



## Senate

<b>Paper Title</b>	Proposal for the establishment of an international education and research campus at the Singhasari Special Economic Zone (SSEZ), Indonesia.
<b>Outcome requested</b>	To review the proposal and agree on the approach outlined.
<b>Points for Senate members to note and further information</b>	-
<b>Questions for Senate to consider</b>	-
<b>Regulatory/statutory reference points</b>	<ul style="list-style-type: none"> <li>• Since 2021, the Indonesian government has liberalised its international education strategy, creating regulatory pathways that facilitate the establishment of overseas university campuses. These policy reforms are embedded within the broader development of Indonesia's 22 Special Economic Zones (SEZs), each of which is designed to stimulate growth in key sectors through a combination of regulatory flexibility and tax incentives. The Singhasari SEZ is unique among these zones in its explicit designation as an education and innovation hub.</li> <li>• Investment in higher education and international research collaboration is central to this, and the creation of international campuses is a key mechanism to drive reform and capacity-building across the sector. This development will enable QM to take a leadership role in supporting this mission.</li> </ul>
<b>Strategy and risk</b>	<ul style="list-style-type: none"> <li>• The initiative is supported by a comprehensive risk management framework. Key risks include potential delays in regulatory approval, recruitment shortfalls, staffing challenges, and reputational issues associated with operating in a complex intercultural and regulatory environment. These are being mitigated through early stakeholder engagement, conservative financial forecasting, detailed planning, and the establishment of contingency protocols.</li> <li>• Particular attention has been given to safeguarding academic freedom, ensuring compliance with Queen Mary's core values, and protecting the interests of LGBTQIA+ staff and students. As a key component of the Queen Mary development and approval process, emphasis will be given to formulating an exit strategy with specific focus on teach-out obligations were an exit required.</li> </ul>
<b>Reporting/consideration route for the paper</b>	The Gate 2 Business Case will be presented to Strategy Programme Board on 9 June, seeking approval to proceed to Gate 3, and to negotiate the memorandum of agreement with the key project partner Singhasari Special Economic Zone, Indonesia (SSEZ).
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# **Proposal for the establishment of an international education and research campus at the Singhasari Special Economic Zone, Indonesia**

## **1. Context and Strategic Opportunity**

Queen Mary University of London proposes the establishment of an international campus within the Singhasari Special Economic Zone (SSEZ) in East Java, Indonesia. This initiative represents a significant strategic opportunity, aligning closely with Queen Mary's institutional priorities under Strategy 2030, and is designed to contribute to the University's academic, financial and reputational objectives through the expansion of its global footprint.

The proposed campus will be delivered in partnership with SSEZ and in collaboration with a consortium of UK Russell Group universities led by Queen Mary, including the University of Liverpool. Queen Mary aims to commence operations in September 2026, initially offering postgraduate taught programmes from participating schools within each of the three faculties and subsequently expanding to include undergraduate provision and research activities. Consortium members will begin operations on a phased basis from September 2027.

The proposal reflects the UK Government's broader strategic ambition to deepen partnerships in the Indo-Pacific, with Indonesia identified as a priority country in the UK's International Education Strategy and Integrated Review. It also supports the UK-Indonesia Joint Statement on Education Cooperation (2022), which commits both nations to expanding educational links and mutual recognition of qualifications, which will be renewed in September 2025 with the planned signing of the UK-Indonesia Strategic Partnership. The development of a physical academic presence in Indonesia represents a tangible step in implementing these bilateral objectives and is therefore receiving significant support from UK Government through the Foreign and Commonwealth office, Department for Business and Trade and the Department for Education.

## **2. Indonesian Education Reforms and Sectoral Drivers**

The rationale for this proposal is rooted in the strategic shifts in the international higher education landscape and the evolving policy context in Indonesia. Since 2021, the Indonesian government has liberalised its international education strategy, creating regulatory pathways that facilitate the establishment of overseas university campuses.

These policy reforms are embedded within the broader development of Indonesia's 22 Special Economic Zones (SEZs), each of which is designed to stimulate growth in key sectors through a combination of regulatory flexibility and tax incentives.

The Singhasari SEZ is unique among these zones in its explicit designation as an education and innovation hub. The Government of Indonesia has identified education and digital innovation as foundational to its long-term national development agenda, including its Vision Indonesia 2045 strategy. This roadmap aims to transform Indonesia into a knowledge-based, high-income country by its centennial year, emphasising human capital development, digital transformation, and global connectivity. Investment in higher education and international research collaboration is central to this plan, and the creation of international campuses is a key mechanism to drive reform and capacity-building across the sector. This development will enable Queen Mary to take a leadership role in supporting this mission.

This initiative aligns strongly with Indonesia's commitment to expanding access to quality higher education, addressing regional inequalities, and supporting the development of innovation ecosystems across the archipelago. By partnering with a UK institution, the Indonesian government aims to attract best-in-class academic provision and generate long-term impact through knowledge exchange, skills development and industry collaboration learning.

### **3. Institutional Engagement and International Collaboration**

The proposed campus builds upon the momentum generated by the signing of a Memorandum of Understanding between Queen Mary and SSEZ during the state visit of the Indonesian President to the UK in November 2024. The MoU was witnessed by senior Indonesian ministers and reflects bilateral interest in developing deeper academic and economic ties between the two countries. Since November 2024, further engagement between Queen Mary and senior Indonesian stakeholders has taken place including a multi-faculty delegation in February 2025, during which strategic alignment and institutional support were discussed and confirmed. The project has strong backing from the UK Government, which has framed the Indo-Pacific region as a strategic priority for education, science, and innovation collaboration.

Queen Mary brings to this initiative a proven track record in establishing and operating transnational education. The University currently delivers successful TNE activities in China via our long-standing partnerships with Beijing University of Posts and Telecommunications, Northwestern Polytechnical University and Nanchang University in Malta, our branch campus for medicine and dentistry, and in Paris with a focus on postgraduate programmes in law and humanities. These international education partnerships have demonstrated Queen Mary's capacity to manage academic quality, regulatory compliance, and intercultural engagement across diverse geopolitical and educational environments. This experience provides a strong foundation for the proposed campus in Indonesia and illustrates Queen Mary's commitment to sustainable, place-based international partnerships.

UK government departments, including the Department for Business and Trade and the Department for Education, have expressed their support for the development of a flagship academic consortium in Indonesia. The Foreign, Commonwealth and Development Office has also indicated interest in the role the project could play in enhancing soft power, economic diplomacy, and knowledge diplomacy objectives in the region.

#### **4. Academic Model and Programme Development**

The core aim of this initiative is the creation of a world-class education and research platform for Queen Mary in Southeast Asia. The academic offer will be designed to respond to regional skills gaps and to Indonesia's strategic sectoral priorities. The initial academic provision will comprise five postgraduate taught programmes delivered via a blended learning model that combines fly-in faculty from the UK, in-country academic appointments, and online learning. This blended model has been successfully piloted in Queen Mary's existing international partnerships and ensures academic quality while enabling cost-effective delivery. By year five of operations, the academic offer is projected to expand the number of postgraduate programmes, with the addition of undergraduate and postgraduate research components.

#### **5. Thematic Priorities and Market Positioning**

The selection of programme areas will be guided by three data points: a market analysis to be completed by Nous by early July 2025, a mapping of Queen Mary's existing academic strengths against the QS top 100 rankings and the Indonesian government's identified priority areas. These include artificial intelligence and data science, engineering, climate science, health and life sciences, early years development, international relations, strategic leadership, creative industries, and the blue economy.

Academic programming will be further informed by the commissioned market analysis to assess prospective student demand, competitor offerings, and tuition price points. A parallel strand of activity will develop collaborative research themes and establish institutional partnerships with Indonesian universities, enabling progression pathways and capacity building doctoral training.

The campus also provides a platform to align with Indonesia's national economic transformation agenda, particularly the push to develop high-value digital and green economy sectors. By offering educational programmes and research collaborations in these domains, Queen Mary will contribute to skill development, innovation capacity, and knowledge exchange in line with Indonesia's growth objectives.

## **6. Financial Model and Institutional Benefits**

A financial and operational model has been developed for the project. Capital investment for campus infrastructure, operational staffing, and technology provision, and student recruitment will be provided by SSEZ. This model substantially reduces the financial risk to Queen Mary and consortium partners and allows them to concentrate on programme delivery, collaborative research and building academic partnerships. Tuition fee revenue will be shared between the universities and SSEZ. Queen Mary will negotiate the percentage split and anticipates it to be in the region of a 60/40 basis in favour of each university. The project has the following financial estimates for Queen Mary:

- income of £0.9m for Year 1 (2025-26)
- a steady state annual income of £21.9m from Year 5 (2030-31)
- total income Year 1-Year 5 of £43.3m
- total cash generation Year 1-Year 5 of £23.2m
- total project direct costs of ~£649k

There are a series of assumptions made in arriving at this initial financial estimate. Delivery costs draw on both our China and Malta experience of costs. The student fees are estimated at £15,000 per year with a 5% annual inflationary increase included. Postgraduate programmes will be delivered from September 2026. The number of programmes has been limited to 5 for the purposes of this business case forecast. However, the number of programmes may grow beyond this number and include undergraduate programmes by Year 5. Student numbers are as follows: Y1 100, Y2 300, Y3 640, Y4 1080, Y5 2000. The number of students will be equally split across the 5 programmes (e.g. 20 students p/programme for Y1), and that continuation rate is 100%.

The student recruitment strategy will be supported by the Indonesian government's Indonesia Endowment Fund for Education Agency (LPDP). The government has committed to funding students for study at the campus. In addition to UG and PGT student fee-generated income, the project anticipates capturing research funding through government and industry partnerships, and international grants, and income generation through delivering executive education and short courses, alongside PGR to support capacity building.

## **7. Strategic Consortium and ASEAN Engagement**

From a strategic perspective, the campus provides a platform for Queen Mary to deepen its engagement with ASEAN, one of the fastest growing regions globally. The campus will serve as a beacon for UK higher education in the region, offering a unique consortium-based model that supports academic innovation, resource sharing, and collaborative research.

This approach ensures that consortium institutions operate on a non-compete basis, with distinct disciplinary strengths shaping the programme portfolio, allowing for complementarity. The University of Liverpool has already expressed interest in joining the consortium, and discussions have begun with Liverpool to formalise these arrangements through non-disclosure agreement and a collaborative operating framework.

## **8. Governance and Legal Framework**

The proposed governance structure includes a Joint Management Board comprising representatives from Queen Mary and SSEZ. This body will be responsible for strategic oversight, financial performance, quality assurance, and dispute resolution.

At the operational level, each participating university will establish a not-for-profit foundation in Indonesia, as required by local regulations. This structure will provide the legal framework for programme delivery, staff employment, and engagement with Indonesian regulators. Queen Mary will also lead on the development of service-level agreements with any local partners as required and the formulation of a robust academic governance model to ensure alignment with UK and Indonesian standards.

## **9. Project Timeline and Implementation Plan**

The timeline for implementation includes several critical milestones. In the current year, Queen Mary is finalising the academic programme portfolio and working towards the signature of a binding Memorandum of Agreement with SSEZ. Internal programme approvals and the submission of accreditation documents to the Indonesian Ministry of Education are scheduled for completion by December 2025. Recruitment and marketing campaigns will begin in Autumn 2025, targeting both individual applicants, progression partnerships and state-owned enterprises. Campus construction, staffing, and digital resource development will be completed in time for a September 2026 launch, contingencies will be articulated in the MoA to minimize risk to Queen Mary.

## **10. Risk Management and Regulatory Considerations**

The initiative is supported by a comprehensive risk management framework. Key risks include potential delays in regulatory approval, recruitment shortfalls, staffing challenges, and reputational issues associated with operating in a complex intercultural and regulatory environment. These are being mitigated through early stakeholder engagement, conservative financial forecasting, detailed planning, and the establishment of contingency protocols. Particular attention has been given to safeguarding academic freedom, ensuring compliance with Queen Mary's core values, and protecting the interests of LGBTQIA+ staff and students. As a key component of the

Queen Mary development and approval process, emphasis will be given to formulating an exit strategy with specific focus on teach-out obligations were an exit required.

### **11. Alignment with Queen Mary values and Vision 2030**

The proposal also aligns with Queen Mary's institutional values as articulated in the IPACE framework. The campus advances inclusivity by broadening access to high-quality education in a region where mobility constraints and socio-economic barriers can limit opportunities for international study. It reflects institutional pride by building on the university's track record of successful transnational education delivery and contributes to the university's ambition to be a globally engaged institution. The place-based approach to partnership reflects collegiality and ethical practice, ensuring mutual benefit and community impact.

#### **11a. Alignment with the International Enabling Plan**

This proposal is firmly aligned with Queen Mary's International Enabling Plan, which sets out the University's ambitions for global engagement through strategic, place-based partnerships. The enabling plan envisions a small number of robust, multi-faculty, large-scale international collaborations that integrate education, research and innovation in order to create transformative ecosystems. The Indonesia initiative is the first of three such strategic "beacon partnerships", alongside future developments planned for India and the MENA region.

The enabling plan recognises the increasing complexity of geopolitical factors affecting international student recruitment, and the need to develop transnational education hubs that serve as regional gateways for recruitment, progression, and collaborative research. By establishing a permanent academic and research presence within Indonesia's education-focused SEZ, Queen Mary can mitigate recruitment volatility while enhancing its institutional reputation across ASEAN markets.

Furthermore, the project contributes directly to several of the plan's key performance indicators. These include KPI 6 (student recruitment that enables achievement of 2030 objectives), KPI 9 (increased research volume), KPI 12 (improved cash generation), and KPI 13 (enhanced academic reputation). The focus on interdisciplinary teaching and collaborative research aligns with the enabling plan's intention to foster multi-dimensional partnerships that advance Queen Mary's academic and strategic profile internationally.

The Indonesia project also contributes to the enabling plan's broader goal of embedding an agile, university-wide culture of international engagement. By involving faculties from inception, integrating operational governance, and deploying a life-cycle

approach to student and alumni engagement, the initiative exemplifies the joined-up, strategic approach advocated in the enabling plan.

## **12. Long-Term Impact and Senate Recommendation**

The long-term benefits of the project are substantial. By 2030, the campus is projected to host up to 2,000 Queen Mary students annually and contribute significantly to Queen Mary's overall student recruitment planning, research output, and global reputation. It addresses urgent strategic needs identified in the University's risk register, including declining international student enrolments in the UK, financial pressures, and the need to develop large-scale, multi-faculty international partnerships that can demonstrate real-world research impact.

In conclusion, the proposed international campus at the Singhasari Special Economic Zone offers a compelling opportunity for Queen Mary University of London to expand its academic and global presence in a high-growth region. It combines strategic alignment with national and international policy priorities, robust financial planning, and a sustainable delivery model that foregrounds academic quality and institutional reputation. The project has been endorsed by key internal stakeholders and external partners, and it now seeks the support of the University Senate to proceed to the next stage of development, including finalisation of the MoA, internal programme approvals, and regulatory submissions.