

Written evidence submitted by the Foreign, Commonwealth and Development Office (IRN0021)

UK Engagement in Nigeria

Nigeria's scale and the breadth of our relationship provides both opportunity and risk for the UK and makes it a critical partner in Africa. The resilience of the international order depends on the resilience of the states that make it up; Nigeria's size and links to the UK mean that its resilience matters for our own.

The Government's overall aim is to support a more resilient, stable, healthy and prosperous Nigeria that sees the UK as a strategic partner for peace, trade and economic development, and provides UK companies with opportunities in an expanding and globally significant market. We also aim to further our shared values and priorities in the international system, and work together in support of a stable and open international order. We stand ready to work together to face new challenges as they emerge, including recovery in the face of the COVID-19 pandemic.

As set out in the Integrated Review, the UK remains committed to maintaining our longstanding close relationship with Nigeria and supporting our mutual interests. So far in 2021, the Minister for Armed Forces, the COP26 President Designate, the UK International Champion on Adaptation and Resilience, the FCDO Minister for Africa, and the Prime Minister's Special Envoy on Girls' Education and Trade Envoy to Nigeria have all directly visited Nigeria either virtually or in person.

Our shared history and our strong people-to-people ties, including the 219,000 strong Nigerian diaspora in the UK, is the foundation of our relationship and the UK will continue to provide excellent consular services to UK citizens and businesses in Nigeria; and visa services to Nigerians.

Championing the free flow of trade, capital and knowledge as the best way to drive economic growth

The Integrated Review sets out the UK's vision to support open economies as a source of prosperity and to ensure the benefits of this prosperity are shared through free trade and global growth. UK-Nigerian trade totalled £3.2 billion in 2020, made up of £1.9 billion in UK exports and £1.3 billion in imports. The UK works with Nigerian partners to ensure Nigeria's economy remains open for UK businesses, with top UK companies able to operate within an internationally compatible rules-based system and able to close deals that increase the UK and Nigeria's mutual prosperity.

We are engaging directly and through multilateral organisations to support the Government of Nigeria as they lock in the key economic reforms needed to establish a stronger foundation for macroeconomic stability and a pathway for future economic transformation. UK technical assistance has played a key role in the development of Nigeria's approach to the African Continental Free Trade Area, which will unlock open trade and support prosperity across the region.

Acting as a force for good in the world, defending democracy and human rights

The Integrated Review sets out that the unifying purpose of the UK's national security and international policy is to ensure that the things that define us as a nation – our open society and economy founded on democratic values – remain sources of strength and comparative advantage. Nigeria has transitioned from military rule to Africa's largest democracy. It is an important model for the region and beyond as it approaches its next presidential election in

2023. The UK works closely with civil society and the Government of Nigeria to promote our shared democratic values, champion human rights, strengthen democratic institutions and processes, and ensure policy decisions are shaped by the demands of all Nigerian people, not just the elite. This includes advisory support on electoral laws, encouraging the participation of young people and women, challenging individuals who undermine free and fair elections and lobbying for allegations of human rights abuses and violations to be investigated. Between 2015 and 2019, the number of female political candidates more than doubled in states receiving UK support to women in politics.

There are regular reports of human rights violations and abuses in Nigeria. Terrorist and criminal groups continue to commit egregious abuses and the Nigerian Police Force and Armed Forces also continue to face allegations. In October 2020, there were protests against police brutality in many states in Nigeria and there are allegations that protestors were shot and killed by the Nigerian Army in Lekki, Lagos. The UK called for an end to the violence and for the Nigerian authorities to urgently investigate reports of brutality by its security services and hold those responsible to account, and continue to do so. We also continue to monitor closely the judicial panels of inquiry set up to investigate the allegations and stress the importance of the police and army's cooperation with the panels. The UK Government has worked with the Nigerian Government and the Nigerian Police Force to support police reform and improve human rights compliance. This work helped secure the passing into law of the Police Act 2020. The Act provides a strengthened legislative framework for police accountability and adherence to human rights standards.

The Integrated Review also sets out the UK's leadership on international development, our work to help tackle global poverty and achieve the Sustainable Development Goals by 2030 and our commitment to championing gender equality. The UK is working to ensure Nigeria is better able to finance and provide high quality, inclusive services for its people. Our work is helping to: provide life-saving humanitarian assistance to those most in need; improve the provision of basic services, including health, education and water; improve governance and accountability of government to citizens; and remove the constraints to economic growth, creating jobs, and raising incomes. Since 2015, UK has provided improved access to water and sanitation for 7.5 million Nigerians, nutritional support for 14.2 million women and children; and modern family planning for over 900,000 women and girls.

Taking a more robust approach to security

The Integrated Review sets out the UK's vision to strengthen our security and resilience against those who seek to coerce us, and make it harder for terrorists and organised crime groups to achieve their goals. It also particularly highlights the importance of Nigeria's role in West Africa's regional security and stability. The UK works with Nigeria to address threats to the UK including serious organised crime, cybercrime, terrorism, irregular migration, and piracy in the Gulf of Guinea. Our work seeks to improve the capability and accountability of security actors and support conflict resolution.

Across multiple states in Nigeria, violence and instability affects a wide range of communities. The North West in particular suffers from criminal banditry and kidnappings. In the Middle Belt region there are intercommunal clashes between settled farmers and nomadic herders. The underlying drivers behind these clashes are complex and frequently relate to competition over resources and economically-motivated criminality. Identity factors such as religion make the issue more complex, but we do not assess religion to be the main driver of this intercommunal violence. 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 these root causes. Our work facilitates dialogue between the Nigerian Government, non-governmental organisations and affected communities and strategies that improve social cohesion and peacebuilding. Alongside this, the UK is supporting Anti-Kidnap

Coordination Units of the Nigerian Police Force to help improve their response to the high numbers of kidnaps in Nigeria, enhance human rights compliance and reduce harm to victims. We have also provided training to the Nigerian Armed Forces on international human rights law and international humanitarian law to improve understanding and compliance.

In the north east of Nigeria, the Lake Chad Basin region, the UK is supporting efforts to reduce the operating space for terrorist organisations such as Boko Haram and Islamic State West Africa, and to address the cycle of longstanding humanitarian crises. We are supporting a regional response to the conflict, including through our support to regional bodies such as the multi-national joint taskforce (MNJTF). We have also supported safe humanitarian access to communities in need, strengthened humanitarian coordination, and improved the protection services for the most vulnerable internally displaced persons. The UK Government is providing £400m over five years (2017-2022) of lifesaving support to communities in North East Nigeria, including food assistance for up to 1.5 million people. Humanitarian action in Nigeria forms part of the UK's call to action on famine prevention and is a key pillar of our G7 presidency. The British High Commission in Nigeria leads the delivery of the HMG strategy on the regional Lake Chad Basin crisis, collaborating closely with our posts in Niger, Cameroon and Chad.

All security and justice assistance is provided in line with Overseas Security and Justice Assistance guidance and no UK public funds go directly to the Nigerian Government.

Tackling global challenges

The Integrated Review sets out the UK's ambition to lead global action to tackle the problems that affect us all. The UK and Nigeria work closely together within multilateral bodies to pursue our shared values, including on issues such as the use of chemical weapons, climate change, and to elect candidates to positions of office.

As we approach COP26, the UK is working with Nigeria to ensure it is better placed to protect the climate, biodiversity and nature. Our partnership is building a greener Nigeria with greater resilience to climate disasters and shocks through the use of financial, nature and community solutions. This includes supporting Nigeria to: improve access to reliable energy supplies; manage a transition from dependence on fossil fuels to more financially viable and greener energy supply; and develop infrastructure which is more climate smart, higher quality, better planned and value for money. UK support has helped businesses to create partnerships with the Nigerian public sector and shift their supply chains for products such as palm oil and coca to use land more sustainably, reduce deforestation, and create new opportunities for investment.

The UK has a longstanding commitment to work with Nigeria to build stronger health systems and health security, and to support sexual and reproductive health rights. We are working with state governments to strengthen their service delivery and revenue mobilisation to improve human development outcomes, reduce aid dependency and show the state's ability to deliver for its people. UK support to improve financial, human resource and performance management systems in to six states between 2012 and 2020 resulted in seven new healthcare training institutions being established, triple the number of admission places for healthcare workers, and more than 1000 new midwives recruited and deployed. With the arrival of the COVID-19 pandemic, we have restructured our support to also provide assistance to Nigeria's response, including sending public health experts, helping increase testing and strengthen the work of labs, and embedding staff in the Nigerian Centre for Disease Control (NCDC) to provide technical support. The UK is also supporting Nigeria to overcome COVID-19 through our £548 million commitment to COVAX, which has so far allocated 13,656,000 vaccines to Nigeria.

Investing in science and technology

The Integrated Review sets out a vision to place science and technology at the heart of the UK's alliances and partnerships internationally. The review recognises that retaining the UK's position at the leading edge of science and technology, including effective cybersecurity, will be essential to our prosperity and competitiveness in the digital age. In Nigeria, science and technology provide opportunities for inclusive, sustainable growth, addressing inequality and exclusion, and increasing UK trade and investment. The UK Government is working to strengthen UK-Nigeria partnerships in science, research, technology and data and promote the attractiveness and influence of the UK through science diplomacy.

Our focus areas in Nigeria are digital access, UK-Nigeria tech partnerships, and climate, health and agriculture research. The UK is currently the largest bilateral partner providing public funding for research in Nigeria and Nigeria receives more UK government-funded scholarship and fellowship awards than any other country across Africa. Our investment includes support to promising technologies and innovations that address critical development challenges in Nigeria, such as supporting e-commerce platform, Konga, to provide smallholder farmers access to essential farming inputs throughout the lockdown; and supporting GIVO (Garbage In Value Out) to produce face shields and masks using 3D printing and recycled plastic bottle tops. Alongside this support, we are bringing together UK and Nigerian innovators, researchers, entrepreneurs, small and medium-sized enterprises and policy officials to ensure research translates into real world impact in key areas such as agriculture and food, manufacturing and biotechnology.

Our Digital Access Programme has also secured government commitments to improve broadband connectivity for digitally-excluded populations by removing regulatory barriers that have delayed rolling out broadband and provided technical assistance to the Nigerian authorities to strengthen Nigeria's resilience to cybersecurity threats affecting governments, business and citizens.

UK in Nigeria

HMG in Nigeria is represented by the British High Commission in Abuja; the Deputy High Commission in Lagos; and regional offices in Port Harcourt, Enugu, Kano, Kaduna, Jigawa and Borno. There are currently approximately 500 UK-based staff and locally employed country-based staff across these locations. Departments and government bodies represented at Post include the Foreign Commonwealth and Development Office, Home Office, UK Visas and Immigration, Border Force, National Crime Agency, Ministry of Defence, Department for International Trade, Public Health England, British Council, and the Westminster Foundation for Democracy. Other non-resident government bodies with interests in Nigeria include the Department for Business, Energy and Industrial Strategy, the Department for the Environment, Food and Rural Affairs, the Department for Culture, Media and Sport, and the Government Communication Service International.

Taking advantage of the creation of the FCDO, the British High Commission and Deputy High Commission have recently reorganised to bring together the work of these different departments under thematic blocks. These include governance and stability, human development, the conflict in the Lake Chad Basin, UK-Nigeria people-to-people links, and economic transformation. As set out in the Integrated Review, the new approach intends to ensure faster decision making, more effective policy-making and implementation by bringing together defence, diplomacy, development, intelligence and security, trade and aspects of domestic policy in pursuit of cross-government, national objectives.

The new structure also intends to help us deliver in the context of reductions in UK Official Development Assistance. Our portfolio will focus our investment and diplomatic expertise on issues where the UK can make the most difference and achieve maximum strategic coherence, impact, and value for money. We remain committed to supporting Nigeria's development, while working closely with the federal and state governments and civil society to drive forward reform.

UK-Nigerian History and Modern Day Links

The UK-Nigeria relationship is broad and underpinned by strong people-to-people ties. Nigeria and the UK share a long and complex history, including the period of colonial rule that formally ended in 1960. Our relationship today builds on this history, while looking forward to what we want to achieve together in the future.

Our shared history presents unique opportunities for a strong relationship between our countries. The UK and Nigeria share a similar legal system, common language and family ties that ease the links for business, culture, and diplomacy. Our membership of the Commonwealth provides an important opportunity for today's relationship, as a forum to build on our shared values for the mutual benefit of the UK, Nigeria and other Commonwealth nations. Her Majesty the Queen last visited Nigeria for the Commonwealth Heads of Government Meeting in 2003, and the Prince of Wales and Duchess of Cornwall spent three days in Nigeria in 2018 as part of their royal tour of West Africa.

Around 219,000 people born in Nigeria call the UK their home, and the Nigerian diaspora in the UK and UK diaspora in Nigeria act as a strong link between the two countries. In 2019, the UK issued over 73,000 visitor visas to Nigerians. Nigerians and their children have strong links to the UK, including through education. The BBC World Service language services in Pidgin, Hausa, Igbo and Yoruba are popular, reaching a total audience of over 30 million people per week from 2019 to 2020. Art, culture, film, fashion and music are key elements of the UK-Nigeria relationship and British Council training and support to entrepreneurs in the arts has helped to further strengthen creative partnerships between our two countries.

In the most recent Global Britain Survey, commissioned by the FCDO to help us understand the impact and influence of the UK in the world, 74% of Nigerians polled had a favourable view of the UK in 2020. The UK was ahead of all other countries included in the survey. We do not take this for granted; Nigeria is a priority for many others in the international community.

Supporting Trade and Investment with Nigeria

As set out in the Integrated Review, Nigeria is an important trade and investment partner for the UK. Building on the Africa Investment Summit in January 2020, the UK Government aims to work with the Government of Nigeria, state governments, and UK, Nigerian and international businesses to further our shared prosperity goals through, and in support of, open trade and investment.

Nigeria overtook South Africa in 2013 to become the largest economy in Africa. The size of the market, its natural resources, and the potential of its labour force are important opportunities for trade and investment. Like other African economies, Nigeria should also be set to benefit from this year's launch of the Africa Continental Free Trade Agreement.

Nigeria was the UK's 46th largest trading partner in the four quarters to the end of Q3 2020 accounting for 0.3% of total UK trade. In 2019, the outward stock of foreign direct investment (FDI) from the UK in Nigeria was £5.1 billion accounting for 0.3% of the total UK outward FDI

stock. There is further long-term potential to grow the UK and Nigeria's mutual prosperity significantly by addressing Nigeria's structural economic challenges, tackling the barriers to trade and investment, and capitalising on opportunities where the UK has expertise to offer.

Nigeria's structural economic challenges, including over-reliance on hydrocarbons, distorting subsidies and pervasive corruption, currently hinder its full potential. Nigeria experienced a recession as a result of the COVID-19 economic downturn, but has returned to growth; the IMF upgraded its forecast for 2021 growth to 2.5%. The Nigerian Government has started introducing reforms, including the removal of fuel subsidies and moves to introduce cost-reflective electricity tariffs to attract investment. Fully implementing these and wider structural reforms would help to address underlying vulnerabilities in the economy, shift the operating environment to be more market-oriented and business-friendly, and increase the prospects of achieving the 6-8% growth needed to reduce poverty and create jobs.

The Government therefore combines support for Government of Nigeria reforms that will boost growth, create jobs and reduce poverty, with showcasing UK private sector strengths and promoting specific trade and investment opportunities for UK companies. Ahead of COP26, the UK Government also aims to help boost Nigeria's transition to a low-carbon economy, promoting greater energy efficiency, take-up of renewables, climate-smart agriculture and sustainable solutions for Nigeria's nature and biodiversity. We are working with the Government of Nigeria on central reforms to energy policies including fuel subsidies, working with the private sector to show how climate smart practices can increase production, and bringing in private capital to support this transition.

Our integrated HMG approach will match UK strengths to demand and market opportunities in Nigeria. The Department for International Trade in Nigeria has identified agriculture, infrastructure, healthcare, mining, information and communications technology, education, financial services and renewable energy as priority sectors. HMG works with UK businesses, including SMEs, and Nigerian partners to navigate the local business environment and ensure Nigeria's economy remains open to UK trade and investment. Through this support we aim to help close approximately £100 million worth of UK export & investment deals in Nigeria in 2021/22 in a bid to increase the UK and Nigeria's mutual prosperity.

Nigeria's government see technology as an important means to diversify their economy and drive sustainable growth. The information and communications technology sector contributed 15% to Nigeria's GDP in 2020 – a larger contribution than oil. In contrast to the general fall in foreign direct investment inflows since 2015, the technology sector has attracted significant funding from foreign investors. This is a growing market: Nigeria has set a target of 70% broadband penetration and 90% population reach by 2025 demonstrating itself as an African digital leader. Our funding to the UK-Nigeria Tech Hub is helping to build the skilled technology labour force needed to enhance Nigeria's competitiveness globally through skills development, training programmes and business development advice. With UK facilitation and advice, several UK financial technology companies, such as Kuda and Seso Global, have established businesses in Nigeria. FCDO, the Tech Hub and DIT's Global Entrepreneurs Programme are also helping Nigerian technology start-ups, such as Social Lender, to expand their businesses, including through establishing a presence in the UK.

Challenges for Investment in Nigeria

Nigeria faces a range of challenges which deter investment, including high levels of corruption and increasing insecurity, alongside poor infrastructure and energy access, scarcity of foreign exchange, foreign investors' concerns about the design and implementation of regulation and Nigeria's structural economic challenges. Although the World Bank highlighted that Nigeria had made some notable improvements in 2018 and 2019, Nigeria ranked 131st out of 189 countries in the 2019 World Bank's Ease of Doing

Business index. The UK Government is working with Nigeria to respond to these challenges. Tackling these issues is in the UK's interest: it will help build a more prosperous and secure Nigeria, reduce poverty and inequality in line with our values and provide opportunities for British businesses and investors.

To allow trade and investment to thrive, we have been working with the Nigerian Government to support the necessary reforms. These include simplifying customs clearance procedures, issuing licences for mobile banking alternatives, and improving transparency in the oil and gas sector. A key change that investors, development partners and the International Financial Institutions have recommended is the full implementation of a single unified exchange rate for the Naira. Tariff and non-tariff barriers also hinder UK businesses in sectors where they would normally do well, such as financial, legal and business services, technology and education. The UK Government is providing targeted support and engaging diplomatically to support these structural changes including close co-operation with Nigeria's federal and state governments, multilateral institutions and other development partners. For example, the UK support through the World Bank aims to improve customs processes for importers and exporters, easing access for UK and Nigerian businesses, boosting non-oil trade and increasing Nigerian Government revenues.

Corruption in Nigeria has a significant impact on prosperity and democracy. Nigeria ranks 149th out of 180 countries on Transparency International's Corruption Perceptions Index. The UK Government is providing capacity building and investigative support to help reduce the incentives for corruption, strengthen the Nigerian authorities' response, increase the accountability of the Nigerian public and private sectors and improve the ease of doing business. As part of this work, the UK Government provided technical assistance to prepare the Corporate and Allied Matters Act, which President Buhari committed to at the UK-hosted Anti-Corruption Summit in 2016. Passed in August 2020, it is partly modelled on UK law and enhances transparency and corporate accountability to help tackle corruption by necessitating that beneficial owners of Nigerian businesses and agencies disclose themselves in a central public register. The UK is also supporting the recovery of stolen funds by working to identify assets bought in the UK with illicit funds. In May 2021, thanks to operations led UK law enforcement agencies and supported by the Foreign Commonwealth and Development Office and Home Office, the UK returned £4.2 million to Nigeria stolen by the former Governor of Nigeria's Delta State, James Ibori, and his associates.

The Government regularly raise these and other challenges that affect UK engagement, including businesses and investor interests, with the Nigerian Government. The UK-Nigeria Economic Development Forum, a dialogue between businesses and the Nigerian Government on prosperity, enables UK businesses and investors to raise directly the challenges they face. Our relationship allows us to have honest conversations with the Nigerian Government about these challenges and work together to tackle them.

Partnerships with the International Community in Nigeria

The Government is not alone in recognising the importance of Nigeria to our own equities, the region, and wider world. The size of Nigeria's economy, its projected population growth (which would lead to it being the third-largest country in the world by 2050), and its influence in the region means it also matters to many of our international partners. 104 countries have diplomatic missions in Abuja and/or Lagos and a number of countries are increasing their engagement. For example, US Secretary of State Blinken chose Nigeria for his first virtual tour of an African country, and the Chinese Foreign Minister Wang Yi made Nigeria his first overseas destination of 2021. France is also active in the region, including in Nigeria; the French Minister for Foreign Trade and Economic Attractiveness Riester visited Nigeria in April 2021, and President Buhari attended an African Finance Summit in Paris in May 2021.

The UK plays a leading role in coordinating the international community's engagement with Nigeria. In 2020 we established the Key Political Partners Group (KPPG), chaired by the UN Resident Coordinator and comprised of ambassadors from the US, EU, UK and Germany, heads of the World Bank and International Monetary Fund, and the co-chairs of the Nigeria Development Partners Group (UN Development Programme and FCDO). The purpose of the KPPG is to ensure our efforts are aligned and convene Nigerian interlocutors important to our collective objectives. The KPPG promotes and works on the principle of mutual accountability, where we are both clear about what we bring to the relationship and what we need from our partnership with the Government of Nigeria. The KPPG provides an important platform for driving critical agendas; for example, it has campaigned for the passing of the Electoral Amendment Act and key economic reforms, and has driven coordinated support for a youth employment scheme led by the Office of the Vice President.

The British High Commission co-chairs the Nigerian Development Partners Group, which coordinates aid interventions among the international community; and co-chairs the International Support Group for the Regional Stabilisation Strategy, which focuses on the Lake Chad Basin regional stabilisation strategy. The High Commission also chairs the North-East Ambassadors Group, which comprises nine international missions and focuses on key issues in the North East, such as critical food insecurity, humanitarian access, and providing sustainable livelihood opportunities to displaced people. We use these fora to develop a coordinated international approach in Nigeria, make progress on our shared objectives, amplify our messaging, and deliver support in partnership with the Nigerian authorities. Through these groups, we maximise our influence to deliver greater collective development impact.

On security, the UK and US are Nigeria's long-term partners, although others appear increasingly keen to engage. For example, from 2014 to 2018, Russia and China were the largest suppliers of military equipment to Nigeria. India also has significant investments in Nigeria, and National Security Advisor Monguno visited India in early 2021. The UK plays a leadership role within the 'P3' permanent members of the UN Security Council (UK, France and US) to coordinate the international response in support of efforts to combat Boko Haram and Islamic State West Africa (ISWA) in the Lake Chad Basin, including by providing stabilisation support and humanitarian assistance to affected communities. The UK is the penholder on the Lake Chad Basin conflict in the UN Security Council, and we use that role to draw attention to the conflict, including through coordination of public statements in response to the most heinous attacks. We are also members of the G7++ Group of Friends of the Gulf of Guinea, which focuses on reducing piracy in the Gulf of Guinea, and we are jointly co-chairing the group with Senegal in 2021.

The UK's main trade competitors in Nigeria, in order of market share, are China, India, the USA, and the Netherlands. The UK is a major contributor to the International Monetary Fund and the World Bank, who are working with Nigeria to support necessary economic reforms and provide a unified framework for international community intervention in the Nigerian economy.

Beyond Nigeria's borders, international partners are also working with Nigeria bilaterally and within international institutions, to promote democratic values, open trade, collective security, and solutions to global challenges like climate change. Nigerian nationals hold international leadership positions, including the Director General of the World Trade Organisation and Deputy-Secretary General at the UN. We are working closely with Nigeria on the International Law Commission election at the UN, where Nigeria have formally co-nominated the UK's candidate, Professor Dapo Akande, a British-Nigerian dual national. Nigeria is the largest financial contributor to the Economic Community of West African States (ECOWAS). ECOWAS will play an important role in West Africa after the pandemic, through its stated ambitions to coordinate economic recovery and vaccine replenishment. The African Union

played a key role in securing Nigeria's membership to the African Continental Free Trade Area, which intends to allow free access to commodities, goods, and services across the continent, and with the Commonwealth, there is an opportunity to pursue areas of common interest for our relationship with Nigeria such as trade, energy and sustainability.

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