

TRANSNATIONAL PROJECT APPLICATION TO IAG/IPC PROFORMA

TRANSNATIONAL INITIATIVE APPETITE STATEMENT

The narrative guidance to be considered in applications for the approval of new projects is supplemented by an 'appetite statement' which will help to frame the likelihood of a project being approved at the outset and thus reduce the likelihood of time being wasted on a project that would be unlikely to be approved.

It is essential that our transnational projects are closely tied to our mission and overall strategy as set out in *Aberdeen 2040*. Assessments of human rights, ethical issues, financial and reputational (including quality) risk and the undertaking of thorough due diligence along with legal advice are essential to any project that is deemed suitable to receive serious consideration. We will only consider engaging with partners working with whom would protect and promote our reputation, our brand and the quality of our student experience. Financial risk and income growth potential, geographical location in relation to other partners and in terms of priority markets, are all carefully considered. Among the many opportunities for transnational education projects that exist, it is important that the University focuses on those that offer the best long-term prospects and the best potential for securing overall financial sustainability for the institution. The risk appetite criteria below allow a matrix-based analysis of proposed relationships to be undertaken (additional criteria can be added according to the nature of individual projects).

The overall approach of the University in determining its appetite for a transnational initiative is to minimize its exposure to excessive risk whilst accepting that carefully managed risks can be key in securing the University's growth and long-term sustainability. The consideration of a project by the different groups in the governance structure will be based around questioning informed by each of the below appetite criteria and which together help to guard against optimism bias.

The University of Aberdeen has a **strong appetite** for a transnational initiative that:

- It has the capacity to deliver.
- Significantly enhances financial sustainability (whilst being commensurate with the *Aberdeen 2040* environmental sustainability commitments) with clear market potential and offers an appreciable rate of return (within a 3-5 year maximum period) in various tested scenarios without posing any unacceptable financial, Cybersecurity and Information Governance or reputational risk and not requiring Aberdeen capital expenditure in country.
- Provides secure and appropriate protections in international data transfers and protects the data-related rights and privacies of staff and students.
- In enhancing financial sustainability, reliable professional advice has been taken on risks and potential liabilities in such considerations such as domestic or overseas tax (corporate and personal), national insurance, pensions etc.
- Does not encourage or require excessive carbon-generating travel.
- Poses no threat to institutional autonomy or academic freedom nor risk to a breach of any potential export controls.
- Offers an achievable rate of return that is not unduly limited or threatened by local tax and financial regimes.
- Fits strongly with overall institutional strategy and the internationalisation-specific components thereof as set out in *Aberdeen 2040*.
- Significantly enhances the University's institutional profile and enables it to make a demonstrable and sustainable socially responsible contribution to the areas in which it operates.
- Offers new educational approaches offering sustainable wider access to education and/or significant enhancements to the student experience as well as promoting the internationalisation of our staff recruitment and staff mobility.
- Will maintain, if not enhance, the overall quality of the University's educational provision.
- Has the potential positively to extend research networks.
- Offers real potential for alumni relations and links with existing or future donors.
- Involves partners (for delivery, funding or other forms of involvement) with an existing high quality partnership network who are clearly and demonstrably suitable and reliable and who offer the prospect of a long-term mutually beneficial relationship.
- Has a clear and feasible exit strategy.

The University of Aberdeen has a **weak appetite** for a transnational initiative that:

- May not have the capacity to deliver.

- Does not enhance financial sustainability, has poor and fluctuating rates of return and which only offers appreciable return over a lengthy period, on the basis of an unacceptable financial, reputational or Cybersecurity and Information Governance risk or with a challenge posed by local tax and financial regimes.
- Offers weak or possibly insufficient protections in international data transfers and with regard to the data-related rights and privacies of staff and students.
- May be at risk of breaching any export controls in place.
- May adversely impact environmental sustainability.
- Requires some prior or continuing capital investment in country by Aberdeen.
- Does not fit well with overall institutional strategy and the internationalisation-specific components thereof as set out in *Aberdeen 2040*.
- Offers limited enhancement of the University's institutional profile.
- Offers limited enhancements to student/staff experience and mobility.
- Cannot clearly demonstrate propensity to maintain the overall quality of the University's educational provision.
- Has little scope to extend research networks.
- Poses potential issues for the accreditation of the University's provision by professional bodies.
- Does not offer real potential for alumni relations and links with existing or future donors.
- Involves partners (for delivery, funding or other forms of involvement) who are not known or found to be suitable and reliable and who may be interested in a mainly short-term, expedient relationship. This would include partners with little or no demonstrable experience of a partnership in HE and also partners within an existing partnership network that any indirect association with may impact on the University's reputation.
- Would likely disrupt the day to day running of the University.
- Has a weak exit strategy.

The University of Aberdeen has **no appetite at all** for a transnational initiative that:

- It does not have the capacity to deliver.
- Offers no demonstrable market potential.
- Would be (potentially) illegal and/or offers low or dubious standards in integrity, compliance (including taxation), human rights, ethics and health and safety.
- Adversely impacts environmental sustainability.
- Conflicts in any way with the University's Statement on Modern Slavery and Human Trafficking as at <https://www.abdn.ac.uk/staffnet/documents/finance-policies-and-procedures/Slavery-Human-Trafficking.pdf>
- Would be overtly at very high risk of a reasonably likely to happen geopolitical event such as a pandemic, hostilities between two or more states, deleterious macroeconomic events etc.
- Offers limited scope to enhance financial sustainability and promises a rate of return only in the longer term or that fluctuates between scenarios with some such scenarios posing financial or reputational risk.
- Includes large and/or unmitigable Cybersecurity and Information Governance-related risks. Offers no or little protections in international data transfers or recognition of the data-related rights and privacies of staff and students.
- Poses any threat to institutional autonomy or academic freedom.
- Presents serious difficulties in securing a return for the University due to local tax and financial regimes.
- Requires significant prior or continuing capital investment in country by Aberdeen.
- Conflicts with overall institutional strategy and the internationalisation-specific components thereof.
- Poses conflicts of interest for individuals or the University as a whole - for example through an individual member of staff having a personal financial interest in a project or for the University in already being involved in one area through another project that contained an exclusivity clause.
- Offers no enhancement of the University's institutional profile.
- Potentially damages – through project nature, partner or location - the University's brand and reputation - including the quality of its educational provision - and/or could lead to adverse publicity and damage the perception of the University in the eyes of stakeholders.
- Offers no enhancements to student/staff experience and mobility.

- Does not extend research networks or can damage existing ones.
- Offers no potential for alumni relations/links with existing or future donors or risks damaging existing relationships.
- Involves partners (for delivery, funding or other forms of involvement) who are dubious, potentially unreliable and with whom a relationship may damage the University, including by association with any of their existing partners.
- Has no exit strategy.

In reaching a determination of where a project falls within this appetite statement, it is recognised that most initiatives are likely to include a balance of factors rather than being entirely in one category. For example, a project may have characteristics that are predominantly in the 'strong' appetite category but have a small number from others which are offset by the preponderance of the strong characteristics. The governance bodies that decide on approval or otherwise for an initiative will be required in most cases to make a judgement call about institutional appetite and will do so based on a range of factors and informed by other key elements of this process such as due diligence, business planning and external input.