

## **Caleb M Fundanga: Framework of cooperation between the Bank of Zambia and the University of Zambia**

Opening remarks by Mr Caleb M Fundanga, Governor of the Bank of Zambia, at the signing ceremony of the Memorandum of Understanding between the Bank of Zambia and the University of Zambia, Lusaka, 30 June 2010.

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***The Vice Chancellor, University of Zambia – Prof. Stephen Simukanga  
The Deputy Governor – Administration and University Council Chairperson –  
Dr Tukiya Kankasa-Mabula  
Distinguished Professors and Lecturers from UNZA  
Colleagues from the Bank  
Members of the Press  
Distinguished Ladies and Gentlemen;***

It gives me great delight, on behalf of the Bank of Zambia, to welcome you all to this important signing ceremony of the Memorandum of Understanding between the Bank of Zambia and the University of Zambia. The MoU that we are about to sign today provides a framework for the support to the Economics Department and Research activities in the Department.

***Ladies and Gentlemen;*** the Bank of Zambia continues to view the University of Zambia and the Copperbelt University as strategic partners in the economic development of Zambia. It is for this reason that the Bank has for several years now been involved in the support of various capacity building programmes at the two tertiary learning institutions. This support has taken various forms, including the following:

- Salary supplementation to fifteen (15) academic staff in the Department of Economics at UNZA and nineteen (19) academic staff in the School of Business at the Copperbelt University (CBU);
- Full sponsorship of five undergraduate students at third and fourth year level at CBU and five students at Masters Degree level at UNZA;
- Financial support in the acquisition of books and periodicals;
- Purchase of equipment such as computers and computer software.

The Bank of Zambia acknowledges the various efforts being made by the University to improve its infrastructure and the delivery of quality university education and research. We are also mindful of the various funding constraints faced by the University as it expands its programmes to meet the ever increasing demand for its services. The Bank is therefore, proud to respond to the University's call for partnership with industry and other stakeholders in order to realise its noble objectives that cannot presently be fully funded from public resources and students fees. In this regard, the Bank of Zambia has seen it fit to not only extend this support, but to also streamline and enhance it in order to better align this support with strategic objectives of both the Bank and the University.

***Ladies and Gentlemen;*** as you are aware, the Bank of Zambia has been providing financial support for the purpose of promoting scholarly and academic excellence in research and instruction at the University of Zambia. Today's MoU is meant to extend this support for another two years commencing with the 2009/2010 academic year. In addition, the MoU aims at strengthening the framework of cooperation between the Bank of Zambia and the Economics Department of the University of Zambia. Under this agreement, the Bank has committed up to K605 million per annum in support to the Economics Department of the University of Zambia.

This support will include monthly salary supplementation for 15 lecturers in the Department; scholarships to four outstanding UNZA students of Economics at Masters Degree level; acquisition of books and periodicals; research support; and the purchase of computers and software for use in research. It is the hope of the Bank that this support will help address some of the challenges facing the University, including recruitment and retention of academic staff, funding for research and the acquisition of vital equipment and software.

**Ladies and Gentlemen;** through this support, the Bank of Zambia would like to be associated with the University's mandate of building human capital, through delivery of quality education, and the extension of the frontiers of knowledge through research. This synergy between the Bank and the University is based on the understanding that both institutions are knowledge based. It is therefore, our belief at the Bank that this cooperation will continue to generate positive externalities not only to the two partners but to the wider community through the developmental impact of enhancing knowledge.

Let me re-iterate that sustainable economic development is not possible without adequate investment in the knowledge industry. It is precisely for this reason that the nations that have attained great economic progress are also those that have invested heavily in education.

**Ladies and Gentlemen;** in the recent years, the Bank of Zambia has been striving to strengthen its focus on economic research in order to improve the formulation and implementation of monetary policy in this dynamic economic environment. The Bank has in this regard been publishing the BoZ Reader where members of staff and external researchers are encouraged to publish articles which have a bearing to the economy in general and monetary policy in particular. The Bank in collaboration with the Centre for the Study of African Economies at Oxford University is also in the process of publishing a book on the economic prosperity in Zambia. I wish to take this opportunity to encourage all students and academic staff at UNZA to contribute to some of the forthcoming publications of the BoZ Reader.

**In conclusion,** I wish to re-iterate that the Bank of Zambia commits to continue supporting the Economics Department and Research programmes at UNZA and hopes that the University will live up to its obligations under the framework of cooperation to be signed today. We challenge the Economics Department at UNZA through the Vice Chancellor to scale up its research activities in issues of interest to the Bank and the Zambian economy in general. For this is what this MoU entails.

We also call upon other industry players in the financial sector to emulate our noble contribution in building human capital and research capacities at this important institution. This is important to ensure that our financial sector operates at the cutting edge of knowledge and innovation. I have no doubt therefore, that such investment will yield returns in the long run as knowledge is a secure investment.

***I thank you for your attention.***