

**MISSING DETAILS of AIT's Website Messages on  
"Open Discussion and Exchange of Views on  
Exploration of a new Financing Funding Model for AIT"  
On 27 February 2010**

**Between AIT President and Representatives of 10 Alumni  
Association National Chapters plus Mother Chapter**

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**Some missing details on the statements commented by the participants have been added in the Summary of the above-mentioned Discussion posted in AIT Website. Those missing details are shown in the brackets with bold italic letters below.**

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Alumni Associations express support and to AIT



The joint meeting of the national chapters and mother chapter of Alumni Associations of the Asian Institute of Technology (AITAA) concluded on a very positive note with all alumni associations announcing their unstinted support to AIT and agreement that the "Exploration of a new Financing / Funding Model for AIT" study being conducted by the independent consultants should be allowed to continue and proceed smoothly.

Panelists discussing "Exploration of a new Financing/Funding Model for AIT"

The face-to-face meeting helped clarify a lot of the issues and there was concurrence among alumni in that their role in the process should be a consultative one with the final decision left to the administration and the Board. It was suggested that another face-to-face meeting be held to deliberate and discuss the report of the consultants once it is submitted in April 2010. The President also took the occasion to request the chapter presidents to encourage their respective constituencies to take active part in the alumni survey being conducted by the consultants as part of their study.

The meeting, which was attended among others by representatives of AITAA chapters from Bangladesh, Cambodia, Central Asia, China, Myanmar, Nepal, Pakistan, Philippines, Sri Lanka and Thailand apart from the AITAA mother chapter, called for greater communication between AIT and alumni so that the discussion on exploring a new financial model could be conducted in a constructive and comprehensive manner.

*(Remark: It was a 3 hour discussion and President Said Irandoust has e-mailed to urge Thailand Chapter that "As communicated earlier, please kindly note that only one (1) member per chapter i.e. either the president or his / her representative has been invited to the meeting, to ensure a balance in the representation and participation of delegates.")*

While the AITAA mother chapter maintained its neutrality on the issue, AITAA (Thailand) stated that they did not disagree with PPP model, but they had their concerns. AITAA chapters from Bangladesh, Cambodia, Central Asia, Myanmar, Pakistan, Sri Lanka and Philippines were positive about exploring the PPP model, while AITAA (China) chapter refrained from commenting on PPP issue till they received more information. Alumni chapters from Indonesia and Bhutan have also reacted positively.

The meeting began with AIT President Said Irandoust elaborating on how the landscape under which AIT is operating has changed from 1959, the year when AIT was founded. He elaborated on the status of the independent conceptual study while stating that the final report shall be presented to AIT by the end of April. Quoting from the initial report, the President remarked that there is a huge under capacity in the fields of higher education in China, India and many other countries in Asia and beyond. While AIT wishes to expand and open campuses all over, the financial structure of AIT has been changing over the years since the international community has gradually withdrawn its support to the institute.

*(President Irandoust's Presentation : (on Consultant's Study) AIT needs a new and sustainable business model. In average so far 52% of students are from Thailand +Vietnam. (In 2009 it is 60%) 94% of Alumni are from 15 countries out of [almost 50 countries].)*

AIT President clarified that Public Private Partnership (PPP) is not one model, but an umbrella model which is based on the triple helix approach. "The modalities of PPP remain to be discussed and deliberated. There has been no decision and the study will help us in exploring financial and funding models," the President added.

*(President Irandoust added that Laureate issued a Letter of Intent but he did not mention that the details offers have been changed from the first time in May 2009, to the second time in August 2009 and the third time in November 2009. The said changes offer less and lesser benefit to AIT. He said that the IFC has issued an EOI to join hand with Laureate and also said about Amata with no definite level of offers. He said that "Due Diligent is an opportunity to learn the concept of the offers but still do not decide." - Remark: Please noted that it is not to decide.)*

*(The representatives, each, gave about 15 minutes expressing his attitude about the model)*

Mr. Syed Monzur Husain Bokhari, President AITAA (Bangladesh) remarked that since the major donors are no longer enthusiastic and the rate of student enrolment is going down, the PPP concept is not only a pragmatic way but also a practical approach to ensure that AIT remains sustainable. He also supported the under graduate program launched by AIT. Mr. Bokhari suggested that detailed discussions should take place before the parameters and boundary conditions of the PPP model are finalized. *(He said also a neutral expression that "But one choice of partner is not acceptable. He said that Thai Banks shall be one of the possible alternatives to provide financial solution.")*

Mr. Janaka Dharmabandu, President AITAA (Central Asia) appreciated the respect and sensitivity shown by AIT President towards the alumni. Narrating from his experience from the PPP scenario in UK, Mr. Dharmabandu stated that “It seems almost mandatory that AIT will have to subscribe to the PPP type of arrangement.” The word PPP should not be anathema as it is a modern concept which brings both money and expertise from the private sector and distributes risks accordingly. He quoted from trends in higher education in Australia to suggest that PPP is a credible alternative. “Let us conclude the debate and place trust on the AIT administration,” he suggested. *(He said also that, “PPP depends very much on the performance of the new incoming partners.”)*

Representative from AITAA (China), Mr. Fang Xianming stated that AIT should not compete not only at the Asian level but at the global level. He stated that the China chapter wished to see more details and studies on PPP before committing themselves on the issue. He welcomed AIT in China and stated that the AITAA chapter in China would not only support but also help promote AIT in China. *(He said that “Thai alumni is currently in high positions. Influence of Thai Alumni is well respected and thus support from Thai Alumni is important.)*

Dr. Pornsak Suppataratarn, Executive Secretary of AITAA Mother Chapter, remarked that the mother chapter maintains a neutral role on the issue. We neither support nor oppose the idea until an overall opinion of the alumni is formulated, he said. He stated that the mother chapter positions itself as the center of communication among all chapters of AITAA in order to share information, ideas and suggestions to form overall opinion of the alumni on the issue. “AITAA plans to collect all feedback, ideas and suggestions from all national chapters around the middle of March after which the overall opinion of AITAA will be formed and submitted to AIT,” he said. The President asked Dr. Pornsak whether the mother chapter would respect the alumni survey being conducted by the independent consultants since feedback has also been requested separately by the mother chapter. Dr. Pornsak noted that the feedback requested by the mother chapter is from the alumni chapters, while the one from the consultants was sent to all the alumni, which they would also respect.

Mr. Moe Myint Kyaw, President AITAA (Myanmar) while appreciating the decision of AIT to involve the alumni remarked that “Alumni are not owners or decision makers of AIT.” There can be several models including PPP which can be discussed as options. He suggested that AIT should focus on ASEAN and approach the organization to associate itself with AIT. This will help AIT since currently AIT has no owners, he remarked. *(He said that, “We need an owner. The world is focusing an Asian Region. ASEAN is growing. ASEAN plus plus to become like EU. If AIT belongs to ASEAN +3 +6 organization then AIT can be belong to ASIA. AIT should study the demand of the region and produce the qualified human resources to support the region.”)*

Mr. Ramesh Raj Bista, President AITAA (Nepal) assured AIT of all support at this crucial juncture. He suggested that various alumni chapters should discuss the details of the conceptual study once it is completed. “We must come with an open mind and without any preconceived notions,” Mr. Bista remarked. Stating that PPP must not be equated with privatisation, he stressed that the entire process and selection of private partners must be credible. The intergovernmental and international character of AIT

must be maintained. *(He said that “Under graduate program shall be the local nation concern, it is different from the Graduate school.”)*

Mr. Abdur Rahman, Secretary General, AITAA (Pakistan) said that he was not against the PPP model for AIT. He suggested that the strategy for undergraduate program could focus more on joint programs between AIT and other universities. He also sought the creation of a planning think tank at AIT which is able to forecast challenges, set targets and plan actions. *(He did not opposing PPP but what matter is modality. We shall be careful about name and fame of AIT. We must keep our good image. About undergrad program, AIT should not do it by itself, especially in the main campus is questionable. Cooperation with other institutes and national universities, who have readily available resources, may be fine.)*

Mr. Piyal D Hennayake, President, AITAA (Sri Lanka) stated that further discussions should await the final report of the independent consultants since AIT has no prior experience on PPP. When AIT proceeds with agreements, it should be done with due caution or else the good name of AIT will be tarnished. *(On undergrad, he said that “We should not dilute AIT’s brand name. If undergrad program is to be established it should not be in Thailand but perhaps in some other countries.”)*

*About PPP, he questioned that why Laureate selected first?. It should be the studied first and recommend.” We do not have experience. We should wait for the consultant’s report”.*

*Piyal did mention about AIT's partner in Sri Lanka. “The firm is under investigation for running a Ponzi scheme and the founder is absconding. Also, that they advertize even on public buses with AIT's logo. He cautioned that AIT has to be very carefully, diligent in selecting the right partner institutions. Sri Lanka is an example. Besides after the first group of DBA students from Sri Lanka, there was no one sent to AIT. Consistency and follow up is essential and he recommended that AIT partners with well established government funded institutions instead of private players whose motive is just profits and not quality.”)*

Mr. So Polen, President, AITAA Cambodia suggested that the consultant should focus on scenario analysis and the impact of various options. “We hope to find a good solution so that AIT can progress,” he said while adding that his alumni chapter would like to see more research on PPP. *(About the undergraduate program, he said that AIT should do partnership with local universities.)*

Mr. Allen Surla, President, AITAA Philippines while expressing his openness to new concepts remarked that that there had been misinformation and miscommunication on the PPP model, as well as apprehensions on takeover and a propensity to overrun partner institutes. He added that the issue should not be prolonged and AIT should fix a timeline for this project. “Undergraduate programs can be the bread and butter for an institute like AIT,” he added. *(He said that, “Normally in universities, ratio of grad to undergrad students is 1 to 10. With the current number of graduate students of 1,000 the number of undergrad students would have to be 10,000 to meet the purpose of sustainable financing. How would AIT provide facilities for that? To go undergrad, the major market would be Thailand then it would be a disaster as it would be a direct competition with the local universities. Moreover, it would make*

*AIT falling under control of Thailand's Higher Education Commission thus losing the autonomy status. )*

Representative of AITAA Thailand, Dr. Somchet Thinapong sought more “faith, trust and confidence” while stating that their chapter has concerns on the PPP model *(because of Inconsistency, in Laureate's offer)*. “We do not disagree with the idea, but are deeply concerned since all PPP projects in Thailand have failed,*(except for the one with problems then the Government have to come to alleviate by giving more and fully support to cure the situation)*.” he said. He cautioned against PPP projects remarking that people turn to PPP only when they do not know what to do. “AITAA Thailand chapter wishes to see prosperity and sustainability of AIT and seeks more consistency in approach,” he remarked. *(He said that, “AIT is a strong brand, we shall not to hurry to throw the problems to a private sector, not to throw our strong brand to a single private company, who will do sell it getting profit and go. Thai alumni do not want to give benefit to private. We are close to the situation and ready to help do more analysis to cure the causes, not just to cure only the symptoms. We want to give prosperity and sustainability to our school. For undergrad, we accept changes but it shall be of concern to the value and the philosophy of the institute. And we do hope that we will not loss our focus and not to loss our Brand. If no AIT, Alumni have no Brand anymore. All actions shall be practiced properly under the Thai law”.)*

He identified the New Charter, PPP and undergraduate classes as three key issues for AIT and its alumni. He called for more communication between AIT and its alumni. “Once we understand each other, we are in the same boat,” he added.

AIT President Said Irandoust responded by stating that just because PPP has not succeeded in some cases does not imply that it should not be tried. Often PPP has failed because of corruption in public and private sector, he quipped. Stating that if humans had not tried; they would not have landed on the moon he added that one should not get disheartened or give up by failure but rather learn from the mistakes and experiences, and try and take on more innovative approaches the next time around. He added that PPP had been successful in many parts of the world and increasing number of studies had suggested that Thailand should engage positively with the PPP concept. The AIT President welcomed more interaction and communication between AIT and the AITAA Thailand chapter on a mutual basis. Regarding undergraduate, the President remarked that graduate courses are more resource intensive.

*(President Irandoust said that:*

- 1. Dr. Somchet's comment that I falsely claimed about cooperation with Amata is not correct. We have an MOU.*
- 2. If we do not explore new things man would not have landed on the moon.*
- 3. PPPs that failed were because of corruption.*
- 4. You mentioned Thai Chapter does not oppose. You should see the Thai Chapter's letter.*
- 5. Why afraid of competition (regarding undergrad program) ?*
- 6. You say Board of Trustees not authorized. That is not true.*

*Somchet clarified that:*

1. *You mentioned “I claim”. Please let me see the Cabinet’s Resolution that AIT should be in Amata’s Science Park. MOUs are signed everyday. They do not mean much.*
2. *You mention PPPs fail because of corruption. True. That’s why I recommend cooperation with Alumni for transparency. Do not go in haste.*
3. *Of course, I support competition)*

Prof. Worsak Kanok-Nukulchai, Vice President (Resource Development) welcomed all AIT alumni on AIT homecoming day. This would be the first such opportunity during the second half of AIT’s century, he remarked. Prof. Worsak also stated that AIT plans to focus more on an endowment fund and requested all alumni chapters to get involved in the process.

Dr. Jonathan Shaw, Director, AIT Extension while moderating the discussing remarked that the need to change is urgent. “Communication is critical on this issue,” he said while adding that Prof. Said Irandoust more than anyone else believes in communication. *(He said also that, ”There has never been a stand-alone graduate school without undergrad program accompanying)*

*(Dharmabandu questioned that, “Are we giving Laureate a better position than others?”.*

*Prof.Roland Amoussou-Guenou (Law Lecturer) added that, “PPP is not only failed by Corruption but also failed by bad contracts. At the end they go to arbitration and the government loses then PM says more arbitration.”*

*Dr. Venkatesh said that,*

- *“Low Salary of Faculty Members*
- *Like the Phil representative says, time is of essence. We must have a well defined time frame.*
- *True that PPP program fail during the development process. Thus we have to have a clear time frame for so that we can monitor.*

*Dr. Sudhip K. Rakshit said that, “I feel very sad that for so many years we have not acquired any new facilities, equipments, tools, buildings, not even proper maintenance, So don’t just criticize about what efforts are being made. Suggest ways out. ASEAN is one but it has been explored without success during the term of the previous Secretary General.*

*Thanin added that, “I am not going to express my opinions although I have many points in my mind. I just want to refer to President Irandoust’s statement in his letter of invitation for this forum that he will organize a panel debate with the Thai Chapter (of AITAA) and in his communication with me last night he confirms it by saying that the ARU will coordinate for a suitable date. Thus I will coordinate between the Thai Chapter and Kyaw Soe Hlaing of ARU for the date. Thai Chapter has a lot of highly qualified members with good opinions and we will talk in more depths on that occasion. )*

The meeting ended with the President assuring all alumni chapters that AIT would continue to communicate with them on all important issues, particularly on the new funding model.

The proceedings were recorded and can be viewed at this link.

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