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Tom Tugendhat MP
Chair, Foreign Affairs Committee
House of Commons
SW1A 0AA

25 February 2022

Dear Tom,

Thank you for your letter of 19 January on your inquiry, "Implementing the Integrated Review in Nigeria". I am grateful to the Committee for their continued interest in Nigeria and am pleased to provide you with further information in response to the points you raise.

FCDO Corporate

You asked about the structure and funding for the Foreign, Commonwealth and Development Office's (FCDO) geographical work on Africa. The reductions in budget you reference from the FCDO's Annual Report and Accounts for 2020-2021 refer to reductions in programme – and planned programme - spend rather than operating (including staffing) costs. Africa Directorates' overall operating costs and the staffing levels they support remained largely the same from 2020/21 to 2021/22. Ongoing workforce planning will define the longer-term workforce size, skills and expertise of the Directorates. Through our workforce planning, we will ensure that we have the right capabilities to deliver on our international priorities as set out in the Integrated Review, the Foreign Secretary's Strategic Vision and the forthcoming International Development Strategy.

With regards to structures, following the merger of the Foreign and Commonwealth Office (FCO) and the Department for International Development (DFID) in 2020, FCO's Africa Directorate and DFID's Africa Divisions, which included the then Africa Regional Department, merged to create a new structure, with two FCDO Africa Directorates, covering West and Southern Africa, and East and Central Africa. These Directorates bring together FCDO's Headquarters' diplomatic and development expertise. Pan-Africa Department (formerly Africa Regional Department), which sits within West and Southern Africa Directorate, manages our regional centrally-managed programmes. FCDO's Africa Directorates are responsible for, and have oversight of, our network of posts across Africa; a number of oversight mechanisms exist to this end, including quarterly internal assurance boards.

Monitoring implementation of the Integrated Review in Nigeria

You asked how HMG will monitor implementation of the Integrated Review in Nigeria. Since the Committee launched their inquiry, the Foreign Secretary has outlined her Strategic Vision for the Foreign, Commonwealth and Development Office (FCDO), which builds upon Integrated Review priorities. We are agreeing an internal cross Whitehall Integrated Review sub-strategy for Africa to take forward these commitments and guide our engagement with our African partners. This in turn will be reflected in country level business plans setting out objectives and priorities for the next three years.

In Nigeria, officials will continue to review progress against country plan objectives, including every six months at post's country board, where HMG departments on our platform are represented. The board will monitor progress, achievements and results, and agree adaptations needed to meet objectives. In Nigeria, the FCDO will also be standing-up a portfolio monitoring, evaluation and learning system to support this process with independent review and advice. The senior official Whitehall Integrated Review Implementation Group for Africa will also take stock on progress periodically.

Diaspora and Remittances

Engaging with diaspora communities remains important to this Government and the FCDO. The knowledge and expertise of our large and influential Nigerian diaspora can help support our objectives, boosting the UK's profile in Nigeria and creating commercial benefits. FCDO officials in Abuja and Lagos regularly meet representative bodies and influential members of the Nigerian diaspora community. We also reach diaspora audiences through our communications. Nigerian media outlets with large diaspora audiences covered our recent Security and Defence Partnership (SDP) dialogue, and I recently did an interview with Arise TV, a Nigerian channel that also has a large diaspora audience in the UK.

The Home Office's national community engagement team works closely with diaspora communities both in the UK and overseas, including Nigerian diaspora communities. It is imperative for communities to feel connected and informed. The Windrush review and subsequent recommendations have further strengthened community engagement.

On remittances, point-to-point electronic remittances have been prohibited in Nigeria since December 2020. We are working with the World Bank, to persuade the Central Bank of Nigeria (CBN) to permit UK FinTechs and others to return to point-to-point electronic remittances.

ODA Budget

You asked a number of questions about our bi-lateral ODA budget in Nigeria and how we will prioritise spend and resources moving forward.

We have had to reduce our bi-lateral development portfolio and the number of programmes to reflect the ODA target reduction from 0.7% to 0.5% of gross national income. As part of her vision, the Foreign Secretary has been clear on her intention to restore funding for programmes empowering women and girls. Therefore, we expect our bilateral ODA portfolio to continue to deliver support to women and girls, including girls' education.

We will also continue to focus on: providing vital life-saving humanitarian and conflict prevention support in North-East Nigeria (including famine prevention); supporting governance and open societies (specifically with upcoming general elections in early

2023); supporting health service improvements; and economic development (including international climate funding). Country budget allocations have not yet been finalised for 2022/23 and beyond. Adjustments to programming will be considered as part of the business planning process once budgets have been allocated.

With regards to multilateral contributions, and funding for Freedom of Religion or Belief and Preventing Sexual Violence in Conflict, the FCDO is also working through these as part of the business planning process; we will continue working with multilaterals to support the poorest and seek multilateral solutions to global challenges.

UK-Nigeria Tech Hub, Public Sector Capacity Building and Anti-Corruption

You asked about discussions with other Governments Departments supporting the future of the UK-Nigeria Tech Hub, and our public sector capacity building and anti-corruption projects. These initiatives are an example of our work to promote economic growth in Nigeria, which remains a priority. Future programming, including the FCDO-Department for Digital, Culture, Media and Sport (DCMS) Digital Access Programme and its UK-Nigeria Tech Hub component, is being worked through the ongoing business planning process and discussions are ongoing with relevant departments.

The UKAid funded UK-Nigeria Investment Infrastructure Advisory Facility has supported several investment promotion agencies to build capacity to conduct due diligence on investors; and have helped build capacity in key public procurement bodies on how to design and manage public-private partnerships.

Furthermore, the National Crime Agency is strengthening the capacity of anti-corruption agencies in Nigeria to investigate and prosecute corruption cases including illicit financial flows. Tackling corruption remains a priority for the UK and Nigeria. During my visit this month, I signed a Memorandum of Understanding, which will enable a compensation payment to be transferred to Nigeria, following an investigation by the UK's Serious Fraud Office.

The UK-Nigeria Tech Hub is one way in which the UK is supporting the very promising tech ecosystem in Nigeria. The FCDO is also working closely with the Department for International Trade to help Nigerian tech companies grow internationally, including supporting early stage start-ups to set up in the UK. Programmes such as the Global Entrepreneur Programme have enabled Tech Hub-supported start-ups to expand internationally thanks to the UK's reputation as a location to do business. I met with tech entrepreneurs during my recent visit to Nigeria, and was able to hear more about Nigeria's tech ecosystem. I also saw how the UK is supporting women and girls access digital skills through a visit to the UK supported Digi-Girls project.

Supporting Nigeria's Transition Away From High Oil Dependency

You asked what options the Government is considering to support Nigeria's transition from high oil dependency. A central part of HMG's wider work on supporting Nigeria's economic growth and promoting trade and investment, is to decrease dependency on oil. Although the oil sector only accounts for 7% of Nigerian gross domestic product (GDP), it still contributes more than half of federal government revenue and accounts for more than 90% of exports. The UK Government looks to support sectors with potential for value-added growth and job creation. Tech already contributes 14% of GDP and agriculture continues to employ more than half of Nigeria's workforce. The tech sector saw the largest increase in both employment and revenue generation for the federal budget last year.

The FCDO works alongside the Department for International Trade, the Department for

Business, Energy and Industrial Strategy and the Department for Digital, Culture, Media and Sport to deliver this work in Nigeria. The UK Government has not engaged the Scottish Government on this matter, but supported the Scottish Government to help organise side events with Nigeria's delegation to the UN Climate Change Conference in November 2021.

Alongside the IMF and World Bank, we are also encouraging Nigeria to undertake macroeconomic reforms that would help underpin economic diversification. For instance, exchange rate reform and other trade-related reforms would help new non-oil exports to become competitive. Another example is broadening Nigeria's tax revenue base so it is less reliant on taxes from oil and gas to fund development priorities. We are supporting the Federal Inland Revenue Service to collect revenue from other sources.

The UK Government is also collaborating with Nigeria to support the implementation of its Nationally Determined Contribution (NDC) as well the new commitment announced at COP26 to reach net zero by 2060. For example, we are sponsoring a Climate Finance Adviser to build technical capacity within the Finance and Environment Ministries so International Climate Finance is effectively secured and deployed. During my recent visit to Nigeria, I announced an investment of £10 million (5.6 billion Naira) of capital into a facility that will leverage further investment to support low carbon energy projects across Nigeria. This will provide crucial support for low carbon development and will help Nigeria move away from hydrocarbon dependency.

In 2021, the Federal Government of Nigeria welcomed UK technical assistance to develop Nigeria's ground-breaking Climate Change Act, and we are looking at ways to support implementation of the Act e.g. robust carbon budgeting and carbon market instruments.

Promoting Religious and LGBT+ Tolerance

Regarding LGBT+ tolerance and religious rights in Nigeria, we continue to make clear to the Nigerian authorities, at the highest levels, the importance of protecting civilians - including all minority, ethnic and religious groups - and protecting human rights for all. During the recent Security and Defence Partnership dialogue, we hosted a human rights forum where we discussed and agreed upon the importance of protecting and promoting human rights, including during conflict. The UK and Nigeria agreed commitments on human rights, detailed in the dialogue communique. These include commitments on human rights training for the Nigerian security sector.

With regards to intercommunal violence, the underlying causes are multifaceted, and often linked to competition for resource and criminality. We do not assess religion to be the main driver of intercommunal violence. I was able to discuss intercommunal violence and freedom of religion or belief with religious leaders, non-governmental organisations and regional governors active in peacebuilding during my recent visit to Nigeria.

We continue to encourage the Nigerian Government to take urgent action to protect all those at risk of violence and implement long-term solutions that address the root causes. In the margins of the SDP dialogue, I discussed insecurity in Nigeria with the Nigerian National Security Advisor; during my recent visit I also discussed this issue with Foreign Minister Onyeama and Vice President Osinbajo. Through the Security and Defence dialogue we agreed future cooperation to respond to rising insecurity across Nigeria.

Further information on the commitments made during the SDP dialogue can be found [here](#).

Engaging with Nigeria via Multilateral Channels

You asked how the UK and Nigeria work together via multilateral channels, especially in the area of trade. As Commonwealth partners, the UK and Nigeria work together regularly to pursue shared interests on trade, foreign policy, security and development. Last year, the UK and Nigeria jointly nominated dual British-Nigerian national Professor Dapo Akande for the International Law Commission and worked closely in support of his successful election.

The UK places high importance on the role of the World Trade Organisation (WTO) in multilateral – and plurilateral – action on critical trade issues, creating greater opportunities for trade and investment. We are working with our Nigerian partners in the WTO E-Commerce Joint Initiative plurilateral negotiation to seek ambitious and inclusive rules enabling all members to benefit from opportunities that arise from increased digital trade. We look forward to growing our partnership with Nigeria in the WTO as opportunities arise,

Along with the WTO, the UK strongly supports the African Continental Free Trade Area (AfCFTA). In September 2021, my predecessor signed a memorandum of understanding (MoU) with the AfCFTA secretariat to work together on investment, trade facilitation and implementation of the AfCFTA by member states. Both parties are currently developing an implementation plan for the MoU.

British International Investment and Development Finance Initiatives

You asked about the role of British International Investment (BII). BII will, as part of a wider UK initiative, help mobilise up to £8 billion of investment a year by 2025 to deliver honest and responsible investment for cleaner and more reliable infrastructure in developing and emerging economies. In Nigeria, the UK Government is working with the ODA-funded UK-Nigeria Infrastructure Advisory Facility (UKNIAF) to facilitate future BII investments in the on-grid energy sector and is looking at how BII could invest in Nigeria's agricultural and manufacturing industries in the future. I was also pleased to announce a £74 million (41.6 billion Naira) BII loan to First Bank to support female entrepreneurs and SMEs during my recent visit.

With regards to your question on how the UK Government ensures a coherent approach to investment across Development Finance Initiatives, we actively engage with different groupings of development partners and the international community where the development finance institutions are represented. In Nigeria, this is through a series of sectoral Technical Working Groups, and an overarching group known as the Nigeria Development Partners Group (NPDG). The NPDG, as the group composed of development leads, work with the Key Political Partners Group (KPPG) where the EU, US, UK, Germany and UN are represented at Ambassadorial level. The IMF and World Bank are also represented in recognition of the major role they have in Nigeria on pushing reforms, particularly on the economy.

Bilateral Relationship

The UK's relationship with Nigeria is a high priority for the shared future prosperity and security of our peoples. We have adopted a mutual accountability approach to our partnership, making clear commitments to each other.

At our inaugural Security and Defence dialogue held in London earlier this month, the UK and Nigeria reaffirmed our commitment to deepen our Security and Defence Partnership, and to work together to respond to shared threats, regional insecurity, and rising insecurity in Nigeria. Through our upcoming Economic Development Forum, we look forward to deepening our economic partnership.

OFFICIAL

I hope this provides you and the committee reassurance that the UK's commitment to the bilateral relationship with Nigeria remains strong.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Vicky Ford', written in a cursive style.

Vicky Ford MP
Minister for Africa, Latin America and the Caribbean



Foreign Affairs Committee

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From the Chair
Tom Tugendhat MP

Vicky Ford MP
Parliamentary Under Secretary of State (Minister for Africa)
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King Charles Street
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19 January 2022

Dear Minister Ford,

As we draw our inquiry, Implementing the Integrated Review in Nigeria, to a close, we recognise that the opportunities for engagement with the FCDO have not been as extensive as they otherwise might have been in a pre-Covid environment. You will have seen the evidence that has been submitted to the Committee. You will also be aware of the briefings given by Post and their various interlocutors during the virtual visit. Given the desire by the Committee to publish this report as soon as possible, I would be grateful if you could answer the following questions:

1. In the FCDO Annual Report and Accounts for 2020-2021 the Africa Regional Department is shown as experiencing a 50% cut in funding in 2021-2022. The Africa Directorate is shown as experiencing a 100% cut in funding.
 - a. How do these cuts take account of the level of support and oversight available to Posts from London?
 - b. What are the roles of the Africa Regional Department and the Africa Directorate and how do they relate to one another?
2. How does the FCDO, and HMG more widely, intend to monitor and evaluate the impact and effectiveness of its policies under the Integrated Review in Nigeria?
3. How does the FCDO and the Home Office engage with the Nigerian diaspora at present?
 - a. What steps is the Government taking, in line with commitment 7 of the Sustainable Development Goals, to make the flow of remittances from the UK to Nigeria easier and cheaper?
4. We have seen in the annual report how bi-lateral cuts in ODA have translated to the halving of aid for Nigeria:
 - a. Where will funding be focussed in the coming two years? Will the proportion allocated to different sectors change? Please be specific and provide a detailed breakdown of future funding priorities.
 - b. We understand that contracts with ODA funded projects that work specifically with women and girls impacted by violence have been cancelled with very little notice. How will the renewed emphasis on Preventing Sexual Violence in Conflict, and Freedom of Religion and Belief, affect the level and nature of project funding in the future?
 - c. How will voluntary contributions to multilateral organisations and funds impact the availability of development aid to Nigeria over the next two years?
 - d. What difference will the cuts make to High Commission staffing and estates?
5. What conversations have taken place with other Government departments supporting the future of the following initiatives:
 - a. UK-Nigeria Tech Hub
 - b. Public sector capacity building and anti-corruption projects

6. What options is the Government considering to support Nigeria's transition away from high oil dependency? Have there been conversations with other departments, the Scottish Government, and other stakeholders on this issue?
7. What progress has the FCDO made on promoting religious and LGBT+ tolerance in Nigeria?
 - a. To what extent do you assess that religion is a factor in the farmer-herder conflict?
8. How does the government intend to engage with Nigeria via multilateral channels especially in the area of trade?
 - a. How will the UK Government continue in its engagement with the Africa Continental free Trade Agreement?
9. What changes will the re-launch of CDC Plc as British Investment International bring for infrastructure development opportunities in Nigeria?
 - a. How does the UK Government ensure a coherent approach to investment across the various Development Finance Initiatives it supports and utilises?
10. Given the points raised in the written and oral evidence received by the Committee, is there anything further the FCDO would like to add?

I would be grateful of your response by 8 February and intend to place it in the public domain.

I look forward to having the chance to have you appear before the Committee later in the year.



TOM TUGENDHAT