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**Evidence for Consideration in the
Integrated Review of the Foreign
Commonwealth and Development
Office priorities for Official
Development Assistance for Nigeria**

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Submitted to the Foreign Policy Committee of the United

Kingdom Parliament by

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Executive Director

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Introduction

Lightup Foundation is a registered charity in the United Kingdom. It is associated with the UN Department of Global Communications (UNDGC) and holds a Consultative status with UNECOSOC.

Lightup empowers and supports young people and the disadvantaged to reach their full potentials by providing support, advice, assistance, and by organising educational programmes as a means of helping them advance in life and develop their skills, capacities and capabilities.

Our headquarters is located in the United Kingdom. For 21 years, we have successfully executed hundreds of projects internationally, broken a world record and made remarkable impacts in many lives.

Light Up Foundation was founded in Nigeria, and creating an amenable environment to promote youth development in Nigeria is key to Lightup core values. We have prominent, reputable and highly-accomplished Nigerians in the diaspora as our trustees and action agents. The Executive Director, Olasubomi Iginla Aina MBE, is the Diaspora Ambassador to Nigeria and the National Assembly Ambassador to the UK, a role she has since played voluntarily. She represents Nigerians in the diaspora and advocates for their cause. She is currently running her PhD programme at the University of Brighton UK. Her research topic is "Africa Moving from Aid to Trade: United Nations and How the Body has Assisted African Youth Entrepreneurial Development to Achieve the SDG Goals 8 and 9. What More Can Be Done? Nigeria As a Case Study."

Olasubomi is a representative to the UN with designation to the Department of Global Communications. She has worked tirelessly with Nigerian youth for close to 30 years. Her MBE award from Her Majesty the Queen was given for her dedicated work with the young people and the disadvantaged, specifically in the UK and Nigeria.

As stakeholders in the Nigerian project, we are privileged to be of assistance in providing evidence for the objective focus of the UK's development agenda for Nigeria in a memorandum hereunder.

We are aware that there is a UK aid agenda for Nigeria which is driven by the Foreign Commonwealth and Development Office's (FCDO) priorities for Official Development Assistance spending for the UK's policy toward Nigeria. At the moment, the key focus of these priorities is on emerging opportunities for aid and investment in the science and technology sectors in Nigeria.

Context:

Nations with the most intellectual resources achieve the highest rates of economic growth and the fastest development in science and technology (Iredale, Robyn, Guo, & Rozario, 2003). However, in the unfortunate likelihood of domestic instability, such intellectuals and trained labor force leave their countries for greener pastures abroad (Ogbu, 2004). As a result, these countries remain underdeveloped and unattractive for foreign investment in any sector including that of science and technology.

Nigeria, unfortunately, faces a similar fate of instability caused by massive corruption, poor security situation, indigenous insurgencies, religious extremism and youth unemployment. Their consequences include poor productivity, derelict infrastructure that will not support economic activities, weak trade, poor national values and election irregularities (Dyke, 2009). Hence, the majority of the Nigerian people have been forced to live below the poverty line (Adebile & Shangodoyin, 2011). This is a sad tale of a once promising nation.

Nigeria-British Relationship:

Nigeria remained a British colony for 50 years after its amalgamation in 1914 (Efebeh & Okereka, 2020). It became independent on 1st October 1960. Since then its economy started integrating with that of the UK. Based on its close and cordial relations, Nigeria continues to receive technical and financial assistance from the UK through formal and non-formal channels. However, such developmental efforts continue to be hampered by internal challenges in Nigeria. Consequently, the country remained embroiled in poverty, insecurity, unemployment and unrest, even after 60 years of its independence.

In a bid to respond to the focused questions of the UK Parliament Select Committee, this submission shall be organised in five outlined sections thus:

1. How should the Foreign Commonwealth and Development Office (FCDO) encourage investment in these sectors (science and technology), including in small and medium-sized enterprises?

Nigeria needs to invest heavily in science and technology to be efficient and innovative (afdb, 2016). An effective science and technology (S&T) policy will help the country develop socially, politically and economically (Adebile & Shangodoyin, 2011). Investment in S&T always yields long-term fruits (Ekpiwhre, 2008). By starting to invest from today, Nigeria can safeguard its future generations.

In the past, nations needed more time to develop industrially. However in modern times, countries cover the development journey quite rapidly. For instance, World Bank report shows that the first industrial revolution in the UK took 58 years (1780-1838) whereas, Japan took 34 years, South Korea 11 years and China only 10 years. These prove that science and technology is the key to national development (Adebile & Shangodoyin, 2011).

The FCDO may consider the following priority areas for science and technology investment in Nigeria.

1. Human Resource Development

- a) Provision of scientific and technological research scholarships (both indigenous & overseas)
- b) Opening scientific and technological institutes in medium-sized cities for training youth
- c) Establishing need-based vocational training centers for skills enhancement
- d) Training IT and tech aspirants for promoting the information technology sector in Nigeria

2. Provision of Micro-Credit through Multinational Banks

- a) For small and medium-sized enterprises and businesses engaged in value addition
- b) For women, young and rural entrepreneurs for establishing small businesses
- c) For agriculture extension services to land-ladies and disadvantaged groups

3. Promoting Research and Development

- a) Research funding for developing local solutions for rural development
- b) Industrial development for import substitution
- c) Supporting incubators focusing on international partnership in S&T
- d) Establishing knowledge-sharing centers in villages for small rural entrepreneurs in S&T-related businesses and/or agriculture
- e) Supporting value addition and marketing rural products such as dairy, fruits & farm products

Admittedly, resources are scarce. FCDO is not expected to implement all proposed suggestions. It may prioritize the most appropriate and suitable ones in the beginning. If other countries and organizations chip in their support, other options may also be considered subsequently.

2. What opportunities and challenges do the UK's historic links with Nigeria pose when considering the future partnership between the two countries?

Nigeria has a long history of trade and economic relationship with the UK. After independence, it immediately joined the Commonwealth in order to remain a partner in progress with the UK (Olusanya & Okereke). This supporting relationship keeps blossoming through thick and thin.

The following challenges and opportunities may play a role in determining future partnerships between the two countries.

Challenges:

Some of these challenges are given below:

- a) Brexit: As the UK is yet to clearly determine its trade policies after severing EU links
- b) Trust deficit in attracting foreign investment in Nigeria
- c) Corruption will hamper the transparent distribution of the UK aid in Nigeria
- d) Illicit financial flows: The aid money may end up in foreign financial havens
- e) Money laundering: Aid amount may be laundered by Nigeria's influential citizens

Opportunities:

These are some of the opportunities through which the two countries can further strengthen their relationship:

- a) Returning Nigerian diaspora could contribute in national development efforts
- b) A shared Commonwealth platform for Nigeria and the UK
- c) Bilateral security pact and collaboration in anti-trafficking and human smuggling
- d) Vast Nigerian natural resources to supply raw materials to UK industries
- e) Transparency: UK aid agencies score as the most transparent bilateral organizations in the world. Therefore, FCDO can be considered as the most reliable and efficient global agency for aid investment in Nigeria.

Recommendations: In order to deal with the possible challenges, the following factors may be considered for drawing better outcomes (Efebeh & Okereka, 2020).

- a) The UK and Nigeria should find common grounds to promote bilateral relationship for their mutual benefit
- b) The British government should develop a balanced equilibrium in post-Brexit scenario with Nigeria
- c) FCDO should try to use bilateral channels for effective and efficient aid spending

3. By what mechanisms could the UK Government support trade and private sector development in Nigeria and stimulate investment?

It has been repeatedly reported that direct government engagement results in poor aid outcomes. Therefore a mixed method approach may be used for drawing optimum benefit from the UK aid in scientific and technological development.

Since most of the recommended areas of investments lie outside of the government jurisdiction, the FCDO should engage the private sector and multilateral organizations such as the World Bank, the UN, INGO, NGOs and multinational banks for aid distribution in Nigeria. The same mechanism was also used in the past when 70% of the UK aid was delivered through the private sector (DFID, 2019).

The following are recommended areas where the UK Government can support trade and private sector development and investment in Nigeria to promote science and technology in the country.

I. Direct Cash Transfer: This intervention is globally recognized as one of the most efficient means for speeding up economic development and eradicating poverty. It also has the lowest costs and the greatest impact (US Development Policy Institute, 2017). Cash transfer has minimum overhead costs. Moreover, it reduces inefficiency in aid delivery and maximizes the spillover benefits.

The following table summarizes the preferred areas for direct cash transfer in Nigeria.

Target Areas	Distribution Mechanism	Monitoring & Evaluation	Output Indicators
<i>Postgraduates</i> <i>a) Women</i> <i>b) Indigenous groups</i> <i>c) Rural students</i>	Through Nigerian University Commission, or Ministry of Education	Independent body for monitoring the output of all grantees.	Research publications Submission of dissertations 90% of the scholars have at least one research publication during the grant period and successfully graduate from the institute
<i>Nigerian lecturers, professors and researchers living in developed countries including those of the UK</i>			At least spend one year in any Nigerian higher education institute for research and training in science and technology
<i>Girls admitted in schools and colleges</i>	Multinational Banks		Monthly disbursing

I. Equipping college libraries and laboratories: Colleges in most of the developing countries, including those of Nigeria, lack scientific equipment and books for education and training. Therefore, FCDO can equip Nigerian colleges and vocational institutes for their enhanced performance.

II. Partnering Nigerian entrepreneurs with their global peers: There can be many potential small and medium-sized ventures operating the S&T space in Nigeria eager to collaborate with multinational

companies for expansion of their enterprises. Nigerian diaspora living and working in the developed countries can be potential partners for trade and industrial collaboration and increasing investment. Such partnerships can also be fostered in scientific and industrial development.

- III. Nigeria and the UK can also engage the development partner agencies from other countries to jointly cooperate in this sector. The partner entrepreneurs can financially assist in training, helping in establishment of SMEs or providing technical assistance.

- IV. *Encouraging British Businessmen to explore trade opportunities in Nigeria:* There can be many British-based businessmen willing to work with their Nigerian peers. They can be incentivized for expanding their businesses to support Nigerian economy. The exact mechanism can be determined by engaging the UK and Nigerian businessmen from their respective chambers of commerce and industries.

- V. *Funding Female Tech Entrepreneurs:* FCDO can, either directly or through a local NGO, invite interests from female tech entrepreneurs for seed funding to establish or grow their businesses. Those having collaboration with the UK-based tech experts may be encouraged to apply for funding.

- VI. *Tech Apprenticeships:* Another identical method can be finding tech incubators in Nigeria where tech apprentices can be placed for short- or medium-term training. The incubators or apprentices can be financed for the period of their apprenticeships, till they are able to run their own tech businesses and induct new apprentices.

- VII. *Investment in Renewable Energy:* The UK and Nigerian renewable energy enterprises may be called in to weigh in with their potential collaboration for investing in renewable energy technologies. Building new factories or installing plants for generating renewable energy can be one of the potential investment areas for funding.

Renewable energy is the most popular investment options for many international corporations. This can be an attractive investment option both for FCDO and independent power producers. The Nigerian Government will also be interested to contribute in such ventures for diversifying its energy production.

4. How should the FCDO take account of and mitigate potential inhibiting factors to investment (such as corruption, security, and human rights abuses)?

Domestic insecurity is a serious challenge in Nigeria. Terrorism, banditry, incidences of widespread kidnapping, general youth unrest and recurring violence between herdsmen and farmers have been major sources of concern and impediment to foreign investment in the country. Some of such concerns are given below.

1. *Insurgency: Boko Haram, Bakassi Boys, MASSOB:* Nigeria, hitherto, never witnessed domestic insurgency. However, militant activities by above groups have destroyed the peace and stability of the country. These militants carry out shootings, bombings, arson, suicide bombings and kidnapping for ransom in various parts of the country.
2. *Niger Delta Restiveness:* The Nigerian government started oil exploration in the Niger Delta region in the 60s but an unfortunate twist came into it around the early 2000s. The people of the area took up arms against the government for extracting oil and damaging the environment. Such militant activities have spread to other geographical areas and have adopted regional names to Nigeria's economic woes.
3. *Religious Extremism:* Religious fanaticism has further compounded the security challenges in Nigeria. Recently, Muslims extremists have been carrying out attacks on churches in northern Nigeria and other areas.
4. *Illegal Arms Proliferation:* Nigerian people believe that the government security apparatus cannot ensure safety and security of the people. As a result, people have taken up arms for their self-defense. They can easily procure illegal arms and ammunition from within the geographical boundaries of the country. These guns can easily reach through porous borders of the country through which illegal migrants can enter and sell them to the locals and militant groups.
5. *Weaker Institutions, Poor Governance and Institutional Corruption:* There has been much emphasis on individuals than systems largely promoted by Nigeria's set of corrupt politicians. This has also brought in its wake a bureaucracy that lacks excellence and professionalism. As a result, slow economic growth, social inequality, inefficient institutions and corrupt police and customs forces have damaged the very foundations of the national governance framework. The government has miserably failed to ensure people's welfare through provision of basic services such as water, electricity, housing, education and healthcare. Therefore, people have failed to engage in constructive activities.
6. *Unemployment:* It is one of the basic causes of crime and militancy in the country. It is rightly said that idle minds are the devil's workshops. Since, most Nigerian youth are unemployed, they have become part of militant groups that engage in heinous crimes such as robbery, high jacking, smuggling and kidnapping.

Antidotes to Inhibiting Factors to Investment

Nigeria has made several efforts to fight some of its troubles, especially the monster of insecurity. Just recently in May 2021, the National Assembly of Nigeria organised a national security summit to address the issue of insecurity in the country. Notably present at the summit were prominent traditional rulers from different parts of Nigeria, and some other key stakeholders in the country. Key fruits of the summit are the identification of the challenges and effective solutions that can help.

Outlines, Challenges and Solutions

During the summit, revelations from an agency of government stood out. The head of the National Drug Law Enforcement Agency (NDLEA) mentioned the current prevalence of drugs peddling in the country. According to him, when insurgents are captured and asked what their greatest fear was, they mentioned the fear of running out of drugs. He went further to say that the NDLEA, since January 2021, has seized over two thousand tons and 90 billion naira worth of drugs in Nigeria. From the summit's executive summary here are some solutions to the problems of insecurity thus:

1. Screening programmes for frontline officers of the Nigerian military to expose espionage agents and moles.
2. Engaging and empowering youth by providing them with jobs - various enterprises, entrepreneurial skills, etc / alleviation of poverty.
3. Intelligence sharing among the security agents.
4. Proper training and welfare of security and defence personnel.
5. Establishment of National Crisis Centre (NCC) within the police, purchase of helicopters and the installation of security equipment e.g CCTV, nationally.

No doubt, the UK Government could work in synergy with the Nigerian Government to achieve some of the solutions proffered above and the other outcomes of the security summit, by working, not only with the Nigerian Government, but also with the local non-governmental organisations to implement the outcomes of the security summit.

Other inhibiting factors for investment include lack of on-job training and transfer of technology for the development of human resource and industrial sector in the country.

On the business sector, the recent enactment of Companies and Allied Matters Act CAMA 2020, have been a major game changer in addressing unnecessary complications and procedures in the registration of a new business in Nigeria.

Institutional structure such as property rights, commercial contracts and legal framework of doing business also play a vital role in attracting or inhibiting the investment in a country (Montiel, 2006) and should be looked into.

Finally, the following additional points may also be considered to mitigate the potential inhibiting factors to investment in Nigeria.

- I. *Improving public sector governance*: This plays a vital role in easing civil strife, enhancing human welfare and boosting investors' confidence. It will also help resolve citizens' everyday issues involving government establishments.
- II. *Investing in human resource and infrastructure development*: These are critical for industrial and economic development. Multinational enterprises consider the availability of resilient infrastructure and trained human resource capital as prerequisites for better return on their investment.
- III. *Roping in the Nigerian diaspora*: Nigerian people living in the developed countries are highly skilled and educated. If they are given appropriate incentives to return, they can massively contribute towards the development of their homeland.
- IV. *Strengthening Legal System*: Providing speedy and affordable justice system is also one of the cardinal responsibilities of the state. It helps prevent lawlessness and promotes trust in the government.
- V. *Collaboration with Main Stakeholders*: The State should collaborate with religious leaders, civil society groups, labor unions and traditional rulers for finding unanimous solutions to national problems and devising development solutions

The above policy options, even if partly implemented, will not only remove the potential inhibiting factors against investment but they will also usher in a new era of scientific and technological development in Nigeria.

5. Which states may be strategic partners and competitors in the UK's policy toward Nigeria and how should the FCDO respond? In particular, how should the UK engage with the United States, China, the Commonwealth and the African Union?

Nigeria is the most important African trading partner of the UK. It has been the fourth largest supplier of crude oil to Britain since 1973. The UK Government in 2017 suggested a post-Brexit liberalized trade policy. If implemented, it would further increase the opportunities for African economies (RAS-APPG, 2019).

However, data reveals that Nigeria and Britain trading relations are far below the real potential. Presently, Nigeria accounts for less than 0.5% of the UK trade, which is heavily tilted towards China (15%), India (12%), Netherlands and USA (8% each). These countries also account for 40% of the Nigerian trade (Kohnert, 2018, Editorial, 2020). Hence, China, India, Netherlands and USA can be strategic partners when dealing with Nigeria without compromising their relationship with England.

Nigeria has enjoyed a robust partnership advantage with the UK, even far ahead of other Commonwealth nations in Africa. But pushing more benefits the way of Nigeria will serve the best interest of the UK in both short and long term. With uncertainties associated with post-Brexit diplomacy of the UK with larger Commonwealth countries such as Canada, Australia, and South Africa; Nigeria may lose out in the priority game of the UK aid programme and there might not be a clear plan for building a trading relationship with the UK (Kohnert, 2018). Therefore, Nigeria will continue to look for import substitutions and diversifying trade relationship with other EU countries. This might eventually erode all the previous gains the UK has made with Nigeria.

Conclusion

To reinforce and tie them all together, science and technology are essential for industrial development. Developing countries must facilitate a conducive environment for attracting foreign aid and investment in these areas. Regrettably, Nigeria has been unable to convert its vastly available human and natural resources for its national development. Both of them have turned into a liability for the country. For instance, the oil-rich Niger Delta of the country has lost its peace and security due to oil exploration by the government. In a similar vein, when unable to find job opportunities, the country's youth have joined militant ranks, thus damaging the country's image. These factors have kept the international investors and investment at bay.

Regardless of these immense challenges, the UK Government must be commended for keeping faith with Nigeria and supporting her. Its international development agency, commonly known as FCDO, has been carrying out development work in this West African nation. Considering the immense potential in Nigeria, the

FCDO may involve the country's youth by engaging them in constructive activities so that they can contribute towards national development. Such positive activities will help boost national security, skill development, poverty alleviation and the promotion of science and technology.

Looking into the vast potential, the emerging international powers will try to build trade and economic partnership with Nigeria. The UK Government must keep an eye on such relationships by engaging with its traditional partners such as the USA, Canada and EU countries. It can engage these countries to carry out infrastructure development in Africa's most populated country in order to build a lasting relationship of mutual trust and respect. This will serve her overall strategic foreign policy interest!

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