managerial knowledge and capabilities."* Committees of this nature are very

useful for professional organizations. The least they do is to identify “champions” of CPE programs and activities. They can always be on the look out for the developmental advancement of the association members.

More concretely, MAP fosters management excellence through the following avenues:

- *annual management conference;*
- *management development forums;*
- *industry briefings;*
- *seminars; and*
- *industrial tours and plant visits.*

The activities listed above are patently educational and professional in nature. They are indicators of the “updating” parameter in the CPE grid.

MAP members are afforded opportunities to listen and learn from the work experiences of their fellow executives as well as update themselves on current issues and research in the management development field. “The MAP provides a medium for a broad exchange of management ideas and experiences with a view toward enhancing the management skills of MAP members and other top executives, thus contributing to their continuing education.”

Although the activities are predominantly professional, they are also expected to have a dent on the personal lives of the members. These activities presumably provide the information and formation dimensions of the CPE grid. Indeed, a number of management skills also apply to self management.

Ethical leadership and management is perhaps a field where MAP should invest more resources. While a number of companies have written or implicit codes of ethics, proper training and formation in this regard should not be taken for granted. Such developmental programs or activities have a bearing on what management literature has referred to as transformational leadership.

Unique to MAP is its Management Educators’ Workshops. *“Through its management educators’ workshops, the MAP contributes to the upliftment of management education in the Philippines and assists educational and other institutions to interpret the needs of commerce and industry in so far as the management career is concerned.”*

In an interview with Mr. Arnold Salvador, MAP’s Executive Director, he says that MAP per se does not conduct training for its members, except for its Management Educators’ Workshops. Such workshops aim to teach skills among participants, while forums and conferences enhance the knowledge of participants.

Participation in workshops would depend on the perceived value added that can be derived from these by prospective participants. The same is true for fora and conferences. Moreover, the prestige of speakers also influences the decisions of executives to participate in management development activities. Top executives are difficult to detain for a day to attend a seminar. Thus, the design of programs needs to be well crafted.

To give focus to MAP's continuing professional education, yearly themes are adopted and these dictate on the proceedings of the Annual MAP Conference, the Management Development Fora. The latter usually addresses the issues that are relevant to the work of the members.

Fora on current issues and global trends also keep the MAP members informed and prepared to face the globalization of business. In one forum, for instance, MAP had Dr. Judith Rodin, President of the University of Pennsylvania, to talk on "Facing the Challenges of Globalization through Management Education."

"The concept of CPE in MAP is not as explicit as some, in terms of offering units of continuing education or training programs as such, but they opt for the more subtle way of educating: not letting the students know that they are learning, when in fact, they are. And it seems that this method works for them.

"On a last note, all of these proves to show that lifelong learning still appeals even to busy top executives and the like....If there is one thing man is born with, it would be safe to say that he is born with the thirst for learning" (Buenaflor & Reyes 2000).

The continuing professional education of business executives naturally takes place in their respective companies. A posting abroad would afford them opportunities to deal with peculiar cultural and organizational challenges in the workplace.

And like any other professional, they have the option of pursuing graduate studies suitable to both their job and career path.

MAP's activities and programs are heavy on the competence side. Clearly it values performance excellence. While its core values and the corresponding professional attitudes may be explicitly promoted in its activities, more transformational programs can be included in their management programs. In this regard, MAP is lodged in the box where performance enhancement and formation meet.

The Bankers Association of the Philippines (BAP)

The Bankers Association of the Philippines (BAP) has been around for more than 50 years. Presently, it is presided by Dr. Placido Mapa, Jr. of Metropolitan Bank and Trust Company (Metrobank).

Mr. Leonilio Coronel, BAP's executive director, describes BAP as an association of commercial banks. It serves as a "think tank" for the member banks, addressing common concerns and issues faced by the banking industry. Such activities fall under updating.

To give more focus to its continuing education concerns, BAP linked up with the Ateneo Graduate School of Business. This led to the formation of the Ateneo-BAP Institute of Banking, which oversees the CPE needs of banking professionals, given the inputs from member banks. This alliance is a strategic one as it keeps a higher education institution's curriculum aligned with the needs and requirements of the industry.

The Institute's vision is "to become Asia's recognized center for excellence in continuing education in banking and finance." This statement is an explicit commitment of the Institute to help banking professionals gain more competence and improve their work performance.

This vision is translated to the following mission: "To promote Ateneo excellence by working with the financial services sector particularly the banks to develop their human resources through workplace-based, performance-driven education programs."

The core values of the Institute are: customer care, custom-fitting and effectiveness. These values are evidently very work-oriented, suitable to the technical nature of courses that they offer. Examples of these courses follow:

- *Accounting Fundamentals*
- *Financial Analysis*
- *Techniques of Financial forecasting*
- *Credit Management and Administration*
- *Problem Loan Prevention and Management*
- *Remedial Management Series*
- *SME Credit Assessment and Problem Loan Handling*
- *Treasury Operations*
- *Asset/Liability Management*

The human or values dimension of the programs of the Institute are guided by the so called Ateneo Tradition of Excellence: "We nurture men and women to be intellectually competent, technically skilled, politically aware, socially committed, spiritually sound, wholly integrated."

To assure globally-competitive programs, the Institute commits itself to a *relevant dynamic curricula*: "We continuously refine our courses to address emerging needs and absorb global and techno trends."

Besides the training programs offered by Ateneo-BAP, banking professionals also upgrade their knowledge and skills by enrolling themselves in graduate business administration, management and finance programs. Most banks also have training departments that would craft short seminars and long-term programs on the banking business, enabling employees to perform their present jobs well and prepare some of them to occupy managerial positions.

While maintaining a pool of research analysts to build up their data bank, banks still rely on external help of consultants and providers of economic analyses and indicators. In this regard, the Ateneo-BAP Institute of Banking assists BAP members in accessing needed information.

The CPE provided by the BAP veers heavily toward competence and performance enhancement. Courses on demand are designed after the common needs of member banks.

Besides the training programs offered by BAP, individual banks conduct their own management training and bank officers professional training programs. Classroom sessions are complemented by actual work sessions in the different departments of the bank. These activities aim to build the competence and confidence of the trainees and enhance their actual performance in their respective work stations.

Among the banks that have been investing resources for internal programs are Metrobank, BPI, RCBC, Philippine Savings Bank, and the Development Bank of the Philippines.

While the BAP acknowledges the importance of transmitting corporate values and fostering ethical practices, the formation and transformation types of programs – those that are developmental in nature – are carried out internally by the banks themselves. This is particularly true in banks where an ethical culture is explicitly valued and deliberately fostered.

BAP's focused programs and seminars underline its explicit drive towards competence building and performance enhancement. Backed up by the "Ateneo

tradition of excellence", which envisions holistically-developed persons, it merits being lodged at the upper rightmost box of the CPE Grid where character and excellent performance meet.

The Financial Executives Institute of the Philippines (FINEX)

The Financial Executives Institute of the Philippines (FINEX) is dedicated to the enhancement of the skills of the finance executive, enabling him or her to contribute to the success of the business enterprise. Founded more than 30 years ago, it now has 747 members, nearing its target of 1,000 members.

FINEX's mission statement reflects its commitment to CPE and its intent to play an active role in society: "It is a forum for the development and advancement of its members, particularly in the field of modern business practice, and in the promotion of business ethics and social involvement. FINEX and its members will continuously take a proactive stance in shaping public opinion and key policy on issues related to their areas of expertise." Translated into action, FINEX envisions to situate itself in the performance-enhancement/transformation quadrant of the CPE grid.

Villanueva and Miranda (2000) observe that "in FINEX, one will find the marriage between the theory of lifelong learning and Continuing Professional Education. Embodied in its Code of Ethics is the mandate that as financial executives, members must continuously work upon improving themselves. This principle is enacted through a provision in the by-laws establishing the Professional Development Committee and its retention policy that specifically provides that members earn 'points' in order to be eligible for renewal."

Through the years, FINEX has sponsored numerous conferences, seminars, symposia, round-table discussions and similar educational activities for the professional and personal development of the financial executive.

In 1976, the FINEX Research and Development Foundation was founded with the following objectives:

- *to create, establish, and provide an institutional entity and/or medium which will initiate, sponsor, pursue, and/or conduct programs, projects, and/or studies geared towards research, development, and improvement in the various fields of financial and business management, practices, and procedures and other related sciences, or fields of endeavor; and*

- *to promote, encourage, cultivate, and assist in the improvement and amelioration of the social, physical, spiritual, moral, and intellectual well-being of the poor and destitute, the youth and elderly through the institution, establishment, and creation of programs and projects which shall advance and contribute to greater social awareness in the community and nation in general.*

The Foundation has served as an avenue for professionals in the field of finance to pursue their research interests and hone their research skills. It has also encouraged researchers to produce world-class outputs.

Villanueva and Miranda (2000) note: "The foundation supports several endeavors, namely the DBA Fellowship, a Professorial Chair, and the publication of books such as 'Handbook on Small and Medium Scale Businesses,' 'Financial Management in the Philippine Setting,' and 'Gabay sa Puhunan – Para sa Maliliit na Industriya.' To upgrade financial education in the country, the foundation, together with Philippine Association of Collegiate Schools in Business (PACSB), solicited from the Central Bank of the Philippines a one million peso grant to conduct a study in cooperation with the UP College of Business Administration on the curricula for financial management in leading business schools to determine ways of reducing the gap between school training and industry requirements. To date, projects such as improvement of curricula, development of faculty members, encouragement of research in specific areas of business education, and regional training workshops have been undertaken."

FINEX has magnified its CPE endeavors by setting up new organizations in cooperation with other institutions, namely: the Development Center for Finance (DCF), the Foundation for Filipino Entrepreneurship, Inc. (FFEI), and the Capital Markets Development Center, Inc. (CMDCI). "All three organizations," state Villanueva and Miranda, "have embraced in their goals the desire to further knowledge in the field of finance management through projects, programs, and studies in small business enterprises (FFEI), in the field of finance professional education (DCF), and capital market skills (CMDCI)."

Villanueva and Miranda (2000) add: "What FINEX has done for the growth of continuing professional education in the field of finance management should be imitated by other professional organizations.... At present, there still remains several professions not covered by the order and unless professional organizations in that field take it upon themselves to 'professionalize' their field by ensuring continued growth through education, it will take a long time before they can rightfully call themselves professionals."

In the international front, FINEX can strengthen its professional links with similar associations in the Asia-Pacific Region where a common mission is pursued: the continuous development of the financial executive. And if beneficial, it can lobby for the government to enter into a mutual recognition agreement with another country in the finance profession.

FINEX can also benchmark with the International Association of Financial Executives Institute based in Switzerland which has 25,000 members in more than 20 countries.

FINEX affords its members ample opportunities to enhance their job performance as reflected in their programs and activities. It also prides itself with a strong ethics program opening the doors of personal transformation among the individual members. For this matter, FINEX qualifies being lodged at the right uppermost section of the CPE Grid.

The Philippine Institute of Certified Public Accountants (PICPA)

The Philippine Institute for Certified Public Accountants (PICPA) is one of the largest professional organizations in the country. It has close to 20,000 registered members, representing the 100,000 accounting professionals in the country. It is also one of the oldest professional organizations, founded in 1929. To date, it has broadened its network to include chapters in Bahrain, Brunei, Dubai, Jeddah, Riyadh, Saipan, Saudi Arabia, and UAE.

It has been cited by the Professional Regulation Commission (PRC) as an Outstanding Accredited Professional Organization. Although far from perfect, it is notably one of the more, if not the most organized, professional organization in the area of professional education and attention to registered members.

The organization's vision is "to be a strong, dynamic and unified professional organization of highly-respected, world-class and socially committed Certified Public Accountants worthy of esteem of the Filipino people." This vision reflects PICPA's commitment to boost the competence and performance of its members, and transform them into socially-oriented citizens.

PICPA's mission is "to enhance the integrity of the accountancy profession, serve the best interest of its members and other stakeholders, and contribute to the attainment of the country's national objectives". It envisions this mission fulfilled through:

- *a responsive organizational structure;*
- *committed leadership;*
- *effective professional development programs abreast with state-of-the-art technology;*
- *strict implementation of professional ethics;*
- *promotion of high standards of accounting education; and*
- *advocacy of and participation in relevant national issue.;*

The objectives of the association are:

- *To protect and enhance the credibility of the CPA certificate in the service of the public;*
- *To maintain high standards in accounting education;*
- *To instill ideas of professionalism, ethics, and competence among accountants; and*
- *To foster unity and harmony amongst its members.*

Its core values include integrity, professional excellence, innovation, discipline, teamwork, social responsibility, and commitment. These values are crucial to driving the PICPA professionals towards professional and personal excellence.

A number of professional development activities are carried out by PICPA all year round throughout the country. The move towards continuing professional development is propelled by the character envisioned for PICPA. "We should be recognized for the delivery of professional development services to our members and focus on the enhancement of our profession," writes 1999 PICPA national President Danilo Principe (1999).

Among its noteworthy achievements are as follows:

** PICPA members have ably served as the voice of the Philippine accounting profession in numerous gatherings of international professional organizations. Foremost among these international organizations are the International Federation of Accountants (IFAC) which aims to develop and enhance a coordinated worldwide accountancy profession functioning under harmonized standards; the International Auditing Practices Committee (IAPC) of IFAC, which seeks International Standards Auditing and Related Services; the International Accounting Standards Committee (IASC) whose objective is to achieve uniformity in the accounting principles which are used by businesses and other organizations for financial reporting around the world; the Confederation of Asian and Pacific Accountants (CAPA) which seeks the development of a coordinated regional accounting profession with harmonized*

standards; and the ASEAN Federation of Accountants (AFA) which was organized in 1977 mainly through PICPA's initiative. It strives to work together in a spirit of cooperation with the ASEAN region's varied groups, whose economic efforts may be complemented by the accountancy profession.

** PICPA hosted many regional and international conferences of accounting professionals such as the First Far East Conference of Accountants in 1957; First Forum of Accountants of ASEAN countries in 1976; First AFA Conference in 1978; 9th CAPA Conference in 1979; and 6th AFA Conference in 1988. PICPA shall host the AFA Conference in 1999 and CAPA Conference in 2000.*

The foregoing data reflect PICPA's global competitiveness and its strong potential in CPE.

In 1987, PICPA formally established its CPE Council "intended to exercise the functions of the CPE Accreditation Committee." And in 1997, the "CPE on the Road" project was launched, bringing PICPA's CPE programs down to the provincial chapters nationwide.

PICPA has *The Accountants' Journal*, which publishes the research and technical papers of experts in the field. The Journal has been a spur for accounting professionals to pursue serious research in the field.

PICPA also has a training center for its CPE activities, and it maintains a library for the research work and projects of its members.

Listed among its regular educational activities are:

- *Monthly chapter meetings with an invited guest talking on current issues affecting the accounting profession;*
- *The annual Accountancy Week which features symposia, workshops, and dialogues;*
- *The Annual National Convention which includes the presentation of technical papers by experts; and*
- *Seminars on accountancy education, accounting principles auditing, taxation, management services, information technology.*

PICPA also maintains the *PICPA Kiosk* which is a "stand alone browser" containing all sorts of information about the professional organization.

To further enhance its global competitiveness and expand its menu of CPE programs, PICPA can benchmark with more international associations such as the CPA Associates International (CPAAI), "an association of independent certified and chartered accounting firms with 103 members worldwide." Courses offered by the CPAAI include:

- *Accounting & Assurance Seminar;*
- *Tax Seminar;*
- *Spring Managing Partners Seminar;*
- *Fall Practice Management Seminar;*
- *Financial Planning Seminar;*
- *Information Technology Seminar;*
- *Executive Development Workshop for Partners and Senior Managers; and*
- *Staff Training Programs.*

PICPA is veritably one of the more, if not the most, progressive professional organizations in the country. Both its strategic intent and programs prepare active members for better performance on the job and emphasize the need for transforming oneself into a better person. In this regard, PICPA deserves the right uppermost slot in the CPE Grid.

The Philippine Computer Society (PCS)

The knowledge society has led to the cyber age where information technology (IT) professionals play a more prominent role. The information explosion calls for IT experts who are adept at handling information, its processing and transmission to end-users.

Next to India, the Philippines has steadily supplied the rest of the world with qualified IT professionals providing the backbone for many multinational businesses.

Schools providing IT education have mushroomed over the last 10 to 15 years. And CPE for most IT professionals means enrolling in graduate programs in IT schools, or short courses in learning centers like STI and AMA, or attending in-house training or foreign-based programs provided by companies. Occasionally, some companies would bring in foreigners who are IT experts to conduct seminars and programs for their employees.

Founded in 1967, the Philippine Computer Society (PCS) is the organization for IT professionals in the country with more 700 registered members. In 1978, it bonded with similar organizations in Asia to form the South East Asia Regional Computer Confederation (SEARCC). This allowed PCS to compare notes on CPE with foreign-based organizations. And in 1992, it joined other organizations as a founding member of the Information Technology Foundation of the Philippines (ITFP).

To enhance the competence and performance of IT professionals, PCS envisions itself “to be the IT organization of choice that moves members to pursue excellence in their individual professions.” It aims to encourage the “sharing of intellectual resources, the pursuit of dreams and visions, and friendship and cooperation among IT professionals and practitioners.”

To realize its vision and mission, PCS has adopted the following organizational objectives:

- *Professional Excellence: PCS will be the lead organization that will uphold the highest level of professional behavior and conduct.*
- *Technical Excellence: PCS will actively promote information-sharing and skills enhancement among its members.*
- *Personal Excellence: PCS members will spearhead the use of IT innovations to enhance interpersonal relationships and improve the quality of life.*
- *National Stature: PCS membership will be national in scope and character.*
- *Contribution to Progress: PCS will support the development of a globally competitive Philippine IT industry.*

In order not to leave out the need to form good and ethical professionals, PCS identified the following “pillars of professionalism” for its members:

- *Quality Standards: PCS members are expected to attain the highest quality of both process and products of their professional work.*

- *Expertise (Technical Knowhow): PCS members are expected to continuously improve their professional competence/skills.*
- *Compliance with Laws: PCS members are expected to comply with all existing laws pertaining to professional work in any country in which they practice.*
- *Acceptance to Ethical Obligation: PCS members are expected to accept their ethical obligations to assess social consequences and help insure safe and beneficial use of information technology.*

PCS conducts its CPE through its Professional Development Programs, in coordination with institutions such as the Asian Institute of Management (AIM) and Technical Education & Skills Development Authority (TESDA).

Its *Monthly Membership Meetings* also serve as an avenue for updating members with current professional issues and trends. There are also *Special Interest Groups* within PCS which are formed on the basis of common professional concerns. Through its publication *Bits & PCS*, members are informed about organizational matters.

PCS also has an IT Council for Professional Standards “responsible of coordinating with concerned local/foreign government and/or private agencies and NGOs, regarding the implementation of an IT Certification by the year 2000.”

Lastly, a yearly IT Professionals’ Congress is also held for members. Last year’s theme was “e-Commerce: The Future is Now!”.

IT educational institutions have also been at the forefront in training world-class and globally competitive professionals. One institution which is a pioneer in the field is STI.

PCS programs and activities are bent on the competence, performance enhancement side. Values may be highlighted in these activities but more can be done in investing both time and resources in forming and transforming the character of professionals. In this regard, PCS is lodged in the box where performance enhancement and information meet.

STI Colleges

STI is the largest computer education organization in the Philippines and in Asia. Its vision is “to be a leading global educational institution in information

and communications technologies, that prepares its students to excel and to lead in their chosen fields of study and to contribute to the development of society." Supporting this vision is the mission "to provide quality education in information and communication technologies, thereby making Filipinos equal to the best in the world and the Philippines, the Information Technology Center of Asia."

The STI education network consists of over 1200 schools in the Philippines and several locations abroad – in California and Virginia in the U.S., Hong Kong and Taiwan.

Over 80,000 students enroll in STI schools each year. Since STI was established in 1983, it has provided computer education to half a million Filipinos.

Today, 44 of the STI schools are colleges offering associate and bachelor's degrees in computer science, information management, computer engineering, business administration, office management and computer secretarial.

The rest of the post-secondary STI schools are education and training centers for computer programming, computer technician course, software applications, office administration and most recently, e-commerce education.

Nine STI basic education institutions cater to preschool, grade school and high school education with curricular emphasis on computer technology, science and mathematics and values formation.

STI Distance Learning (DL) centers abroad serve computer training needs of overseas Filipino workers. Graduates of DL centers may have their courses credited in STI Colleges in the Philippines towards earning BS degree.

STI courses are ladderized following an integrated curriculum plan. It allows students who finish short certificate courses in training centers to earn credits for baccalaureate degrees in the big colleges.

The New Jersey Institute of Technology or NJIT, the third ranked computer science university in the United States, granted accreditation of STI's Associate in Computer Science Program as equivalent to its own.

Oracle Development Corporation, the world's leading supplier of software for information management, has included STI in its academic initiative program along with UP, Ateneo, La Salle, University of San Carlos and Mindanao State University. The initiative allows the named schools to integrate Oracle into their curricula and to benefit from IT education expertise of Oracle.

Electronic Data Systems (EDS), the largest information technology services organization in the world, tied-up with STI for the inclusion of EDS systems developments standards in STI's curriculum in order to produce EDS-compliant graduates for deployment to EDS projects in different parts of the world.

The University of Cambridge International Examinations Center has accredited STI for eligibility on the Cambridge awards. This Accreditation allows STI graduates to earn both the STI and world-class Cambridge certificate.

Microsoft (MS) Press, the educational arm of the largest software manufacturer in the world has accredited STI's MS-software package courses. Graduates of the Microsoft training in STI earn both STI and the Microsoft Press certificates.

The University of the Philippines Institute of Science and Mathematics Education Development (UP-ISMED) has entered into a long-term agreement with STI for support of STI's basic education courses in science and mathematics. In return, STI provides UP-ISMED with support for multimedia courseware development.

STI is also an authorized testing center of the European Computer Driving License (ECDL). The ECDL is a recognized competence certification in Europe.

The foregoing STI initiatives speak of its commitment to prepare qualified and highly employable graduates.

One of the unique features of STI is the GHP or Guaranteed Hire Program. STI guarantees a computer job to its graduates who comply with grade and other academic requirements upon completion of their courses.

STI's Circle of Friends is a group of over 700 host companies and organizations who give hiring preference to STI graduates.

STI is the leading source of entry-level computer professionals to Philippine business and industry. Thousands of graduates have also joined various computer installations abroad.

The Personnel Management Association of the Philippines (PMAP)

The Personnel Management Association of the Philippines (PMAP) was formed in 1956 when a group of close to 40 executives saw the need of addressing the needs of personnel managers amid the growth of organizations. Since then, it

has helped upgrade the role of the personnel manager into a strategic partner in managing people in the business enterprise.

Its vision is to be “the premiere organization committed to the advancement of excellence in the practice of professional human resource management.” In pursuit of this vision, PMAP has the following mission:

- *Develop the professional skills of human resource management practitioners.*
- *Promote the sound practice of human resource management and established standards of the profession.*
- *Assist actively institutions improve the human aspect of management and effectively manage human resources*
- *Lead in advancement of the human resource management practice in the community and in the country.*

One can see from the foregoing vision and mission that PMAP is almost synonymous to continuing professional education. While it is concerned about enhancing the professional skills of the members, it is focused on people development, which is at the heart of education.

“In a nutshell, PMAP increases productivity among employees, executives and managers through education. In today’s fast evolving world, a lot of changes are giving way to a whole new different world. To adapt to these changes, PMAP has prepared classes, lectures, conferences and meetings which discuss relevant topics responding to the current situation we are in right now. It is important that PMAP retains its seal of excellence by tackling on timely issues and innovative approaches in facing the future” (PMAP 2000).

Presently, PMAP has more than 1,000 members.

Education and training in PMAP is carried out through its HRM Development Center. This Center takes charge of planning, designing and implementing HR programs for PMAP members. Various facets of HRM are addressed by the training and development programs, aimed at empowering professionals.

“The curricular programs, however, are certificate courses from PMAP partner schools such as Pamantasan ng Makati [Labor Relations], Jose Rizal College [Human Resource Development], and UST [Human Resource Planning and Acquisition]. They allow HRM practitioners to earn an HRM degree and sharpen their knowledge on the profession” (PMAP, 2000).

Various activities of PMAP address its CPE objectives. The monthly *General Membership Meetings* (GMM), aside from its social purposes also serve as a venue for professional development. A theme relevant to the HRM profession is adopted and guest speakers are invited to share their knowledge and experiences on the matter. "There are two objectives. First is to feature timely topics presented by credible speakers. The second is more long term. It is to establish camaraderie among the members and enhance the spirit of the association."

"The *lecture series* is a package of half-day, monthly forums that features expert speakers discussing relevant HR topics."

"Annual *conferences* are events wherein representatives of different companies join together and discuss pressing issues and relevant topics."

A review of these activities would show that the organization is actively engaged in updating its members, building their competence and improving their performance. Given its humanistic thrust, some PMAP activities also focus on the formational and transformational dimensions of the human resource professional. Year 2000 saw PMAP adapting the theme "Humanizing Business in the New Economy."

The organization's publications are the *People Manager*, the *PMAP Newsletter*, and the *LR [Labor Relations] Update*. These materials serve the purpose of updating members about news and trends in the HR field.

PMAP keeps itself updated with global trends in the field through its linkage with the Asia Pacific Federation of Human Resource Management, which in turn is a full member of the World Federation of Personnel Management Association (WFPMA) based in the United Kingdom.

PMAP is another professional organization that is actively engaged in the well-rounded training and formation of its members. This is reflected in its programs, activities and strategic intent. The profession itself underscores the need to work at enhancing the performance of people and developing their character continually. For this matter, PMAP merits being lodged in the right uppermost box of the CPE Grid.

The Philippine Society for Training and Development (PSTD)

The Philippine Society for Training and Development (PSTD) is the professional organization for HR and organization development professionals.

Founded in 1964, it was formally organized in 1965. Like the PMAP, its main activities are directly focused on CPE. Its activities include:

- *Monthly learning session on current trends, technologies and practices in the HROD profession;*
- *Seminars and workshops for trainers;*
- *Conferences and symposia; and*
- *Expositions of training technologies and networking.*

Presently it has more than 600 members from various sectors. To broaden its resource network, PSTD has affiliated itself to the American Society for Training and Development, International Federation of Training and Development Organization and the Asian Regional Training and Development Organization.

A number of PSTD members are also members of the PMAP.

The PSTD vision reads:

- *A PSTD that is committed to advance the professional development of its members, so that they can contribute more effectively to their organization, the profession, and ultimately the nation.*
- *A PSTD that serves as the voice of the HROD practitioner in proactively seeking the excellence in the leadership, people-focused technologies and customer responsive process.*
- *A PSTD that leads in the development of HROD profession with credibility and competence.*
- *A PSTD that has in its heart the quality of worklife, the dignity of man and the welfare of the nation.*

Its mission is to promote the HROD (Human Resource and Organization Development) practitioners and the field of human and organization development as a profession – through the application of training for the growth and profitability of the organization.

The organization's objectives are:

- *To foster closer relations and promote professional development among the practitioners of the training and organization development profession;*

- *To serve as a forum for the exchange and discussion of information, ideas and problems related to human resource and organization development;*
- *To undertake studies, researches, and programs for the purpose of seeking more effective means of meeting local training and development needs;*
- *To establish, maintain and develop contacts with local international organizations in matters related to training and development; and*
- *To promote understanding of human resource and organization development as a basic responsibility of management.*

Certain committees exist to ensure CPE among the members. These are:

- *Professional Development: tasked with providing services in the area of development and the professional advancement of members through learning sessions*
- *Research: pursuing research for the advancement of the field of HROD*
- *Public Seminars: developing and marketing HROD programs consistent with the objectives of the Society for both the membership and the interested public*

The CPE programs offered by the PSTD are:

- *Trainer's Accreditation Program;*
- *Basic Training of Trainers;*
- *Managing and Organizing the HROD Function;*
- *Training Needs Analysis;*
- *Designing Effective Curriculum;*
- *Presentation Skills Workshop/ Facilitating Skills Development;*
- *Evaluating Training Program Results;*
- *Energizers and Ice Breakers;*
- *Organization Development Seminar;*
- *Experiential Learning Workshop (Structured Learning Exercises [SLEs]);*
- *Career Planning Workshop; and*
- *Managing Change.*

PSTD, in essence, is a CPE provider to HROD professionals empowering them to be effective educators of personnel and developers of organizations.

The variety of training programs and seminars it organizes aims to prepare professionals work in an environment characterized by “global competition, accelerated change, and increased use of technology solutions”.

As a professional association, PSTD has not been as proactive like PICPA, FINEX or PMAP over the last few years. Although by strategic intent, it looks at updating, upgrading, and enhancing the knowledge, skills, values and attitudes of the members, not as many corresponding programs and activities were organized.

One would expect that CPE among the HR professionals has been basically carried out on the basis of personal initiative. This is possible through on-the-job training, work experience from a foreign job, pursuing graduate studies or attending school-based non-curricular seminars here in the country or abroad.

PSTD has to explore more linkages with its foreign counterparts. Although their list of programs and activities may not radically differ, PSTD can always learn from the experiences of other foreign associations.

Lastly, PSTD should consider research and publication, and setting up a website. These programs would encourage the experienced HR trainers to engage in serious research and document their experiences into best practices. The website, on the other hand, would serve as the association’s window of communication to the rest of the world.

As a professional association, PSTD is dominantly concerned with updating and competence building. Performance enhancement appears to be a goal left to the charge of the individual members. Its activities are geared more towards the professional side rather than the personal. For this matter, it is lodged in the box where competence building and information meet.

The Philippine Medical Association (PMA)

Filipino medical professionals and their respective specialty organizations are networked through the Philippine Medical Association or PMA. PMA’s vision is “ to have a fellowship of physicians united in the common goal of acquiring the highest levels of medical knowledge and skills through continuing education and research, and to promote the healing ministrations of the physician in the delivery of health care of patients.”

Its constitution lists the following objectives and missions:

- *to bring together and unite the entire medical profession of the Philippines;*
- *to extend medical knowledge and advance medical science;*
- *to elevate the standards of medical education and practice;*
- *to ensure the enactment of just medical laws;*
- *to promote fraternal relations among physicians and between physicians and allied professionals;*
- *to protect the legitimate rights and prerogatives of the physicians;*
- *to serve as an authoritative source of information regarding health, disease and medical practice; and*
- *to promote the practice of medicine in the context of Philippine life and culture.*

CPE is institutionalized in the PMA through the existence of the permanent Commission on Continuing Medical Education (CME). This commission is tasked to implement the CME code of the PMA.

Yearly, the PMA holds its annual four-day convention which includes scientific lectures and presentations. The inclusion of scientific sessions oriented towards the professional development of members is stipulated in PMA's constitution. Besides this, there are also the PMA-Unilab Regional Assemblies totaling to about 14 one-day sessions per year which also include medico-scientific presentations, lectures on medical ethics, etc.

From the partial list of CME activities in the year 2000, one can see that the nature of CPE in the various specialty societies are of the updating, and competence-building types. Actual performance enhancement happens more on the job, as the medical professional sharpens his skills with the number of consultations and operations done as the years go by.

The breadth and depth of the CME activities of the various PMA specialty societies depend on the leadership and cooperation of the members of the associations. Support to these activities is also drawn from pharmaceutical companies and business enterprises that sell equipment required by the distinct professions.

Business enterprises catering to the medical professions help in CME activities through scholarships for post-graduate courses offered locally or abroad, sponsoring national medical conventions, shouldering the expenses for bringing in foreign medical experts to conduct lectures or seminars, and providing equipment for training and development of the organizations.

A few medical schools in the country could afford to give scholarships to their faculty of medical practitioners. In most cases, doctors either rely on the support of pharmaceutical companies or their personal resources.

Doctors should be encouraged to be “diplomates” in their field. This implies both relevant work experience and passing rigid, world-standard exams given by the respective specialty boards. The need for expertise in the medical profession is but logical given the fact that doctors deal with human life. Not to be neglected is the ethical formation of doctors.

What the specialty organizations should look into is developmental programs that focus on ethics in the medical and allied professions, and balancing family and work life. The demanding lifestyle of doctors should not necessarily lead to neglecting their own family. In short, there is a need to “humanize” these professions even for the sake of the patients.

PMA is basically an umbrella organization of the specialty organizations in the medical field. It encourages performance enhancement among members of the specialty organizations as reflected in their highly focused and specialized activities. The need for more values, ethics training and transformational programs is called for given the highly-personalized nature of the medical service. In this regard, PMA is lodged in the box where performance enhancement and information meet.

The Nursing Profession in the Philippines

Filipino nurses count among the best in the world. They are known for both competence and character. Presently, they are very much in demand in Europe, in the U.S., and neighboring countries (Conclara 2001).

“Continuing education in nursing consists of planned learning experiences beyond a basic nursing educational program. These experiences are designed to promote the development of knowledge skills and attitudes for the enhancement of nursing practice, thus improving health care to the public” (Venzon 1992).

Most of what counts as the nurses’ CPE is carried out through in-service training. “In-service focuses and is designed to re-train people; to improve their performance and communicative ability and to get them started on the never-ending continuum of education” (Venzon 1992).

Moreover, they also have the choice of pursuing graduate studies, such as the program offered by the Institute of Nursing of the University of Asia and the Pacific. “The trend in universities offering a Master’s program is to prepare the graduate

nurse for increased knowledge and skills in clinical nursing so that their major specialization may either be psychiatric nursing, maternal-child health nursing, public health nursing, or medical-surgical nursing. Others may go into the field of nursing administration or nursing education" (Venzon 1992). There are also short courses offered by other institutions aimed at enhancing their professional and personal growth.

Filipino nurses belong to one of the following professional associations (Venzon 1992):

- The Philippine Nurses Association (PNA);
- The Department of Health National League of Nurses (DHNLN);
- Critical Care Nurses Association of the Philippines;
- Psychiatric Nursing Specialists, Inc.;
- Occupational Health Nurses Association of the Philippines; and
- Operating Room Nurses Association of the Philippines.

The PNA is the oldest society of nurses, founded way back in 1922 when it was then known as the Filipino Nurses Association. Presently, it publishes The Philippine Journal of Nursing, a useful source of information and updates for the nurses' CPE.

The objectives of the PNA include " (Venzon 1992):

- *To attain optimal level of professional standards;*
- *To work for the welfare of the nurses; and*
- *To respond to the changing health needs of the Philippine society.*

The CPE of nurses belonging to PNA is further enhanced by its departments, namely, the Department of Nursing Research and the Department of Professional Advancement. The former is tasked with the following objectives " (Venzon 1992):

- *Initiate, motivate and participate in research projects/studies related to nursing;*
- *Disseminate findings of research studies among members;*
- *Receive, keep and preserve records of research projects conducted by nurses; and*
- *Give due recognition to nurses who have conducted research studies in nursing.*

The Department of Professional Advancement oversees "the progress and dynamic development of professional and cultured nurses and develop them to become effective leaders" (Venzon 1992).

One can glean from the foregoing information that PNA is dedicated to the member's competence building and performance enhancement. Their actual work, which is a veritable service to others, gives them the opportunity to form good values and virtues and translate these into their daily behavior. The better hospitals in the country, like St. Luke's in Quezon City, employ the best nurses that we have.

The DHNLN, which was incorporated in 1965, serves as the government sector counterpart of the PNA. Its objectives are similar to the latter's:

- *To help raise the standard of nursing in the Department of Health;*
- *To contribute to the solution of problems concerning nurses and nursing services; and*
- *To disseminate knowledge in the nursing field through research and scientific studies; and*
- *In general, to help advance the science and art of nursing to meet the needs of a changing society.*

Besides professional nursing associations, CPE-related activities of the alumnae associations of schools of nursing in the country also contribute to the continuous upgrading of the skills and knowledge, and enhancing of values and attitudes of Filipino nurses.

The quality of Filipino nurses is further honed as they work abroad. The demand for them has increased over the last few years. BusinessWorld's Jacqueline Conclara reports that "After a decline of 37.58% and 10.39% was recorded in 1996 and 1997, the overseas deployment of nurses began a steady uptick in 1998 up to last year when it posted a growth of 42.38% from the 1999 figures of 5,413" (Conclara 2001).

The training and formation of nurses, and their actual GOOD performance in the field, not to mention the demand for Filipino nurses overseas, allow one to lodge PNA in the box where performance enhancement and formation meet.

The Institute of Integrated Electrical Engineers (IIEE)

Among the existing professional associations for engineers, the IIEE seems to be the most active in pursuing CPE among its members. The IIEE exists to ensure the professional growth and competence of electrical engineers (Gonzaga 2000). This addresses the competence-building and performance-enhancement dimensions of the CPE grid.

Its mission is “to deliver high quality services and products for the purpose of instilling excellence in the Electrical Practitioner, while enhancing the Electrical Profession, and making a positive contribution to national development” (Gonzaga 2000).

IIEE’s Code of Ethics includes the following commitments of members (Gonzaga 2000):

- *To maintain and improve our technical competence and to undertake technological tasks for others only if qualified by education, training or experience, or after full disclosure of pertinent limitations; and*
- *To assist colleagues and co-workers in their professional development and to support them in following the Code of Ethics.*

Founded in 1975, IIEE now has more than 18,000 members attached to more than 70 chapters.

Besides graduate studies which electrical engineers may pursue for their continuing professional education, the on-the-job training and work experience they have further enhances their professional competence. In-house training programs designed to suit company needs allow the engineers to deepen their field of specialization. The duration of these programs vary depending on the degree of difficulty of acquiring a particular skill. Among multinational companies, it is a common practice to send some of their engineers to train abroad or even assign some to work in their regional offices which afford the opportunities of better training and development for the engineers.

Like other professions, electrical engineers foster their own CPE through the projects they engage in, pursuing graduate studies, and attending short courses here or abroad.

The IIEE was not in favor of scrapping the CPE requirements for electrical engineers. Despite this, it continues to encourage its members to pursue the requirements needed to qualify for the exams for those aspiring to be professional electrical engineers. This is something which other professional associations for engineers should learn from.

Lastly, the IIEE should expand its links with similar professional associations abroad. This should also include networking with Filipino electrical engineers working abroad who have a lot of experience and expertise to share among their

colleagues here in the Philippines. For this matter, a highly interactive website with very useful content should be developed by the IIEE to bridge itself with the professionals in the field working in various parts of the world.

The thrust and the activities of the IIEE, being the most active professional organization in the engineering field, merit the slot where performance enhancement and formation meet.

SITUATING THE ASSOCIATIONS IN THE CPE GRID

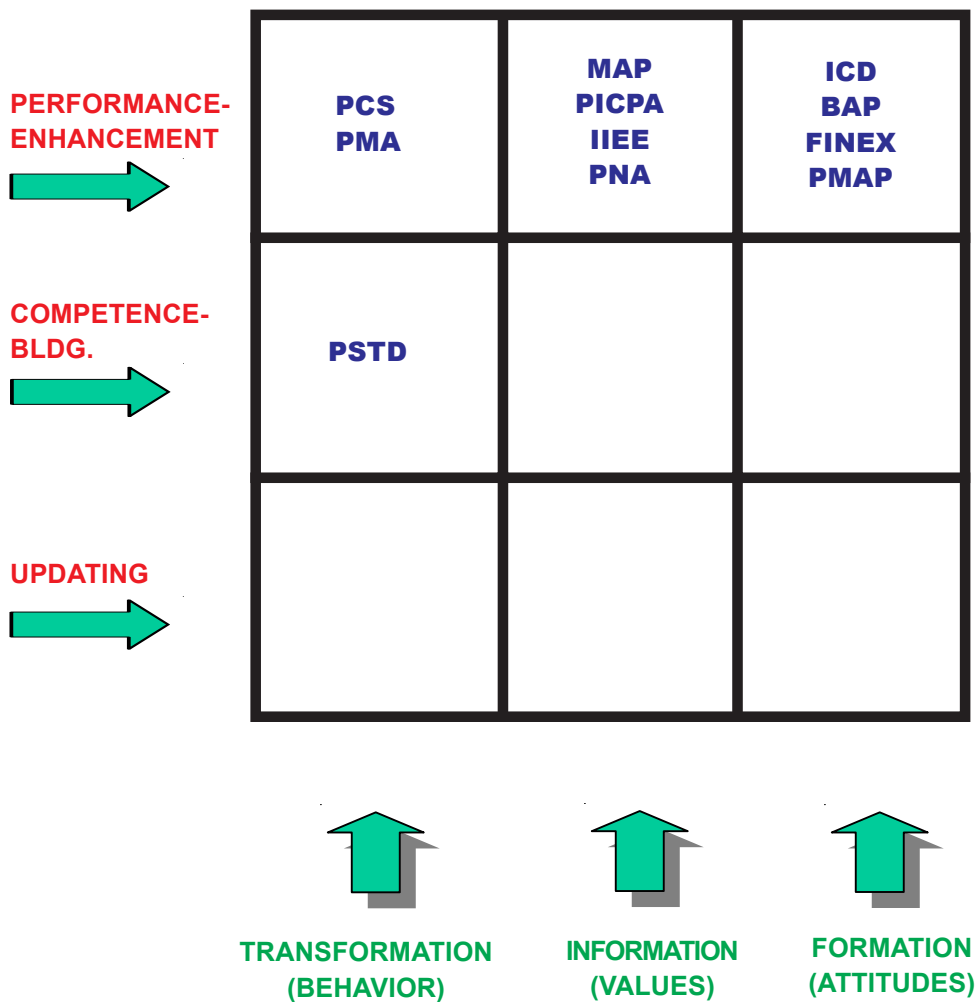
If one were to situate the professional associations in the CPE grid, the following would be the researcher's subjective placement of these associations based on the limited data gathered. ICD and PMAP, for instance, seem to be more proactive in their pursuit of both performance enhancement and transformation among their members or target market. The crux of the matter is that the CPE paradigm or grid can serve as an assessment tool for the professional associations, and a guide for vision and mission setting in the realm of professional and personal development of people.

CONCLUSIONS AND RECOMMENDATIONS

CPE is a shared concern among the professional organizations or associations surveyed in this study. This is a good sign. Serious commitment to CPE or "CPE in action", however, varies among these associations. While CPE is a veritable need of all professionals and all professional associations to compete globally and to complete training and development needs of individuals, its realization and implementation depends on the following factors and courses of action as seen by the researcher in the professional associations studied:

- Ensure competent and vibrant leadership in professional organizations;
- Adopt an explicit, operative statement regarding CPE in an organization's mission and goals;
- Institutionalize CPE through concrete plans of action and programs;
- Make CPE the main concern of an established committee within the association;

FIGURE 3: CPE



- Give a more definite focus for CPE which can serve as the central theme of educational activities of the association;
- Evaluate annually CPE endeavors of the association;
- Publish a scholarly professional journal which will encourage research and development among association members;
- Network and benchmark with similar international professional organizations, working towards Mutual Recognition Agreements;
- Upgrade and update library resources of the association, earmarking the necessary budget to invest in books, publications and CDs;
- Develop an interactive website that will foster communication and exchange of ideas and experiences among professionals through discussion groups, electronic bulletin boards, etc. and network the association with similar international organizations; and
- Establish stronger linkages with colleges and universities and business organizations.

The following recommendations with regard to “Continuing Professional and Technical Education in the Philippines” by Edralin (1999) should also be considered in making CPE serve its intended purpose among professional organizations:

- *Formulation of a unifying HRD (human resource development) framework;*
- *Review of matrix on continuing education;*
- *Greater access to education, training, and retraining;*
- *Incentives for professionals and technical workers;*

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4

CHAPTER



International Higher Education: Models, Conditions & Issues

Allan B. I. Bernardo

ABSTRACT

The study was conducted to answer the following questions: (a) What are the modes of international education in a globalized higher education environment? (b) How ready are Philippine education institutions for international education? (c) What is the implication of having international education activities in the Philippines? Two categories of activities of international higher education were found: (a) activities stemming from the traditional spirit of *internationalism* (international cooperation and appreciation of an international quality) and (b) variations of *open market transnational education* (borne out of the agenda of globalization). It was also noted that even those activities borne out of internationalism seem to have been transformed recently in ways that converge with the agenda of globalization. The prospects of internationalizing higher education in the Philippines were contextualized within the present higher education system that is experiencing problems related to efficiency, quality, equity in access, and other external factors. Given this context, it was suggested that participation in international education programs might be limited to students from high-income families, and to institutions with strong financial resources that can be channeled to development programs that will enable them to meet the requirements of these international activities. There is a strong likelihood that international programs might lead to the intensification of the existing weaknesses in Philippine higher education. All things considered, it seems that Philippine higher education could best benefit from international education activities in terms of improving the quality of programs and resources. Thus, it is suggested that

quality improvement be a primary consideration in engaging international higher education. In this regard, more specific issues have to be addressed related to the focus of quality improvement, the status of local institutions in international partnerships, and strengthening of local networks. Finally, prospects for improving the consequences of internationalizing Philippine higher education amidst the globalizing environment will depend on the prospects for strengthening the quality and efficiency of Philippine higher education, improving access to quality higher education, and creating the external environment that will be supportive of international education activities.

EXECUTIVE SUMMARY

Part 1. The principal aim of the study is to review current perspectives and information relevant to the following research questions:

- 1.1 What are the various modes and forms of international education in a globalized higher education environment?
- 1.2 How ready are Philippine higher education institutions for international education?
- 1.3 What is the implication of having the various modes of international education in the Philippines? In particular, what is the implication of the entry of foreign schools in the country in terms of the efficiency and equity issues related to the delivery of higher education services?

Part 2. The problem of defining international higher education

- 2.1 Most universities that exist today are creations of nation states; their characters and functions are largely shaped by the agenda of nation states.
- 2.2 Different countries engage the concept of internationalization differently and for different purposes. Thus, the concept of internationalization might be best approached with reference to specific approaches and constructions of internationalization in domains of policy, process, types of activities, among others.
- 2.3 Two strong agenda can be discerned in various internationalization activities: (a) the traditional internationalization, which is consistent with the spirit of cooperation among nation states of the old world order, and (b) globalization, which involves the discourses of integration of economies, competition, mass culture, distributed knowledge production systems, and high technology.

Part 3. Models of international higher education

- 3.1 One category of models can be described as those stemming from the traditional spirit of *internationalism* or the ethos of international cooperationism and the appreciation of an international quality. Another category can be characterized as those variations of *open*

market transnational education that were borne out of the agenda of globalization.

- 3.2 Specific activities that could be classified as being originally conceived in the spirit of internationalism include: (a) international student mobility, (b) faculty exchange and development, (c) research collaboration, (d) foreign language study, (e) building international perspectives, and (f) international networks.
- 3.3 Current practice in these activities featuring internationalism has been transformed in ways that make them more attuned to the realities and requirements of globalization.
- 3.4 Exemplars of open market transnational education include: (a) distance education, (b) locally supported distance education, (c) twinning programs, (d) articulation programs, (e) branch campuses, (f) franchising agreements, and (g) international quality assurance systems.

Part 4. An overview of Philippine higher education

- 4.1 Several observations have been made suggesting that Philippine higher education suffers from several forms of internal and external inefficiencies. Some of the issues related to efficiency include: (a) the lack of a rational system for the establishment of public higher education institutions, (b) poor efficiencies in size, (c) poor student flows, (d) the lack of articulation between performance in fiscal planning, and (e) the lack of a rational system that ensures that program offerings address national development requirements.
- 4.2 Many indicators of quality higher education point to current weaknesses in the inputs, processes, and outputs of Philippine higher education. Some of these indicators relate to: (a) faculty credentials, (b) instructional/library facilities, (c) the nature of the curriculum, (d) poor average performance on licensure examinations, and (e) low proportion of institutions with accreditation.
- 4.3 Access to quality higher education is brought about by three related factors: (a) geographic distribution of institutions, (b) the strict admission requirements, and (c) the high cost of tertiary education.
- 4.4 There are other factors in the external environment of Philippine higher education that strongly influence the efficiency, quality, and equity in access. These factors are: (a) the absence of a credit market for higher education, (b) the availability of public information on options and returns of the different higher education institutions, and (c) weak external governance by the CHED.

Part 5. Prospects, issues, and consequences of internationalizing Philippine higher education

- 5.1 International student and staff mobility from the Philippines to other countries will be limited by the availability of financial resources for

this purpose. The option shall be available for students from high-income families, and for institutions with large financial endowments that can be used for this purpose.

- 5.2 The stronger Philippine institutions can position themselves as a destination for student and staff mobility if they can develop well-defined niches in the higher education market based on areas of strength around which they can develop internationally-or regionally-competitive programs.
- 5.3 The ability of institutions to develop effective truly international programs will be limited by the availability of appropriately trained faculty members, adequate libraries and research facilities, among others. Thus, we can expect that it would be the strong institutions that can develop and maintain such programs.
- 5.4 Similarly, it is very likely that the elite institutions would be in the best position to participate in international research collaborations. The larger majority of institutions do not have the resources to be attractive partners for collaboration. The CHED can rationalize its research development program so that there can be a more effective means of developing the research infrastructure and capabilities in Philippine universities, so as to enable more international research collaborations.
- 5.5 The elite institutions will again be in the best position to participate and to benefit from international networks, as such networks typically have certain quality and efficiency requirements that participating institutions should meet.
- 5.6 The local market for foreign distance education programs is likely to be small, as the costs of such programs make this option available only to a very small segment of the higher education market.
- 5.7 Although the local market for twinning and articulation programs may be small because of the high costs of such programs, they may be quite attractive because of the opportunity to obtain international credentials. In this regard, the elite institutions might experience some competition, as the twinning and articulation programs target the traditional clientele of these elite institutions. The elite institutions might need to explore avenues for allowing their students to obtain international credentials to be more competitive in this area.
- 5.8 Programs of open market transnational education might not affect the low-end and middle-level institutions as the latter institutions cater to students from low- and middle-income families that generally cannot afford these transnational education programs. Thus, there will be no changes in the options of their traditional market.

- 5.9 Participation in international quality assurance systems is likely to be limited to the elite institutions, as well, as the resources that are required for this purpose are largely unavailable for most low-end and middle-level institutions.
- 5.10 Generally, participation in international education programs might be limited to students from high-income families, and to institutions with strong financial resources that can be channeled to development programs that will enable them to meet the requirements of these international activities.
- 5.11 There is a strong likelihood that international programs might lead to the intensification of the existing weaknesses in Philippine higher education (i.e., no improvement in quality of most institutions, lower external efficiency as institutions address global requirements, and more inequitable access to quality education).
- 5.12 However, there is still the possibility that middle-level institutions may benefit from some of the activities of international education (e.g., the benchmarking for international standards of quality), particularly if these initiatives are supported by the appropriate government agencies.
- 5.13 All things considered, it seems that Philippine higher education could best benefit from international education activities in terms of improving the quality of programs and resources. Thus, it is suggested that quality improvement be a primary consideration in engaging international higher education. In this regard more specific issues have to be addressed related to the focus of quality improvement, the status of local institutions in international partnerships, and the strengthening of local networks.
- 5.14 The prospects for improving the consequences of internationalizing Philippine higher education amidst the globalizing environment will depend on the prospects for (a) strengthening the quality and the efficiency of Philippine higher education, (b) improving access to quality higher education, and (c) creating the external environment that will be conducive to and supportive of international education activities.

INTRODUCTION

The internationalization of higher education institutions is a natural and inevitable consequence of the continued globalization of economies. For one, higher education institutions (HEIs) are now being called to produce professionals for an internationalized economy. Moreover, the opening of national boundaries to foreign institutions that seek to offer higher educational services is a scenario that is very likely to become a Philippine reality in the medium term. There is a

need to understand the possible forms of these developments and to assess how the Philippine higher education system will respond to or be affected by these developments. Understanding these phenomena should provide important insights and guides for policy formulation on these issues, as well as for local HEIs as they seek to redefine their goals and operations in an increasingly global educational environment.

Objectives of the Study

The principal aim of the study is to review current perspectives and information relevant to the following research questions:

- (1) What are the various modes and forms of international education in a globalized higher education environment?
- (2) How ready are Philippine higher education institutions for international education?
- (3) What is the implication of having the various modes of international education in the Philippines? In particular, what is the implication of the entry of foreign schools in the country in terms of the efficiency and equity issues related to the delivery of higher education services?

The first question simply seeks to determine the range of models of higher education that are available and to understand the features of each of these models. The range of models will reflect as much of the models being implemented in many countries, including those that are not yet being implemented in the Philippines. In understanding the various models, particular attention will be given to the experience of member economies of the Asia-Pacific Economic Cooperation (APEC).

The second question seeks to assess the readiness of Philippine colleges and universities, and the Philippine higher educational system as a whole, in terms of the various requirements of international education. Some of the factors that will be considered in answering this question are the curriculum, student assessment and evaluation procedures, information management systems, teacher preparation and credentials, monitoring, accountability, and quality assurance systems, physical resources, library and other support services, the higher education market, financing of higher education institutions, the organization of the higher education system, governance, among others. These various factors could be related to three general concerns: quality issues, equity and access issues, and efficiency issues.

The third question seeks to explore the issues related to the impact of specific models of international higher education on the Philippine higher educational system. Particular focus will be given to the possible consequences of the entry of foreign institutions on (a) access and equity issues, and (b) the fiscal efficiency of higher educational institutions. Thus the discussion will focus on, among other things, how the entry of foreign institutions may or may not impact on how local institutions manage their operations in ways that might alter their

fiscal efficiency and the extent to which institutions address the problems of unequal access to quality higher education in the country.

Organization of the Report

The report will have four main substantive parts, in addition to this Introduction section, which is Part 1.

Part 2 will be a review and discussion of the broad issues attendant to understanding international higher education and its consequences. This part will seek to contextualize the study of international higher education within contemporary discourses related to globalization and the massification of higher education.

Part 3 will include a discussion of the various models (i.e., approaches to and constructions of) international higher education. The various models that will be considered will be discussed in relation to the broad issues addressed in Part 2. Particular attention will be given to exemplars of the various models as found in member economies of the APEC.

Part 4 will provide a brief overview of the conditions of Philippine higher education. Particular focus will be given to features of the higher educational system that relate to issues of quality, access, equity, and efficiency.

Part 5 will be a discussion of how the various models of international higher education (discussed in Part 3) might impact on HEIs in the Philippines, and the higher educational system as a whole. Again, particular focus will be given to the possible consequences of internationalization on the issues of efficiency and equity in access.

The issues shall be summarized with the view of possibly surfacing policy options, recommendations, and questions for further study and discussion.

INTERNATIONAL HIGHER EDUCATION: THE PROBLEM OF DEFINITION

For some educational scholars, higher education has always been an international phenomenon. Indeed, many of the well-established universities that operate today have existed before “nation states” were actually established (Briggs & Burn 1985). The notion of *studia generales* of medieval Europe and the wandering scholars shuttling from the universities in Bologna, Paris, and Oxford all suggest that universities of old transcended national barriers. Academics in higher education institutions (HEIs) have always referred to international standards of knowledge generation, validation, and dissemination, so much so that staff members of HEIs are more likely to cooperate with institutions from other countries. However, other education scholars have questioned this notion that HEIs are inherently international. Scott (1998) considers this notion as being largely mythical because the HEIs of today cannot actually directly trace their institutional characters to the medieval universities of Europe. Teichler (1998) and Scott (1998) argue that most

universities that exist today are actually creations of nation states and that character and functions of these institutions have been largely shaped by the implicit or explicit agenda of the nation states.

If we assume that most HEIs today are creatures of the nation state, the question of international education becomes all the more salient as it poses an alternative to the inherent character of most HEIs. Universities and higher education systems are now being called on to *internationalize*. But how should we understand this concept of *internationalizing* higher education? Is internationalizing higher education different from globalizing higher education?

Scott (1999) provides an effective definition of internationalization of higher education by way of contrasting this concept with the globalization of higher education. He states:

"Internationalisation reflects a world-order dominated by nation states. As a result it has been deeply influenced by the retreat from Empire, and the persistence of neo-colonialism, and by the geo-politics of Great Power rivalry (notably the Cold War). In the context of internationalisation the inequalities between rich North and poor South remain prominent – whether the intention is on strategic relationships. And higher education is not an exception. The recruitment of international students, staff exchanges and partnerships between universities in different countries are all conditioned to a significant extent by this geo-political context."

*"Globalisation is a very different phenomenon. It reflects not only the process of global competitiveness – between, for example, the great 'market' blocs of the United States, the European Union and the Pacific Rim nations. It also involves intensified collaboration as a global division of labour between low-cost mass manufacture and services provision (largely, but not exclusively, centred in the poorer South) and high-value technology and innovation (located mainly in the rich North, but with intriguing deviations). The result, therefore, is not a stable world-order of Great Powers and their allies and client states, however dangerously that stability was achieved. Instead globalisation implies a radical re-ordering of this world-order as new regional blocs emerge as old enemies become new allies (and *vice versa*); and as national boundaries are rendered obsolete by the transgressive tendencies of high technology and mass culture. "* (p. 2)

Scott (1999) goes on to clarify that globalization cannot be simply construed as a higher form of internationalization. He argues that whereas internationalization

presupposes the existence of established nation states, globalization is “agnostic about, or positively hostile to nation states” (p. 3). Moreover, internationalization is mostly expressed through “the ‘high’ worlds of diplomacy and culture,” whereas, globalization is expressed “in the ‘low’ worlds of mass consumerism and global capitalism. Most important, Scott argues that internationalization tends to reproduce and even legitimize hierarchy and hegemony, but globalization can address the inequalities between countries of the North and the South, and within different sectors in one nation state.

Within this framework contrasting internationalization from globalization, others have attempted to recast the definition of internationalization within globalization. The resulting definitions are quite broad and generic in nature. Callan (1998) suggests that the current definitions for internationalization will be forever elusive as different countries and higher educational systems might actually engage the concept of internationalization in different ways and for different purposes. Instead, he suggests that we approach the discussion of internationalization with reference to specific “approaches to and constructions of internationalization in the domains of policy, process, educational value and social/occupational change.” In a similar vein, Knight (1997) also proposed four approaches to understanding internationalization: based on (a) processes, (b) a typology of activities, (c) the development of competencies, and (d) fostering an international ethos.

These discussions underscore the importance of defining and understanding internationalization in its many different forms and functions. As expected, certain constructions of or approaches to internationalization might be more consistent with “internationalization” and less with “globalization” as distinguished by Scott (1999), or vice versa. This means that certain practices currently referred to as representing international education might be more aligned with the spirit and agenda of neo-colonial and traditional geo-political dynamics typical of the old world order. Still other practices might be more attuned to the emerging agenda of global competitiveness, mass culture, and high technology.

In this paper, we will consider the range of approaches to and constructions of international higher education. Thus, instead of committing to one definition of international higher education, the paper will take a catholic approach to understanding the phenomena. However, the discussions of the various models of international higher education will take into consideration the degree to which these models address the contrasting agendas of internationalization and globalization according to Scott. As the discussions in the next part will show, the agenda of globalizations seems to be more dominant in today’s discourse compared to the agenda of internationalization.

MODELS OF INTERNATIONAL HIGHER EDUCATION

Numerous data sources were reviewed to get a sense of the range of approaches to and constructions of international higher education that are currently in place in various parts of the world. Hard documents include reviews, evaluation studies, case studies, critical studies, and theoretical analyses on various models of higher education, which are published in journals, periodicals, edited volumes and books on higher education. Much information was also derived from the Internet. Somewhat not surprisingly, the most current descriptions and discussions on cases, models, and policies relevant to various forms of international higher education are more easily accessible in the Internet.

The various models of international higher education will be grouped into two clusters. The first emphasizes *internationalism*, and second emphasizes *open market transnational education*. The difference between the two clusters can be construed as somewhat analogous in character to the distinctions drawn by Scott (1999) between internationalization and globalization. That is, the models classified within the cluster of internationalism seem to have been conceived and implemented within similar parameters as Scott's definition of internationalization. In the same way, the models classified within the cluster of open market transnational education seem to have been conceived and implemented within similar parameters as Scott's definition of globalization. These two clusters and specific models that fall under each of these clusters are described and discussed in the following sections.

The different models are classified in one of the two clusters based on an analysis of the original and/or apparent dominant construction of international education that can be discerned for each model. However, as the discussions will indicate, the specific goals, purposes, and features of each model of international education have been undergoing significant transformations. Thus, although it is quite useful to make conceptual distinctions between the two clusters, the clustering should not be viewed as being fixed and rigid. The clustering is a device that is used to highlight certain similarities and differences among programs or activities of higher education and the transformations characteristic of these activities. The clustering also allows for a more integrated discussion of the issues related to the constructions of and approaches to international education.

Internationalism in Higher Education

One clearly identifiable cluster of approaches to and constructions of higher education is premised on the value of internationalism in higher education. For purposes of the current discussion, internationalism is referred to as the principle of international cooperation for the common good and the appreciation of international character or quality in education. Internationalism as a principle or value can be construed as being opposed to parochialism, and to some extent, nationalism. As applied to discourse on higher education, internationalism refers to approaches to higher education that seek to enhance the international character

or quality in students, programs, and institutions. This type of discourse is warmly embraced in higher education circles as colleges and universities often endeavor to ensure that knowledge generated and disseminated in these institutions are relevant and valid not only locally, but also in the global level.

Internationalism is a very good exemplar of internationalization as characterized by Scott (1999) as it presupposes the stability of nation states and argues for some attempt to cooperate among these bounded elements without transgressing the same. The efforts at internationalizing are construed in terms of related educational and development goals. The educational goals are related to assumptions of universal knowledge and the need for collaborative international efforts and perspectives. The development goals are related to the mission of developed countries to provide assistance and support to less developed countries in their efforts at improving the capabilities in their higher education institutions. That is, the programs have the objective of allowing weaker higher education institutions and systems to develop their capabilities and resources through cooperative and/or development assistance programs. In doing so, the less developed institutions and educational systems are enabled to more effectively participate in the global pursuit of knowledge. As the discussion on the specific models of internationalism will also show that these activities and programs often tend to be aligned with the agenda of neo-colonialism and the traditional geopolitical alignments of the old world order, which are closely tied to traditional discourse on internationalism, international cooperation and development.

International Student Mobility. One of the oldest models of international education is the model of international student mobility, and it is also the form of international education that has grown the most in recent years. United Nations Educational, Scientific and Cultural Organization statistics indicate that in 1980 about 920,000 persons were pursuing higher education studies outside their country of origin. This number grew to 1.2 million in 1990 and to 1.5 million in 1995 (UNESCO 1995; Sadlak 1998), indicating an increase of about 63 percent in actual number in 15 years. This development is generally viewed as very positive as the knowledge is assumed to be universal and the pursuit and advancement of knowledge is likewise assumed to be strengthened by the collective efforts of individuals from different national and cultural backgrounds (UNESCO 1995). In this respect, international student mobility is a very effective activity or means for allowing this collective pursuit of knowledge. It is not surprising that some countries have adopted a policy on increasing enrolment of international students. In April 2000, the president of the United States of America issued a memorandum on the country's international education policy that explicitly calls for encouraging students from other countries to study in the USA and promoting foreign studies by American students (US State Department 2000). Countries like Australia, Germany, Japan, and the United Kingdom articulated similar policies much earlier. In these countries, the population of foreign students increased around 10 percent from 1985 to 1995.

In China, as a result of the new policy statement of the former Ministry of Education in 1980 (Wei & Pan 1997) the number of foreign students grew 27 percent in 10 years (Sadlak 1998).

However, there are recent patterns in the flow of student mobility that seem to indicate that international student mobility serves agenda other than the enhancement of international cooperative efforts to advance knowledge. The pattern of concern relates to the balance of student flow. According to Sadlak (1998), more than 75 percent of all foreign study takes place in just ten countries: the USA (which receives more than 30 percent of all foreign students), France, Germany, the United Kingdom, Russia, Japan, Australia, Canada, Belgium, Switzerland, Austria, and Italy. All are countries of the rich North, and all but one of these countries are members of the Organization for Economic Cooperation and Development (OECD), a network of developed economies. In contrast, only one sub-Saharan African country is among the top 50 host countries. Similarly, only one sub-Saharan African country is among the top 50 countries of origin of foreign students. These data alone indicate how certain countries maybe overrepresented in these international student mobility programs, while others are grossly underrepresented.

The most likely reason for this trend relates to the different financial capabilities of countries to send their students to study abroad. It therefore seems, that international student mobility has become largely dependent on the countries' relative economic strengths. This assertion is supported by data indicating that the number of students from developed countries who are studying abroad is increasing faster than the corresponding number from developing countries (UNESCO 1995). More important, about 97 percent of students from developed countries who study abroad do so in another developed country. More and more, international student mobility is flowing from North to North among developed and newly industrializing countries (UNESCO 1995; Scott 1998). South-to-North mobility is happening less, accounting for about 6 percent of total (Ordoñez 1997); South-to-South mobility is even less (1%, Ordoñez, 1997).

Thus, it seems that the more noble scholarly goals of student mobility are being undermined by market and other economic demands. It used to be that the flow of student mobility was motivated by academic and development goals couched within colonial and post-colonial links. Typically, the flow was from colonies or former colonies to the colonial host (e.g., from Malaysia, Australia and other Asian and African colonies of the old British Empire to the UK; from the Philippines to the USA) or from less developed to more developed countries. Currently the flow is within new economic groupings like the European Union (EU). For example, even without any actual historical links or financial incentives, the number of EU students studying in the UK has increased 600 percent in a decade. Australia, which has never had any historical or political links with its East Asian and South East Asian neighbors has extensive enrollment from these countries, which reflects the emergence of a new regional market grouping (Scott 1998). According to Scott

(1998), international mobility in today's global environment is largely determined by economic and open market exigencies. The drop in student mobility from Southeast Asian countries in the late 1990's was clearly due to economic instability (i.e., currency fluctuations) in countries of the region (Bruch and Barty 1998). These types of development underscore the dependence of student mobility on highly volatile market forces.

In summary, one of the oldest examples of internationalism in higher education has grown stronger in the past decades. However, international student mobility is currently driven and shaped by market considerations, rather than goals related to ideals of having international cooperation or an international character in scholarship.

Faculty Exchange and Development. A model of international education that is related to student mobility is academic staff mobility, which often takes the form of faculty exchanges and faculty development programs. This is linked to student mobility because in some cases the students who study in other countries are actually faculty members of local colleges and universities who get advanced training in foreign institutions.

As it is with international student mobility, the flow of assistance in faculty exchange and development programs were traditionally framed within geo-political alliances that were colonial and neo-colonial in nature. In the Philippines, for example, the longest standing faculty exchange and development programs are those with the USA. These include the Colombo Scholarship Plan (from the 1950s and 1960s), the East-West Center Scholarships, and the Fulbright Scholarships (Caoili and Valenzuela 2000). More recently, however, countries that do not have a strong historical and political links with the Philippines have initiated faculty exchange and development programs. The onus for such programs seems to be related to emerging trade and other economic relations. For example, there have been strong faculty development programs sponsored by the governments of Canada (through the Canadian International Development Agency and the International Development Research Centre Program), Australia (Australian International Development Agency Programs), France (Alliance Francaise), Japan (Monbusho Scholarships, Japan International Cooperation Programs, and the Overseas Economic Cooperation Fund), among others (Caoili & Valenzuela 2000).

The Fulbright Fellowships Program is perhaps the largest and most successful program promoting faculty exchange and cooperation at present. The Fulbright Program was established in 1946, at the end of World War II, to increase mutual understanding between the people of the United States and other countries, through the exchange of persons, knowledge, and skills (Department of State Fulbright Program 2001). Regarding faculty exchange and development, Fulbright grants are awarded to citizens of participating countries, primarily for university teaching, advanced research, and graduate study. Specific examples of these grants include the Fulbright American Scholars Program (which sends around 800

American faculty members to other countries annually), and the Fulbright Visiting Scholars Program (wherein about 800 non-American faculty members come to the US to lecture or conduct research in US colleges and universities annually). According to the Fulbright website: "Since the program's inception, more than 85,000 U.S. Fulbrighters have traveled abroad to lecture or conduct research in a wide variety of academic and professional fields ranging from journalism and urban planning to music, philosophy and zoology. More than 144,000 foreign citizens have come to the United States under Fulbright auspices." According to Burn (1988), the Fulbright program is quite successful in fostering experiences and developing attitudes that promote a commitment internationalizing education, a global and multicultural worldview, and in supporting cross-cultural contact. She further argues that these cross-cultural experiences of faculty members are very critical in sustaining efforts of higher education institutions to internationalize their curriculum, instruction, and other organizational programs.

Research Collaboration. A more specific form of faculty exchange and development focuses on research collaboration. Some faculty exchange programs (e.g., the Fulbright programs, the Monbusho programs, etc.) have specific components directed at promoting research collaboration among faculty and scholars from different countries. Traditionally, research and knowledge production was a self-contained activity within universities. In the past, the exigencies of research hardly required for collaboration among scholars from different countries (except perhaps in topics that involve area studies or international studies). Academic scholars could pursue active research programs while remaining within the confines of their own universities, libraries, laboratories, and research sites. All this has been changing in the past couple of decades, and the changes can be attributed to the change in the nature of knowledge production required in a globalized world economy.

Knowledge plays a much more important role in today's globalized market economy. According to Salmi (2000), competitive advantage is best gained from the use of knowledge, particularly in one's "ability to acquire and apply technical and socio-economic knowledge." He further states that, "the proportion of goods with medium-high and high level technology content in international trade has gone from 33 percent in 1976 to 54 percent in 1996. Today, economic growth is more of a process of knowledge accumulation than of capital accumulation." We can cite very specific cases in point. According to Nishikawa (1997) for example, the knowledge service area represented 25 percent of the GDP of Japan in 1985, but in the year 2000 it represented 32 percent of GDP. Clearly, the demand for new and more sophisticated forms of knowledge is growing. Another important consequence of this strong demand is the fact that HEIs now have many competitors in the knowledge production process. Thus we have an expansion on the demand side of knowledge production (i.e., for more sophisticated knowledge) and a similar expansion on the supply side (i.e., more individuals with research and knowledge

production capabilities). According to Gibbons (1998a) the situation creates a new distributed knowledge production system, wherein a large number of highly varied institutions in different locations produce very specific but diverse types of knowledge.

Within this distributed knowledge production system, HEIs no longer enjoy privileged status. The new environment requires the HEIs to rethink and recast their knowledge production systems in ways that will allow them to compete and thrive within this distributed knowledge production system (Nishikawa 1997; Gibbons 1998b). Collaboration among local HEIs, and even among HEIs in different countries, is one of the most strategic responses to these new demands. It seems that the collaboration needs to go beyond the short-term and self-contained exchange research fellowships presently supported in programs like the Fulbright and the Monbusho. Instead, the collaborations ought to be strategically conceived, sustained, and organized with effective communication systems, so that the partner institutions can effectively compete with other participants in the knowledge production process (Gibbons 1998b).

A particularly successful example of such a collaboration program is the Acciones Integradas, a cooperative program between the UK and Spain (Elliot 1998). The program was initiated in 1983 and is financed by each party contributing over 163 million dollars annually to prime research linkages between institutions that account for 80 percent of all British and Spanish universities. According to Elliot (1998), a recent survey showed that the various research collaborations in the program have gone on to win at least 77 million dollars more in additional research grants, and have produced over 1000 publications in refereed journals, 35 books, 61 conferences, and six patents.

Internationalizing Curricula: Foreign Language Study. Another model of the earliest expressions of internationalism in higher education is the development of curricula that have an international component or some international character. The simplest expression of this approach is the inclusion of foreign language requirements in the general education curricula of undergraduate programs. Traditionally, a liberal arts education required the development of proficiency in at least one foreign language, consistent with the vision of internationalism in higher education. As higher education requirements became more pragmatic and oriented towards professional skills development, such foreign language requirements became more and more scarce. In the Philippines, all college students used to be required 24 units of Spanish until the late 1970s. Now, very few college degree programs require any courses in foreign languages other than English.

However, there are recent trends towards bringing back such requirements in higher education programs. Moreover, there are moves to even strengthen the foreign language base in the basic education programs. The trend seems to be strongly motivated by economic considerations. A global economy requires that the participants in market and related activities have some level of proficiency in

foreign languages, specifically English and the languages of the other leading economies and/or markets. Being able to speak a foreign language provides individuals with a competitive advantage in a globalized world economy (Cooper 1988). Thus, many countries are systematically incorporating foreign language requirements in their basic and higher education curricula.

In the United States, several institutions have started implementing new foreign language requirements using alternative frameworks, in particular, using a total immersion approach for foreign language learning (Reardon 1997). In St. Olaf College, students with intermediate proficiency in a second language are allowed to study humanities, behavioral sciences, natural sciences, and mathematics in a second language by using foreign language texts. The medium of instruction in the classes is still English, but students are also grouped into small (similar language) clusters wherein they can discuss course materials in the various foreign languages. Syracuse University offers one-unit foreign language modules that are couples to three-unit disciplinary courses that are taught in English. The students become acquainted with the disciplinary vocabulary and scholarship in a foreign language in addition to the typical disciplinary knowledge they would learn from the traditional course. The University of Rhode Island has an expansive program that combines the study of German and Engineering. During their fourth year of study in Engineering, the students participate in a six-month internship in an engineering firm or research institute in Germany and other German-speaking countries in Europe. In the process they develop oral skills and disciplinary vocabulary in German. Students are awarded a B.S. in Engineering and a B.A. in German after they complete the five-year program.

Consistent with developments in the field of student mobility, foreign language study in higher education seems to be transforming in nature and scope. It used to be that the rationale for foreign study was rooted in the spirit of internationalism and couched within colonial or neo-colonial arrangements (e.g., Spanish for Filipinos, French for Vietnamese, etc.). Now the study of foreign languages are framed within more varied frameworks that are clearly designed to address the needs of participating and competing in a globalized world economy.

Internationalizing Curricula: Building International Perspectives. Foreign language study was the simplest expression of internationalizing in the higher education curricula. A more expanded expression can be found in attempts to inject a stronger international quality or character in the curricula. Such attempts were aimed at allowing students to study phenomena and understand their realities using a broader, more international perspective, or at least from a perspective other than their own national or cultural perspective (Dale 1988). This curricular approach attempts to make students realize that their ways of understanding their experiences are often closely tied to assumptions, beliefs, and practices in their country and culture that are shaped by the historical, cultural, economic, and political life of their country – and that people from other countries and cultures

that have different histories, cultures, economies and political systems will most likely not understand the same experiences in the same way. In other words, these curricular programs emphasize the historicity and cultural-specificity in the various ways of knowing, and thus aim to rid students of what might be very parochial ways of understanding the world (Reardon 1997).

The most common expression of this curricular design takes the form of academic programs in international studies and international relations. In recent decades there has been a clear increase in the volume and scope of such programs. In South Korea for example, the Ministry of Education invested 100 billion won over five years to support nine universities in Seoul to open Graduate Schools of International Studies (Koo 1997). Programs in international studies emphasize language, history, literature, and the high culture of other countries (e.g., China studies, Japan studies) or regional groupings (e.g., East European studies, South American studies, East Asian studies). Programs in international relations tend to have a politico-economic focus. Unfortunately, such programs are being criticized for often failing to be true to the tenets of historicity and cultural-specificity. According to Reardon (1997) for example, most programs in international studies and international relations draw from scholarship of the West and of developed nations investigating other cultures and explaining other cultures using the categories and constructs of Western scholarship. In Reardon's words, "the explanatory structures were derived from the study of Western Culture and superimposed on other cultures."

Such criticisms of Western or Eurocentric scholarship, coupled with criticisms about the use of the Western disciplinary categories in scholarship (e.g., Miyoshi 1991; Wallerstein 1991; Said, 1993; Perkin 1996) have prompted many institutions to start inquiring into alternative frameworks and approaches to international studies, and developing genuine international perspectives in the higher education curriculum. Most of the initiatives in this new approach incorporate a strong interdisciplinary and/or multidisciplinary slant. Moreover, these initiatives have gone beyond the confines of international studies and have instead focused on reorganizing the general education curricula around international themes. Reardon (1997) describes the initiatives of two American institutions. St. Lawrence University has introduced a series of two courses in the required core curriculum: "Conceiving the World" and "Cultural Encounters." The first course involves comparing a Western culture with several other cultures with respect to several specific topics. The second course is organized historically and emphasize topics related to cultural change and development as a consequence of cross or intercultural contact. Portland State University has abandoned the traditional distribution model for the general education curriculum that requires students to take the mandatory number of courses in the social sciences, humanities and natural sciences. Instead their general education curriculum consists of courses such as "Crossing Borders," "Individual Rights and the Common Good," and "Nature and Environment" that are designed by faculty members

from different disciplines and cultures and that integrate in a comprehensive way the non-Western ways of understanding these phenomena (i.e., not as marginalized enhancements). Both the St. Lawrence University and the Portland State University general education curricula have a study-abroad component.

As with the developments related to international student mobility and foreign language studies, the developments related to international studies have also shifted from an agenda of traditional internationalism. The shift involves moving away from the form of internationalism that is actually an imposition of a dominant culture's perspective in understanding other countries and cultures. Although the earlier discussions stem from rather abstract theoretical criticisms regarding the nature of knowledge and understanding, the shift in perspective is actually more strongly driven by changing demands in the global workplace (Christensen 1988; DiBaggio 1988). According to Goodman (1996) for example, corporate executives and government officials now prefer to employ individuals that have the skills to act flexibly and strategically from one project and region of the world to another. Such individuals need to have a perspective of the world that more consistently reflects the diversity of worldviews in various parts of the globe. Thus, the demands of a globalizing world economy still strongly shape the nature of the transformations in the internationalizing curricula.

International Networks. Another traditional expression of internationalism in higher education is the formation of international networks of higher education institutions and/or programs. In some ways, such networks are the most public and visible expressions of internationalism – colleges and universities from different countries and regions of the world coming together *a la* United Nations in cooperation to address the noble vision of universal scholarship. Within such networks, the goals and implementation of most of the models discussed earlier are greatly facilitated. The oldest networks of HEIs have been linked to geo-political alliances of the world order. A good example of such is the linkage among Commonwealth countries that have programs administered by the UK (through agencies like the British Council & the Overseas Development Administration) and that include student and faculty mobility, faculty development and collaboration, institutional and program development, area and English language studies, among others (Elliot 1998; Gibbons 1998a).

Other networks of long-standing are actually loose alliances with very modest agenda related to cooperation and development. One example is the Association of Southeast Asian Institutions of Higher Learning (ASAIHL), which was founded in 1956 by eight universities. It now has 152 member institutions from 14 countries, including some from outside the Southeast Asian region (Hong Kong, Japan, Canada, USA, Australia, New Zealand, and Sweden). The purpose of the ASAIHL is

“to assist member institutions to strengthen themselves through mutual self help and to achieve international distinction in teaching, research, and public service... Specifically, the Association exists to foster the development of the institutions themselves, the cultivation of regional identity and interdependence and liaison with other regional and international organizations concerned with research and teaching.” It serves as clearing house of information; provides regular opportunities.” (ASAIHL 2000)

The programs of the ASAIHL include a wide range of activities related to the different models of international education discussed earlier. These include serving as a clearinghouse of information for use of all member institutions, sponsoring an annual seminar where member institutions discuss academic and institutional development topics, facilitating faculty and student exchange, awarding fellowships and scholarships, publishing handbooks, reports, bulletins, newsletters, among others. The network provides opportunities for cooperative development efforts but these efforts are highly nonintrusive and they are not programs that aim to more aggressively transform higher educational systems relating to curriculum, administration, organization, financing, among others. As such, the impact of such networks seems to be rather limited.

More recently, new forms of networks have been formed. Such networks have a different agenda from the traditional networks formed in the spirit of internationalism. The new networks have a more long-term agenda of transforming the structures of higher education in ways that will more effectively address the demands of a globalized world economy. For example, the international programs of the European Union have effectively overwhelmed the network of Commonwealth nations. The international programs of ERASMUS and SOCRATES have been very successful in facilitating a more large-scale exchange among students and faculty. The long-term goal of ERASMUS and SOCRATES is to reduce the social, economic, and cultural disparities among the countries of the EU. The policies that have been set up to facilitate the cooperation programs have also had the consequence of challenging the traditional curricular and pedagogical approaches in participating countries, and even the bureaucratic and policy constraints that are in place in different countries. These changes have the net effect of transforming and revitalizing the diverse higher educational systems in ways that make these systems and the institutions within more capable of responding to the challenges of regional cooperation and competition in Europe (Teichler 1997; 1998).

The ERASMUS and SOCRATES are products of initiatives of a supra-government organization, the EU. Other recent forms of international networking are initiatives of higher education institutions acting on their own (i.e., not under the director of government or other more expansive organizations). A good example is the Universitas 21, which is actually a company (incorporated in the UK) with a network of 18 highly reputable universities in 10 countries from all over the world

(Universitas 21 2001). The purposes and programs of the network are summarized as follows:

"This network provides a framework for member universities to pursue agendas that would be beyond their individual capabilities, capitalising on the established reputation and operational reach of each member. The Company's core business is provision of a pre-eminent brand for educational services supported by a strong quality assurance framework. It offers experience and expertise across a range of vital educational functions, a proven quality assurance capability and high brand value. Universitas 21 has been established for the purposes of:

"Developing international curricula for graduates educated and trained to operate in a global professional workforce, with credentials that are internationally portable and accredited across a range of professional jurisdictions;

"Providing a quality assurance structure that operates globally to offer *internationally valid processes* for the enrolment, instruction, assessment and certification of students, and an *internationally recognised brand* identifiable with a global network of high quality universities;

"Providing partnership opportunities for major new providers, including corporate universities, wishing to access a fast growing international market for higher education and advanced training;

"Bringing to such partnerships international recognition and legitimacy, premium higher educational branding, a demonstrable quality assurance capability, and a proven capacity for producing and delivering quality higher education and training programs.
(Universitas 21 2001)

Although the general agenda and purposes of the network are very clearly defined, the specific programs of the network are still being studied and carefully planned. The care taken in the program development processes stems from the need to reckon with the current diversity in the systems and cultures of the different member institutions. In spite of this, the rhetoric of the Universitas 21 expresses a clear intention to recast the educational missions and structures of the member institutions in ways that will strategically address the needs of an emerging globalized environment (c.f., Clark 2000; Gibbons, 1998b, Teichler, 1999). The agenda and purposes are clearly much more aggressive and progressive compared to the agenda and purposes of the ASAIHL, for example. In particular, the discourse of Universitas

21 clearly incorporates the values and constructs of corporatizing HEIs and open-market education, whereas the discourse of ASAIHL is still couched in terms of the values and constructs of internationalism and respect for existing structures within nation states.

There are attempts to form a more progressive form of higher education network in the Asia-Pacific Region. In 1997, the Asia-Pacific Conference on the Formation of a Regional Network for Higher Education and Research: Policies, Strategies and Administration (1997) was held at Waseda University in Japan. Participants from various countries in the Asia-Pacific Region shared their experiences in their attempt to internationalize higher education in their respective countries. Scholars from other parts of the world also shared their own experiences in forming regional higher education networks. Although the participants clearly see the rich opportunities that forming a network would afford especially in rationalizing and facilitating the various approaches to internationalizing higher education, they were also very much aware of the obstacles and issues related to the endeavor. Most of the concerns relate to wide diversity among the higher educational systems covered in the region, the existing inequities among these systems, and the heavy dependence of such an endeavor on equal access to financial resources among the various systems (c.f., Mooney 1997; Ordoñez 1997; Teichler 1997). It is not surprising that these concerns mirror the issues that are typically raised in relation to globalization and free-market systems.

In summary, once again we see how globalization is transforming a traditional expression of internationalism in higher education. The new international networks that are being formed have a much more focused and aggressive agenda that seek to transform HEIs and systems in ways that will hopefully make these more responsive to the needs of an emerging global environment.

Open Market Transnational Education

The second cluster of international higher education models can be differentiated from the first cluster in terms of the general goals or purposes for embarking on these “internationalization” activities. That is, the models and activities in the second cluster are specifically designed to capitalize on the opportunities afforded by the changing demands of a globalized world economy. The institutions that offer these types of international education programs are not primarily concerned with the spirit of international cooperation among different countries. Indeed, the underlying assumption is that countries and national boundaries are no longer real boundaries that ought to constrain the delivery of educational services. Moreover, the pressures and the requirements of globalization will need to be addressed by recasting the very nature of higher education and HEIs – their organization, character, and functions (see e.g., UNESCO 1995; Gibbons 1998b; Teichler 1999; Salmi 2000). Not all institutions of higher education can respond to these pressures and demands with equal ease (Bernardo 2000); thus, it is not surprising that most of the programs and activities described in this section are

fairly “young” institutions that are not yet quite as entrenched with the traditional rules and systems of higher education.

Several assumptions seem to underlie the programs of international higher education in this cluster. First among them would be the idea that national boundaries need to be transgressed to ensure that HEIs can maximally service the target clientele. There is also the assumption that higher education institutions will need to service a more diverse profile of students and that these students require a different set of skills and knowledge in order to be competitive in the global environment. These students are in different circumstances in life – some have already been working for several years, some are working while studying, and some might even be studying only for specific job-related purposes. These students will need to be reached by considering a wider variety of modes of delivery, some using advanced technology, some requiring a greater extent of geographic mobility, and often there will be a mix of delivery modes in one program. At the same time, there is recognition of the need that some new but common form of quality control to govern these new structures and systems. Thus, we see a variety of types of program offerings that differ in organization and in character from the traditional programs offered by typical HEIs. The six models of international higher education in this cluster follow the same classification defined by McBurnie and Pollock (1998).

Distance Education. “Traditional” or “stand-alone” distance education are defined as programs where students pursue independent study within a provider institution’s nonresidential programs. This very broad definition includes both full-time and part-time study and a wide variety of delivery systems in the distance mode (e.g., printed modules, correspondence courses, radio, television and other mass broadcast media, internet bulletin boards, blackboards, etc.).

Distance education programs themselves are not necessarily “international.” However, this form of education delivery is quite extensively utilized in providing higher education services across countries. Course materials may be transmitted from the provider institution to the student through post mail, the Internet, satellite, or other means. Student assignments and other requirements are sent back to the institutions for evaluation and feedback through similar means. In some cases, students are required to travel to the provider country for some hands-on, laboratory, or internship activities. Still in other cases, examinations of students are done locally under supervised conditions arranged for by the provider institution.

Many successful examples of this mode of international education can be found all over the globe. The University of the South Pacific, for example, provides distance learning to students spread across a 30 million square kilometer geographic area. According to Jurich (2000), this university offered 174 distance credit courses that enrolled 16,317 students in 1997 alone. Turkey’s Anadolu University has almost 600,000 students, most of whom live in Germany, and other European and Asian countries. The university uses the facilities of the national broadcasting network of Turkey for the delivery of lectures and course materials (Jurich 2000). The African

Virtual University is another example of an international distance education program. It operates in 16 countries and offers mainly professionally-and technically-oriented programs. Lectures are done by professors from well known HEIs in Africa, Europe, and North America, and the lectures are presented to students through videotapes or live broadcasts via satellite or fiber optics uplink (Diagne 2000).

Language is the clear limiting factor in this model of international education. The reach and popularity of such programs is constrained by the main language used by the institutional provider. Although information and communication technology can enable and enhance this mode of international education, there are other modes of transmitting information through distance mode. Thus, technology is more of an enabling factor that allows for better efficiency in reach. At the same time, it is not a limiting factor for traditional modes of international distance education.

Since technology is an enabling factor for the maximum effectiveness of the programs, the quality of these programs largely depend on how well the distance-mode learning materials and environment are designed for the specific type of learners who use the distance mode. Such programs demand that the students be very mature, independent, and strongly motivated. Currently there is still much debate whether the alternative delivery systems used to provide for distance education are designed well enough to provide adequately for the educational goals of the special types of students who matriculate through distance mode (see e.g., Merisotis and Olsen 2000; Olsen 2000).

Locally Supported Distance Education. Locally supported distance education is also referred to in some countries as “taught distance education.” What differentiates this type of distance education from the standard distance education is the mixed mode of study. That is, the education is provided using a combination of classroom-based instruction and independent study, using the provider institution’s curriculum and materials. Students usually have access to a locally study center, which may be owned and operated by the provider institution, or may be set up under a variety of joint-venture arrangements. There may even be “face-to-face academic input” in very brief and concentrated periods for seminars and workshops. In addition, the local study centers provide for library, computers, teaching and learning areas, teachers and/or tutors.

The Technical Institute of Monterey in Mexico is an example of a locally supported distance education, although at present its offerings are not yet international (Wolff 2000). The institute offers undergraduate and graduate programs in technically-and professionally-oriented areas, and had 70,000 students in 26 campuses throughout Mexico in 1997. Their educational model has three components: (a) instruction - which follows the conventional teacher-based models but is delivered through live satellite transmission broadcast and the Internet; (b) self-study – which is the student contribution to the learning process and involves

sourcing books, notes, Internet websites, among others, and (c) collaboration – group activities that are facilitated through the Internet and the local study centers.

Another interesting example of the mixed mode of study can be found in the programs of the University of Phoenix in the US. As with the Technological Institute of Monterey, the programs are still not international but they already enroll 68,000 students in 81 campuses and learning centers (Jackson 2000). What makes this program interesting is that students are allowed to gain course credit for competencies and skills gained from prior learning experiences. For example, students are allowed 30 credits for workshops, seminars and other institutionally sponsored courses, and another 30 credits for learning from experience that is verified to be equivalent to learning from specific college courses.

The requirement of having local study centers makes this mode of distance learning more difficult to adopt for distance education overseas (hence, the examples). However, according to the Global Alliance for Transnational Education (McBurnie and Pollock 1998), there are Australian HEIs that do have locally supported distance education programs in countries in the Asia-Pacific region.

Twinning Programs. The concept of twinning programs involves the implementation of a fully taught educational degree program in two sites, the provider institution in one country and a host institution in another country. In other countries like Australia and other Commonwealth nations, twinning programs are called offshore programs. In some ways, twinning programs are like the locally-supported distance education programs, but the twinning programs do not make use of alternative delivery systems other than those actually used in the provider institution. Students follow exactly the same curriculum, use the same materials, have the same lectures, and have to pass the same examinations. The academic teaching staff is typically from the host country, but they are selected by the provider institution following the same hiring criteria.

In Australia, twinning or offshore programs typically involves doing part of the coursework in the host country and part in the provider country. In Australia-Malaysia twinning programs, the terminology “2+2” or “3+1” is commonly used to refer to two years of study in Malaysia and two years in Australia, or three years in Malaysia and one year in Australia, respectively. Although in some cases, the course is taught completely offshore.

Australia is probably the leading country with such twinning/offshore programs. In 1999, 35 Australian universities had 581 ongoing offshore programs, more than 70 percent of which were in Singapore, Malaysia and Hongkong (Australian Vice-Chancellors’ Committee 1999). However, Australian Universities follow very strict requirements before a twinning/offshore program is approved. Typically, extensive documentation is required involving information regarding matters such as, providing evidence of the demand for the offshore program, an analysis of how the offshore program will be comparable to the residential and

other competing programs, a business plan, a risk management plan, teaching-learning resources, among others (see e.g., RMIT University 2000).

The financial arrangements in such twinning programs are mutually beneficial for host and provider institutions. The provider institution gains the tuition and fees that students typically pay, without having to spend for the full costs of residential education. Moreover, provider institutions typically charge additional fees for the maintenance of an offshore/twinning program. On the side of the host institution, they also gain fees related to managing and maintaining the local site. All these added fees are, of course, shared by (i.e., passed on to the) students.

Such programs are attractive to students in host countries, because the students acquire credentials from a foreign institution without the full cost of enrolling in a foreign country. Although typically, the students pay tuition fees equivalent to that in the foreign country (and possibly more), the students still save substantial amounts that would have been spent on travel-related expenses (processing of immigration papers, airfare, accommodations, etc.). The credentials received from such programs also enjoy better regard than those related to distance-learning programs, as the students are perceived to undergo an educational process that is still close to the traditional university experience.

Articulation Programs. Articulation programs are in many ways similar to twinning programs. However, the students are not enrolled in a program of a foreign country. They are still enrolled in a program in a local institution. However, the credits earned in the local institution are fully recognized for credit by the provider institution. This recognition facilitates the lateral entry or admission of students to the programs of the foreign provider institution. So for example, the first two years of study in a local university will earn the student a diploma or an associate degree from the local university. This diploma or associate degree will be recognized by the foreign university as sufficient for admission into the last one or two years in the baccalaureate program of the foreign institution.

Such programs are quite attractive because the student has a chance of obtaining foreign credentials by attending only one or two years in a foreign institution. The costs are likely to be lower than for a twinning program, as the local rates for tuition and fees are applied during the first years of study.

However, articulation programs may have the effect of thinning the enrollment for the major programs of the host institution. The host institution is used mainly for the provision of the basic general education component of undergraduate education. Students who can afford the one or two years in the foreign university will most likely not stay in the local institution. In this regard, the articulation programs are usually hosted by institutions that do not aspire to strengthen the advanced educational components (i.e., major courses and graduate programs) of their own program offerings. In this way, the local host institution might enjoy an increase in enrollment in the general education offerings (which do not require high human capital costs). At the same time the foreign provider institution can focus its own resources on the

more specialized or major offerings (and thus focus their investments on the high end of human and other capital requirements) and gain additional foreign student enrollment in the process.

Branch Campuses. In some ways, branch campuses are similar to twinning programs. However, in the strictest sense, branch campuses are full-fledged campuses of the provider institution in a foreign country. Programs of the provider institution are offered in the branch campus, and the programs are implemented fully from admission to graduation. Thus, no other local institution is involved as a partner in the enterprise. However, the campus may either be fully owned by the provider institution, or a joint venture with local partners (particularly if local regulations prohibit full ownership of educational institutions by foreigners.)

Such programs are rare, as the full-fledged universities are careful about replicating their campuses in a foreign land as they risk their institutional reputations if the administration of the branch campus is not handled well in very different conditions. It is typically the smaller HEIs that focus on more professional and technical programs that venture into such branch campuses, as the risks are probably lower in their cases. The market for such branch campuses in the host country might not also be very large in such cases, as only the appeal of foreign credential could be the selling point. There might not be a strong “brand name” that could be marketed on top of the foreign credentials.

Franchising Arrangements. Under franchising arrangements, a foreign institution grants a host institution in a country the “license” or permission to offer the foreign institution’s degree programs under specified conditions. A number of observers have raised concerns about the practice of franchising. In particular, the concerns are about the ethics regarding using an institution’s name. As a result of this concern, many countries are more cautious about entering such arrangements. According to McBurnie and Pollock (1998), for example, no Australian university has entered into a franchising arrangement.

Internationalizing Curricula: Quality Assurance and Standards. Quality assurance and standards have always been a concern of HEIs, but this concern has always been addressed through more local or national efforts such as a national accrediting system, or national minimum requirements and curricular standards, among others. One development that globalization of higher education has that given birth to the “internationalization” of these quality assurance systems and standards. As the products of the higher educational systems now have to compete in an open market economy, there is now a need to ensure that credentials obtained from HEIs from different countries are equivalent. Thus, the quality of one student’s credentials is no longer assessed in terms of local standards; there are now regional and international standards against which credentials are evaluated.

Parallel to this trend, international groups have been formed to articulate such standards, and the product are the so called, international benchmarks for curriculum, student achievement, among others. One of the more famous of these groups is the International Association for the Evaluation of Education Achievement (IEA), which is an international cooperative organization of research centers, which are independent from the respective national governments. Presently there are 54 research centers representing 53 countries (Belgium has two research centers on each for the French and Flemish education sectors) from six continents. The objective of the IEA is "to conduct comparative studies that focus on educational policies so as to enhance learning within and across systems of education" (IEA 2001). The studies conducted by the IEA can be characterized with the following features:

"They are conducted on an international and a cooperative basis. As such they allow researchers and policy makers to enter into a dialogue with and to learn from their colleagues around the world.

"They also enable systems of education to view more clearly their unique cultural situation from an international, comparative perspective.

"They focus on educational policies and practices, thereby enabling the development of a conceptual framework that clarifies issues, suggests appropriate methods of investigation and uses those analytic tools that best elucidate key factors and issues related to student achievement. These actions result in validated measures of educational outcomes and processes." (IEA 2001)

However, the studies of the IEA mainly focus on basic education, the most famous of these are the achievement, curriculum, and teaching benchmarking studies of the Trends in International Mathematics and Science Study (TIMSS 2001).

Although there is no corresponding organization doing exactly the same type and scope of work in higher education, there are groups such as the International Network for Quality Assurance Agencies in Higher Education (INQAAHE 1999). The INQAAHE is a formal network of organizations responsible for assuring quality post-secondary education programs offered by institutions other than their own. These include accrediting agencies, HEIs that accredit other institutions, government or private commercial agencies that evaluate and/or undertake accreditation activities. The main purpose of the INQAAHE is to collect and disseminate information on current and developing theory and practice in the assessment, improvement and maintenance of quality in higher education. The INQAAHE has set several specific goals:

- promote good practices in the maintenance and improvement of quality in higher education;
- facilitate research into the practice of quality management in higher education and its effectiveness;
- provide advice and expertise to assist the development of new quality assurance agencies;
- facilitate links between accrediting bodies especially as they operate across national borders;
- assist members to determine the standards of institutions operating across national borders;
- permit better-informed international recognition of qualifications;
- assist in the development and use of credit transfer schemes to enhance the mobility of students between institutions within and across national borders; and
- enable members to be alert to dubious accrediting practices and organizations.

Such networks provide an important mechanism to allow institutions to address the problems of quality higher education and quality assurance. As Hilborne (1996) found out, there is so much diversity in the educational tradition, culture, funding, quality assurance and the accreditation of quality awards across countries, so much so that there is even a problem of agreeing on a common definition of good practice in higher education. The INQAAHE and other similar networks provide a platform, which would, hopefully, allow for a framework that will allow for effective quality assurance across countries.

Summary of Models of International Higher Education

The preceding sections showed a diverse range of activities that are presently referred to as international education. The activities that were more recently initiated were clearly envisioned to make higher education programs more attuned and responsive to pressures and opportunities in a globalizing environment. These new pressures call for more varied modes of providing higher education to enable a very diverse range of individuals to acquire more sophisticated levels of knowledge and skills that are needed to be competitive in this new environment. Thus, the new models of international education feature alternative delivery systems, usually capitalizing on the revolutions in information and communication technology, and

strategic alliances and collaborative efforts among various institutions that can more efficiently provide for different levels of educational needs. On the other hand, the more traditional activities of international education were born out of the spirit of internationalism and cooperation. These activities were initiated to develop an international quality to activities that were mainly confined in national and local contexts. However, the preceding sections indicate that many of these traditional modes of international education are being transformed in ways that make these also more attuned and responsive to the pressures and opportunities afforded by globalization.

Philippine Higher Education: A Brief Overview

In this section, we attempt to summarize some of the important features of Philippine higher education that are relevant to the discussions on international higher education. The discussion in this section does not aim to be comprehensive; rather, the discussion focuses on a confined set of features that will directly bear on the viability of the various models of higher education in the Philippine context. The discussion points are organized around four main themes: efficiency, quality, equity in access, external context.

The arguments and supporting data are culled from several important reports, listed below:

- *Philippine agenda for educational reform: The PCER Report* (Presidential Commission on Educational Reform, 2000)
- *Philippine education for the 21st Century: The 1998 Philippine education sector study* (Asian Development Bank & World Bank, 1998); *Technical background paper No. 3: Higher education in the Philippines* (Asian Development Bank & World Bank, 1998)
- Efficiency and effectiveness (E. Tan, R. Borromeo, & C. Castel, in *The reform and development of higher education in the Philippines*, UNESCO Philippines, 2000)
- Meeting the challenges on access and equity of higher education (M. Ibe, R. Perez, & C. Quebengco, in *The reform and development of higher education in the Philippines*, UNESCO Philippines, 2000)
- *State of Philippine education: Tension between equity and quality* (J. R. Cortes & N. R. Balmores, UP-CIDS, 1992)

Efficiency

A number of concerns have been raised regarding the internal and external efficiency of the higher educational system in the Philippines. Some of these concerns are discussed in this section.

Proliferation of Public Institutions. As of 1999, there were 1357 higher education institutions (HEIs) in the Philippines. Of this total, 1,147 (84.5 percent) are private

institutions and the rest are state colleges and universities (108) and CHED supervised institutions (102). About 75 percent of higher education students are enrolled in private institutions (CHED 1997). However, the share of private institutions in higher education delivery has decreased significantly since the mid-1960s with the increase in the number of publicly funded HEIs. The number of state colleges and universities increased by over 30 percent in the 1990s.

This proliferation of public intuitions is problematic for several reasons (Johanson 1998). First, it requires substantial increases in public subsidies for higher education at the expense of basic education. In 1999, public institutions accounted for over 14 percent of the national education budget, up from over 9 percent in 1996. Because the social returns of higher education are low (the returns are largely personal) as compared to basic education, increasing the share of the higher education is not a cost-effective move.

Second, as the public funds available for higher education get scarce, creating more public HEIs dilutes spending on these institutions.

Third, as most of the new public institutions are actually formerly secondary institutions that were upgraded to tertiary institutions, the quality of educational services provided by the public institutions tend to be of poor quality.

Fourth, the public institutions crowd out the private institutions in most cases. In many cases, the public institutions are located in the same geographic region where there is already a high density of private institutions. The public institutions also offer the same program as the private institutions. As the tuition and fees of the public institutions are much cheaper than most private institutions, the former end up crowding out the latter.

Finally, as public schools have a higher per student cost (P15,702/student in 1997) compared to private schools (P5,119/student), the crowding out of private institutions makes the entire higher education system more costly and less cost-effective. Reports indicate that if public institutions operate at the same cost per student as private institutions, the government would save 5 billion pesos in one year alone.

Efficiencies of Size. There are also indicators that the organizational features of the existing institutions are inefficient. In 1997, the average enrollment was about 2,500 students in public institutions and 1,750 for private institutions. From 1990 to 1997, the number of public institutions increased by 26 percent and private institutions increased by 38 percent. This suggests that the current institutions are too small and could be made more efficient through enrollment growth and institutional mergers.

Student Flows. Another indicator of low efficiency of the Philippine higher education system is the average survival rate of 49 percent (1997 data). This means less than half of those who enter college or university were able to reach the fourth year of studies. Moreover, the average graduation rate is only 61 percent, which

means that only three in every five students in the fourth year of study actually graduate within the fourth year. The overall completion rate for the higher education system, therefore, is about 30 percent. These statistics indicate that the actual cost per graduate (i.e., average number of student years of instruction required to produce one graduate times the average cost per year) is quite skewed. The financial waste, particularly of public funds, is equally high for those students who eventually drop out without completing their degree.

Articulation between Performance and Budget. Most institutions operate using historically based budget systems. That is, this year's budget is usually last year's budget with a specific proportion of adjustment. Thus, there exist no objective means or measures for rationalizing budget allocations. This form of budget system perpetuates the existing inefficiencies in the resource allocation practices. This form of inefficiency is much more pronounced in public institutions, as private institutions have stronger incentives to make efficient use of income.

Programs. The Philippine higher education system is also criticized for having low external efficiency. The range of program offerings will indicate that HEIs tend to offer degree programs that are of low priority but are less expensive to maintain (e.g., business/commerce, teacher education), and not high priority programs (e.g., science, technology, and graduate education) that will have stronger long term social returns. The latter programs are more expensive but have low return of investment for the institutions. Moreover, there is low market demand for the latter programs, as these tend to be more expensive and are not perceived to be good vehicles for attaining immediate and high-earning employment.

Quality

It is quite difficult to arrive at a common agreement regarding how quality higher education should be defined. For purposes of this overview, we refer to a few indicators of quality, as regards the inputs, processes, and outputs of the higher educational system.

Faculty. Data from the Commission on Higher Education (1997) indicate that only 7 percent of faculty members of higher education institutions have doctoral degrees, and only 33 percent have some graduate qualification (i.e., Master's degree or equivalent specialized training). Thus, about 2/3 of all those handling higher education courses only have Bachelor's degrees. In the areas of science, engineering, business and information technology, those with graduate degrees account for less than 20 percent of the faculty. If we consider that in most institutions, doctoral and master's degree holders are given administrative positions and other nonteaching assignments, the overwhelming majority of higher education holders are handled by Bachelor's degree holders. One reason for the relatively low educational attainment of higher education faculty is the fact that many HEIs are actually

secondary institutions that were grouped together and upgraded to the tertiary level. Moreover, the incentives for faculty members who finish graduate degrees are perceived to be not commensurate to the financial and other personal costs that faculty members have to invest to complete a graduate degree. Finally, graduate education in the Philippines is also not large enough to meet the internal needs of the higher educational system for qualified faculty.

Students easily perceive the impact of this deficiency on the quality of education. In a tracer study of graduates of Philippine colleges and universities, the faculty obtained the lowest quality rating among the respondents (CHED 1998).

Instructional Facilities. An important resource for assuring quality higher education is the institution's library. Surveys indicate that most institutions have very low absolute volumes of acquisitions, and extremely low utilization rates of books (from zero to five borrowings per year, even among the faculty members). According to Cortes (1993 in CHED 1995) found that the majority of HEIs had only 2,500 to 5,000 book titles in their library collections. Subscriptions to disciplinary journals are nonexistent in many institutions.

Curriculum. The Commission on Higher Education (CHED) has set up technical panels to establish minimum requirements for curricular offerings of HEIs. However, in most cases these prescriptions tend to be overly detailed specifications of courses that need to be completed. There is no articulation of a framework of cognitive, affective, other target knowledge and skills that the curriculum is supposed to help develop in the students, nor is there an articulation of a framework or system for assessing whether students are attaining the desired knowledge and skills. Observers have noted that often the higher education curricula are too broad, and include too many unrelated topics. The overload of unrelated topics often leads to a superficial coverage of the material.

The overly detailed prescriptions of the CHED prevent institutions from experimenting with better and more innovative curricula, assuming the institutions have the capability of doing so. State colleges and universities have their own charter and are therefore not under the jurisdiction of the Commission. Yet most of these institutions are incapable of and therefore have not developed more progressive and responsive curricula, and for the most part follow the same type of curricula implemented by other types of institutions.

Performance in Licensure Examinations. The most frequently used indicator of quality is the performance in licensure examinations in the various disciplines and professions. The overall passing rates are quite low (around 40 percent on the average). Unfortunately, this low passing rate might even be overstating the quality of HEIs as most graduates of these institutions who are not likely to pass the exams either do not bother to take the exams or are prevented from doing so by their institutions.

The programs that enjoy high levels of enrollment are unfortunately also those where the students perform badly in the licensure examinations. The passing rate in accountancy is around 16 percent, for teacher education, 30 percent, and for civil engineering 32 percent.

It must be noted that there is a very wide variation in performance among the various HEIs. Some of the elite institutions have consistent passing rates of over 90 percent. Yet there are 293 institutions that have zero passing rates from 1993 to 1997 (Professional Regulation Commission 1998). This number corresponds to about 12 percent of all institutions offering the programs. But the distribution in passing rates is very skewed. A 1995 Task Force of the Commission on Higher Education (1995) studied this matter, and found that there is a big drop in passing rates between the top three universities (Ateneo de Manila University, De La Salle University, University of the Philippines) and the next best schools. Thus, an extremely small number of institutions have high passing percentages, and a large majority of institutions have low or even zero passing rates in all programs.

Accreditation. One of the mechanisms that have been set up to improve quality in Philippine higher education is the system of voluntary accreditation. Much progress has been made, particularly in the 1990s; yet so far, only 13.3 percent of schools nationwide have accredited programs. Most institutions complain that the process of applying for accreditation is too difficult (e.g., requiring the completion of voluminous forms and the compilation of even more voluminous documents) and requires the commitment of substantial financial resources on the part of the institution. Most institutions do not have internal systems for maintaining data on the various quality performance indicators, and thus have to set up task forces and committees with additional staff members to comply with the accreditation requirements.

Moreover, there is a growing concern that the standards being maintained by the various accrediting organizations vary. In particular, the accrediting system for public institutions is widely reputed as applying rather low standards for accreditation.

Equity in Access

If one looks at statistics, one would not conclude that there is a problem of access to higher education in the Philippines. Based on 1998 data, 2.4 million Filipinos are enrolled in HEIs. According to UNESCO statistics, the Philippines ranks 24th worldwide on proportion of higher education enrollment to the general population (2,981 students per 100,000 population in 1995). The number of HEIs in the Philippines is purported by some as second in the world only to the USA (Johanson 1998). The transition rate between secondary and tertiary education is very high (about 90 percent) in 1999, so that virtually all students who finish high school get to enter a college or university.

These statistics notwithstanding, there is a real problem of equity in access to HEIs in the Philippines. In particular, the problems relate to the following: geographic location of institutions, admission requirements of higher education, and the cost of education and limited financial assistance. The discussion will also show that the problem of equity in access is particularly strong if one considers access to quality higher education (Bernardo 1997).

Geographic Concentration. HEIs are not evenly distributed in the country if one considers geographic location. Over 31 percent of all students enrol in institutions in the National Capital Region (NCR), even as the NCR accounts for only 15 percent of the national population. In the other regions, HEIs tend to be located in or near the urban centers. Given that most higher education institutions are private institutions and are dependent on market demand for their financial viability, it is understandable that these institutions would cluster around the above locations where the higher education market is dense. However, this reality makes it more difficult for students from the rural areas to access higher education, as the financial and social costs of relocating to an urban center are often prohibitive for most families from these areas.

Theoretically, the public institutions should be situated in locations where the private institutions cannot be. Because public institutions are not dependent on tuition for their viability, they should not be subject to the market constraints as private institutions and can thus thrive in areas which have been neglected by private institutions. To some extent the public institutions do address this problem of geographic access. However, statistics still show that the public institutions are still geographically overlap with the private institutions. Consider the regional distribution, for example. Among the regions, Regions III and IV rank second and third in terms of number of private HEIs, yet they also have the most number of state colleges and universities. The regional distribution of public HEIs does not indicate that these institutions are trying to address the areas that were previously or are presently being neglected by the private sector.

Better quality HEIs are also concentrated in few regions. All the five institutions included Category A by the CHED Task Force (1995) are in the NCR (although, the UP has campuses outside NCR, the better campuses are in the NCR and in a nearby province – Diliman, Manila, and Los Baños). As regards performance in licensure exams, institutions in the NCR consistently post higher passing rates compared to those from other regions (PRC 1998). Thus, high school graduates from other regions not only have problems of access to higher education; they also have less access to quality higher education programs.

Admission Requirements. The problem of equity in access to quality education is linked to the variety of admission requirements in the different HEIs. The better quality institutions have selective admission policies. Most of the students who meet the stringent admission requirements are those who come from elite private sectarian

high schools and the few special science high schools. Thus, the larger majority of high school graduates who come from public high schools and nonsectarian private schools, where the quality of education is lower, have poor chances of getting admitted to these quality educational institutions. Instead, they go to the low-end public or nonsectarian private institutions with open admission policies. Thus, according to James (1991), the elite colleges and universities draw heavily from the wealthiest and most educated sectors of society.

Unfortunately, this trend applies even to the elite public institutions. The University of the Philippines rejects more than 95 percent of its applicants. The corresponding figures for the Central Luzon State University and the University of Southeastern Philippines are 75 percent and 90 percent, respectively. Most of those rejected from these schools are from the lower income families who were not able to afford better quality secondary education, and those who are admitted come from the higher income families. Thus, there exists a rather ironic situation where some students from wealthy families attend public institutions and enjoy highly subsidized tuition and student fees, while some students from poor families have to pay higher tuition and student fees in poorer quality private institutions.

Cost of Higher Education. The most obvious factor related to the problem of equity in access is the cost of higher education. It is true that there is a wide variety in the costs of matriculation. In some schools, the tuition and fees per year is as low as P5,000; while in other schools it is as high as P100,000. Some public institutions still charge a low of P8 per unit, while some private institutions now charge over P1,000 per unit. Other student fees range from P1,000 to P45,000 per year. However, the variety in costs is highly correlated with the quality of education.

Unfortunately, students' choices are constrained by financial resources. There is little or no credit available for higher education, and scholarships are also limited. There are government supported loan assistance programs (e.g., Study Now, Pay Later program), but the beneficiaries of these programs account for 0.2 percent of the national student enrollment. In terms of scholarships, the CHED provides financial assistance to students who attend private institutions through the Private Education Student Financial Assistance (PESFA) program, but coverage is less than 1 percent of the total enrollment in private institutions. There are other forms of scholarships for students in public institutions, but these cover about 1.3 percent of total student enrollment. Because of the limited scope of financial assistance for higher education, most students can pursue only the higher education option that they can afford. According to Tan (1995),

"the effective demand for higher education follows the income distribution of families – the few rich students can afford all the options, including the best of foreign education; a large number from the middle class can afford institutions with middle-level fees; and the masses of the poor, those institutions with the lowest fees. The poorest families have zero higher education option. This point

is reflected in the fee structure of the higher education system. There are only a few high-cost (higher education institutions) since only a small proportion of the population is rich and can afford them... Because of the capital market imperfections a large number of students is forced into the low-quality inexpensive programs and schools, causing these to proliferate."

External Context

Some of the problems discussed in the earlier sections are brought about by certain factors in the external environment of HEIs. Three factors will be discussed in this section: the absence of a credit market, inadequate information about higher education options and returns, and governance of higher education.

Absent Credit Market. In the previous section, we already noted that credit for higher education is extremely limited. What is available by way of credit is largely supplied by informal sources (e.g., money lenders, relatives, pawnshops, etc.), and is not large enough to cater to the large number of potential small borrowers. The absence of this credit market creates the situation where the financial resources of families and students limit their higher education options (see previous section on *Cost of Higher Education*). This constraint also affects the options of HEIs when it comes to program offerings. Most schools operate programs that are less expensive (i.e., do not require costly equipment, special laboratories, etc.). This is one of the reasons there is a proliferation of programs in commerce, accountancy, liberal arts, and teacher education, as these programs can be maintained by using mainly teacher and classroom inputs.

Information on Options and Returns. Presently, there is very little information regarding the various educational institutions and programs and their comparative performance. What exists is not available to the general public. Thus, the higher education market is not provided the necessary inputs to make informed decisions regarding higher educational services. Ideally, students and their families should have access to information such as, school program offerings, performance in licensure exams, credential of faculty, completion rates, the quality of the schools relative to the fees they charge, expected employability and earnings according to the program, institution, and degree level. Some of this information is actually available (e.g., in reports of the PRC, FAPE, CHED, NSO, etc.) but this information is not available to the public in useful forms.

This lack of publicly accessible information about educational options and their returns has perpetuated the inefficiencies, weaknesses, and inequities in Philippine higher education. For example, students unwittingly decide to enroll and pay tuition in poor quality institutions instead of better quality institutions that cost the same. Students enroll in less expensive programs that have low employability and earning potentials. Students enroll in schools that have had zero passers in the

licensure examinations. Such decisions allow poor quality, inefficient institutions to survive, and maybe even make a profit. Yet such decisions would likely be avoided if better public information about the options and returns of higher education were available.

External Governance. Ideally, the imperfections in the higher education environment just discussed in the previous sections would be addressed by the external governing agency of higher education in the Philippines, the Commission on Higher Education (CHED). However, the CHED has not adequately done so, and several factors have been noted to account for this inadequacy. Some of the factors noted by Johanson (1998) are related to the governance of the CHED and the lack of a strategic decision. In particular, the organizational structure, particularly the leadership structure involving five Commissioners, is vague and inefficient. The Commissions do not have well-defined and appropriate roles. There is no clear separation between policymaking and execution, or between decisionmaking and implementation.

Historically, the Philippine higher educational system is expansionist in character and places little importance on quality. In light of this fact, there is a great need for the CHED to reform the character of the higher education system, set different goals and more strategic plans for the system. This is why the original intention was to make the CHED a development agency. But over the years it has turned out to be more of a regulatory agency; and the CHED has not emphasized strategic planning for the system. Much of the CHED's time and resources is devoted to routine regulatory functions such as monitoring special orders regarding the graduation of students. Not enough time and resources are spent on studying strategic issues and tradeoffs to improve the system. An external observer noted, "that too many activities are pursued, that efforts and resources are fragmented rather than concentrated to make an impact" (Johanson 1998).

Thus, many sectors perceive the CHED as an ineffective institution. It has not provided the governance needed to undertake strategic policy and reform initiatives that will address the problems in the higher education environment.

Concluding Remarks

This part of the report painted a rather gloomy portrait of higher education in the Philippines as regards efficiency, quality, access, and the external context, even as the existence of wide diversity in inputs, processes, and outputs was also noted. But it should be noted that the overview was derived from reports that were intended to formulate policy and reform recommendations, and thus it is understandable that the weaknesses of the system were put on the foreground. For purposes of the present report, this generally negative portrait will serve as the context within which international education models will be considered. That is, it is within this context that we shall examine the possibilities and constraints that may be involved in implementing specific models or activities of international higher

education. It is also with reference to this context that we will consider the impact of international higher education on Philippine higher education.

INTERNATIONAL HIGHER EDUCATION IN THE PHILIPPINES: PROSPECTS AND ISSUES

How will the Philippine higher educational system respond to the current models and activities of internationalization that are taking form in different parts of the globe? In what ways can these internationalizing activities take shape in the Philippine higher education context? What are the opportunities and constraints related to the setting in of such activities? How will these forces of internationalization change Philippine higher education institutions?

In answering these questions, it is important to recall that most of the present models and activities of internationalizing higher education are now largely shaped by the demands of globalization. Thus, we need to consider factors related to the readiness to participate and compete in a more globalized higher education environment, such as the different indicators of quality and efficiency of Philippine higher education. At the same time, we need to consider how internationalization with globalization might impact on what is presently a rather problematic higher education system with clear shortcomings in quality, efficiency, and equity in access.

The discussion in the part of the report is divided into two main parts. The first part talks about the opportunities and constraints attendant to the possible implementation of the various internationalization models and activities. The second part addresses the possible consequences of the implementation of such models and activities to the existing processes and structures of Philippine higher education.

INTERNATIONALIZING PHILIPPINE HIGHER EDUCATION: PROSPECTS AND ISSUES

In this section, the different opportunities for participating in the various models of international higher education are discussed in light of the prospects and constraints in the Philippine higher education context. The discussion is organized into subsections pertaining to the different types of activities.

Student and Staff Mobility. The main constraint as regards student and academic staff mobility is financial. As the discussion in Part 3 indicated, current flows in academic mobility are largely determined by the availability of funds for specific directions of exchange. The financial constraints are partly due to the observation that most students and scholars would prefer to study in more advanced HEIs (with more reputable faculty members, more extensive libraries and research facilities, etc.) and these institutions are more likely located in the developed countries.

In this regard, the likelihood that more Filipino students and scholars would be able to participate more extensively in such international mobility and exchange

programs is dependent on the availability of funds for this purpose. Thus, students from high-income families, and institutions with sizeable financial endowments would be more likely to participate in international mobility programs. On the other hand, students from low- to middle-income families, and institutions that have inadequate financial resources will not enjoy these programs. In the past, such programs received a boost when government-brokered programs (e.g., the Engineering and Science Education Program or ESEP) were set up. In the absence of such medium- and long-term initiatives, it is unlikely that there will be an increase in the number of Filipino students and scholars participating in such activities.

On the other hand, the prospect seems better for promoting more international students and scholars to study in the Philippines. Although it is unlikely that the Philippines will suddenly be very attractive to scholars from developing institutions, the possibility of promoting student and scholarly mobility to the Philippines is there if one considers other less developed countries. In particular, if Philippine universities can project very clear strengths in specific disciplines and/or professional fields, scholars and students from other developing countries might be attracted to come. In this regard, there needs to be a good reckoning of the areas of relative strength among HEIs in the country. However, there needs to be an overhaul of current policies of the Bureau of Immigration and Deportation (BID) related to the processing of student visas and special study permits as the current policies and the corrupt practices that are attendant to the policies' implementation create major disincentives for foreign students and scholars to come to the Philippines.

Internationalizing Curricula: International Studies. In the leading Philippine universities, there exist a few international studies and area studies programs. According to Caoili and Valenzuela (2000), the international dimension is incorporated in the curricula of various programs in business and economics, engineering, health, social sciences, and the humanities. However, these initiatives are still small in scale and no major changes in the character of curricula can be observed. This is so because the CHED's various Technical Panels effectively standardize curricular offerings in the various fields of study. Only the leading institutions (those that have level III accreditation) and state colleges and universities can actually experiment with the features of their curricula. It is not surprising that these small initiatives to introduce the international dimension to some curricula are found in the leading institutions in Metro Manila. In other institutions and in other regions of the country, the most visible form of internationalization is the offering of foreign language courses.

The prospect of developing more international curricula depends on whether universities will be allowed to frame and construct their own curricula in ways that can meaningfully incorporate the international dimension. If and when institutions are allowed to do so, the limiting factor would be the capability of the institution to offer and maintain such curricular features. Thus, the institutions

would have to consider whether their faculty members have the frameworks that can make these international dimensions meaningful to the students in the context of their education. Therefore, universities that wish to develop more “international” curricula should also endeavor to develop a more “international” faculty, that is, faculty members who have a good understanding of globalization and internationalization as these relate to the issues and methodologies in the various disciplines and areas of study.

Research Collaborations. If Philippine universities wish to be more actively involved in international research collaborations, at least two things need to be attended to. First, universities should develop their research capabilities. This means developing better research faculty, research facilities, support services, and research management policies. Second, Philippine universities should be able to identify areas of research where local researchers and research institutions can become significant research partners and collaborators. As discussed in Part 3, there is currently a distributed knowledge production system in place globally. Potential research collaborators will seek partners who have unquestionable research capabilities in areas and/or types of research activities that complement their own research programs.

In this regard, Philippine universities should seriously consider their research development strategies and aim to develop more narrowly defined niches in research. Given the capital-intensive nature of research activities, it will be difficult for Philippine universities to develop adequate research capabilities in a wide range of fields. A more strategic approach would be for each university to identify its areas of specialization for research. Hopefully the areas chosen by the different universities will complement rather than compete with the choices of the others; thus, the limited research funds can be allocated more rationally and efficaciously.

The CHED can exercise better and more strategic leadership in this regard. Currently, the CHED’s blanket research policy that implicitly requires all HEIs, no matter how miniscule, to develop research programs. Admittedly, the research agenda of CHED is developmental in intention; however, the development plan is not strategic. The CHED seems to think that all colleges and universities should be research institutions, but this need not be so. In fact the Philippines does not need that many research universities, and it certainly cannot afford that many (Bernardo 1998). The CHED’s present approach does not seem to consider the intensive capitalization and medium term human resource development efforts that need to be put in place before viable research programs can be set. This is evidenced by the miniscule research grants that are awarded by the CHED that have the effect of adding to the universities burden (as it will have to shoulder much of the actual research costs itself) rather than helping them. Although it has prioritized the areas of research in relation to national development goals, CHED has not reckoned with structural deficiencies in the vast majority of HEIs. As a result, there is no efficient means of supporting research activities. In practice, all HEIs are treated in

the same way, which often means making decisions that tend to converge with the lowest common denominator (e.g., the project leader is paid a maximum of P3,000 a month in honorarium – a sum that is sufficient to get the faculty member a teaching deloading in a remote state university, but is pittance for a faculty member in the leading private universities). This approach does not make for a more strategic allocation of the limited research development funds.

Interestingly, individual faculty researchers in the leading universities already maintain research collaborations with scholars from other countries. These research links are often maintained at the personal level and depend on existing funds and other resources that the researchers already have access to. But if Philippine universities and researchers will become more active participants in global research, systematic efforts must be undertaken to expand such individual efforts and to ensure their sustainability.

International Networks. In any network of HEIs, the biggest bottleneck for greater cooperation is the diversity among the participating institutions. Given the diversity in the inputs, processes, and outputs characteristic of Philippine HEIs, it is hard to be optimistic regarding a more intensive Philippine involvement in international networks. Currently, Philippine participation in the more progressive international networks is selective. For example, in the UNESCO-affiliated International Association of Universities (IAU), only De La Salle University and the University of the Philippines are members (the former also sits in the Administrative Board of the IFU). Perhaps, only these two and possibly a few other Philippine universities have systems that are similar enough (or that are not too different) from the universities of other countries. It is very likely that some institutions will be “more different than others” which means that some institutions will have better opportunities for participating in and benefiting from such international networks.

International networks such as the Universitas 21 include as part of their programs the attempt to make the member institutions move towards more similar structures and standards. But it should be noted that the member institutions of Universitas 21 all meet certain minimum requirements and thus form a fairly homogenous grouping.

All things considered, institutions that have stronger capabilities can take advantage of opportunities afforded by affiliation with such networks, but the weaker institutions are not likely to be able to do so.

Transnational Distance Education. The local market for different forms of transnational distance education programs is probably small, particularly as the costs of such programs are prohibitive. As the demand for higher education programs follows the income distribution level of Filipinos, we could expect that the expansion of such programs locally is not likely to prosper unless the costs of the program are substantially reduced.

However, it is possible that a specialized market might exist for such programs. In particular, such programs might be suited for adult and professional students who do not have the time to attend regular classes, but who are well motivated and can be independent learners, as well. The market can be supported by private companies that will see such programs as worthwhile investments in their human resource development programs.

From a different perspective, such distance programs may provide Philippine HEIs an opportunity to increase its enrollment base. Specific degree programs can be developed and marketed for a more international or regional audience. The best candidate programs are those where the Philippine institutions already have a relative competitive advantage, but this choice has to be studied more carefully. Clearly, only the more developed institutions would have the wherewithal to develop, package, and market such programs, if at all. There is of course the possibility that unscrupulous agents might run diploma mills out of such schemes, and the appropriate government agencies ought to be ready to police such agents.

In this regard, the CHED has already issued guidelines regarding the operation of open learning and distance education programs (CHED M. O. No. 35, Series of 2000). The guidelines specify a lot of mechanisms to ensure quality control in the programs (e.g., regarding curriculum and materials development, mode of delivery, assessment, support services, and program management), but the guidelines also limit the operation of such programs to institutions that have been designated as Centers of Excellence and Centers of Development, or have been recognized with Level III accreditation.

Twinning and Articulation Programs. The various forms of twinning and articulation programs (i.e., those that will allow students to obtain credentials from a foreign university) will certainly be attractive to many Filipino students. But as with all other options, the actual market for the programs will be determined by costs of such programs, as the income distribution level of Filipino families shapes the options. Currently, some programs of this type already exists, but the institutions are not linked with the high-end foreign institutions and the program offering are also limited to a small range of professional education courses. The Thames International Business School (operating in the National Capital Region), for example, offers only business and communication related programs following a 2+2 or 2+1 twinning scheme, and that utilize a lot of more innovative delivery systems that utilize information and communication technology. The affiliated institutions are British, Australian, New Zealand, Canadian, and American institutions, which are not in the highest level in terms of academic reputation. The students pay fees that are in the same range as the most expensive private colleges or universities (approximately 35,000 to 40,000 pesos per semester), but that are competitive if one considers the costs of international education. Such programs are targeted to the higher end of the higher education market in the Philippines.

Quite recently, representatives of the private higher education sector in the Philippines (i.e., the Philippine Association of Colleges and Universities or PACU, 2002) raised very strong concerns about the emergence of a number of transnational higher education programs that offer distance education programs, twinning and articulation programs. The concern relates to what is perceived to be the unfair competition posed by such international programs. According to the PACU, these new international programs are not subject to the regulation of the CHED and do not have to comply with minimum requirements set by the CHED. Of particular concern is the fact that these schools do not have to comply with minimum requirements for capitalization, physical facilities, and curriculum. Thus, these international programs can exist even if they only rent cheap office spaces in commercial buildings, unlike Philippine HEI's that have to show ownership or long term lease agreements for their schools' physical facilities. The international programs also do not have to comply with requirements for library holdings, school clinic, guidance and counseling offices, among others. The international programs can also offer "shorter" curricula, as they do not have to comply with the curricular requirements mandated by the CHED. These examples, according to the PACU, make it easier and cheaper for the international programs to operate, and thus they can offer extremely competitive tuition fees. This is particularly true for the transnational distance education programs, where the overhead costs would be the lowest as the "taught" component is minimal.

It is hard to forecast the actual prospects of such institutions in the Philippines, and it largely depends on how high or how low the costs of such international programs can be maintained. But if, as can be most expected, the costs remain higher than most Philippine HEIs, their target market shall be the high-end market of higher education which is obviously very small. The highest end of the market actually already has access to the traditional forms of foreign or international education. Therefore, the viability of such programs is likely to depend on whether or not they will be able to attract the upper middle class market, which traditionally goes to the exclusive private schools in Manila. In this regard, the lure of international credentials might be a critical factor, as most of the exclusive schools have yet to have similar credentialing mechanisms. In the same vein, the existing high-end (exclusive private) institutions might more directly feel the impact of the entry of such institutions. In a manner of speaking, they are the competition. Given, the imperfect market conditions, particularly the absence of accurate and reliable information about outcomes of higher education, it is hard to say how the market will respond to these new options. The worse case scenario for the high-end private institutions is that some of them might be squeezed out of the market. However, if the private institutions can take steps to provide systems where their graduates also obtain some form of international credentials, they might actually thrive in this competitive environment.

Generally, it seems that all existing "traditional" HEIs, whether private or public, should find ways to better position themselves in this new field of competition in the market. This task would require that local institutions find ways of establishing

equivalencies with appropriate foreign institutions, so as to set up some form of twinning or articulation program. Most local institutions might find it difficult to adequately respond to these types of challenges (which partly explains the strong apprehensions of the PACU 2002), so it seems that only the elite institutions might be in a good position to compete in this new field.

On the whole, the entry of such institutions might not impact on the larger proportion of low-end institutions. These low-end institutions will continue to service and maybe even thrive by catering to the low-income sector of Philippine society. The institutions that are most at risk are those that cater to the middle to upper range of the income distribution, as they will be in direct competition with international HEIs.

Looking at the matter from another perspective, the high-end educational institutions in the country can appropriate these models of international higher education to penetrate other higher education markets in the region. That is, local institutions that have strong programs in specific fields may consider offering twinning and articulation programs in other countries in the region that have relatively weaker educational options in the chosen fields. The success of such ventures will depend on how well the institutions can market their "brand name," so to speak, to the target countries. In this regard, the requirements usually considered by more developed countries in opening twinning and articulation programs may be used as guides.

As regards these types of programs, the CHED has already approved a memo specifying the policies and guidelines in the implementation of international linkages and twinning programs (CHED M.O. No. 01, Series of 2000). The memorandum order actually seeks to protect local students from unscrupulous agents who might use local institutions as conduits to offer diplomas and substandard education. The main restrictions imposed by the CMO is that only institutions that have at least level II accreditation may participate in such arrangements and only with partner foreign institutions that also have similar high accreditation levels. The CHED shall also be party in the design of the agreements that bind the linkages, and it shall set up monitoring systems for evaluating such programs. However, there are very strong concerns about whether the CHED is able to effectively implement and monitor this policy, given the existence of several international twinning and articulation programs between international agencies and local organizations (e.g., business ventures) that are not under the jurisdiction of the CHED.

International Quality Assurance Systems. Participation in international quality assurance systems is ideal for institutions that seek to participate in the various forms of open market transnational education. But as earlier reported, thus far, only around 13 percent of Philippine HEIs have some form of local accreditation; most of the schools are operationally incapable of complying with the requirements of the quality assurance processes. Thus, as with the earlier options, it is most likely that only the more developed institutions can participate in such systems, if at all.

The overwhelming majority of HEIs would not be capable of participating, and would thus not be able to benefit from the consequences of such quality assurance systems.

Regardless of the specific motivations for participating in such quality assurance systems, institutions that do participate are likely to improve particular aspects of their operations, in line with the requirements of accreditation.

More importantly, participation in such quality assurance mechanisms should have the long-term effect of improving the public information about quality of HEIs (at least as far as certain input and process indicators are concerned). Presently, the general public does not yet know the difference between accredited and non-accredited programs. But if the various institutions start more aggressively using (local or international) accreditation as part of their marketing strategies to attract students, the market might start thinking of accreditation as an important factor to consider.

Summary. The preceding discussions suggest that the ability to participate in the various forms of international education in the Philippines would be constrained by the same factors that characterize the existing inequities and weaknesses in Philippine higher education. That is, student participation in such activities will be determined by their family income. Their opportunity to participate is likely to increase as they move up in the income level distribution. Moreover, a higher educational institution's ability to participate in similar activities will also be determined by their fiscal resources and how developed their faculty and other educational resources are. The high-end institutions are not only in a better position to participate in the various types of international programs, they can also capitalize on the opportunities afforded by internationalization to further their strengths in specific areas, although there are also threats by way of stronger external competition in specific areas. On the other hand, the overwhelming majority of Philippine institutions will most likely be unaffected by such development. But given the imperfect conditions of the market, especially the strong influence of the income distribution levels on higher education options, their share of the higher education market will probably be secure.

CONSEQUENCES OF INTERNATIONALIZING HIGHER EDUCATION IN THE PHILIPPINES

As participation in international higher education is most likely to be shaped by the same factors presently determining the character of Philippine higher education, it is quite likely that the internationalizing cum globalization of higher education might have the effect of exacerbating the existing inequities, weaknesses, and inefficiencies in Philippine higher education.

Take for example, the existing disparity in the quality of inputs, processes, and outputs among HEIs. The high-end institutions are in a good position to participate, capitalize, and benefit from the various types of international education

programs (e.g., faculty exchange, research collaborations, international quality assurance systems, even twinning and articulation programs). If managed properly, the institutions will mostly likely improve the quality of the inputs (student admission, faculty credentials, access to electronic libraries and databases, etc.) and processes (curricular and instructional innovations, monitoring and assessment systems, etc.). On the other hand, the other types of institutions that will have very limited or no participation in such programs will stay in their present state. Most state colleges and universities are unlikely to enjoy sudden increases in their government budget allocations to undertake the improvements needed to participate in international education programs. Similarly, the weak private institutions that depend solely on tuition fees will mostly likely not have the spare income to finance similar improvements. Even if they increase tuition and fees, the law requires that almost all the increase go to improving teacher's salaries, thus not leaving the institutions the flexibility to strategically allocate whatever additional income they may get on institutional development projects.

Analogously, the inequity in access to quality higher education will also be intensified. The students from high-income families, those that already had the widest range of higher education options, will even have a wider range of options available, if and when various forms of open market transnational education programs start operating more fully in the Philippines. Such options will still be way out of reach for the majority of students from low- and middle-income families. The lowest quality institutions will continue to cater to the lowest income groups, offering the narrowest range of inexpensive degree programs, all of which have extremely poor quality.

International higher education programs might also have the effect of furthering the external inefficiency of the higher education system. At present, most program offerings of Philippine HEIs are inexpensive degree programs that are of low priority in terms of national development concerns. High priority programs or those that are badly needed for regional and national development goals are not being offered. Internationalizing higher education might force institutions to design their program offerings to address human resource development needs of the global market, or even to address the needs of other countries in the new trading blocs. Thus, educational programs will move farther away from addressing the needs in the different regions of the country, further worsening the external efficiency of our higher educational system.

Another possible negative consequence of the internationalization of higher education relates to the emerging presence of different types transnational education programs. Given the absence of rational regulatory policies relating to the operation of such programs, there are two sectors that are at risk. First and more important are the consumers of such programs who do not have any credible means of determining whether these international programs are providing good quality instructions, curricula, programs, among others. Many of these institutions also promise articulation and/or transfer of credits to foreign universities, and also

employment in international agencies, but there is no effective means of verifying the credibility of such claims. The other sector at risk is the private higher education sector, which might suffer from unfair competition from such institutions if they continue to operate in an unregulated environment where they do not have to comply with the rather strict requirements imposed by the CHED on most Philippine higher education institutions.

However, not all the possible consequences of internationalization to Philippine higher education are negative. For example, we could be underestimating the effect of internationalizing higher education on improving the middle-level higher education institutions. The opportunities afforded by the changing global work environment might embolden these institutions to realign or redirect their institutional targets and offerings. The global work environment is so diversified that it is possible that specific institutions can design cost effective but internationally competitive programs in very specific areas that will boost the overall quality of the institutions. All an institution needs is a clear niche to establish its viability and impact, and the institutions could be all set for more effective operations. A case in point could be how the maritime schools in the Philippines, with the assistance of the CHED, were all forced to upgrade their curricula and instruction systems to comply with international standards. A similar development could happen in certain engineering programs that seek to supply human resources for the international market. Of course, in the process of reckoning with these international standards, some institutions might be squeezed out, but the across-the-board effect of improving quality and the internal efficiency of HEIs cannot be discounted.

Similarly, institutions that aspire to participate in some form of international education, for whatever reasons, will have to reckon with international standards of quality, efficiency, among others. Even if the middle- and high-level institutions are not actually able to meet these standards, an attempt by these institutions to internally discuss and negotiate the terms of an international standard, to assess its present systems and outputs, and to reform and improve these will definitely improve the institution, even in the slightest way. It is likely that some inputs, processes, and outputs will be changed and made better than the status quo. If at all, reckoning with higher standards should have the effect of shaking up and maybe improving the institutional culture. These developments are likely if institutions find the means to marshal enough resources for their institutions development needs.

INTERNATIONALIZING PHILIPPINE HIGHER EDUCATION: SOME CONSIDERATIONS

Given the above discussions on the possible positive and negative consequences of engaging international higher education in the Philippines, what might be the best approach to this whole issue. How should Philippine higher education address the matter of internationalizing higher education within the context and discourse of globalization?

It seems obvious that other countries would seek to engage Philippine HEIs because they see the country's students and institutions as beneficial partners (i.e., as a possible market for their programs, as a possible source of skilled graduates that their economies can absorb). The main question that needs to be reckoned with on our end is: "Why would we want to participate in activities of international higher education?"

Since it is unlikely that international higher education activities will improve equity in access to quality higher education or improve the efficiency of the higher educational system, the best reason to engage in international higher education activities is the possibility of improving the quality of Philippine higher education. Thus, the framework for international higher education in the Philippines should have as its *raison d'être*, upgrading the quality of higher education. All the activities to be engaged in should directly or indirectly address this broad and important concern. As such, the focus ought to be on programs involving strategic cooperation to improve local capacities in the medium and long terms, and programs that internationalize the standards of educational inputs, processes, and outputs, instead of on programs that seek to increase participation in the open market transnational education.

In this regard, one of the foremost issues that need to be clarified is the meaning of "quality" in the present global environment of higher education. In consideration of this global environment, many people are tempted to presume that HEIs in the Philippines would best meet these new requirements of quality by foregoing the traditional university functions of knowledge production and verification and instead focusing on other functions in which the Philippines has a competitive advantage (for example, training of the service sector). However, others have argued that such a single minded focus on specific areas of relative strengths might be dangerous in the medium and long terms. For example, focusing on the service sector might create oversupply in specific labor markets. Moreover, focusing educational investments in one service sector might be too risky as the demands of the global labor market are not stable. The competition in the global labor market is also very stiff, as many countries can also produce skilled services, possibly at lower costs. Thus, there is no guarantee that our competitive advantage in this sector can be maintained.

What can sustain competitive advantage in a global knowledge-based economy is high-end knowledge. In the medium and long terms, the production of new knowledge will prove to be the most important resource of any country. Theoretically, HEIs already have some experience in this field. Thus, quality in higher education will still need to focus on factors related to the knowledge production functions of HEIs.

However, the indicators of quality are also changing. For example, Gibbons (1998) suggests that the traditional criteria and systems for evaluating quality in higher education are no longer sufficient. The traditional criteria involving peer evaluation of the features of the inputs, processes, and outputs of HEIs now need to

be expanded. Additional criteria are required by the expanded context of evaluating the work of HEIs. Gibbons suggests that criteria related to competitive advantage, cost effectiveness, and social acceptability will have to be reckoned with. Thus, the goals that HEIs have to address are defined within a more complex and dynamic environment that cannot be fixed for a long period of time.

The resources needed to address these complex and dynamic demands are now distributed across institutions within one country and across countries. It is unlikely that individual institutions will have all the resources needed to meet the demands of the new global higher education environment. This is why educational scholars (see e.g., Abramson et al. 1996; Gibbons 1998) are advocating alliances and partnerships among institutions nationally and globally. It is in this regard that Philippine HEIs should engage in international education activities.

Strategic partnerships can be forged between Philippine and foreign institutions to improve, among other things, the quality of the curricular programs, the qualifications of the faculty members, the nature of the quality assurance systems, and the standards of the educational resources like libraries, laboratories, and other learning materials. In particular, such partnerships can be forged to help a larger proportion of local faculty members obtain advanced degrees in foreign universities, be exposed to alternative content and approaches to instruction and mentoring, among others. As discussed, benchmarking of curricular inputs, processes, and outputs with international referents should also be useful for institutions that are in a good position to improve their current curricular programs. (However, others have questioned the benefits of international benchmarking for weak institutions and educational systems. Vedder 1994.)

These international partnerships can be especially potent in improving the research capabilities and outputs of the local institutions, as local researchers can collaborate in research and other development endeavors that are increasingly becoming multidisciplinary, international, and multicomponent. Research is a particularly weak area in Philippine higher education, and this weakness is due to many factors related to inadequate financial and human resources needed to maintain a viable research culture (Bernardo 1997). Given that all local HEIs including the elite universities in Metro Manila have less than ideal research infrastructure, financial resources, and number of skilled researchers, it makes sense to partner with international institutions that can complement the strengths and weaknesses of local institutions.

One of the issues that local HEIs have to be concerned with, however, is the status of the local institutions in such international partnerships. In particular, will the local institution be co-equal partners or will they be mere conduits of the foreign HEIs for their global operations? In the global distributed knowledge production system, different institutions will have different capabilities and resources to bring into the international partnerships, and hence, different institutions will have different levels of participation or involvement in such partnerships. It is then conceivable that some local institutions would serve as conduits to foreign

institutions, whereas others would participate in more mutually cooperative arrangements. In research, for example, we can anticipate that some local institutions may forge partnerships wherein their teaching staff will participate by way of assisting in local data-gathering activities. On the other hand, other local institutions may be involved more intensively in the initial research conceptualization processes until the dissemination and publication aspects. In the long term, forging of more mutually cooperative arrangements where local institutions are co-equal partners should be the goal.

One of the important features of discussions on quality in Philippine higher education is the fact that there is a very wide range in levels of quality across the hundreds of HEIs. As noted in Part 4, there is a huge gap between the elite HEIs and the larger proportion of HEIs serving the lower middle and lower socio-economic sectors of the education market. Within discussions of international partnerships to improve the quality of Philippine higher education, there should also be an explicit attempt to develop networks and partnerships among Philippine institutions in ways that will bridge the quality gap among the local colleges and universities. The imperative that resources be shared to meet complex external demands and higher quality standards is even more necessary in the Philippine context.

SUMMARY

In understanding the prospects of international higher education in the Philippines, we have to reckon with the issue of globalization. We need to find ways of answering the question, "How do Philippine higher education institutions position themselves in relation to these forces of change?"

In what is emerging as a highly competitive field, most of the Philippine higher education system will have much difficulty participating in the global higher education environment because of some very obvious weaknesses within the present system that were discussed in Part 4. The elite institutions that have some clearly defined areas of strength could very well find good opportunities to participate and benefit from the new environment of international higher education. But for the most part, international higher education is likely to intensify the weaknesses in the present system. Most notably, internationalization is likely to exacerbate inequitable access to quality higher education and the poor internal and external efficiency that presently plagues Philippine higher education.

There are several prospects, however, for hoping for better consequences of this global transformation of higher education, particularly for improving the quality of Philippine higher education. The viability of these prospects largely depends on improving or correcting some of the imperfections in the immediate external environment of HEIs. As it is not the purpose of the study to make specific policy recommendations, it will be limited to the following broad suggestions.

Recommendations made by previous educational reform initiatives regarding rationalizing the higher education system and reforming the financial systems of higher education should be vigorously pursued in order to improve the internal and external efficiency of the higher education system, and thus make it less vulnerable to the possible negative consequences of international competition.

Related to the recommendations on reforming the financial systems, there should be more intensive efforts to rationalize the scheme for government financial assistance to students and to private financial institutions. Some of the recommendations in this regard include the establishment of an equitable and efficient loan program, voucher systems, and other competitive scholarships and financial assistance program. Such programs should have two important characteristics: (1) it should ensure that all qualified candidates are allowed to proceed to tertiary education institutions of their choice, and (2) it should introduce competition among the private and public HEIs so as to motivate these institutions to improve their outputs. Such interventions would hopefully buffer the effects of internationalization on the current inequities in access to quality higher education.

Recommendations related to the improvement of quality (i.e., quality assurance systems, teacher development, selective deregulation, etc.) should be pursued to motivate institutions to improve quality and efficiency so as to enable more institutions to participate in international education programs. The PCER (2000) recommendation for a large scale faculty development in the tertiary level should be pursued, in a way that will be consistent with efforts to rationalize the higher education system. Such efforts should enable more institutions to participate and take advantage of the benefits afforded by various types of international education programs.

The final recommendations also relate to government agencies. In particular, government agencies should ensure that the external environment for HEIs are more conducive for internationalization programs. For example, recommendations related to the deregulation of the curriculum should also be considered. Presently, the curriculum of HEIs in the Philippines is subject to the guidelines set by the CHED. There is some confusion, however, as to whether the "guidelines" are actually simply suggestive or mandatory. According to reports of HEIs, the regional offices of the CHED treat such guidelines as mandatory prescriptions that have to be followed to the letter. On the other, in some public announcements, some officials of the CHED central offices assert that such guidelines are simply that, guidelines. It seems, that the CHED will have to find a clearer voice regarding this matter. The position should balance the concern for ensuring that the degree programs offered by HEIs offer important minimum requirements, and the concern that HEIs have enough elbow room or flexibility to modify and innovate in curriculum development, particularly in ways that will allow the programs to be more competitive and responsive in the emerging globalized environment.

One way by which CHED can create a better environment for curricular developments, is by taking a more proactive stance in forging cooperative links in strategic areas of research and collaboration between Philippine and international HEIs. Such strategic collaborations can obviously provide frameworks and inputs for curricular innovations and improvements, not to mention their positive impact on faculty, student, and overall institutional development.

As the CHED strives to find ways that Philippine higher education effectively engages international higher education, it should also ensure that the influx of foreign higher education programs does not provide unfair competition to local HEIs, particularly the private HEIs. Thus, the CHED should ensure that whatever requirements are imposed on local HEIs should also be required of foreign programs (or even consider not requiring local HEIs what is presently not required of foreign programs). Tullao (this volume) has argued that there are clear provisions in the General Agreement on Trade and Services (GATS) that stipulate the bases upon which agencies like the CHED and the Professional Regulatory Commission (PRC) can impose some regulatory requirements on these foreign programs.

To clarify, however, the purpose of regulating these foreign programs should not be to remove the competition posed to local HEIs. Indeed, in the spirit of globalization, what is important is that the competition is conducted in a level playing field, and in doing so there can be a viable environment where quality higher education can continue to develop and be made available. In this regard, what the CHED and other government agencies should strive to develop is a higher education environment where local and foreign HEIs compete in a level playing field. But the primary purpose of regulation should be to protect the Filipino consumer – the Filipino students and their families who will spend their hard earned money on higher education, whether this is provided by local or international programs. In this regard, the CHED should ensure that information on the quality of these program (inputs, processes and outputs) are made accessible to the higher education students and their families so that they can make informed decisions regarding the options that are available. Doing so would also provide an important input towards allowing the higher education market to start correcting some of its flaws. By providing the public with basic but important information on the inputs, processes, and outputs of all higher education (both foreign and local), the external inefficiencies of the Philippine higher education system can be addressed. Students and their families can begin investing their money more wisely on higher education options with more positive returns, and thus gradually result to the phase out of poor quality programs that only continue to exist because the public does not know how poor their programs are.

Finally, the appropriate agencies should also study the immigration policies, particularly those that govern the entry of students, scholars, and other educational practitioners, and remove all the disincentives for foreign individuals to enter the country to study in our local HEIs. There is, of course, a need to protect national security interests, but these interests should be balanced with the very positive

prospects of supporting local HEIs by way of providing opportunities for foreign students to participate in local HEIs thus making the local HEIs more international in the process.

Concluding Statements

The intention to participate in activities and programs of international education should not be for its own sake. The discussions in Parts 2 and 3 of this report clearly show that internationalizing higher education is currently embedded within the discourse of globalization, particularly in the discourses of merging labor and economic markets, and of distributed knowledge production systems. It should be within this broader context that the benefits (and harmful consequences) of international higher education programs should be understood. However, responding to these global movements is not a simple matter, as the features of Philippine colleges and universities are deeply entrenched within the problematic and complex system of higher education in the country that are described in Part 4. Thus, the specific modes of responding to the various modes of international higher education are necessarily constrained by some relevant features of Philippine higher education as discussed in Part 5.

What should be emphasized in all these discussions is the notion that higher education has an important role in the development, validation, and dissemination of knowledge, and in the total development of human potential. Implicit in this role is the responsibility to bridge the inequities that are given in any social context. Indeed, the social returns of higher education relate to these important roles and responsibilities. There are many ways by which Philippine higher education may respond to globalization in higher education. If Philippine higher education seeks to be true to its social responsibilities, it should not respond to these forces in ways that will simply intensify the social inequities that it should be addressing. Instead, it should respond in ways that will move to solve the social inequities in the long term, and that will eventually realize the full potential in all Filipinos.

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5

CHAPTER



Philippine Maritime and Nursing Education Benchmarking with APEC Best Practices

Veronica Esposito Ramirez, Ph.D.

ABSTRACT

As the labor capital of the world, the Philippines supplies almost every vessel that sails the seven seas with Filipino marines and marine engineers on board. The Philippines being the biggest health service provider, almost all hospitals in the US, UK and Saudi Arabia have a Filipino doctor, nurse, medical technologist or physical therapist. These Filipinos are employed because of their education and capabilities. However, the extent to which they remain competitive, given the increasing demands of the global market, is the accountability of quality education. If the Philippines wants to gain more international respect and recognition, it should aim for higher international comparability and standards.

It is the purpose of this study to benchmark educational practices in Philippine maritime and nursing institutions with **best practices** in the Asia Pacific Economic Cooperation (APEC) Region. It does not intend to rank the respondent institutions in any way but to look into the **input, process and output** of maritime and nursing education. The study focuses on the quality of *inputs to the educational process*, the quality of the *process itself* and the quality of the *outputs from the process*. This benchmarking study hopes to identify the comparative advantage of Philippine maritime and nursing institutions.

INTRODUCTION

The Philippines is recognized as a world leader in the supply of personnel services. As the labor capital of the world, it supplies almost every vessel that sails the seven seas with Filipino marines and marine engineers on board. The Philippines being the biggest health service provider, almost all hospitals in the US, UK and Saudi Arabia have a Filipino doctor, nurse, medical technologist or physical therapist. These Filipinos are employed because of their education and capabilities. Certainly, this is one measure of the success of the Philippine education system.

This scenario presents a challenge to the educational system: if the country wants to gain more international respect and recognition, it should aim for higher international comparability and standards. What is needed initially is "a range of reliable, valid and useful educational performance indicators of inputs, processes and outcomes and benchmark these indicators against international best practice" (World Bank/ADB 1998).

Several sectors of Philippine society, such as banking, shipping and telecommunications have gone through the process of benchmarking and are now competing at international standards. This, however, is not the case with the educational sector. As far back as 1996, Nebres has seen the urgency for benchmarking in education: "The most immediate challenge for me is that of international comparability and standards. We need to do quality assurance and national, regional as well as international benchmarking. . . (although it) may seem unrealistic in view of the gap between the financial resources of Philippine universities and those abroad" (Philippine Daily Inquirer 1997).

Nebres has warned us about the financial gap. Nevertheless, benchmarking is inevitable because "if our universities do not wrestle with the same problems of regional and international standards, we run the risk of the gap growing between the quality of our graduates and the needs of the next century. We also run the risk of perpetuating the salary gap between expatriates and Filipinos and undervaluing our service sector, especially teachers." (Philippine Daily Inquirer 1996).

What is needed is a thorough study of the design and implementation of educational programs to pinpoint accurately their comparative advantage as well as their weaknesses. Comparative insights can provide a broad perspective, which is valuable even in purely national inquiries. The experiences, both positive and negative, of other countries and other academic systems can inform policy making and scholarly research. (Altbach 1988).

Benchmarking of educational programs is in line with the Philippine APEC Study Center Network's (PASCN) educational objectives which include assessment studies on higher education clusters of disciplines to identify significant weaknesses or problems of present programs/curricula and determine how they can be improved. (PASCN Research Agenda 1999)

The same need is expressed in the Philippine Commission on Higher Education's (Laurente 1998) ideas on educating nurses in the light of rapid advancement in knowledge and technology:

- (1) The need to establish global networks of higher education institutions to facilitate information exchange and faculty/student mobility;
- (2) The need for mechanisms to establish international comparability of academic credits and mutual recognition of these credits and academic credentials;
- (3) World-class standards in education require world-class faculty and facilities and therefore the need for cost-effective management resources.

Nursing and Maritime, among others, are courses essential to the country's economic development. Around the globe, Filipino health and medical specialists are looking after the health of millions of people. As an archipelago, the country is populated by people involved in seafaring and other sea-related activities.

Data gathered in this study will provide baseline information on the present state of maritime and nursing programs in the Philippines. Benchmarking these two courses with best practices in the APEC region will bring awareness of their competitive advantage, which could lead to ways and means of enhancing their effectiveness in order to contribute more concretely and significantly to the country and to the Asia-Pacific community.

Recommendations from this study can lead to concrete measures that can aid curriculum designers and policy legislators in their objective of raising higher education to international standards. Official results can be published in the form of a monograph that can be used by government officials, Higher Education Institutions (HEIs) administrators all over the country, PASCN and other Educational Information Centers (EIC) in the APEC region.

NURSING EDUCATION IN THE PHILIPPINES

The Philippine Nursing Law, R.A. 877 was amended by the Philippine Nursing Act of 1991, R.A. 7164. The Law provides for the scope of nursing practice and specifies that for a nurse to be professional, he or she must acquire a Bachelor of Science in Nursing degree, be physically and mentally fit and secure a license to practice nursing in the country. Effective 1983, only one basic educational program in nursing exists: the four-year collegiate program leading to the Bachelor of Science in Nursing degree. The basic three-year-hospital-based program leading to the title "Nursing Graduate" has been phased out (Venzon 1992).

The BSN curriculum aims to produce a full functioning nurse who has:

- (1) developed a sensitive awareness to the health needs of society as well as commitment to the alleviation of problems arising therefrom;
- (2) acquired the necessary skills, knowledge and attitudes for the promotion of health, prevention of illness, restoration of health and alleviation of suffering; and
- (3) developed a research attitude through the use of the nursing process. Such attitude, among others, leads to the utilization of research findings .

There are nine fields of nursing in general: Hospital or Institutional Nursing, Public Health Nursing or Community Health Nursing, Private Duty or Special Duty Nursing, Industrial or Occupational Health Nursing, Nursing Education, Military Nursing, School Nursing, Clinic Nursing and Independent Nursing Practice. The 170 nursing institutions (PJNE 1996) throughout the country turn out thousands of nurses every year.

A study conducted by Thelma Corcega and colleagues in 1999 on the supply and demand for nurses in the Philippines revealed that "in 1998, there was an estimated 323,490 registered nurses but the reported demand for nurses was only 178,045, 84.75 percent of which was demand from international markets" (UP Manila Journal). Table 1 shows the number of students enrolled, the rate of increase/decrease in 66 nursing schools (1987-1996) by academic year and the number of graduates from 1990 to 1997.

Table 1: Total enrollment and rate of increase / decrease from 1987-1996

School Year	Total Enrollment*	Rate of Increase / Decrease*	No. of Graduates**
1987-88	35,687		
1988-89	45,027	26.17%	
1989-90	50,016	11.08%	
1990-91	56,215	12.39%	21,046
1991-92	62,106	10.48%	23,889
1992-93	55,524	-10.60%	28,832
1993-94	51,874	-6.57%	27,719
1994-95	46,265	-10.81%	26,606
1995-96	35,866	-2.25%	17,928
1996-97			8,904

* Source: T. Corcega, M. Lorenzo, J. Yabes, B. Dela Merced, K. Vales. *Nurse Supply and Demand in the Philippines*.

UP Manila Journal Vol. 5 No. 1, 2000, Jan-June p. 1

** Source: Information Section, Information and Publication Division, Office of Policy, Planning, Research and Information, Commission on Higher Education, Pasig City November 2001

In 1993, the number of nursing graduates reached the highest in seven years, with a total of 28,889. Unfortunately, the number slowly diminished in the next two years and then suddenly dropped to as low as 8,904 in 1997. These figures do not seem to support Corcega's conclusion that there is surplus of nursing graduates in the country. The same study however, confirms that the demand from international market is high, reaching 84.75 percent of the 178,045 demand for nurses.

Nursing graduates from state colleges and universities are required to render at least one year of nursing service in the country before they are allowed to leave for overseas jobs, as required by R.A. 7164 Section 4 (f). Every year, the number of nurses employed abroad constantly increases.

Table 2: Filipino Nurses Deployed Abroad from 1998-2000

Inclusive year	Professional Nurses	Average Annual Increase: 822	Nursing Personnel	Total
Jan-Oct 2000	6,236	823	No data	6,236
Jan-Dec 1999	5,413	822	559	5,972
Jan-Dec 1998	4,591	-	808	5,399
Total	16,240		1,367	17,607

Source: Annual Employment Report, POEA 1998

Table 2 reveals that a total of 16,240 Filipino nurses have been deployed abroad from 1998 to 2000. There were 13,608 professional nurses and 1,714 nursing personnel deployed to Saudi Arabia and 3,177 to the United Kingdom. All of these nurses are graduates of nursing institutions throughout the country.

Crisy Prystay reports that in year 2001, 75 percent of the 17,000 foreign nurses who took the US certification exam, the first step in the year-long visa process, came from the Philippines. In the same year, 13,536 nurses or about one-quarter of the nurses employed at all the country's hospitals were employed abroad. Recruitment of Filipino nurses has become very systematic and institutionalized with local hospitals like the Asian Hospital in Muntinlupa City acting as the training ground for hospitals in the US. And with the US immigration law, this makes it easier for nurses to get working visas (Asian Wall Street Journal. 2002).

The figures above indicate that Filipino nurses who earned their degrees from the Philippines are recognized abroad. However, the extent to which they remain competitive in this fast changing world is the accountability of quality education.

MARITIME EDUCATION IN THE PHILIPPINES

The first maritime institution in the Philippines was established in 1820. This institution is now known as the Philippine Merchant Marine Academy (PMMA) located in San Narciso, Zambales. To date, there is a total of 118 maritime institutions all over the country, producing thousands of seafarers over the years. POEA reports that in 1995, the total number of employed Filipino seafarers has reached 153,815.

Beginning February 1997, member-countries of the International Maritime Organization (IMO), including the Philippines, are required to comply with the provisions of the Standards of Training, Certification and Watchkeeping (STCW) Convention 78/95. However, only 50 institutions meet the STCW requirements at present (Valisno 2001).

Table 3: Seafarers Employed Onboard Foreign-going Vessels

Level	1996	1997	1999	Average Annual Increase
Deck Cadets	52,681	61,265	66,649	6,984
Engine Cadets	76,998	80,847	81,082	2,042
total				9,026

Source: Annual Employment Report, POEA 1998

The table above shows that every year, 9,026 graduates from 118 maritime schools throughout the country join the seafarers employed onboard foreign-going vessels. These graduates of BS Marine Transportation and BS Marine Engineering enter the work force as deck and engine cadets. With these figures continuing to escalate, the Philippines has earned a reputation as “the labor capital of the world.”

Through the service they render in many countries all over the world, Filipino graduates of nursing and maritime contribute to global development.

Conceptual Framework of the Study

The challenge of international comparability and standards have to be taken seriously if the country is determined to be an active member of the APEC. Despite the gap between the financial resources of Philippine universities and those abroad, it is essential to do quality assurance as well as international benchmarking because comparative insights can provide a broad perspective, inform policy making, guide decision making and produce scholarly research. If the time and resources poured into the implementation of educational programs like maritime and nursing are effective, the country will have a strong human capital that is able to bring about the desired level of social and economic development essential to the building of the APEC community.

A number of studies have been conducted on maritime and nursing education in the Philippines but no benchmarking with the necessary documentation has been done to compare these educational programs with international standards.

On Benchmarking

Progressive companies in the United States began benchmarking in the late 1970s after Xerox proved the effectiveness of the process of “finding and implementing best practices with the reason to improve work processes that will satisfy customers” (Loveday 1993). Because of benchmarking, Xerox became more

focused on external competitiveness, made a breakthrough in ideas and learning, based its decisions on facts, committed itself to revolutionary change and rose as a leader in the industry.

Following Xerox's benchmarking experience, the United Kingdom's HEIs followed suit to gain a better understanding and measurement of their practices and performance to promote improvement:

Public confidence in the academic standards of an institution is dependent on robust mechanisms for self-deregulation and external quality assurance. As higher education markets become more sophisticated, there is a need to provide information that will enable degree outcomes to be compared and differentiated . . . Benchmarking is being developed to improve the capacity of Higher Education to demonstrate more transparent levels of comparability and difference between awards in different institutions and subjects. . . (It) provides a vehicle for sharing practice within functional communities, identifying smarter ways of doing things and new solutions to common problems and identifying ways of reducing costs while optimizing the quality of service offered to students and other clients (Jackson. and Lund. 2000).

In Australia, the Higher Education Innovations Programme produced a manual entitled *Benchmarking: A Manual for Australian Universities* in November 1999 (DETYA 2000). The manual identified nine broad areas of university activities for benchmarking, which are a mix of processes and outcomes: (1) governance, planning and management, (2) external impact, (3) finance and physical structure, (4) learning and teaching, (5) student support, (6) library and information services, (7) internationalization and (8) staff.

In the United States, a number of companies have emerged, such as Educational Benchmarking, Inc. (EBI), "the premiere provider of student satisfaction benchmarking services for management education and the housing professions...to contribute to the assessment and continuous improvement efforts of education programs" (EBI Studies 1999). Among the benchmarking projects currently being undertaken are: management education, engineering, teacher education, college and university unions, fraternities and sororities and residence halls.

U.S. News and World Report, Inc. ranks America's Best Colleges and Courses using seven indicators to capture academic quality: (1) academic reputation, (2) retention, (3) faculty resources, (4) student selectivity, (5) financial resources, (6)

graduation rate performance, and (7) alumni giving rate. Associations such as the American Association of Colleges of Nursing, likewise do their own benchmarking. Standards are set through associations and HEIs like the National Nursing Competency Standards (ANCI) and the Aurora University School of Nursing Statement of Performance Standards. The Singapore Nursing Board, for its part, has set the Standards for Nursing Education to address the changing health and education systems and ensure that educational programmes are designed to facilitate a competent standard of nursing practice. These standards cover the following areas: organization and administration, curriculum, facilities and resources, learner and learning, and teacher and teaching (US News and World Report 2001).

The Place of Benchmarking in the Asia-Pacific Region

Asia-Pacific Economic Cooperation (APEC) is an organization of 18 economies that border the Pacific Ocean. It aims to provide economic growth, development and improved living standards in the Asia-Pacific region and the world through cooperation on trade and other issues (APEC Education Forum, 1999). Asia-Pacific is exceptionally diverse and varied in demography, religion, culture, ethnicity and education (Declaration on Higher Education in Asia and the Pacific 1997). In APEC's aim of human capacity building, education plays a key role. "Education in the 21st century will be the determining factor in shaping the way we live, the values our societies wish to preserve and the levels of success each of our economies within APEC will strive for and maintain" (APEC EDNET, Document No. 1, 2000). The organization therefore created the APEC Education Forum (EdFor) in 1992 to signify the desire among members to continue to work cooperatively to exchange information and persons on education topics of mutual interest. In January 2000, EdFor was renamed Education Network (EDNET) "to foster strong and vibrant learning systems across APEC economies, promote education for all and strengthen the role of education in promoting social, individual and economic development (APEC EDNET 2000).

In the APEC Educational Forum held on August 6, 1992, the Educational Ministers and other senior education officials from Australia, Brunei Darussalam, Canada, People's Republic of China, Hong Kong, Indonesia, Republic of Korea, New Zealand, Philippines, Taipei, Thailand and the United States, identified common educational needs for students. These are:

1. To develop a strong skills foundation in literacy and numeracy;
2. To learn to reason and solve problems;
3. To develop an international perspective as well as an understanding and appreciation of their own and other cultures;

4. To become familiar with technologies that can make human interaction with nature and knowledge more fruitful;
5. To learn to work cooperatively with others.

With these in mind, the Ministers drew out priority areas for cooperative activities, such as:

1. Comparative studies of existing standard for curriculum content and assessment of student performance against these standards;
2. Exploration of ways of encouraging recognition of qualifications across the region;
3. Exchange of skilled human resources in ways that do not drain such resources from the economies in which they are most needed;
4. Identification of promising ways for students to learn more about the languages, cultures, people, geography and history of other APEC participants, thus potentially increasing mutual understanding within the region (APEC Education Forum Document 1992).

Benchmarking can be of particular interest to the local HEIs because through this, national standards can be aligned with international standards. Its results can challenge HEIs to better respond to the demands of the global market. Certainly, it can also encourage national harmonization of standards and regulation. As Altbach (1988) has clearly put it, comparative insights from benchmarking can provide a broad perspective, which is valuable even in purely national inquiries. The experiences, both positive and negative, of other countries and other academic systems can inform decision making, policy making and scholarly research.

Survey of Related Studies

The 1,293 HEIs all over the country are expected to produce the desired quality and number of high-level manpower to achieve global competitiveness and the socio-economic success the country is aiming for. In 1999, International Skill Development (ISD) deployed a total of 3,089 workers abroad in major occupational categories in the levels of professional, technical, managerial, clerical, sales, services, agricultural and production process (International Skill Development Philippines Statistical Report 2000). This could very well be an indicator of the employability of our graduates and the quality of the programs of HEIs.

Comparative Studies on Quality of Higher Education

Tullao (1999) compared the curricular Programs and Licensing Requirements of Selected Professions of Philippine HEIs and other countries in the ASEAN Region. This includes accountancy, civil engineering, teacher education,

electrical engineering, industrial engineering, nursing, architecture, law, pharmacy and general medicine. His study revealed that "in spite of the inadequacies of the educational system, the curricular offerings of the various professions are comparable with international standards at least in the ASEAN region (p.39)."

Nebres (1997) presented some studies done on the international comparability and mutual recognition of credentials at the World Congress on Higher Education held in Manila in 1997. Among those cited were the work of UNESCO, the European Experience and efforts in the mobility of professionals across the Asia-Pacific. A document dated December 1995 prepared by the APEC Human Resource Development Working Group, which was the result of a meeting held in Seoul in June 1994 identified the work to be in two stages:

Stage 1 involves the collection and collation of information on current requirements for professional recognition arrangements in accountancy, engineering and surveying.

Stage 2 focuses on involving professional and/or regulatory bodies in the region in agreeing to appropriate bilateral arrangements on the mutual recognition of professional qualifications (p. 214).

These stages may be likewise used in the fields of maritime and nursing if these were to aim at international comparability and mutual recognition of credentials.

In another study, Balmores (1990) measured the quality of Higher Education in the Philippines using "nine indicators categorized in five areas such as (1) student quality; (2) faculty quality; (3) library quality; (4) financial capability; and (5) institutional size which is measured by class size and faculty-student ratio" (p.156). On the basis of his findings, Balmores concludes

... the majority of tertiary institutions in the Philippines need to improve on their capability to deliver quality education. Evidently, priority areas point to the improvement of the teaching force, admission policies and library resources. This requires funding; thus, improving the institutions' capability to generate financial resources is a must. Unless these areas are improved, Philippine higher education will not be able to perform well in the delivery of quality education (p.182).

The Task Force on Higher Education for the Commission on Higher Education (CHED) published in 1995 an analysis of the Professional Regulatory Commission (PRC) board examinations for the period 1987-1992 which appeared in the book, *Philippine Higher Education in the 21st Century*, (Arcelo 2000).

Reforms in higher education in the Philippines are given in the April 2000 report of the Philippine Commission on Educational Reform (PCER). This addressed major concerns such as allocation of public resources, pre-university preparation, faculty development and accreditation (Nebres 2001). The goal of the CHED is for higher education "to promote both responsive and pro-active attitudes towards the labor market and the emergence of new areas and forms of employment" (Valisno 2000). To ensure employment, the curricula are designed to respond to the demands of the market which will eventually absorb these graduates.

In APEC countries, reforms to ensure quality in higher education are made on the basis of assessment of performance. In Hong Kong, quality is enhanced and maintained by performance indicators and quality mechanisms such as the Research assessment Exercise (RAE), Teaching and learning Quality Process review (TLQPR) and Management Review (MR). As funding of local universities is dependent on government, which, for its part, looks into the size of student enrollments, they have to compete for students. This condition transforms the role of the university from purely academic to entrepreneurial, being increasingly concerned about competitiveness in their "internal market" (Hui-hong Lee. 2002).

Singapore presents a different strategy. In its aim to develop the National University of Singapore (NUS) and Nanyang Technological University into Singapore's Harvard and MIT, these universities aim to enhance the quality of teaching, research, and public services by seeking alliances in programmes and research with famous American universities. Specifically at NUS, quality issues concern the areas of teaching, learning, student experience, research, staff management and communications and dissemination of information (Hui-hong Lee 2002).

In Japan, higher education has the urgent task to upgrade both quantitatively and qualitatively in order to meet world class standards. Hence, reforms are aimed at fostering in students the ability to adequately cope with societal changes; developing and offering educational programs in consideration of the educational needs of the students and raising the teachers' instructional skills and motivation. To be able to do this, infrastructures are to be improved and funds for education, research, facilities and equipment is increased (Ministry of Education, Science and Culture 1992).

In Indonesia, higher education reforms are aimed at making structural adjustments at the national level as well as in the university's autonomy and academic freedom, governance, and entrepreneurial capacity. Strategies are also taken to address funding problems, sustain academic activities, and the development of human resource. (Pusposutardjo 2000).

In Thailand, mandates for reform go “beyond teaching, research, academic services and preservation of art and culture to provide greater opportunities for life-long learning and research for national sustainable development. (Hence), the Ministry of University Affairs has formed working groups to be responsible for education provision, reform, resource allocation and investment, staff development, quality assurance, technologies in education and higher education management systems (Sirichana 2000).

In Vietnam, strategies for higher education reform prioritize “training of manpower for the industrialization and modernization of the country in which attention should be paid to training highly qualified scientific and technological manpower, good managerial cadres and skilled technical workers, training manpower for rural areas in order to carry out the shift in the economic and labor structure” (Dang 2000).

In Malaysia, higher education reforms support the development of knowledge workers. “We need to create infrastructure at the universities, which will enable them to provide high quality, world class education and training to address global challenges and competitiveness” (Said 2000).

Australia admits that the government is having difficulties maintaining quality standards in mass education. The conditions of teaching and learning have deteriorated as a result of underresourcing, increased class sizes, deteriorating staff-student ratios and increasing face-to-face hours for academic staff. In 1998, higher education quality improvement measures were integrated into the Commonwealth Department of Education, Training and Youth Affairs (DETYA)’s annual funding negotiations with universities. The quality assurance framework should: (a) reflect the responsibility of governments to provide a robust quality assurance and accreditation framework; (b) build on and strengthen the existing accreditation processes of the Commonwealth and State and Territory Governments; (c) recognize the autonomy of higher education institutions; (d) place the responsibility for the quality of provision on individual universities; and (e) signal to the community and the rest of the world that the quality of the higher education system is assured through a rigorous, external audit of university quality assurance processes (DETYA-Higher Education report for 2000 to 2002).

American educational reform presents a different scenario. According to the US National Center for Public Policy and Higher Education, “international comparisons confirm that other nations have emulated, pursued, and, in some instances, surpassed the United States. Despite some improvements in the past decade, our country is not the world leader in providing college access or in college degree attainment. Other nations are responding more rapidly and more effectively to the need to raise the education and skill levels of their populations through

college-level education and training" (Callan 2002). Furthermore, college administrators and business executives began to complain in the 1980s that some high school graduates needed remedial courses in reading, writing and arithmetic. To address this, President George Bush set six goals of American Education reform to be achieved by the year 2000: (1) that all children will start school ready to learn; (2) that 90 percent of all high school students will graduate; (3) that all students will achieve competence in core subjects at certain key points in their progress; (4) that American students will be first in the world in math and science achievement; (5) that every American adult will be literate and have the skills to function as a citizen and a worker; and (6) that all schools will be free of drugs and violence and offer a disciplined environment that is conducive to learning (USIA Portrait of the USA 2002). Patrick Callan, in *Measuring Up 2002*, identifies two aspects essential to the transition desired: (1) the availability of alternative educational routes and (2) policies must recognize that there are many dimensions of excellence, and that college opportunity must be a vehicle for raising the knowledge and skill levels of most adults.

We have seen how most of the HEIs all over the Asia-Pacific region have proclaimed their desire to reform higher education. Although each country has a determined approach based on its realities, apparently, all have set for themselves a common goal: to give quality education to prepare college students for the demands of the global world, to produce the desired quality and number of high-level manpower to achieve global competitiveness and socio-economic success.

Studies on Nursing Education

Nursing graduates are finding a strong market, especially those who have the most education and advanced skills. While nursing schools estimate that an average of 72 percent of entry-level bachelor's degree students had jobs waiting upon graduation between 1996 and 1997, that number was 94 percent of master's degree graduates and 86 percent of students graduating from master's degree nurse practitioner programs, according to the latest survey by the American Association of Colleges and Nursing (AACN). A surge in openings of front-line primary care centers, an increasing older population and the growing needs of more patients with chronic and acute illness have led the Bureau of Labor Statistics (BLS) to predict that Registered Nurses (RN) will see the fastest employment growth of any occupation through 2006. By that year, BLS projects, job opportunities for RNs will climb as much as 21 percent, compared to only 14 percent for all occupations nationwide (AACN 1998).

Today's increasing need for bachelor's and graduate-prepared nurses, particularly for emergency, operating room, critical care, and other key clinical

specialties in acute-care and long-term-care settings, is being spurred by a host of converging factors, among these:

- An increasing elderly population;
- Growing numbers of hospitalized patients who are older and more acutely ill;
- Expanding opportunities for nurses in front-line primary care, HMOs, home care, outpatient surgical centers, and other settings as more health care moves beyond the hospital to other sites throughout the community;
- Increased recruiting of nurses by managed care firms, pharmaceutical companies and information technology companies;
- Expanded career opportunities for women, who comprise 94 percent of all RNs; and
- Technological advances requiring more highly skilled nursing personnel

Moreover, with the average age of registered nurses currently at 44, up from 40 in 1980, high numbers of RN retirements are projected in the next 10 to 15 years (AACN 2000).

The bi-annual *Philippine Journal of Nursing*, publishes theses and dissertation findings, papers read at conferences and articles relevant to nursing practice. In one issue, Mo-Im Kim (PJN 1997) observed that “nurses are working in all health care settings at different capacities.” Since the nurses are “the most vital manpower in the health care system,” their skills should include supervision and management, data recording and processing, strategic planning, economics of health care, policy formulation and even political processes (PJN 1997).

The *UP Manila Journal* has published two major articles that present important data on nursing education: “Nurse supply and demand in the Philippines” by Corcega T., Lorenzo, M. et.al. and “Mapping up UP Manila’s academic programs: perceptions of faculty and alumni” by Abadingo, L., Laurente, C. et.al. Corcega, et.al. in their article, concludes, “Demand for Filipino nurses (depends) on the international and local market. Demand in international market varies from period to period . . .” (2000, p. 7). Abadingo’s study sought to analyze the strengths of the program despite the downsizing in enrollment in certain programs in the health sciences in UP Manila.

Dr. Jack Needleman, an economist at the Harvard School of Public Health conducted a study on the connection between nurse staffing and quality of care. The study measured staffing in two ways: by the proportion of nursing hours provided by each type of worker and by the number of hours a day the types of workers devoted to each patient. He found that the hospitals at the very low end of their sample had as little as 16 hours. His study made him estimate that hundreds, or perhaps, thousands of death each year are due to low staffing. This reaction was considered “overly simplistic” by Carmela Coyle, Senior Vice President for Policy at the American Hospital Association. Apparently, what was needed to be studied,

Coyle said, "is much more than the number of nurses and the number of patients, how many of the nurses have 20 years of experience or more or how many are right out of school, what technology is there to support them and how sick are the patients (Grady 2002).

Studies on Maritime Education

Arcelo (2000) published a comparative study of the results of the deck and marine engine licensure examinations from 1994 to 1998. Results of his study show that a select number of institutions keep on recurring as the top performers. In his study, the top five include the following institutions: Philippine Merchant Marine Academy, Mariner's Polytechnic Colleges Foundation, FEATI University, Mariner's Polytechnic Colleges and John B. Lacson Colleges Foundation (Bacolod). Arcelo claims that in the maritime industry, the question of quality is no longer a debatable topic. It is rather a matter of necessity.

Higher training standards are mandated by the tremendous advances in technology. In international shipping, stringent measures have been adopted to assure operational safety and professional competence. Compliance to these measures is obligatory to all signatories to the covenant, of whom the Philippines is one. This fact explains the efforts of the local maritime regulatory agencies and the schools to achieve an uncompromising attitude toward quality upgrading. A flurry of seminars and workshops has cropped up in recent months to induce world-class training and global competitiveness (Arcelo 2000).

The Maritime Training Council (MTC) commissioned the University of Asia and the Pacific (UA&P) to conduct a nationwide survey of maritime schools and training centers primarily to generate benchmark information on Philippine maritime education, training and certification. The results of the survey were used as input in the assessment and upgrading of existing standards consistent with the revised Standards of Training, Certification and Watchkeeping for Seafarers (STCW). Consequently, an article was published by Basilio and Reyes (1996) in the Economic Policy Papers entitled *The revised STCW Convention and Philippine Maritime Education*.

A baseline study of the performance of maritime schools in the PRC board examinations was conducted in 1988 and presented at the DECS-FAPE-PAMI Joint Conference on Maritime Education on January 26-28, 1989 in Iloilo City entitled "Maritime Education Status: Prospects and Challenges." It was published in John B. Lacson Colleges Foundation's *Maritime Education Review, SY 1989-90*. In this study, the ten best maritime schools were selected based on the passing percentage of graduates in two course categories. Findings revealed that "most of the schools topping the nautical program examination also did very well in marine engineering.

.. (although) there were varying emphasis among the schools with regard to academic programs, depending perhaps on such factors as teaching staff, and instructional equipment and facilities” Arcelo (2002).

The Study

This study adopted Jackson’s (1998) definition of benchmarking as *a process to facilitate the systematic comparison and evaluation of practice, process and performance to aid improvement and self-regulation.*

It is the aim of the study to benchmark educational practices in the Philippine maritime and nursing institutions with **best practices** in the APEC Region. *Best practices* are those educational procedures, activities and endeavors common to all maritime and nursing institutions in the APEC region as indicated by academic context, teaching and learning, research and extension. This study is not intended to rank the respondent institutions in any way.

This study looks into the **input, process and output** of maritime and nursing education. The benchmarking activities were focused on the quality of inputs to the educational process, the quality of the process itself and the quality of the outputs from the process. **Quality** is here defined as *fitness for purpose*. To determine the quality of education delivered by the local HEIs, performance indicators such as (a) academic context and equity, (b) teaching and learning and (c) research and extension, were studied and compared to the best practices in similar institutions in the APEC region. Table 4 shows the framework for benchmarking the quality of education in selected institutions of maritime and nursing education.

Table 4: **Input-Process-Output Framework for Benchmarking the Quality of Education**

INPUTS	PROCESSES	OUTPUTS
Students Admission requirements, Entry profiles, foreign students, drop-outs, licensure exam passing rate, full-load,population Staff	Induction Vision-mission statement Description of curricula and assessment, program offerings, curriculum Teaching and Learning Teaching materials and methods, effectiveness, innovations,	Students Employment, strengths, weaknesses, areas of excellence Staff Research, publications, extension work

Qualifications, expertise, status, compensation, faculty development, conferences, seminars, workshops, consultancy work Physical resources Physical capacity, facilities, equipment Financial resources Budget allocation, sources of funds, tuition, scholarship grants External inputs Affiliation, employers' involvement	apprenticeship placement Student guidance and support Handbook / brochures, career advice, project supervision Student record system Recording and reporting Achievement Management and administrative systems, personnel, administrators' qualifications, scope of responsibility, experience, personnel Review and evaluation Processes Faculty evaluation, student Feedback, peer review, employer Feedback accreditation	
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The table above shows the Input-Process-Output Framework for benchmarking the quality of education incorporating the components of the three performance indicators. **Input** refers to the students' characteristics upon entry, the staff's qualifications, appointments and preparations for teaching and development. Physical and financial resources are likewise considered inputs, as well as external factors such as employers and external facilities or equipment. **Process** is indicated by the capabilities and systems used by the HEI to achieve results such as induction to the program, the design of curricula and assessment, all of the teaching strategies employed, the student guidance and support systems, student record systems, management and administrative systems and the review and evaluation processes such as peer, students and employer feedback. **Outputs** from the educational process are determined through the students' completion rates and employability, the staff's teaching, administration and research productivity.

Methodology

This study is primarily intended to benchmark educational practices in nursing and maritime in Philippine institutions with *best practices* in the APEC region

using the Inputs, Processes and Outputs Framework; and secondarily, to determine the *comparative advantage* of local institutions in the areas specified.

To determine the quality of education delivered by the local HEIs, performance indicators such as (a) academic context and equity, (b) teaching and learning and (c) research and extension, were studied and compared to the best practices in similar institutions in the APEC region. The Input-Process-Output Framework was used to benchmark 12 performance indicators: (1) students, (2) staff, (3) physical resources, (4) financial resources, (5) external outputs, (6) induction, (7) curricula, (8) teaching and learning, (9) student guidance and support, (10) student record system, (11) management and administrative systems, (12) review and evaluation processes.

Specifically, this benchmarking study attempts to:

1. Analyze educational practices in maritime and nursing in Philippine Institutions using as indicators the Inputs, Processes and Outputs Framework;
2. Examine educational practices in similar programs in the APEC region using the same indicators;
3. Determine the comparative advantage of maritime and nursing education in Philippine institutions by benchmarking them with best practices in the APEC region.

Sources of Data

The research locale comprised of accredited maritime and nursing institutions in the Philippines and similar programs in selected APEC countries that are members of international professional associations. Tables 5 and 6 show the list of respondent-institutions.

Table 5: List of Respondent Nursing Institutions in the Philippines and in the APEC region

Philippines	Asia-Pacific Region
University of the Philippines, Manila Ateneo de Zamboanga, Zamboanga City St. Louis University, Baguio City Silliman University, Dumaguete City	<i>AUSTRALIA</i> Australian Catholic University University of Western Sydney <i>HONG KONG</i> Hong Kong Polytechnic University <i>JAPAN</i> Keio Junior College of Nursing <i>KOREA</i> Seoul National University Hallym University <i>SINGAPORE</i> Nanyang Polytechnic <i>TAIWAN</i> National Yang-Ming University National Taiwan University <i>USA</i> Catholic University of America University of California Los Angeles University of Hawaii

Table 6: List of Respondent Maritime Institutions in the Philippines and in the APEC Region

Philippines	Asia-Pacific Region
Philippine Merchant Marine Academy Asian Institute of Maritime Studies John B. Lacson Colleges Foundation, Iloilo City University of Cebu Maritime Education	<i>AUSTRALIA</i> Australian Maritime College, Tasmania <i>HONGKONG</i> Hong Kong Polytechnic University <i>MALAYSIA</i> Maritime Academy Malaysia <i>SINGAPORE</i> Singapore Maritime Academy Ngee Ann Polytechnic <i>TAIWAN</i> National Taiwan University, Taipei <i>USA</i> California Maritime Academy, CA, USA

Selection Criteria

Of the 170 nursing institutions in the Philippines, four were chosen, one from each of the following regions: NCR, CAR, 7 and 9. Three are accredited by PAASCU and have been designated Centers of Excellence by the Commission on Higher Education. The fourth respondent is the oldest nursing institution in the country, and is situated in Manila. It is also a public state university. The Local Institutions were selected for their status as top performing public and private nursing institutions as proven by their records in the Nursing Board Examination.

The three Philippine maritime institutions are accredited by PACUCOA. The fourth respondent-institution is situated in the capital of the country, Manila and is on its way to accreditation. Local Institutions were selected for their status as top performing public and private maritime institutions as proven by their records in the Maritime Licensure Examination from 1983 to 1993. These institutions are accredited by local accrediting agencies and are Standards of Training, Certification and Watchkeeping for Seafarers (STCW) compliant.

Twelve institutions in the Asia-Pacific region were selected for the study on the basis of their comparability to Philippine nursing institutions in terms of academic context, teaching and learning, research and extension, and their educational set-up and standing from which our local nursing institutions can learn. Of the more than 200 Nursing schools in the US, three were selected based on their average reputation score in the Graduate Rankings published by US NEWS (March 1998): University of California Los Angeles, Catholic University of America and University of Hawaii.

Seven maritime institutions in the Asia-Pacific region were selected as respondents on the basis of their membership in the International Association of Maritime Universities (IAMU). The other participating institutions, Hong Kong Polytechnic University, Singapore Polytechnic, Ngee Ann Polytechnic and Maritime Academy Malaysia are the prime and government-supported Maritime Institutions in their respective countries. California Maritime Academy was selected for its involvement in maritime education in the Philippines through Philippine Merchant Marine Academy. Also considered was their comparability to Philippine maritime institutions in terms of academic context, teaching and learning, research and extension, their willingness to cooperate in the study and their educational set-up and standing from which our local maritime institutions can learn.

Instrumentation

Since the study is quasi-qualitative in nature, observations, interviews and data gathered through questionnaires were used. One set of questionnaire was

administered to administrators and another set to three full-time faculty members. Part I of the questionnaires asked questions about the personal profile of the respondent. Part II elicited answers to questions pertaining to academic context and equity, teaching and learning and research and extension. Table 7 shows the data collection plan.

Table 7: Data requirement and source of information

INDICATOR	DATA REQUIREMENT	INFORMATION SOURCE
Academic Context and Equity(including equivalent full-time faculty; equivalent full-time academic support staff ratio; equivalent FT student load; Student-faculty ratio; derivation of income; academic activity costs per student; faculty gender ratio; student gender ratio; socioeconomic status of entering student)	Institution: type , income tuition fee, vision and mission, admission requirements, affiliations and accreditation, physical capacity, personnel, facilities, budget allocation, foreign students, scholarship grants, strengths and weaknesses Program Offerings, curriculum Apprenticeship placement	Administrator’s report Teacher’s report Brochures On-site observation Electronic data
Teaching and Learning(including teaching quality, program completion rate, higher degree productivity rate; graduate employment)	Administrator: qualifications, scope of responsibility, experience in management Teacher: qualifications, expertise, status Teacher: teaching materials, teaching methods Faculty evaluation Faculty development program Student: full-load, population, drop-outs, licensure exam, area of excellence, strengths, weaknesses Graduates: employment	Brochures Administrator’s report Teachers’ report Electronic data

Research and Extension(including number and value of research grants, publication rates, productivity rates for other scholarly works (software, recordings, patents), consultancy and extension services)	Research Publications Conferences / seminars/ workshops Extension work	Administrator's report Teacher's report
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Data Gathering

A survey of the institutions was done in four ways: through (A) site-visit, interview and questionnaire, (B) questionnaire and printed material (C) electronic data and (D) site visit and electronic data.

Table 8: Data Gathering Modes and Sources of Data

Data Gathering Mode	SOURCES OF DATA
A	Site-visit, Questionnaire & Printed Materials
B	Questionnaire & Printed Materials
C	Electronic Data
D	Site Visit, Electronic Data

Data gathered through the sets of questionnaire was supplemented with actual interviews, via telephone and/or e-mail. Site visit to some participating institutions was done locally and internationally. Previous research and articles of academics in the APEC region was explored. Experts in the field of education were consulted as the need arose. Data was likewise gathered from school documents, professional associations, human resource exporters, ministries of education, annual reports, scholarly journals and some educational information centers in the APEC Region. Data in electronic form was also utilized.

**Table 9. Nursing Institutions by Geographic Distribution and by Data Collection
Mode**

Philippines	Asia-Pacific Region
Mode A University of the Philippines, Manila	Mode A Hong Kong Polytechnic University, HK
Mode B Ateneo de Zamboanga, Zamboanga City St. Louis University, Baguio City Silliman University, Dumaguete City	Mode B American Catholic University, USA University of California Los Angeles, USA Australian Catholic University, Australia
	Mode C University of Western Sydney, Australia Keio Junior college of Nursing, Japan Seoul National University, Korea Hallym University, Korea National Yang-Ming University, Taiwan University of Hawaii, USA
	Mode D Nanyang Polytechnic, Singapore National Taiwan University, Taipei

Among the local nursing institutions, (A) site-visit observations, interview and questionnaires were used with the University of the Philippines while (B) questionnaires and printed materials were used with Ateneo de Zamboanga University, St. Louis University and Silliman University. Data collection from the APEC institution was likewise conducted in four modes: (A) site-visit observations, interview, and questionnaires were used with Hong Kong Polytechnic University; (B) questionnaires and printed materials were used with Australia Catholic University and University of California Los Angeles; (C) electronic data was collected from University of Western Sydney, Keio Junior college of Nursing (Japan), Seoul National University (Korea), Hallym University (Korea), National Yang-Ming University (Taiwan), and University of Hawaii, USA; (D) site visit and electronic data were used with Nanyang Polytechnic and National Taiwan University.

Invitation to participate in the study was extended to Nanyang Polytechnic and National Taiwan University. However, due to administrative leadership, the language barrier and one institution’s commitment to other priorities during the

academic year the study was conducted, the said institutions declined the invitation. The option taken was to use the respective institutions' website to support the researcher's observations during the site visit. Chulalongkorn University in Thailand expressed desire to participate in the study but was not able to submit the data requirements on time. In cases where the institution could not accomplish the questionnaire, electronic data was gathered, which was limited to vision and mission statements, training equipment and facilities, admission requirements, program and course offerings, and some institutional administrative data.

Table 10: Maritime Institutions by Geographic Distribution and by Data Collection Mode

Philippines	Asia-Pacific region
<p>Mode A Philippine Merchant Marine Academy Asian Institute of Maritime Studies</p> <p>Mode B John B. Lacson Colleges Foundation, Iloilo City University of Cebu Maritime Education</p>	<p>Mode A Hong Kong Polytechnic University, HK National Taiwan University, Taipei, Taiwan Ngee Ann Polytechnic, Singapore Singapore Maritime Academy, Singapore</p> <p>Mode B Australian Maritime College Tasmania, Australia</p> <p>Mode C California Maritime Academy, CA, USA Maritime Academy Malaysia</p>

Among the local maritime institutions, (A) site-visit observations, interview, questionnaires and printed materials were used with the Philippine Merchant Marine Academy and the Asian Institute of Maritime Studies; (B) questionnaires and printed materials were used with the University of Cebu and John B. Lacson Foundation. Among the APEC maritime institutions, (A) site-visit observations, interview and questionnaires were used with the Hong Kong Polytechnic University, the Singapore Maritime Academy (in Singapore Polytechnic University) and the Ngee Ann Polytechnic, National Taiwan University; (B) questionnaires and printed materials were used with the Australian Maritime College; (C) electronic data was collected

from the Korea Maritime University, Kobe University of Mercantile Marine, Maritime Academy Malaysia and California Maritime Academy.

Invitation to participate in the study was extended to Korea Maritime University, Kobe University of Mercantile Marine (Japan), Maritime Academy Malaysia and California Maritime Academy. However, due to current political changes, the language barrier and one institution's commitment to other priorities during the academic year the study was conducted, the said institutions declined the invitation.

Data Analysis

Data gathered through observation, interviews, questionnaire and printed materials was organized, described and interpreted. Analysis was guided by the Input-Process-Output Framework. Educational practices in the local institutions were subjected to comparative analysis with best practices in similar institutions in the Asia-Pacific region. Finally, the data collected was critically analyzed within the context of quality education.

PRESENTATION, INTERPRETATION AND ANALYSIS OF DATA

NURSING

The survey covered BS Nursing in four institutions in the Philippines and thirteen in the APEC region: Australia, Hong Kong, Japan, Korea, Malaysia, Singapore, Taiwan and the USA. Table 9 shows the distribution of these nursing institutions. Data gathered through the sets of questionnaire are analyzed according to inputs, processes and outputs, with 12 performance indicators: (1) students, (2) staff, (3) physical resources, (4) financial resources, (5) external outputs, (6) induction, (7) curricula, (8) teaching and learning, (9) student guidance and support, (10) student record system, (11) management and administrative systems, (12) review and evaluation processes.

INPUTS

Students

The local institutions require of their applicants good moral character, good scholastic high school records and passing marks in the institutions' entrance examination. Two out of the four local institutions have four scholars from Australia in 1999. In the past three years, the drop-out rate has been very irregular among the local institutions: at UP, only between 1 and 5 percent dropped out in the past

three years. St. Louis University presents a totally different figure: 75 percent of the student population in 1997 dropped out, and 50 percent in 1998. This was during the Asian financial crisis. In 1999, however, the figure went down to 20 percent.

The APEC institutions require passing marks in the national examinations such as the Scholastic Aptitude Test (SAT) and the Hong Kong Advanced Level Examination (HKALE). Seoul has 44 foreign students enrolled whereas Japan has educated a total of 567 foreign students from the US, Canada, Germany, Denmark, UK, Mongolia, Taiwan, Australia, France, Malaysia, Indonesia, Burma and China. Hawaii is the most multicultural among all the countries. It has the following distribution of foreign students: Caucasian: 20 percent; Japanese: 20 percent; Filipino: 15 percent; and, other nationals: 32 percent.

The number of students per course increases every year by at least 10 percent in both the local and APEC institutions. Local institutions have students numbering from 50 to 683 whereas APEC institutions accommodate from 658 to 2528 students. Hong Kong Polytechnic University maintains a small population size with a maximum of 46 students in the Bachelors program and 121 in the Diploma program. Sydney maintains a big number of enrollment from 1,307 to 1,330 in three years, very few of which are able to graduate. At the Catholic University of America, the rate of enrolment has gone down from 178 to 135 in a span of three years. The proportion between the number of drop outs and the number of graduates shows that only few discontinue with their studies. In fact, they continue but at a very slow pace.

Staff

Local institutions have between 22 and 37 full-time faculty members, each institution varying from zero to eight PhD degree holders and between seven and 14 MA/MS degree holders. Very few faculty members are Bachelor's degree holders. Most faculty members are working towards their PhD and MA/MS degrees in their own institution in the area of health and nursing sciences: mental hygiene, psychiatric, maternal and clinical nursing. Full-time teachers have teaching experience ranging from two to 25 years. All of the teachers are Filipinos. The monthly compensation of faculty members with MA is between US\$148.75 and US\$372.09. The exchange rate at the time of the survey was: 1 US\$ = 43.00 Philippine Peso; 1.70 Australian Dollars; 7.80 Hong Kong Dollars; 1.78 Singaporean Dollars; 30.50 National Taiwan; 1.76 Japan Yen..

APEC institutions have between 20 and 49 full-time faculty members. PhD holders in these institutions number from four to 20. Hong Kong has four PhD graduates in Psychology and six in Biomedical sciences, 23 MA Nursing graduates and six Biomedical science graduates. Full-time teachers have teaching experience

ranging from four to 10 years. In Australia, the head of the respondent School of Nursing is a Filipino with a BSN from the Philippines. The faculty roster shows that in Australia, America, Singapore and Hong Kong, the composition of the teaching force is multi-racial. Faculty members with MA are paid between US\$ 4,126.90 and US\$5,921.80.

Faculty Development

Teachers in the local institutions are very much involved in faculty development programs that come in the form of continuing education and extension services programs. They are involved either as participant or leader/trainer. Attendance in conferences is regarded as faculty development. Local institutions participate yearly in conferences required by government educational agencies. Some of the administrators attend international conferences. In one local institution, research units are allotted to full-time teachers, where each one produces one research every year. Research grants are awarded by the CHED, Department of Science and Technology (DOST) and health organizations nationally and internationally.

Some teachers in the APEC region are passive when it comes to involvement in faculty development programs because it demands much time from them. Institutions send faculty members to local and international conferences related to nursing organized by the government and international nursing associations. Research is considered an income-generating activity. The departments within the school are awarded research grants which go to the faculty members who undertake the research and to their departments. Hong Kong publishes its research outputs in English together with other health professors in other Asian countries through the *Asian Journal of Nursing*.

Physical Resources

All of the local institutions have one campus, occupying a three to four-storey-building within the university campus. There are between 10 and 257 classrooms within the respondent universities that can accommodate between 40 and 50 students. All of the local institutions share their respective university facilities: laboratories, museum, auditorium, chapel, library, grandstand, swimming pool, guidance counselor's office, clinic, hospital, post office, faculty-lounge, computer room, restrooms and canteen. They all offer student accommodations while only St. Louis University has a Center for Culture and the Arts.

Some of the APEC institutions are located in three to six campuses. Like the local institutions, nursing schools use the university hospital for laboratory and clinical practice. Most institutions have their own building within the university

campus. Classrooms are shared with other departments. Tutorial classes are held in small rooms for 20 students. Lectures are held in auditoriums and large classrooms that can accommodate from 200 to 450 students. All of the APEC institutions have auditorium, library, grandstand, swimming pool, gym, track oval, faculty room, restrooms, canteen and student accommodations. Some of them have a Guidance Counselor's Office and clinic but not one has a chapel. Seoul has an experimental farm, an arboretum and a veterinary hospital whereas Korea has welfare facilities such as broadcasting station, hospital, museum, university health center and a music room. Hawaii maintains a learning lab and a simulated hospital, clinic, student lounge, on-line registration, a tennis court and student services.

Financial Resources

Among the four local nursing institutions, two are privately owned and two are government-funded (public). The source of income of private institutions is primarily tuition fees and, secondarily, donations. The public institutions get government subsidy but require students to pay for their own uniform and other course accessories, minor equipment and requirements. Tuition fees range from US\$288.00 to US\$300.00 a year at 24 units per semester. Between 70 and 75 percent of budget allocation in local institutions go to salaries and professional fees. The rest of the institution's budget is allotted for library and teaching materials as well as overhead expenses.

Eleven APEC nursing institutions are government-funded (public) while two are private. In the US, 43 percent of the institution funds come from state general funds, 20 percent from federal funds, 15 percent from tuition, 2 percent from private grants and 20 percent from other sources. Tuition fees range from US\$2,928.00 to US\$5,397.45 a year with government subsidy and US\$9,408.00 to US\$26,180.00 a year without government subsidy at the average of 24 units per semester. In Hawaii, 36 percent of the budget allocation go to instruction. The rest of the institution's budget is allocated to research, academic support and students services.

Foreign students and Scholarship Grants

Scholarship grants from internal and external sources are enjoyed by at least three percent of the local students in the private institutions. Scholarship can either be through full or partial tuition and miscellaneous fees. They, however, have to shoulder expenses for their own uniforms. Some of the external sources of scholarship are private benefactors such as Fabella Ignacio and Caeserea Tan.

In the APEC region, besides government subsidy, various scholarships are awarded through private benefactors, alumni associations, organizations affiliated

with the institution and some internal scholarships like academic, faculty and department scholarships. Hospitals and special nursing organizations also offer scholarship grants to students.

External Inputs

Three out of four local institutions are accredited by a Philippine Accrediting Agency and are designated by the Commission on Higher Education as Centers of Excellence in Nursing Education. They are members of local medical and nursing associations such as the Philippine Nurses Association (PNA), the Association of Nursing Services Administrators (ANSAP) and the ADPCN. Silliman University is affiliated with Johns Hopkins International Education for Reproductive Health. The UP College of Nursing is designated as WHO Collaborating Center for Nursing Development in Primary Care.

Among the APEC institutions, Nanyang Polytechnic is affiliated with local medical associations and collaborates with the University of Sydney. The Australian Catholic University has collaborative arrangements with the University of Incarnate Word College, Texas; West Virginia University, USA; Lund University, Sweden; Georgian College and State University, USA.

PROCESSES

Induction

Christian development, human formation and service to others are primary to the vision of the private local institutions. The public nursing institution is committed to human development to respond to society's needs.

The APEC institutions see themselves as part of the state and are therefore committed to quality education to contribute to the development of the state. It is their vision to be recognized for excellence internationally by honing the students on both the theoretical and practical aspects of training. The Catholic universities in America and Australia explicitly state in their vision statements the role in preparing the students to have the "ability to reflect upon and develop Christian values" (ACU) and "understanding the Christian faith within the context of all forms of human inquiry and values" (CUA).

Curricula and Assessment

All of the local institutions surveyed offer BS degrees in Nursing taken in four years. The University of the Philippines (UP) offers PhD and MA in Nursing.

Two other institutions offer Masters Degrees. Silliman University offers the degree Associate in Health Science Education. Only UP offers Distance Education for MA Nursing. The number of units for major courses in the local institutions range from 87 to 104. Between 70 and 84 units of core courses are required, where three units are equivalent to three hours of lecture. These include philosophy, english, math, science, history and physical education. Only one institution requires a three-unit computer course. An additional 12 to 18 units of Theology are required in the private institutions. This totals to a range of 169 to 201 units.

In reaction to the present composition of the Nursing curriculum, Maglacas (PJN 1997) remarked, “nurses need an education and practice that places emphasis on examining and reviewing critical conditions and vulnerability that are closely associated with the changes caused by the ongoing processes of social and economic development and not just on disease-specific approaches and interventions” (p. 42)

All of the APEC institutions offer MS Nursing and BS Nursing. Only some offer PhD. In Korea, the Bachelor of Science in Nursing degree is offered with various majors: Community Health, Maternity Health, Pediatric, Adult, Psychiatric Mental Health and Management. Japan offers both Basic Nursing and Bachelor of Nursing. The APEC institutions require three years of study for Bachelors degree with total units varying from 72 and 180. In the US, three units are equivalent to two hours of lecture and three hours of laboratory work. Some institutions, such as those in Korea and in the US, require general education and elective courses. Hong Kong likewise requires four years of study composed of all nursing courses without general education. Western Sydney presents the least credit requirement for a Bachelor's degree: only eight major subjects and four electives taken in three semesters. Hawaii has interesting new courses in its curriculum: Essential Oils & Aromatherapy, Meditation, Healing Touch, Yoga for Health and Wellness, Consumer Health Online, Women and Health, Pain management, Nursing in the Multicultural Milieu, Nursing Care for HIV-Infected Clients, Chronic Illness in Children and Adolescents, and Management for Health Professionals. It requires one year of general education and three years of nursing proper.

In the US, majority of nursing practitioners have completed 18 months of nursing programs like Public Health Nurse Certification and, thereafter, are licensed by the State Board of Registered Nurse. In both the BS and Certificate Programs, self-directed learning is essential to their skills-based curriculum.

Teaching and Learning

The medium of instruction in all of the local institutions is English. Teachers make use of lecture, lecture-discussion, case studies and field work in teaching. At

the University of the Philippines, the traditional methods of classroom instruction are complemented with practicum in communities, coaching, mentoring and experiential approaches. It was the first to offer the Problem-Based Learning (PBL) approach in 1982. At St. Louis University, the use of games, interview, film viewing, small-group discussions, role-play and story-telling are incorporated in classroom teaching. They also use textbooks, selected readings, exercises and projects as teaching materials.

In Taiwan, Japan and Korea, the medium of instruction is in the native language. Like in the Philippines, English is the medium of instruction in the US, Australia, Hong Kong and Singapore. The PBL approach is also used in these countries. In class, there is little use for lecture, lecture-discussion, inquiry and experimental approaches. Instead there is preference for case studies, field work and research. In Hong Kong, simulation facilities are available for student use in the first semesters of their study. Rubberized mannequins, virtual reality and computer simulations are found in student-laboratories. Selected readings, unpublished researches, worksheets and pertinent problems are used as teaching materials. The use of technology is optimized in Singapore and Hong Kong. Some classes are given through the internal website that the students can easily access because each one is provided a computer through student-loan.

In the US, lecture, demonstration, supervised and independent laboratory practice, clinical problem examples, group work, discussions and computer-assisted instruction are all used. Reading assignments are numerous and self-instruction and self-directed learning are encouraged throughout the semester.

Apprenticeship Placement

All of the local institutions require their students to undergo clinical training in different types of hospitals and health centers as part of their curriculum. The students go through clinical training for three years alternately in mental hospitals, community health centers, tuberculosis institutions, heart centers, lung centers, homes for the aged and in the different departments of the institution's hospital in different capacities. All of this is undertaken without compensation.

APEC institutions likewise require clinical training among their students in the institution and in local hospitals, community health centers, social service centers and settlements. In some hospitals and clinics, the student trainee is paid while fulfilling academic requirements.

Student Guidance and Support

Upon admission into the nursing school, the students in local institutions are given an orientation for one week. Handbooks and brochures are distributed

and they are given access to the university library which houses books, journals and other reading materials in English pertinent to nursing. Three out of four nursing schools surveyed have their own research journals.

In the APEC institutions, printed materials such as brochures, syllabi and readings are given to each student after the orientation. The libraries in Taiwan, Korea and Japan house books, CDs, journals and other learning resources in their respective native languages. In Hong Kong, Australia, Singapore and the US, learning resources are in English. The students also have easy access to journals and articles from other countries that are printed in the English language. Project supervision in both the classroom and in the field is very active and professional in both local and APEC institutions. This is because these activities are part of the credit-system-curriculum, which are properly planned, implemented and evaluated. For student-guidance and support, UP employs a system of coaching and mentoring. One institution in Taiwan, for its part, has a “personal clinical tutorial system.”

Student Record System

There is a systematic recording system of student achievement and performance in both local and APEC institutions through their registrars and records sections. This, however, is effective only at the level of presently enrolled students. Not all institutions keep a reliable file of the students after they graduate—alumni are not systematically traced.

Management and Administrative Systems

All of the Filipino nursing administrators do have formal studies in Nursing Education. One has PhD in Nursing while three are working towards a PhD. All of them teach more than one nursing course. All rose up the administrative ladder from several years of teaching and have been educated mostly in the same institution. Among the personnel employed locally are administrative assistants, part-time doctors and nurses, accountants, counselors, librarians, chaplains, maintenance service providers and security guards.

In the APEC institutions, all of the administrators have PhD's in Nursing. Most administrators were educated abroad. All are teaching more than one nursing course, are involved in institutional research projects and have administrative experience locally and abroad. The institutions likewise have administrative assistants, accountants, librarians and counselors. They do not have doctors, nurses, chaplains or security guards. Only Yang Ming in Taiwan have personal and clinical tutors assigned to each student.

Review and Evaluation Processes

In the local institutions, the faculty is evaluated by the students and the department head and or dean. Some institutions have peer-evaluation. The local nursing institutions selected for the study are accredited at Level III by PAASCU. They are also the top performing public and private nursing institutions as proven by their performance in the Nursing Board Examination.

Teachers in the APEC institutions are evaluated yearly through student-feedback and at the macro level by the department once every three years. In Singapore, external evaluators and representatives from the Ministry of Education are also involved in school evaluation. The thirteen institutions in the Asia-Pacific are accredited by ISO 2002 standards. Western Sydney is affiliated with local nursing associations such as GWANA.

OUTPUTS

Students

The local institutions do not keep a consistent track record of their students after graduation. Except for one, the local institutions have no record of their graduates' employment status. This institution revealed that 80 percent of its graduates are employed within their area of specialization, 15 percent are not while 5 percent are unemployed.

The Philippine Overseas Employment Administration (POEA) reports that in the period January to October 2000, 6,236 professional nurses were deployed abroad. Table 11 shows the distribution of employed nurses by work setting.

Table 11: Distribution of Employed Nurses by Work Setting as of 1998

Work Setting	Number	Percent
A. Local / National	27,160	15.25
1. Service		
Government Agencies	17,547	9.86
Private agencies	7,535	4.23
2. Education	2,078	1.16
B. International	150,885	84.75
Grand Total	178,045	100

Source: Corcega, T., Lorenzo, M. (2000) *Nurse Supply and Demand in the Philippines*. In The UP Manila Journal. Vol. 5 No. 1 Jan-June, p.5.

The table above reveals that as of 1998, 150,885 (84.75 percent) nurses are employed internationally while 27,160 (15.25 percent) are employed locally, either in government agencies or in private agencies. This indicates that the education received by these nurses in their country is acceptable internationally.

Graduates of the APEC institutions are employed performing health care in hospitals, home, offices and in different industries locally and abroad. Seoul keeps track of its graduates and lists the type of job of their graduates as: clinical nursing (1,341), school health teaching (132), research and university teaching (113) and housewives (384). Hong Kong reports that 100 percent of its graduates are employed within their area of specialization excelling in innovative projects, research and computer skills. In Seoul, 55.7 percent are working within their area of specialization, 24.3 are not and 20 percent are unemployed. Australia reports that 74.20 percent of their graduates have full-time employment while 10.40 percent are taking higher studies full time. The median starting salary of nurses in Australia is US\$15,080.00 per month.

Graduates' characteristics, strengths and weaknesses

The local institutions report their graduates as having initiative, commitment to duty, dependability, punctuality, competence, care and industry. The teachers perceive their graduates to be strong in clinical nursing, research and teaching, interacting with people, resourceful, systematic, independent, self-directed, diligent, with a strong sense of value and capable of critical thinking and community leadership.

The APEC institutions take pride in their graduates for being competent, confident, creative and cooperative; possessing critical minds, computer knowledge, and good nursing skills. Their teachers perceive them to have good working attitude, and being patient with initiative to learn more for clinical expertise.

Staff

Research and Publication

Few teachers are involved in research on topics such as asthma education program, improvement of program policies, and the state of nursing research. Some teachers are presently doing their dissertations. Most of the teachers are involved in funded research studies and publish yearly in nursing journals. Due to the different priorities stated in the local institutions' vision, not all of them engage in research endeavors. One has completed four research projects and another, thirteen in a span of three years. Some faculty members who are pursuing higher studies individually engage in research to fulfill academic requirements. UP and St. Louis University have their own institutional publications.

The APEC institutions present a completely different scenario in terms of research. As these institutions are government funded, they get more grants for more research projects. Institutional funding is linked to research output which is ultimately used by the government and local industries to improve the state of nursing in these countries. Research topics are grouped into: clinical nursing, nursing education, community health, student-learning, women's health, and tobacco and health. Sydney, which is heavily involved in research, has four research centers: Clinical Development Unit, Oncology and Palliative Care Nursing, Centre for Evidence-based Pediatrics and Nursing Practice Research Centre. Hong Kong Polytechnic University publishes the *Asian Journal of Nursing* which is disseminated internationally. Some institutions deem it more practical to send their scholarly work to journals and other institutional publications.

Extension Work

All of the local institutions have institutional extension work directed towards street children, asthma-patients and others in the form of clinical service, education through radio programs and by setting up health and nursing clinics and/or Mobile Nursing Clinics. For APEC institutions, extension work is done in the form of clinical research courses for hospital authorities and through committee advisory in hospitals locally and internationally.

Strengths And Weaknesses Of Nursing Institutions as perceived by administrators and teachers

Local institutions consider as their strength the passing rate of their graduates in Nursing Board examinations and their experienced teachers with sufficient and wide learning exposure and the development of students' terminal competencies through effective classroom management. They see as their weakness some aspects of instruction, faculty affairs and the curriculum, and the lack of I.T. self-directed learning.

As perceived by the teachers, the institutions' strengths lie in the competency-based, community-oriented BSN courses, and in the distance education program for MA and PhD full-time faculty members. They feel the need for more research activities and funding, publication in refereed journals and upgrading of faculty compensation. Administrative support is needed to improve instruction, faculty affairs and the curriculum. There is also a need to upgrade the academic qualifications of the faculty, the physical facilities and laboratory equipment of the institution. The teachers recommended the reduction of teaching load for them to be able to do research.

In a study conducted by Abadingo, Laurente, et.al. (2000), of the Health Programs offered at UP, they found that the College of Nursing's competency-based, community-oriented curriculum, as well as the unit's conceptual approach to teaching have been adopted by other nursing schools in the country. Japan has recognized this community training approach and has sent scholars to be trained under the program. This approach continues to serve as a model for shifting health science education towards community orientation and community based-training.

The APEC administrators see as their strength their institution's ability to balance the students' life through sports and organization involvement, their student counseling and clinical tutorial system, and for some, their humanities and liberal arts programs. They pride themselves in having hands-on training and in employing excellent faculty members who are mostly PhD degree holders. Sydney has academic staff who teach and do research, at the same time maintain close relations with significant health-related industries. It also sees as its strength the high employment rate of its graduates and its curriculum that offers combined degrees in Health Science and Nursing law.

According to the teachers, the APEC institutions have a wide network of experienced local staff and clinical teachers. However, they feel the need to focus more on evidence-based research. The practice of problem-based learning is also considered a strength because of its acceptability and effectiveness when applied to health centers around the globe.

The availability of high end computers and facilities certainly benefit students in their learning. Before going to the field, students can be exposed to clinical problems through computer-aided instruction.

As observed by Filipino nurses in the US, majority of practicing nurses have completed 18 months of the Certificate in Nursing Program. After this training, they are easily absorbed into nursing work. This practice is widely accepted because aside from satisfying the high demand of the society for nurses, it also provides employment. The downside to this, however, is that it limits their education into skills training under a skills-based curriculum.

MARITIME

The survey covered four maritime institutions in the Philippines and nine in the APEC region: Australia, Hong Kong, Malaysia, Singapore, Taiwan and the USA. Table 10 shows the distribution of these maritime institutions. Data gathered through the sets of questionnaire are analyzed according to inputs, processes and outputs, with 12 performance indicators: (1) students, (2) staff, (3) physical resources, (4)

financial resources, (5) external outputs, (6) induction, (7) curricula, (8) teaching and learning, (9) student guidance and support, (10) student record system, (11) management and administrative systems, (12) review and evaluation processes.

INPUTS

Students

The local institutions require of their applicants good health and hearing, 20/20 vision and normal color perception, in addition to a passing mark on their entrance examination and good high school General Weighted Average. Two course majors are offered in local institutions: BS Marine Engineering and BS Marine Transportation. Population drastically dropped in 1998 due to the Asian financial crisis. Although there was an increase in 1999, it could not equal the number in 1997. In all three years, it can be noted that BS Marine Transportation had a higher population reaching a total of 14,023 in 1999 than BS Marine Engineering with only 6,103 in 1999.

The APEC institutions require passing marks in the national examinations such as the Scholastic Aptitude Test (SAT) in the US and the Hong Kong Advanced Level Examination (HKALE). Only Malaysia specifies an age range of 17 to 21, normal color vision, physical and mental fitness. Since students in APEC institutions are not required to take any Licensure examination except in Australia (AMSA Certificate of Competency), it was not necessary to compare the performance of students in this aspect. The number of students per course increases every year by at least 10 percent in both local and APEC institutions. Contrast is seen in the big number of enrollees: local institutions have between 767 and 4572 students whereas APEC institutions accommodate only up to 510 students.

In the APEC institutions, courses other than BS Marine Transportation and BS Marine Engineering are offered such as BS International Shipping, BS Naval Architecture, BS Ocean Engineering, BS Maritime Science and BS Nautical Science. The Polytechnics in Singapore do not grant Bachelors Degree. Instead, they offer a three-year Diplome in Shipbuilding and Offshore Engineering, as well as Diplome in Marine Engineering. To earn an Advanced Diploma, one has to take an additional year of studies.

In the past three years, only roughly 20 percent of the total student population graduated, and another 20 percent dropped out in both the local Associate and Bachelors degree levels. In the APEC institutions, 95 percent of the total student population graduated and only 5 percent dropped out in both Diploma, Advanced Diploma and Bachelors degree levels.

Staff

Local institutions have between 53 and 213 full-time faculty members, each institution with one or two PhD degree holders and between six and 11 MA/MS degree holders. Most of their faculty members are Bachelor's degree holders. Some are working towards their MA/MS degree.

In the local institutions surveyed, teachers have degrees in either Psychology, Biology or Educational management. Most masters and doctorate degrees are not in the field of maritime education. Some have had training in nautical studies. All of the teachers are full-time with teaching experience ranging from two to 25 years. Teaching is mostly done in lecture, lecture-discussion and inquiry method. Experiments are rarely used while research and exercises are sometimes used. Course manuals, textbooks and projects are most commonly used as teaching materials. In local institutions, entry salary for faculty members with PhD is from US\$83.75 to US\$394.75 per month at 24 units full-load. Those with MA/MS get a salary range of US\$ 47.45 to US\$289.75 whereas those with Bachelor's degree are paid between US\$33.50 and US\$248.95.

APEC institutions have between 19 and 70 full-time faculty members. PhD holders in these institution number from two to ten. Their field of specialization are in Shipping Economy, Maritime Law and Port Economy. Their MA/MS degrees are in Maritime Law, Maritime Electronics Engineering, Maritime Education and training and Shipping Management. Some of their faculty members have Bachelor's degree and are working towards their MA.

Teachers surveyed in the APEC institutions have BS, MS and PhD degrees in maritime education from abroad. All of the teachers are full-time with teaching experience ranging from four to 30 years. All teach courses according to their specialization and training. APEC institutions' entry salary for faculty members with PhD is from US\$3,284.30 to US\$5,897.43 per month at 12 units full-load. Those with MA/MS get a salary range of US\$2,000.00 to US\$2,666.66. Those with Bachelors degree get lower than US\$2,000.00. In Australia, salary is not related to qualifications but to market forces. The exchange rate at the time of the survey was: 1 US\$ = 43.00 Philippine Peso; 1.70 Australian Dollars; 7.80 Hong Kong Dollars; 1.78 Singaporean Dollars; 30.50 National Taiwan.

Faculty Development

Teachers in the local institutions are very much involved in faculty development programs such as attendance in seminars, training and discussion of issues. Some have attended conferences related to maritime that are initiated by the CHED, FAPE and Coordinating Council of Private Educational Associations

(COCOPEA) and those organized by maritime associations such as Association of Maritime Education and Training Institutions in Asia-Pacific (AMETIAP). A few do consultancy work for industries and their government. Some of the administrators attend international conferences held abroad.

In the APEC institutions, some teachers are involved in faculty development programs like research, committee meetings, consultancy and advisory. Some prefer to be involved in curriculum review while others lack the time and therefore rarely participate. Conferences that teachers attend are those maritime-related organized by maritime associations such as Martech and International Marine & Dredging Consultants (IMDC). The APEC institutions send faculty members to local and international conferences on technological exchange and advisory meetings on marine structures.

Physical Resources

All of the maritime institutions have more than one building. Those located outside Manila are located in more than three hectares each, occupying from five to ten buildings ranging from four to 15 storeys high. There are more than 40 classrooms that can accommodate between 40 and 50 students. All of the local institutions have their own auditorium, chapel, library, grandstand, swimming pool, guidance counselor's office, clinic, restrooms and canteen. Most of them have gyms, track oval and student accommodations. One institution has a Gyro Compass, VHF Radio, Mock Bridge, Global Positioning System, Gas Welder, Lathe Machine, and a Ship Auxiliary Machine. Three of the institutions have training ships.

Most of the APEC institutions are located in one campus within the university except for Australia and the USA. Most institutions have their own building within the university campus. Classrooms are shared with other departments except for the laboratories which are especially designed for maritime studies. Tutorial classes are held in small rooms for 20 students. Lectures are held in auditoriums and large classrooms that can accommodate up to 450 students. All of the APEC institutions have their own auditorium, library, grandstand, swimming pool, gym, track oval, restrooms and canteen and student accommodations. Some of them have a Guidance Counselor's Office and clinic. Australian Maritime College has invested so much in facilities like a cavitation tunnel, towing tank, flume tank, model test basin, marine engines, refrigeration units GMDSS, control gear, ECDIS RADAR, ARPA, Survival Training Center, Marine Simulators and Technical Resource Center, Ship Hydrodynamics Center, Thermodynamics Building, Electrotechnology laboratory, Cavitation Testing facility, to mention some. In all of the institutions visited, safety control equipment and gadgets are well-maintained and properly placed because safety is of very high importance to them.

Financial Resources

Among the four local maritime institutions, three are privately owned and one is government-funded (public). The source of income of private institutions is primarily tuition fees and, secondarily, donations. The public institution gets government subsidy but requires students to pay for their own uniform. Tuition fee in private institutions ranges from US\$ 288.00 to US\$ 300.00 per year at 24 units per semester.

All of the nine APEC maritime institutions are partially government-funded (public). In Singapore, students are required to pay 10 percent of their tuition. In Australia, 65 percent of the institution funds come from government subsidy, 15 percent from students' tuition and 20 percent from commercial industries. California Maritime Academy is a public institution that charges students 100 percent tuition. Tuition fees range from US\$5,397.43 to US\$26,180.00 a year at the average of 24 units per semester.

Between 35 and 45 percent of budget allocation in local institutions go to salaries and professional fees. Twenty percent go to facilities and equipment. The rest is allotted for library and teaching materials as well as overhead expenses. Eighty five percent of budget allocation in APEC institutions go to salaries and professional fees. Ten percent go to equipment and upgrading of facilities. The rest is allocated to teaching materials.

Foreign Students and Scholarship Grants

Three out of the four local institutions have between four and 11 scholars from Bangladesh. Scholarship grants from internal and external source are enjoyed by at least three percent of the local students in the private institutions. Students in the public institution get 100 percent tuition, miscellaneous fees and accommodations subsidy from the government. They, however, have to shoulder their own uniforms. Most of the external sources of scholarship grants are shipping companies such as Sulpicio Lines, TSM, K-Line and Project Alpha.

Foreign students from Germany, Malaysia, Indonesia, Burma and China are accepted every year in the APEC institutions, comprising three percent of the student population. Australia has 247 foreign students from 44 different countries. Between 10 and 30 scholarship grants besides government subsidy are awarded every year. In the US, there are also several scholarship grants from private benefactors associated with the academy.

External Inputs

Three out of four local institutions are accredited by Philippine Accrediting Agencies while one is working towards it. Two out of four are accredited by Det Norske Veritas (DNV). All of the institutions comply with the ISO standards and are STCW compliant. Philippine Merchant Marine Academy is in the International Maritime Organization (IMO) list of institutions. All are affiliated with local associations of maritime institutions and organizations such as: Society of Naval Architects and Marine Engineers (SNAME), Philippine Association of Tertiary Level Educational Institutions in Environmental Protection and Management (PATLEPAM), Philippine Association of Campus Student Adviser (PACSA), Philippine Association of Maritime Institutions (PAMI) and Association of Maritime Education and Training Institutions in Asia-Pacific (AMETIAP).

PROCESSES

Induction

The local institutions state as their vision their desire “to be a world-class maritime institution,” “to provide quality marine education for sustained supply of global technical manpower.” One institution focuses on education for the “total integration and formation of well-rounded individuals.” Another sees its role in producing graduates who are internationally acceptable through quasi-military training.

The APEC institutions see themselves as part of the state and industry. This is expressed in their vision “to provide academic excellence for Hong Kong’s shipping and logistics industries,” “to educate in the highest standards of excellence to meet the technological, economic and social needs of Singapore.” The American and Australian institutions aim for global leadership in maritime as they “provide quality education combining intellectual learning, applied technology, leadership development and global awareness” and “to be the pre-eminent global maritime university and be recognized as Asia-Pacific’s leading provider of maritime training, consultancy and research. Malaysia has for its vision, “the cultivation and promotion of a strong sense of responsibility, determination, endurance and team spirit to ensure safe and efficient shipping.” Korea’s vision is more skills-based: “to provide education for leaders of future maritime industries through extensive studies of science and technology on ship operation management.”

Curricula and Assessment

Two out of four local institutions surveyed offer Masters Degrees in Marine and Nautical Science, Shipping Business Management and in Maritime Education.

All of them offer BS degrees in Marine Engineering and BS Marine Transportation. One institution offers BS Customs Administration while the other offers the degree of Associate in Marine Transportation and Marine Engineering.

Only two among the APEC institutions offer Doctor of Philosophy in Marine Management and Doctoral Course in Maritime and Transportation Systems Science. Three offer Master's Degree: Master of Philosophy/MBA in Marine Management, Higher Degree in Shipping Management Studies and Masters in Maritime Science. Several majors are offered under the Bachelors Degree: BS Engineering major in Naval Architecture, in Ocean and in Maritime and in Offshore System; BS Shipping Technology and Management; BS Marine Engineering Technology; Bachelor of Management in Maritime Transportation and BS Marine Transportation. Advanced Diploma in Maritime Transportation is a two-year course available to those who have a three-year-Diploma in either Maritime Transportation, Nautical Studies or Marine Engineering.

All of the local institutions require three years of study and one year of apprenticeship in shipping companies in the Philippines to earn a Bachelor's degree either in Marine Transportation or in Marine Engineering. The number of course units for major courses range from 93 to 96. Between 42 and 62 units of core courses are required, including philosophy, english, math, science, history and physical education. All require a three-unit computer course and additional three-unit-courses in general psychology and personnel management. This totals to a range of 146 to 163 units.

The APEC institutions require three years of study and apprenticeship done during the summer vacation in shipping companies in the country and abroad. Some institutions require laboratory courses for which the students do not earn credit/unit. The number of units required for major courses range from 78 to 150 for Bachelor's degrees. Eighteen to 34 units of core courses are required. All require a three-unit computer course and additional units for other courses such as: accounting, economics, law, organization and management, and office communication and interviews. Only California Maritime Academy offers engineering ethics and six units of humanities.

Teaching and Learning

The medium of instruction in all of the local institutions is English. Students are exposed to books and other reading materials in English and are therefore required to write papers in English. Teaching is mostly through lecture, lecture-discussion and experimentation. Inquiry is never used while research is sometimes used. Course manual, exercises and projects are the most common teaching materials. Both local and APEC institutions sometimes use case studies. All of the

local institutions require their students one year of apprenticeship: seagoing service either after their third or fourth year of course study. The institutions have a list of local shipping companies that accommodate their students in the different departments of the shipping industry.

China, Malaysia, Taiwan, Japan and Korea use their native language as the medium of instruction. Australia, US, Singapore and Hong Kong like the Philippines, use English. Students are comfortable with technology since the institutions provide each student with a computer through student-loan, aside from the numerous computer stations around the campuses. Apprenticeship is required among their students either during summer break for two months or “industrial attachment” with shipping industries local or overseas for 14 weeks. Hong Kong sends its students either to mainland China or to the United Kingdom.

Student Guidance and Support

Upon admission into the maritime school, the students in local institutions are given all orientation for one week. Handbooks and brochures are distributed to them. They have access to the university library which houses books, journals and other reading materials in English. Three out of four maritime schools surveyed claim to have their own research journals.

In the APEC institutions, printed materials such as brochures, syllabi and readings are given to each student after the orientation. The libraries in Taiwan house books and other learning resources in the native language. In Hong Kong, Australia, Singapore and America, learning resources are in English. The students can have easy access to journals and articles from other countries. That are printed in English.

Student Record System

There is a systematic recording system of student achievement and performance in both local and APEC institutions through the registrar and records section. This, however, is effective only at the level of presently enrolled students. Not all institutions keep a reliable file of the students after they graduate—alumni are not systematically traced.

Management and Administrative Systems

Except for one institution, all of the Filipino administrators do not have formal studies in Maritime Education. They have either a BS, MA, MS or PhD in management or administration. All are full-time administrators and are not teaching

any courses. All have had administrative experience locally ranging from two to 28 years. All of the local institutions have their own administrative assistants, part-time doctor and nurse, accountant, counselor, librarians, chaplain, maintenance service providers and many security guards.

In the APEC institutions, most of the administrators have BS degree in Maritime Education. All have earned MS and PhD in Maritime Education abroad. Most administrators are teaching maritime courses according to their area of specialization. All have had administrative experience locally and abroad. APEC institutions likewise have administrative assistants, accountants, librarians and counselor. They do not have doctors, nurses, chaplains nor security guards. They do have a number of technicians and boat house managers.

12. Review and Evaluation Processes

In the local institutions, faculty evaluation is done by the students and department heads and or the dean. Some institutions do peer-evaluation.

The local Institutions are the top performing public and private maritime institutions as proven by their records in the Maritime Licensure Examination from 1983 to 1993. These institutions are accredited by local accrediting agencies such as PAASCU and PACUCOA and are Standards of Training, Certification and Watchkeeping for Seafarers (STCW) compliant.

Teachers in the APEC institutions are evaluated by internal and external examiners. Internal examiners are the students and staff/personnel. External evaluation is done yearly by either a professional agency or a government authority. The six maritime institutions in the Asia-Pacific region are members of the International Association of Maritime Universities (IAMU). Being part of this Association, the institutions are expected to continuously upgrade their standards. The other participating institutions, Hong Kong Polytechnic University, Singapore Polytechnic, Ngee Ann Polytechnic and Maritime Academy Malaysia are the prime and government-supported maritime institutions in their respective countries and are systematically regulated by their respective Ministries of Education.

OUTPUTS

Students

The local institutions do not keep a consistent record of their graduates' employment. The researcher therefore derived data on seafaring employment from the POEA. The report presents figures that show employment rate regardless of

educational background. Based on the “Supply and Demand Analysis of Filipino Seafarers,” the total employed Deck and Engine Cadets in 1998 was at 2,280 and 1,700 respectively, or a total of 3,980; while total Registered Deck and Engine Cadets reached 66,649 and 81,082 respectively or a total of 147,731 (2.69 percent). The employment rate of Deck Cadets for 1997 is 3.85 percent while for Engine Cadets, the rate is 2.18 percent. The average demand growth rate for both Deck and Engine Cadets stands at 5.02 percent. Table 12 shows the job categories Filipino seafarers are employed in.

Table 12: Job employment of Filipino seafarers

Deck Department:	Radio Officers, Third Mates, Second Mates, Ordinary Seamen, Chief Mates, Boatswain, AB/QM and Carpenters
Engine Department:	Second Engineers, Chief Engineers, Third Engineers, Motormen, Firemen, Fitters, Pumpmen, Mechanics, Electricians, Greasers, Engine Storekeepers and Oilers
Catering Department:	Messmen, Assistant Cooks, Chief cooks, Utility men / girls, Stewards, Waiters / waitresses
Special Category:	Fishermen and Special Ratings

Source: Annual Employment Rate, POEA 1998

The table above reveals that most Filipino seafarers are employed in the Deck and Engine Departments. These are the areas that demand maintenance and service skills. Filipino seafarers are also present in the Catering Department for their kitchen skills, which is not part of their maritime training.

The APEC institutions have identified the following areas where their graduates are employed:

1. Shore-based employment in maritime & maritime-related industries

2. Offshore industries: process engineering, maintenance engineering and management, design engineering, planning engineering, R&D engineering, workshop administration, repair management, surveying, transportation logistics, storage, telecom manufacturing, port management, intermodal transportation & logistics marine insurance, finance, sales oceanographic orgs, biotech facility engineering & manufacturing hospitals, power plants, environmental companies, warehousing, trade and commerce and thermal power plants

Except for one, the local institutions have no record of their graduates' employment status. This institution revealed that only 30 percent of its graduates are employed within their area of specialization while 70 percent are not.

Between 75 and 98 percent of the graduates of APEC institutions are employed within their area of specialization. Singapore closely monitors its graduates and reports that in the past 10 years, their graduates are employed as follows:

Table 13: Graduates' employment

Shipyard	20.69
Marine-related Ind	12.41
Service (engg srvcs & equipment sales)	9.66
Min of Defense	15.17
Gov	9.66
Classification Society	.69
others	13.79
No response	17.93
Total	100%

Their survey shows that second to shipyard work is employment in the military.

Graduates' characteristics, strengths and weaknesses

According to the local institutions, their graduates' positive traits are: courtesy, humility, industry and service-orientation. They are likewise determined, trustworthy, trainable, flexible and competent. They have knowledge of the English language and skills in the use of facilities. The teachers perceive their graduates as skilled in technical work, disciplined, diligent, hard-working. No institution has

indicated their graduates' weaknesses. PMMA prides its graduates for having a quasi-military education in maritime.

The APEC institutions take pride in their graduates who are competent in their field of specialization and who possess a sense of responsibility towards work. Australia equips its graduates with multi-cultural, multi-disciplinary knowledge with focus on things maritime. Their teachers perceive them to have analytical ability to think through the repercussions of their actions, to see the big picture and focus on specifics where necessary. They possess basic knowledge and training in all nautical and marine engineering subjects through the use of state of the art facilities and good exposure to applied and theoretical studies. They are also able to communicate effectively.

Staff

Research and Publication

Due to the different priorities stated in the local institutions' vision, not all of them undertake research work. One institution has completed seven research projects in a span of three years, while the other does not apply for research grants but offers funding for major research projects on maritime-related studies. The Manila-based institution does not yet engage in research projects but keeps itself active in internal tracer studies as it focuses on teaching. There are research works initiated by individual faculty members such as those that pertain to waste management system, ocean clean-up and supply and demand of Filipino seafarers.

Most of the teachers in the APEC institutions are actively involved in funded research studies on topics related to ship and boat safety and structure, or pipe measurement. As these institutions are government funded, they are expected to produce as much research as they can every year. Institutional funding is linked to research output which is ultimately used by the government and local industries to improve the state of shipping and maritime in each country. Research grants range from US\$6,000.00 to US\$93,000.00 per year. Faculty members are very much involved in research on topics such as instrumentation of the diesel engine, ship/boat safety, intelligent pipe measuring system and causes of failure of ship structures. They are encouraged to do consultancy work while teaching in their respective institutions. Only some institutions have their own publications. They opine that it is better to publish in international journals than go through the publication process.

Extension Work

All of the local institutions have institutional extension work such as waste management, herbal garden planting, stress management, coastal clean-up and

ecological awareness activities. Some institutions provide consultancy work service for accreditation agencies.

For APEC institutions, extension work is done in many different forms such as Distance Education Programs for indigenous students in the country, short courses for local industries, consultancy to shipyards, journal editorship and membership in committees for examination and external programs.

Strengths and weaknesses of Maritime Institutions as perceived by administrators and teachers

Local institutions consider as their strength the commitment of their teaching force, their laboratory and simulation facilities and their masters degree programs. They see as their weakness the lack of state-of-the art facilities and limited books in maritime education. They also recognize the need to upgrade their curriculum and salary structures to be able to expand their linkages and do more research. As perceived by the teachers, their institutions desire to produce quality graduates and be globally competitive in maritime education and industry. They provide spiritual, social and intellectual support for the students to be of help to national growth in the future. Some teachers think that their institutions have updated instructional materials and upgraded facilities while the others feel their equipment, simulators and laboratory facilities need upgrading. Instructors feel the need to update themselves on the changes in maritime technology, to continuously develop teaching and learning aids and to expand their research work. They recommend continuous monitoring of all of the programs the institutions offer to be able to compete with the world market.

In the APEC institutions, distinction is made between off-shore and sea-going training. They see as their strength their qualified teaching force who, as teachers, are also actively involved in the industry through research and consultancy. They admit that they need to teach their own students how to do research. According to the teachers, there is a need to develop more distance learning programs, give the students more experience in actual ship design and construction, introduce more IT-related components and management-related topics to the curriculum to be able to respond to government and industry demands. The need is felt to diversify into oceanography and sea-farming and to strengthen links with institutions abroad.

It is also perceived necessary to provide the teaching staff with opportunity for overseas training and exchange through sabbatical leave.

CONCLUSIONS

This study was primarily intended to benchmark educational practices in nursing and maritime in Philippine institutions with *best practices* in the APEC region using the Inputs, Processes and Outputs Framework; and secondarily, to determine the *comparative advantage* of local institutions in the areas specified.

Comparative Advantage of Local Nursing Institutions

Based on the findings of this study, the local nursing institutions prove to have the following comparative advantages:

1. The nursing professional is educated through a combination of competency-based and community-oriented BS Nursing curriculum. This kind of education offers much more than what a skills-based curriculum can.
2. The four-year-requirement to earn a Bachelor's degree in Nursing adequately prepares nurses for professional work. Dr. Clair Faign, former president of National League for Nursing in the US, asserts that the minimum requirement for a professional nurse is four years of college education. This is due to the following reasons:
 - a. The general population demands generalist care givers who can function well in various clinical settings;
 - b. We need a pool of clinical specialists, leaders and researchers who are capable of receiving advanced training; and
 - c. For nursing to establish productive collaboration with health care workers who are as well-trained as other health workers.

In order to educate safe, capable and productive practitioners, it is the responsibility of the nursing profession to have a BS Nursing as an entry level of education for a professional nurse (Kim 1997).

3. A General Education grounded in Liberal arts strengthens the character and values of the person as a care giver. This is another advantage over the purely skilled worker.

4. The medium of instruction in all of the local institutions, which is English not only prepares students for both national and international licensure examinations but also gives them access to the ever-growing literature in health sciences. Their communication skills, competence and confidence in the use of the English language certainly contributes to effective health care in any setting.
5. Capability to participate in research in nursing and other health sciences.
6. Flexibility in and openness to the use of new teaching approaches.
7. Active involvement in extension work that reaches out to various sectors.

Comparative Advantage of Local Maritime Institutions

Based on the findings of this study, the local maritime institutions prove to have the following comparative advantages:

1. The 3-1 Bachelor's degree program, consisting of general education, specialization courses and one-year apprenticeship where:
 - a. General education strengthens character and values necessary for students who will be serving locally and internationally;
 - b. Specialization courses equip students with the necessary skills required in the field;
 - c. Apprenticeship program provides the students with first-hand experience in the different departments of the shipping industry.
2. **The medium of instruction, which is English**, enables them to communicate and participate in discourse and exchange of ideas. It also gives them access to the growing literature in the industry.
3. **The emphasis of discipline, hard work and team work in maritime education**, which are essential characteristics of servicemen in the industry.
4. The institutions' ties with the shipping industry.

The comparative aspect of the study, however, revealed that the courses, especially pertinent to maritime industry, address various needs of the industry. For one, more developed regional economies like Hong Kong, Singapore, Australia

and the United States have already transformed what they used to offer as maritime course, into **offshore and sea-based courses**. One example is Naval Architecture, which is basically oriented towards the construction and production of high-technology driven naval vessels. Our courses, on the other hand, remain inclined to produce the manpower needed to man the operations of these naval vessels. Hence, there is no basis for study of the competitive advantages of the local courses against those in the APEC economies.

RECOMMENDATIONS

On the basis of the significant findings of this study, the following recommendations are proposed:

NURSING

Some educational inputs and processes have to be improved by the local nursing institutions to be able to turn out graduates who can compete in the global market.

Inputs

- a. Include skills-based assessment in the selection process;
- b. Adopt a strategic hiring process to attract competent local and foreign nursing practitioners and educational managers to teach;
- c. Study the teachers' compensation scheme and benefits;
- d. Invest in the use of IT self-directed learning and state of the art facilities;
- e. Incorporate research units into the teachers' load and urge them to publish in refereed journals of national and international readership;
- f. Send teachers to local and international conferences to interact with other practitioners in the APEC region;
- g. Urge teachers to complete higher studies.

Process

- a. Strengthen the BS Nursing curriculum through periodic evaluation of inputs, processes and outputs;
- b. Include a variety of elective courses on newly developed areas of study in the field of nursing such as Pain Management, Nursing Care for HIV-Infected Clients, Nursing in Multicultural Settings, Children and Health, Women and Health, Nursing in Varied Settings (eg: industry, schools, nursing homes, military);
- c. Integrate into the curriculum skills required of nurses operating in a multi-sectoral and complex health care system such as economics of health care, basic management skills, legal matters, data base maintenance, team work, multicultural studies, ethnic beliefs, health and social practices and applied research;
- d. Develop openness to new approaches in teaching nursing;
- e. Seek membership in professional associations nationally and internationally.

Maritime

Some educational inputs and processes have likewise to be improved by the local maritime institutions to be able to turn out graduates who can compete in the global market.

INPUTS

- a. Restructure the compensation scheme and benefits to attract qualified teachers. Employ practitioners in the industry to teach skills-based courses;
- b. Upgrade facilities and install simulators;
- c. Forge stronger ties with shipping industries for continuous upgrading of skills and updating of knowledge for both the teachers and the students;
- d. Provide teachers the opportunity for overseas training and education.
- e. Extend participation in local and international conferences to teachers to be able to interact with other practitioners and teachers in the APEC region.

Process

- a. Systematically combine theoretical and practical aspects of maritime education to prepare the student for the variety of work exposure during apprenticeship in the industry;
- b. Incorporate research findings in maritime courses to increase knowledge of the field;
- c. Encourage subscription to journal publications and magazines;
- d. Increase the use of IT in course work;
- e. Seek membership in professional associations locally and internationally;
- f. Include a variety of elective courses on newly-developed areas of study in the field of Maritime such as Shore-based and Offshore Management, Materials Technology and Computer-aided Design;
- g. Integrate into the curriculum other skills and knowledge required of servicemen who operate in a complex, global system such as Data Base Maintenance, Planning and decision-making, ethics, multi-cultural relations and foreign languages other than English.

The Philippine's immediate concern is internal efficiency, i.e., to upgrade the present state of our maritime and nursing institutions. The CHED is the best government agency to provide mechanisms for their improvement. Once internal efficiency is achieved, Philippine HEIs can aim for a higher level of accreditation and recognition by International Accrediting Agencies.

A study on market supply and demand in both fields of nursing and maritime should be undertaken to guide forecasting, decision making and collaboration with the global market.

A study on the *competitive advantage* of our maritime graduates can be done with those from other developing regional economies such as Malaysia, Vietnam, Indonesia, and Thailand, which compete with the Philippines in supplying the lower-end manpower needs of the industry.

Likewise, a study on the *competitive advantage* of our nursing graduates can be done with those from the US, Japan, Korea and Thailand, which similarly supply care-providers and nurses.

In the light of the comparative advantages that surfaced through this benchmarking study, local accrediting bodies should now aim at regional accreditation and certification. This will pave the way for local professional associations to enter into Mutual Recognition Agreement (MRA) within the APEC region.

In the light of the APEC Educational priority areas for cooperative activities, possibilities for MRA may now be worked out. MRA could be of particular interest to HEIs in the APEC region because through this, national standards can be aligned with international standards. It provides a venue for cooperation among the HEIs to better respond to the demands of the global market. Certainly, it can also encourage international harmonization of standards and regulation. Through MRA, graduates will have a wider opportunity and greater competitiveness to compete in the international arena. The entry of foreign students will serve as a challenge for the government and domestic industry in obtaining a competitive reputation in the international arena.

MRA is certainly an important agenda for increasing mutual understanding within the APEC region. At this point in time however, maritime and nursing education in the Philippines have a number of challenges to address before entering into Mutual Recognition Agreements (MRA) with similar institutions in the APEC Region. It is therefore recommended that another study be conducted on the components and legal scope and implications of MRA as a process. The output of such a study can be an APEC Framework for Mutual Recognition Arrangements between HEIs in the Philippines and in the APEC Region.

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ABOUT THE AUTHORS

Tereso S. Tullao is a professor and former dean at the College of Business and Economics at the De La Salle University. He obtained his Ph.D. from the Fletcher School of Law and Diplomacy, Tufts University, Massachusetts, USA. He served as a visiting professor at the Waseda University in Tokyo Japan, Shanghai University of Finance and Economics in China, Ohio University in Ohio USA and the Institute For International Studies and Training in Fujinomiya, Japan.

Veronica Esposito Ramirez is an assistant professor at the College of Arts and Sciences at the University of Asia and the Pacific. She finished her Ph.D in Educational Administration from the University of the Philippines. She authored papers on school administration, education and culture, research writing and language curriculum.

Allan B. I. Bernardo is a cognitive and educational psychologist who is currently a Full Professor and Vice President for Academics and Research at the De La Salle University. He is also the current Director of the Lasallian Institute for Development & Educational Research. He obtained his Masters and Ph.D. in Psychology from Yale University. His research programs focus on mathematical and bilingual cognition, relationship among culture, language, literacy, thinking, learning and educational reform.

Zenon Arthur S. Udani is currently a visiting professor at the University of Macau. He obtained his Ph.D in Science Education from the University of Navarre, Spain and his Master in Business Administration from the University of the Philippines. He is the author numerous publication on professional education, family and work values and a seasoned trainer for various government and private organizations.

ABOUT THE PUBLISHER

The **Philippine APEC Study Center Network (PASCN)** was established on November 23, 1996 by virtue of Administrative Order No. 303, as the Philippines' response to the APEC Leaders' Education Initiative. Among the goals of PASCN are to promote collaborative research on APEC-related issues; facilitate the exchange of information between or among government and nongovernmental organizations, academic or research institutions, business sector, and public in general; encourage faculty and students of higher education to undertake studies, theses and dissertation on APEC issues; undertake capacity-building programs for government agencies on matters related to APEC; and provide technical assistance to government agencies and private organizations on APEC-related initiatives.

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Education is not only a matter of life-long learning, it is a matter of global experience.

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Such is the nature and complexity of the forces involved in globalization that any discussion of its impact upon education raises fundamental issues and is a matter of considerable debate. The forces associated with globalization have conditioned the context in which educators operate, and profoundly altered people's experience of both formal and informal education.

Education and Globalization is a collection of four studies funded by the Philippine APEC Study Center Network. It tackles the impact of globalization on the key dimensions of our higher educational system. It traces the forces that have contributed and impeded globalization of education and more importantly, it identifies various threats and opportunities brought about by globalization of higher education, particularly to a developing country like the Philippines.

PHILIPPINE APEC STUDY CENTER NETWORK SECRETARIAT
PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES
NEDA SA Makati Building
106 Amorsolo St. Legaspi Village
1229 Makati City, Philippines
Tel. no.: PASCN (63-2) 8939588, 8925817
Fax no: PASCN (63-2) 8939588
E-mail: pascn@pidsnet.pids.gov.ph
URL: <http://pascn.pids.gov.ph>