

Republic of the Philippines  
OFFICE OF THE PRESIDENT  
COMMISSION ON HIGHER EDUCATION

CHED MEMORANDUM ORDER (CMO)

No. 06

Series of 2003

**SUBJECT: POLICIES AND GUIDELINES ON TRANSNATIONAL EDUCATION**

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In accordance with the mandate of Republic Act (RA) No. 7722, otherwise known as "Higher Education Act of 1994," pursuant to the pertinent provisions of the 1987 Constitution, the Education Act of 1982, the Manual Regulations for Private Schools and by virtue of CHED Resolution No.048 dated February 17, 2003 and other relevant policies and guidelines on the establishment of schools in the country, this set of **POLICIES AND GUIDELINES ON TRANSNATIONAL EDUCATION** is hereby adopted and promulgated by the Commission for the guidance of all Higher Education Institutions (HEIs), thus:

**ARTICLE I**  
**STATEMENT OF GENERAL PRINCIPLES AND POLICIES**

1. The Commission on Higher Education recognizes that globalization, changing foreign policies, and liberalization of trade in goods and services worldwide have created a climate for borderless teaching and learning as well as expanded the opportunities for transnational education which includes but is not limited to the establishment of universities and colleges abroad, higher education franchising, and distance education.
2. This phenomenon, together with the rapid developments in information and communications technology, promotes access to foreign qualifications, degrees, certificates and diplomas. It also encourages universities, colleges and training institutions to offer credits and degrees in a borderless environment.
3. The Commission on Higher Education is mandated to preserve and protect the rights of all Filipino citizens to quality and affordable education, to improve the quality and international comparability of higher education programs and institutions, and to facilitate the development of a human resource base responsive to the demands of the times.
4. The Commission hereby establishes the **POLICIES AND GUIDELINES ON TRANSNATIONAL EDUCATION**. The policies and guidelines herein set forth shall define the scope, procedures, the extent of regulation as well as the mechanics of recognizing foreign educational higher education providers and their courses of study/curricular programs offered in the country.

## ARTICLE II DEFINITION OF TERMS

For the purposes of these Policies and Guidelines:

1. Curricular Guidelines shall refer to a set of guidelines issued by CHED prescribing the minimum requirements for undergraduate, graduate and post-graduate degree/s or course/s.
2. Courses of Study refers to subjects that constitute an academic program.
3. Academic Program shall refer to a set of courses of study the completion of which leads to a degree.
4. Foreign Higher Education Provider (FHEP) refers to foreign-owned and duly recognized higher education institution following or abiding a prescribed system of education duly registered in a country other than the Philippines.
5. Franchiser/Resident Agent/Broker Representative shall refer to a SEC registered and accredited entity authorized to procure, install, maintain, market or deliver educational programs or materials from a FHEP.
6. Local Learning/Tutorial/Information Center refers to the site/s within the host country, in this case, the Philippines, to be used in marketing or delivery of foreign licensed educational programs or materials.
7. Transnational Education refers to the real or virtual movement of teachers, students, courses of study, and academic programs from one country to another.
8. Distance Education shall mean a mode of educational delivery whereby teacher and learner are separated in space and time and instruction is delivered through specially designed materials and methods and is supported by organizational and administrative structures and arrangements. Distance education may utilize various types and combinations of print-and non-print-based learning methods. Face-to-face tutorials or virtual discussion groups may support learning.
9. Accreditation refers to the recognition given by national, regional or international accrediting agencies to educational programs or institutions based on acceptable levels of quality and performance.
10. Presence of Business shall include advertisement, opening of offices whether tutorial centers or branches, appointing representatives or who in any calendar year for a period of 180 days or more, participating in the management, supervision and control of educational programs and other related acts.

## ARTICLE III OBJECTIVES

1. Define and describe existing and emerging models of transnational education.

2. Provide the guidelines on the establishment and operation of foreign higher educational providers in the Philippines.
3. Provide the policy environment for the effective integration of quality higher education programs in the country so as to promote models of innovation in teaching and learning strategies and school administration.
4. Promote the development and utilization of modern and innovative modes of transmitting knowledge using various technologies and media.

#### ARTICLE IV CATEGORIES OF TRANSNATIONAL EDUCATION

The Commission on Higher Education has the prerogative to determine and specify the modes of transnational education programs, which may be subject to appropriate policies, guidelines and regulations. The categories of transnational education are as follows:

1) **DISTANCE EDUCATION.** This type of education program may be offered solely by an FHEP or in partnership with a local agency or higher education institution as follows:

A. The academic programs offered directly by FHEP with no local representative/partner (e.g. via the Internet)

The academic programs are completely offered by the FHEP without employing a local partner. Credits and degrees are granted solely by the FHEP.

B. The academic programs are offered by FHEP with a local representative/partner.

Under this category, local learning centers may be established to provide student services such as student information, registration and related services. Local individuals may also be hired as tutors. Credits and degrees are granted solely by the FHEP.

C. Distance education programs offered jointly by FHEP and Philippine HEI.

Under this scheme, the FHEP enters into a consortium or partnership with Philippine public or private HEI. Instruction may be supplemented by tutorials conducted in local learning centers. The FHEP and the Philippine HEIs grant the credits and degrees jointly.

D. Franchised distance educational programs/courses

Under this scheme, a local HEI uses educational programs/courses owned by a FHEP under license agreement from the FHEP and in accordance with the established standards and policies of the FHEP. The local HEI grants the degree/certificates.

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## 2. FOREIGN EDUCATIONAL PROGRAMS OFFERED IN THE CONVENTIONAL MODE.

Conventional programs are classroom-based and require physical attendance by students.

### A. Conventional programs offered by FHEP thru a local branch or satellite campus.

Under this scheme, the FHEP establishes a branch or satellite campus in the host country in accordance with pertinent laws, rules and regulations, policies, standards and guidelines of such host country. Academic degrees are awarded by the FHEP.

### B. Conventional programs offered by FHEP thru a local representative/partner/ broker/ franchiser.

Under this category, the FHEP offers academic programs through a franchise arrangement with a local partner or higher education institution for the conduct of its academic programs. Degrees are granted by the FHEP.

### C. Franchised foreign educational programs/courses

Under this scheme, Foreign Educational Programs/Courses offered by the local HEI conducts the courses and programs under license from the FHEP in accordance with the established standards and policies of the FHEP. The local HEI grants the degree/certificates.

## ARTICLE V SCOPE AND COVERAGE

As a general rule, this set of policies and guidelines shall cover all FHEPs and their local representatives/partners/franchisers, training institutions, Philippine public and private HEIs, other entities operating transnational education programs described in Article IV including other similar modes which maybe determined or specified by the Commission on Higher Education in the future.

## ARTICLE VI GENERAL IMPLEMENTING GUIDELINES

**General Rule.** Only FHEPs recognized by their respective governments as quality higher education providers and accredited by a recognized accrediting body in the country of origin or its equivalent may be given government authority where it is required to offer undergraduate, graduate and post-graduate degrees.

No FHEP shall be allowed to establish its branch without approval of the CHED and appropriate registration required in the Philippines.

All undergraduate, graduate and post-graduate academic programs of an FHEP offered in the Philippines shall be operated or conducted in accordance with existing Philippine laws, rules and regulations and shall be subject to regulation and supervision by the Commission on Higher Education.

## ARTICLE VII SPECIFIC IMPLEMENTING GUIDELINES AND PROCEDURES

### I. FOREIGN EDUCATIONAL PROGRAMS OFFERED BY DISTANCE EDUCATION

- A. For academic programs offered directly by an FHEP with no local representative/partner (e.g. via the internet).

The FHEP conducting or offering distance education programs or courses of study as described in Article IV, Section 1A, shall be monitored by the Commission in order to give information to the public on their program offerings and accreditation status in their country of origin.

- B. For academic programs offered by an FHEP with a local representative/partner (e.g. via the internet).

The local partner of an FHEP in the delivery of distance education programs as described in Article IV, Section 1B shall be required to seek appropriate SEC registration upon recommendation of the CHED Central Office.

The Commission on Higher Education shall monitor these providers and their local partners in order to give information to the public on their program offerings and accreditation status.

- C. Distance education programs offered jointly by an FHEP and a Philippine HEI and or by a Phil HEI under a franchise agreement.

Distance education providers under categories described in Article IV, Sections 1C and 1D are required to comply with CMO No. 35 series of 2000 entitled "Updated Policies and Guidelines on Open and Distance Learning".

2. FOREIGN EDUCATIONAL PROGRAMS OFFERED IN THE CONVENTIONAL MODE. This refers to educational programs offered by foreign providers that are conducted in the conventional face-to-face, classroom-based mode.

A. Conventional programs offered by FHEP thru a local branch or satellite campus

Under this category, the FHEP shall be required to seek appropriate government authority to offer higher education programs considering the following:

- 1) Compliance with constitutional requirements on the ownership of business operations
- 2) Compliance with policies, standards and guidelines of CHED as also applied to Philippine HEIs

B. Conventional programs offered by FHEP thru a local representative/partner/broker/franchiser.

The local representative/partner/broker/franchiser shall be required to:

- 1) Seek appropriate SEC registration upon recommendation of the CHED Central Office.
- 2) Seek CHED authority on the academic program to be offered following appropriate policies, standards and guidelines.

C. Franchised foreign educational programs/courses

Philippine HEIs may use educational programs, courses, or instructional materials developed and owned by an FHEP as long as they have the required permit or license from the FHEP and provided they comply with the policies, standards and guidelines of CHED for curricular offerings.

## ARTICLE VIII APPLICATION PROCEDURES AND GUIDELINES

For transnational programs described in this CMO, the issuance of permit to operate academic program or certificate of recognition shall be governed by the following general procedures:

1. The FHEP or its representative, as the case may be, shall file with the Office of Programs and Standards its application for permit to operate or recognition of the program, along with the submission of all requirements;
2. The Office of Programs and Standards shall evaluate the documents and conduct inspection as appropriate. If compliance is incomplete, no favorable action is taken by OPS. If there is full compliance based on the inspection report, the OPS recommends favorably to the Commission *En Banc*.

3. If approved by the Commission *En Banc*, the permit to operate or certificate of recognition shall be issued.

**ARTICLE IX  
PERIOD OF VALIDITY OF REGISTRATION  
OF TRANSNATIONAL EDUCATION PROGRAMS**

The permit/recognition granted to FHEP and other concerned entities covered under Article IV hereof shall continue to be valid unless expressly revoked for valid reasons by the Commission on Higher Education pursuant to the pertinent provisions hereof.

**ARTICLE X  
BENEFIT OF REGISTRATION**

The issuance of a permit/recognition to a for a particular academic program/course of study has the following benefits:

1. It entitles the education provider to give the students who have completed all requirements of the program, the course certificate or diploma recognized by the Commission on Higher Education.
2. It entitles the graduate professional or employment recognition in the country.

**ARTICLE XI  
REVOCATION/WITHDRAWAL OF REGISTRATION**

The phase out or closure of any educational program operated by FHEP may be ordered by the Commission for valid cause pursuant to existing laws, rules, policies and regulation and after due process. The school shall be duly notified in writing by the CHED.

**ARTICLE XII  
ADVERTISEMENT**

Any advertisement or announcement referring to the program or courses of study being offered shall be done only after the FHEP shall have obtained the required permit from the Commission on Higher Education. It is unlawful for any school to advertise or cause the publication of any advertisement or announcement before a permit to operate is granted.

**ARTICLE XIII  
SANCTIONS**

The operation of any school or educational program or course of study, the operation of a foreign based school branch or extension, the operation of any entity presenting itself as a school

when it is not legally established as such, or the issuance of any certificate, degree or other title by a school without prior permit or authorization issued by the Commission, are hereby declared to be punishable acts subject to civil and criminal penalties and administrative sanctions as provided by law.

#### ARTICLE XIV TRANSITORY PROVISIONS

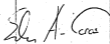
An FHEP operating degree program in various categories in the country shall comply with the provisions of this CMO within a year from the approval of this policy. However, new FHEPs and local partners shall comply with the provisions of this CMO upon application.

#### ARTICLE XV APPROVAL AND EFFECTIVITY

This set of policies and guidelines is hereby approved and shall take effect **EFFECTIVE FIRST SEMESTER 2003-2004**, Pasig City, Philippines \_\_\_\_\_ 2003.

SO ORDERED,

Pasig City, Philippines April 9, 2003



**ESTER A. GARCIA**  
Chairman