

**Madan Bhandari University of Science and Technology**  
**APPEAL FOR FINANCIAL SUPPORT**



***SUPPORT MBUST TO ENABLE NEPALESE TO LIVE WITH DIGNITY***

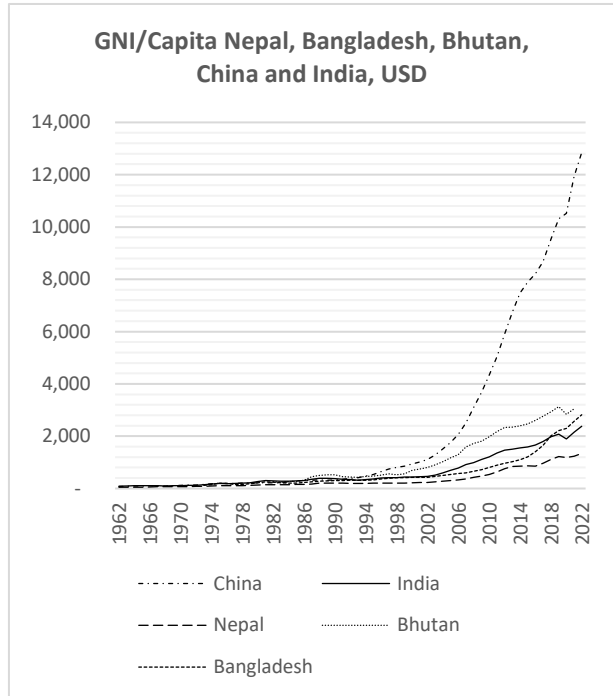
May 22, 2024

## Madan Bhandari University of Science and Technology

### Appeal for Financial Support

#### Background

Nepal is the second poorest country in Asia. Compared to its neighbors it continues to become poorer over past several decades (please refer to the chart on the right). There is a feeling of utter helplessness across the society. One of the manifestations of this is the youth leaving the country in droves for employment or education. This has humiliated Nepalese. There is no doubt that every Nepalese wish to live with dignity. If this desire is to bear fruit citizens of every walk of life should contribute to the development of Nepal. It is with this realization that an initiative to build a university which could help change the course of the development of the country was undertaken by citizens of Nepal.



Madan Bhandari University of Science and Technology (MBUST) was established in August 2022 upon the promulgation the MBUST Act, 2079.

It is located at Chitlang, Thaha Municipality 9, Bagmati Province. It is about 25 km away from the center of Kathmandu City. Basic physical facilities including three buildings have been completed and the fourth is under construction. In December 2023, the University enrolled first batch of students in Master of Applied Science and PhD programs in Organic Agriculture and PhD program in Forest Biomaterials Science and Engineering. The second batch of students are scheduled to join Master of Applied Science programs in Artificial Intelligence and Data Science in May 2024.

The University was established as one of the vehicles for meeting people's aspirations for prosperous and just Nepal. Therefore, its mission has been formulated as **"Building Prosperous and Just Nepal"**. The key strategies for attaining this mission are upgrading the technology production of the industry with a view to enhance the productivity of the industry to make its produces more competitive in the international market and building an effective institution practicing meritocracy, free of corruption, nepotism and favoritism of all sorts including inclination to make decisions based on partisan political considerations. Consistent with its mission "the **Vision** of the University is **to be a World-Class University**". Delivering the world-class teaching and education is among one of the mandates of the University defined by the Act.

To contribute to the economic development of the country the University has adopted the strategy of aligning its teaching and research with real-life problems of the industry. For example, it has entered into partnership with Larke Himal Jadibuti Udhog Pvt. Ltd. to conduct research aimed at supporting the needs of the industry. Larke Himal has supported students engaged in research related to its needs with financial assistance. This strategy apart from contributing to the economic development should also help the University to produce "job creators rather than job seekers".

To maximize the impact of the University research, development and innovation (RDI) activities on the economy it has adopted the strategy of concentrating its RDI activities on selected areas of economy with significant potential for contributing to the economic development. Consistent with this strategy MBUST has selected the following areas for its engagement to begin with: Organic Agriculture and Food, Forest Biomaterials, Digital Technology, Tourism Infrastructure and Water Resources and Energy.

To deliver significant RDI outputs the University must be able to attract the best students. Universities all over the world compete for the best students including those from Nepal. While most reputed foreign universities lure bright Nepalese students with significant financial incentives together with the prospects of future employment universities in Nepal are not only unable to provide scholarships but also have to charge significant tuition fees. In this context, most of the best bachelor's degree students leave Nepal for foreign universities depriving universities in Nepal of the talented graduate students. To attract the best students MBUST intends to waive tuition fees for bright students and also offer them scholarships. The implementation of this intent remains a major challenge as the Government support is not available for the fee waiver and scholarships.

MBUST is the first research-oriented university in Nepal. To maintain the high standards of teaching and research it plans to grow gradually. The target enrollment after ten years of operation is 800 and the ultimate enrollment is 3,000 students. And to produce new technology at the earliest it has started academic programs from the graduate level. It plans to start undergraduate programs after a few years. Its medium-term target for the ratio of graduate to undergraduate enrollment is 1:3 and the long-term target is 1:1.

MBUST is also the first university which does not provide affiliation to higher education institutions – private and community campuses. This policy was adopted as an initiative to reform higher education by discontinuing the affiliation system which is detrimental to the delivery high quality education.

The challenges before the University on the path to attaining its mission is daunting. But the University is well positioned to overcome these challenges, first, because the MBUST Act, which provides extensive autonomy to the University, has created a conducive environment for effective operation of the University and second, because it has received overwhelming support from the government and public. MBUST has an autonomous Board of Trustees (BOT), which has powers to appoint the President of the University, fill vacancies of trustees and adopt University Rules.

The Government has been generously funding the University. MBUST has received total grants of Rs. 1.385 Billion (US\$10.475 Million<sup>1</sup>) for the period ending mid-July 2024. The University has mobilized towards the Endowment Fund Rs.4,650 Thousand (US\$35.17 Thousand) from 243 individuals and institutions.

The University is receiving support not only from Nepalese in the country and abroad and but also from the international community as the initiative for establishment of a world-class university in a poor country is unique. One among the numerous examples of the support of the international community to the MBUST is the agreement of the following outstanding individuals to serve in the BOT: Prof. Nam Pyo Suh, Former President, Korean Advanced Institute of Science and Technology and Emeritus Professor of

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<sup>1</sup> Exchange rate as of May 22, 2024, Rs/US\$: 132.22. The conversions are not accurate as funds were received at different dates.

MIT, USA; Prof. Suzanne Fortier, Former Principal and Vice Chancellor, University of McGill, Canada; and Prof. Ramakrishna Seeram, Former Vice President, National University of Singapore.

The Everest Fund of Science and Technology (EFST) – a non-profit - incorporated in the USA is raising funds to support MBUST. Donations to the EFST are tax deductible for US citizens. The EFST has received contribution of US\$14,220.

Within the short period of its operation the University has been able to establish a distinct identity as an institution free of corruption and partisan politics and with a strong commitment to the mission. Nepal has truly a golden opportunity to build a world-class university to contribute to building prosperous and just Nepal.

### **Financing**

As a public university MBUST is eligible for public financing. But the Government is pursuing the policy of cost recovery in higher education. Because of this policy all new universities are trying to recover full recurrent costs of education from students. And the older universities, which are receiving higher level of subsidies, have introduced most new programs on a full recurrent cost recovery basis. The main sources of financing for universities in Nepal are tuition fees and affiliation fees. Because of the policy of MBUST of not affiliating higher education institutions and providing significant financial assistance to students, which is not funded by the Government, financing recurrent costs is a great challenge for the University. The virtual lack of public funding for research, the weak capacity of industries to fund research and the lack of incentives for industries to fund research make this challenge even more daunting.

The Government has been financing capital costs of the MBUST on an annual basis and there is no commitment to medium- or long-term financing. Such a framework would not allow development of a world-class university. In this context, the success of MBUST will also be contingent upon its ability to mobilize significant resources towards capital expenditures to supplement the public funding.

The estimated funding gap for recurrent costs for the period of FY 2024/25 to 2028/29 is Rs. 747 million (US\$5.65 million) and for capital costs Rs. 1,500 million (US\$11.34 million).

### **Strategies for meeting the financing gap**

Funding sources for the University other than public sources envisaged by the MBUST Act, 2079 BS (2022 AD) are individuals or organizations, foreign governments and international organizations, tuition and other fees, the intellectual property and others. The motives for transferring funds to MBUST from the above funding sources can be broadly classified into philanthropy, superior economic and social returns from investment, value of services or assets. The essential conditions for motivating the funding sources are the capacity of the University to deliver intended outputs and outcomes and the proven public accountability of the University.

Public institutions in Nepal do not have good image in terms of accountable use of funds and the capacity for the efficient and effective delivery of intended outputs and outcomes. In addition, the responsiveness of public entities to public needs or aspirations is perceived to be poor. Therefore, MBUST to be able to

get financing from the above sources it must be able to prove that it has been able to maintain the highest level of accountability and give confidence that it should be able to continue to do so. With a view to provide confidence to the public the accounts of the University are audited internally by Chartered Accountants, in addition to the final audit by the Auditor's General of Nepal.

MBUST, since its preparatory phase, has been free of corruption and partisan politics. Its Act is designed to shield the University from partisan politics. Therefore, its **first strategy** for attracting funding from the above sources is ***to uncompromisingly follow the letter and spirit of the Act to ensure the highest level of the public accountability.***

MBUST has succeeded remarkably in delivering the intended outputs starting from the preparatory phase. It has demonstrated an exemplary capacity of managing construction projects by completing the basic facilities required for operation of the University within four and half year, which included the COVID period. And it was able to start academic programs within six months after the formation of the Board of Trustees. The **second strategy** for mobilizing funding is ***to keep delivering the results effectively and efficiently.*** The University is committed to deliver the best quality education to students and services to the Government, enterprises and communities.

The success in convincing the Government of the need for establishing a world-class university, securing the support of lawmakers in promulgating the MBUST Act providing a solid framework for developing a world-class university and building MBUST as a distinct university within a short span of time would not have been possible without the overwhelming support from a variety of stakeholders. The University is very grateful to highly renowned national and international individuals voluntarily serving in the BOT, Academic Council, Selection Committees and Fundraising Committee. It also owes to national and international highly reputed academics, who have been serving as honorary chairs and honorary visiting professors. Gifts received to the Endowment Fund and Everest Fund of Science and Technology from individuals and institutions from Nepal and abroad stand as the testament of the hope people of all walks of life pin on MBUST. Last but not the least a great contribution has been made by the politicians, social workers, academics and community at large including the community at Chitlang, which provided the land for the University. The **third strategy** for mobilizing resources is ***to spare no efforts to maintain and enhance the public trust.***

The **fourth strategy** for attracting resources is ***to recognize the donors for their gifts.*** We have been recognizing donors by displaying their gifts in the University website. We are planning to display the names of all donors independent of the size of the donation permanently in the donor plazas at the University. In addition, donors may choose to avail the naming opportunities of university assets, chairs, professors, student scholarships, tuition fee waiver etc. consistent with the "Naming of University Assets Rules, 2080 BS (2023 AD)" and "Gift Acceptance Rules, 2080 BS (2023 AD)".

Giving to the University is not only about supporting it with financially but also morally. Therefore, there is no minimum threshold for donations.

The **fifth strategy** for attracting funding is ***to communicate.*** The University will communicate with donors as a part of its obligation to report to them. The communication will not be limited to donors as transparency is an obligation of the University as a public institution. Broadening the reach of the University to the public will be key for attracting more donors.

## **Appeal for support**

MBUST is not an initiative limited to building a university but it is an initiative to build prosperous and just Nepal through a world-class university as an entry point. Therefore, this appeal is addressed to all those who are keen to help to build prosperous and just Nepal.

For any initiative to bear fruit a strong and credible institution should be behind it. The stagnation of Nepal is more to do with the lack of credible institutions to drive initiatives rather than the lack of initiatives. Since MBUST has already proved its credibility and strength the likelihood success in building a world-class university is high. Therefore, there is a reasonable assurance that the resources trusted to MBUST will be utilized accountably.

For more than half a century Nepal has remained one of the poorest countries in the world and there are no credible initiatives underway to change this faith. In this gloomy picture MBUST has been able to generate a ray of hope. Therefore, there is a strong reason for all who yearn to live a dignified life as a Nepali to support MBUST.

Although MBUST is a public university it would not have been established as it is if there was not a sustained facilitation from the public. Likewise, the achievements MBUST has achieved would not have been achieved if it was left to function as any other public entity. Therefore, if MBUST is to deliver on its mission of building prosperous and just Nepal by realizing the vision of a world-class university the continued public support to the University is indispensable.

No university has managed to become a world-class university without a strong financial support from the governments or private philanthropists. The Government of Nepal has not yet decided to assign a special status to MBUST and provide a preferential treatment to it for financing. Therefore, whether MBUST will succeed in attaining its vision of becoming a world-class university will depend upon the degree of financial support it receives from philanthropic donors – national and international and individuals and institutions.

Among the prerequisites for developing world-class universities in the public sector getting autonomy from the government is the most difficult one to meet. MBUST is very fortunate of being able to meet this prerequisite. Nothing can stop MBUST from becoming a world-class university if it is able to mobilize the funding required. As MBUST has the potential for significantly influencing the course development of Nepal and higher education beyond Nepal the University appeals all stakeholders to support MBUST financially.

For the Endowment Fund, our target is to collect gifts from 100,000 donors and increase the Fund to one billion rupees. Over next five years, we aiming at raising Rs. 750 million (US\$5.65 million) towards recurrent costs and Rs. 1,500 million (US\$11.34 million) towards capital costs. Most of the funds raised for recurrent expenditures will be spent for tuition fee waivers and scholarships to students. For students enrolled till May 2024 semester the financial support required for tuition fee waiver of one master's and one PhD student is Rs.300,000 (US\$2,268) and Rs.450,000 (US\$3,403) respectively and for scholarships for one master's and one PhD student is Rs.600,000 (US\$4,537) and Rs.1,080,000 (US\$8,168) respectively.

### **Philanthropists of Nepali origin**

Nepal has a strong tradition of donating to education institutions. All except of a few dozen schools were established through philanthropic donations. Communities have made significant contribution is the development of higher education institutions also. Now citizens of Nepal and non-resident Nepalese have a life time opportunity to make a difference to the country by making gifts to MBUST. Please contribute to MBUST so that we and our future generations could leave with dignity in Nepal and elsewhere.

### **Non-Nepali philanthropists**

Nepal has been receiving philanthropic donations from individuals and institutions. All philanthropists wish to see the donations yielding maximum benefits to the target groups and do not tolerate misuse of resources. The option of donating to MBUST is very attractive as the chances of misutilization of resources virtually non-existent and the impact is expected to be profound.

### **Donor agencies**

Donor agencies are weary of the aid not making the expected impact. This is primarily because there are not many credible and capable institutions in developing countries. MBUST has developed a formidable capacity for project implementation and it is free of corruption. In addition, it has the potential for providing lessons applicable beyond Nepal.

### **Earmarking**

Donors may contribute gifts either for eligible expenditures or earmark them for particular purposes. Donors are requested to specify if they would wish their contribution to be earmarked for particular purposes.

At the end I would like to whole heartedly thank all those who have supported MBUST by making financial gifts or otherwise. We have reached this stage only because of your generous support.

If you have any queries related to donations please kindly send an email to [info@mbust.edu.np](mailto:info@mbust.edu.np) with copies to [rajendra.dhoj.joshi@mbust.edu.np](mailto:rajendra.dhoj.joshi@mbust.edu.np) and [padma.sunder.joshi@mbust.edu.np](mailto:padma.sunder.joshi@mbust.edu.np) . With best wishes,

Prof. Rajendra Dhoj Joshi

President

May 22, 2024

[www.mbust.edu.np](http://www.mbust.edu.np); [www.everestfundst.org](http://www.everestfundst.org)

### Account information

Donors may contribute to the Endowment Fund Account or Income Account of MBUST or the account of Everest Fund of Science and Technology. The Account information is provided below.

### **MBUST Endowment Fund Account Information**

Bank name: Sanima Bank Limited, Teku Branch

Account name: Madan Bhandari University of Science and Technology

Account number: 024010020000116

### **QR code for payment**

We Accept



नेपाल राष्ट्र बैंकबाट अनुमति प्राप्त



**MADAN BHANDARI UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
Terminal : 2222110007955326

Bank Branch : Teku Branch

1 Open your Fonepay Member Mobile Banking App / Digital Wallet / UnionPay

2 Scan this code, confirm the payment details and make quick payment



Support number :  
**014443901**

Email address :  
card.business@sanimabank.com



***MBUST Income Account Information***

Beneficiary Account Name: MADAN BHANDARI UNIVERSITY OF SCIENCE AND TECHNOLOGY

Beneficiary Account No.: 01800106701870000001

Beneficiary Bank: Nepal Bank Ltd.; SWIFT: NEBLNPKA

Bank Address: Lalitpur Branch, Gabahal, Lalitpur

***Everest Fund of Science and Technology donation link***

<https://everestfundst.org/donation/>