



Factsheet — Students affected by provider closure

From 2026, students transferring to a new provider because their current provider closes will not be counted as a New Overseas Student Commencement (NOSC) at their new provider.

Students affected by provider closure are in a situation where, through no fault of their own, their study is cancelled or curtailed without completion. This exclusion from the NOSC is designed to support these students to move to an alternative provider, where the affected student chooses to transfer.

This factsheet addresses how these students and their new providers are treated within the managed system for international education, and how the NOSC exclusion will operate.

Students affected by provider closure

Students affected by provider closure are those students who transfer between providers as a direct result of their current provider closing or otherwise being unable to continue training, as detailed below. This circumstance covers defaulting providers under the *Education Services for Overseas Students Act 2000* (ESOS Act) where the provider is closing; entering external administration with the administrator advising of the need to cease operating; or losing CRICOS registration. These students will be excluded from being counted as a NOSC at their new provider when:

1. The study related to the confirmation of enrolment (CoE) at the defaulting provider was not completed as a result of the provider closure; and
2. The CoE at the defaulting provider was in higher education or VET; and
3. The study at the new provider commences after 1 January 2026.

Consistent with student's visa obligations:

- 4a. If the student had already commenced study, the start date of the new study must be within 90 days (before or after) of students from the closing provider being released (see below); or
- 4b. If the student had not commenced study, the new study must commence within 90 days (before or after) of the proposed start date for the original intended study.

This allows students approximately 12 weeks after the date of release to commence another course and students that transfer and commence study up to 12 weeks prior to the formal release date are also captured. This means that affected students do not need to wait for the release in PRISMS to occur to be covered by this exemption.

Where a student had multiple CoEs at the defaulting provider, the criteria will be applied to the CoE with the earliest incomplete study.

Process

A provider closure as described above will trigger a bulk release of students from the closing provider in the Provider Registration and International Student Management System (PRISMS). This releases students at once from their obligations not to transfer providers prior to completing six months of their principal course. All students at the provider are tagged through this process, including those that have already studied beyond the transfer restriction period.

These students' subsequent CoEs at the new provider will be automatically identified by PRISMS as excluded from counting as a NOSC where the above conditions are met.

Compliance with legislation

Under the ESOS Act, a defaulting provider must discharge its obligations to affected students within 14 days of the default day.¹ The defaulting provider must arrange for the offer of a place in a course at a new provider which the student accepts (in writing), or provide a refund of unspent tuition fees, within that 14-day period. Further, the defaulting provider must give a notice to the ESOS agency for the provider and the Tuition Protection Service Director within 7 days after the end of the 14-day provider obligation period.

Obligations under the National Code

Providers must observe all principles under the *National Code of Practice for Providers of Education and Training to Overseas Students 2018*, including when a provider is defaulting. In particular, this includes several principles:

Students' best interests

- Standard 7 — Overseas student transfers: The intent of this standard is to ensure that overseas students are able to transfer between registered providers in a way that is consistent with the overseas student's goals and in their best interests.

Correct and accurate information

- Standard 1 — Marketing Information and Practices: A provider "must ensure that the marketing and promotion of its courses and education services in connection with the recruitment of overseas students or intending overseas students, including through an education agent (in accordance with Standard 4), is not false or misleading, and is consistent with Australian Consumer Law."
- Standard 2 — Recruitment of an Overseas Student: "Prior to accepting an overseas student or intending overseas student for enrolment in a course, the registered provider must make comprehensive, current and plain English information available to the overseas student or intending overseas student..."

Student choice

- Standard 7 — Overseas Student Transfers: The standard seeks to ensure that the student's ability to transfer is not unreasonably restricted and that the student is able to make choices about their education.

¹ The default day is the day that the provider fails to start to provide the course to the student at the location on the agreed starting day; or that the course ceases to be provided to the student at the location at any time after it starts but before it is completed.

