REPORT OF THE ALL PARTY PARLIAMENTARY GROUP ON NIGERIA

Observations and Recommendations on the November 2006 APPG Visit to Nigeria

Supported by Chatham House, Diageo, Shell International and the British High Commission, Abuja
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Report on the Visit of an APPG Delegation
November 2006

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We are grateful to Chatham House, Shell International, Diageo and the British High Commission in Abuja for making this visit possible. We owe many thanks to the staff of the British High Commission in Abuja for the time and effort spent in making this trip a success. We thank HE British High Commissioner to Nigeria Sir Richard Gozney for his hospitality, advice and time of which he gave so generously. Graeme Bannatyne of the British High Commission organised, coordinated, energised, herded and humoured and we thank him and his staff for making the visit such a success. We thank the Department of International Development for spending time with the delegation.

Thanks to Elizabeth Donnelly of Chatham House and APPG Coordinator for organising the visit, and we are grateful also to Tom Cargill, Africa Programme Manager at Chatham House, for his support. Sola Tayo’s knowledge and advice have been indispensable and we thank her for all her help. We would also like to thank Brian Shaad for his input at the initial stages of planning, and we are grateful to John Brown for his support and advice.

The APPG receives support and friendship from many individuals and groups, who are too numerous to thank. The success and growth of the APPG is dependent on this kind of support and input.

John Robertson MP,
Chair, All Party Parliamentary Group on Nigeria
Executive Summary

Nigeria, along with South Africa is one of the two ‘anchor’ countries for UK policy in Africa, and over 1 million Nigerians live in the UK. It is the UK's second largest African market, and Britain has considerable business investments there. Regionally, Nigeria is of great importance because of its size and its diplomatic and military capacity. Internationally Nigeria’s significance lies in its vast oil reserves, in its human potential, as the most populous African nation and its economic potential. Nigeria is an important actor on the world stage and the international community must give the country the attention it deserves.

2007 is a crucial year for Nigeria. This is the year in which the country will hopefully see the first peaceful transfer of power from one civilian government to the next. It is anticipated that the elections will be imperfect, that there will be violence and there will be some irregularities. It is of great importance that the elections take place and are run as smoothly as possible. The development and success of democracy in Nigeria is vital to democracy in Africa as a whole, as it has considerable regional influence and domestic events have an impact both on Africa and the wider international community. The 2007 elections and a peaceful transfer of power could represent a considerable step forward in the consolidation of democracy in Nigeria.

Part of the reason why the elections will be problematic and why the majority of Nigerians struggle to survive in desperate circumstances is because of corruption and a lack of accountability in the country. The diversion of public money from the public sector and a lack of accountability from the local to federal levels of government, have resulted in extremely poor public service provision to average Nigerians. Poverty and a lack of opportunity have led to a fragmentation of society and have created an environment in which conflict and corruption may thrive. A dependence on oil revenue has exacerbated this situation, and has diminished the space for Nigerians to explore alternative sources of income and so enable to economy to diversify.

Since its return to civilian rule, there have been changes for the better within Nigeria. These changes can be taken further, and must be if Nigeria is to continue along the path of democratic transition. It is of crucial importance that the international community is engaged with Nigeria and offers support, encouragement and criticism. The international community needs to take action now if any improvement on the 2003 elections in terms of irregularities is to be seen. For its part, the UK needs to continue and strengthen its engagement with Nigeria at all levels to ensure stability, democracy and development take root. Real change, however, can only be stimulated within, and must be taken forward by the Nigerian people themselves. The Nigerian authorities must step up current and welcome efforts to root out corruption and work harder to ensure accountability of elected representatives to the people they serve.

Recommendations:

- The APPG urges HMG to provide support to the INEC and apply pressure to ensure credible elections and a peaceful transition. DFID is already engaged in a programme to support improvements in the electoral process.
• The APPG hopes that the Nigerian government will undertake a proper and full census and registration process after the 2007 elections. This would ensure a proper and accurate register that both the people of Nigeria and the international community could have confidence in for future elections. It should be constructed to allow amendments to the register to be done easily and updated at regular intervals and distributed to regional and local officials.

• Nigerian elected representatives should hold at least one village meeting or surgery each year. Regular surgeries held on a monthly basis in at least one central location for the electorate to ask their questions or get the help they are entitled to would considerably advance accountability and show how powerful votes can be.

• The APPG believes that a dialogue between religious leaders in the UK and Nigeria would be helpful to both countries, to identify areas of cooperation and in order to offer support to Nigeria in its development efforts and democratic transition.

• The APPG applauds the passing of the Freedom of Information Bill in the House of Representatives and the Senate, and hopes that the Executive will advance the fight against corruption by signing off on the Bill and further taking measures in cooperation with Nigerian state authorities to see the Law's full implementation.

• The APPG recognizes the importance of the work of the Department of International Development and other humanitarian and development organizations, both local and international, operating in Nigeria. It urges HMG to make certain that there are efficient independent monitoring mechanisms for all projects to ensure first-hand that all money invested is used effectively and will ensure a healthy diversity in organizations partnered with to deliver outcomes.

• The APPG congratulates the EFCC on its progress, HMG for its continued support and the work of the Metropolitan Police on Nigeria. HMG should continue to support and promote the EFCC, helping to provide the means and capacity to investigate.

• The APPG believes that regular meetings and updates should take place between UK and Nigerian Government representatives, police of both countries, the EFCC and other international bodies and police forces to ensure proper communication and with the aim of establishing similar initiatives for cooperation between Nigeria and other countries where stolen money may be invested.

• HMG through the work of DFID and international NGOs working in Nigeria should provide support to the Nigerian government and Nigerian NGOs to enable all children, male and female, to receive a basic education irrespective of religion or area.
• HMG should in cooperation with other international donors and UK businesses operating in Nigeria undertake to support the Nigerian Government in programmes to diversify the economy and create jobs. A logical step in this would be to enable self-sufficiency in energy by building power stations.

The APPG delegation with the LEAP Africa youth group representatives at the British Council in Kano
1. Introduction

This is the report of the APPG on Nigeria delegation’s findings and observations during its 2006 visit.

From November 5th until November 11th a delegation of the APPG on Nigeria travelled to the country on a fact-finding and relationship-building exercise. The delegation was made up of John Robertson MP, Geoffrey Clifton-Brown MP, Meg Hillier MP, John Mann MP, Mark Simmonds MP, David Wilshire MP, Tom Cargill of Chatham House and Elizabeth Donnelly (secretariat). During their five days in the country the group travelled to Abuja, Lagos and Kano. The delegation met with Government Ministers and officials, civil society representatives, youth group leaders, community leaders and business representatives. For a detailed itinerary please see the appendices.

During the visit the delegation focussed on themes of development, poverty alleviation, elections and Nigeria’s complex political culture and how this impacts the lives of every Nigerian. Though time was limited, the visit had a great impact on the delegation. Those that the group met with were generous with their time and shared their information and opinions as much as possible. A strong focus on the 2007 elections happened by chance as various people who had their own motives for speaking to the delegation talked at some length about the coming local, state and presidential elections.

Visits such as this are important for the Group as only on the ground can the MPs gain a real sense of what life is like for millions of Nigerians. It is important to meet with people in their own area, where they are comfortable in making there true feelings known. This provides the MPs with the opportunity to ask questions and be questioned in return. The leader of a community at Iddo Sarki in Kano that the delegation met said this of the visit: “It is heartening that there is this caucus from parliament to see for itself what is going on and the situation we are in. Coming down to the grass-roots level from politicians is very important. It will enhance relations and change the way things are done”.

Background

Nigeria’s complex history is revealed when trying to negotiate the current socio-political landscape. The country is remarkable for the size of its population and its diversity with over 250 ethnicities. The difficult challenges that the country faces are matched by its vast potential.

Nigeria has been in democratic transition since 1999. Most of its post-independence years with the exception of a short period from 1979 – 1983 were spent under military dictatorship. The suffering that was experienced under military rule, particularly during the years under General Sani Abacha, and the institutionalization of corruption during these years, has left a legacy of distrust, unaddressed grievances and entrenched division and conflict. Growing dependence on its considerable oil wealth since the 1970s has had a detrimental impact on Nigeria's economy, narrowing its export base and diverting investment from infrastructure which would
service other sectors of the economy. Economic activity and the entrepreneurial spirit of the Nigerian people have been crippled by mismanagement and corruption. Once the bread basket of Western Africa, Nigeria must now import many of those cash crops of which it was once a net exporter.

Though widely criticized at home, there have been changes under the civilian rule of President Obasanjo’s People’s Democratic Party, including economic reforms and an attempt to clamp down on corruption, with the establishment of the Economic and Financial Crimes Commission. There are individuals within government and civil society working hard to seek reform and improvements for millions of Nigerians who struggle to survive and have few opportunities to help themselves. These efforts are undermined by the continued culture of impunity in the country.

2007 is a crucial year for Nigeria’s transformation, with presidential and parliamentary elections to be held in April. The outcome of these elections will determine whether and how change in Nigeria will continue. Nigeria’s importance to the international community is frequently undervalued. Its key role in African peacekeeping receives little publicity and deserves to be more widely recognized. The country produces the 3rd most peacekeepers in the world, and there are currently Nigerian peacekeepers in Côte d’Ivoire and Liberia. The country’s considerable energy resources and the potential of its vast market should not be taken for granted. It is important that at this time the eyes of the international community are on Nigeria and that there are efforts to support it through its elections and transfer of power, and to offer criticism when necessary. Nigeria has great potential for good. However as the largest African country by population, with its great regional and continental influence and with its oil and gas reserves, should Nigeria’s democratic transition falter or should the country descend into wider violent conflict, the international community will pay the price as well as the Nigerian people themselves. The opportunity of supporting Nigeria during its period of transition and helping to effect positive change in the country should not be missed as its success will benefit those far beyond its borders.
2. Democration and Elections

i. The 2007 Elections

The electoral process in Nigeria is greatly influenced by the country's colonial and post-colonial history. A series of coups d'état and counter coups, almost twenty years of military rule and a return to civilian democracy that has been a disappointment to many has created an attitude of suspicion and cynicism towards elections. Knowledge of the extent of irregularities in the 2003 elections has made many feel that they do not matter and their votes do not count. The 2007 elections however flawed are crucially important to Nigeria's democratic transition and it is essential that the first transfer of power from one civilian government to the next is a smooth one. It is important that these elections help to break the status-quo and open a space for change.

The Independent National Electoral Commission (INEC) is charged with organizing the elections and ensuring that they are free and fair. The INEC is limited by the political environment in Nigeria. The APPG delegation believes that the 2007 elections will be marred by corruption and violence but the extent to which these factors impact the elections is in part the responsibility of the INEC. Despite its reputational weakness, the INEC remains a very important institution with potential to reduce irregularities in elections. The APPG hopes that it will use this potential as fully as possible. Reform of the electoral process, action to decrease the use of violence, bringing the crude use of money under control and addressing gender issues nationwide are priorities for improving elections. The international community can have a role in supporting the priorities, but needs to engage sooner rather than later to help reduce irregularities during the elections. There have been allegations of misuse of funds by the INEC. The APPG delegation was unable to substantiate these claims, but hopes this is not the case. The APPG supports the work of the INEC and hopes that it will remain open and transparent through the electoral process.

There have been attempts at electoral reform, though these have at times been frustrated. For example potential for the use of technology is limited. Electricity supply in Nigeria is erratic, thus electronic voting machines will be unreliable. After experimenting with photograph scanning and electronic registration, the INEC has reintroduced a system of manual registration to support the registration machines. The delegation heard that the machines are unreliable and too few to register the voters in time. The INEC has opened special registration areas for communities who were not registered for the 2003 elections. The APPG delegation was in Nigeria at the time of the start of voter registration, but did not see any registration taking place. Registration is a lengthy process because of the need to check for fraud. The risk of fraud has according to the INEC necessitated a more complex process, whereby ballot papers specific to different areas are printed in high security and delivered at the last moment before elections. It is uncertain and has not been proved that the reason for the complex registration process was deliberately there to avoid proper registration and to disenfranchise those people who are “not wanted”.

There are three key factors which will influence events around the time of the elections: INEC’s capacity to put the necessary structures in place, escalating and spreading violence in the Delta area and middle-belt and the origin of the candidate.
The INEC is confident that elections will go ahead as and when planned. However, those involved in organizing elections and those hoping to go to the polls are likely to be intimidated by those who have benefited from the status quo. The delegation was told that reform is supported by most Nigerians, but it is the corrupt elite who try to frustrate the process. Current law does not allow the large Nigerian diaspora to vote, but it is hoped that once confidence in the electoral process grows, legislation and structures will be put in place to enable the diaspora to participate in elections. When the delegation met with the Information Minister Mr. Frank Nweke, he indicated that the government was considering this, but that no decisions had yet been made.

Universities can help in electoral education and can be active in helping to ensure free and fair elections. Religious leaders also have a role to play in calling for free and fair elections and encouraging people to vote. Some believe that if the elections do not go ahead as planned or are not seen to be free and fair that there will be a crisis throughout Nigeria which would threaten to affect all of West Africa.

**Recommendations:**
The APPG urges HMG to provide support to the INEC and apply pressure to ensure credible elections and a peaceful transition. DFID is already engaged in a programme to support improvements in the electoral process.

The APPG hopes that the Nigerian government will undertake a proper and full census and registration process after the 2007 elections. This would ensure a proper and accurate register that both the people of Nigeria and the international community could have confidence in for future elections. It should be constructed to allow amendments to the register to be done easily and updated at regular intervals and distributed to regional and local officials.

**ii. Governance and Accountability**

An amalgamation of years of military rule and massive oil wealth has reinforced the government-citizen disconnect and virtually eradicated the concept of accountability to a citizenry. The fact that almost all government revenue comes from oil distorts the Nigerian economy and reduces government accountability as there is less pressure for it to deliver to constituents unable to pay taxes. Yet if change in behaviour is to happen in Nigeria, people need to have ownership of development and decision-making. This is made near impossible when citizens never even see their elected representatives.

The delegation visited one community whose government-funded network of standpipes had broken down. The community leaders said they had never seen their elected representatives and were unsure about how to proceed in making a complaint. Every local government receives money from the Federal government, but local government budget processes may not even exist, thus the use of public funds becomes opaque. State governments have budget processes but the delegation was told that they ignore them. Those in state government are beholden to the state governor who has great personal influence on those who may participate in decision-making processes.
There is a form of ‘accountability’ in Nigeria but this is far from the concept of democratic accountability. Elected officials and government workers often feel entitled to share in government revenues. Those to whom they do feel accountable to deliver part of this wealth to are kin and constituents loyal to them. The result of this “prebendalism”, or sense of right to appropriate state revenues, is that 1 percent of the population absorbs most of Nigeria’s oil revenue, while more than half of the population struggle to survive on less than one dollar a day, according to the World Bank. The sharing of wealth and allocation of resources in the country is therefore discriminatory and exacerbates the poverty gap and cements social divisions. Only when Nigeria’s culture of impunity ends can true democratic accountability be ushered in. As ideal and popular as this solution is, because Nigeria is so factionalised, because so many feel that they are owed for what has been stolen and because Nigeria is by now so dependent on its oil income, wiping out corruption and the culture of impunity at a practical level will extremely difficult. Nigeria is locked in a vicious circle. Dependence on oil revenue reduces the perceived need for accountability on the part of state officials, it also leads to failures to diversify the economy and invest in education. The consequent disempowerment of the population makes the status quo easier to maintain, creates social divides and causes further stagnation of economic activity, and so dependence on oil revenue increases. This is not to say that this cycle cannot be broken, but it will take a massive and sustained effort from both within Nigeria and from the international community. Two key ways in which the UK and the international community can help to support and

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All Party Parliamentary Group on Nigeria

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encourage Nigeria through difficult changes are in efforts to diversify the economy and to directly tackle corruption. More on these follows in later sections.

Recommendation: Nigerian elected representatives should hold at least one village meeting or surgery each year. Regular surgeries held on a monthly basis in at least one central location for the electorate to ask their questions or get the help they are entitled to would considerably advance accountability and show how powerful votes can be.

iii. The Role of Religion

Religion permeates every aspect of most Nigerians’ lives, and as Nigeria is divided along religious lines as well as ethnic lines, it can be as divisive a force as it is a force for good. The religious divide is a basis for political polarisation in Nigeria, and it is something that may be manipulated by politicians who seek a divisive focus to distract from an absence of policy. There has been an increase in communal violence in recent years, particularly in Northern towns where there have been disputes between Muslims and Christians. The introduction of Sharia Law in some states in the North has exacerbated tensions as although it is intended for Muslim citizens it may impact entire communities. It is believed that there is potential for the growth of extremism in the North as it suffers even more intense poverty than is suffered in the South.

However, the delegation believes that it is important that the division is not overstated as this in itself risks creating a more negative perception which will impact existing relations. Religion can be a powerful force for good in the country, for fostering national unity and empowering people at the grass-roots level to participate in open debate if it can be brought into step with open political discussion. Intermarriage between Christians and Muslims is common, and historically conflict has not usually manifested itself along religious lines. Tensions can arise where there is poverty and a lack of resources: people will turn to religion for solutions where government fails and in Nigeria there is certainly a belief that no government will act equitably. There is potential however for religious leaders to call for and support improvements in governance. They can also play an important role in conflict resolution. The APPG on Nigeria would welcome the opportunity to learn more from religious leaders in Nigeria about actions they are taking to help resolve conflicts and support development in the country.

Recommendation: The APPG believes that a dialogue between religious leaders in the UK and Nigeria would be helpful to both countries, to identify areas of cooperation and in order to offer support to Nigeria in its development efforts and democratic transition.
3. Corruption and the Rule of Law

“If you do not fix Nigeria you cannot fix Africa.”

i. The Nature of Corruption in Nigeria

Nigeria’s reputation for corruption precedes it. It is a country where buying influence and favours has become so commonplace that it is taken for granted by many that this is the way the system functions. Those wishing to challenge this system and improve Nigeria’s reputation face an uphill struggle as most in positions of power themselves depend on ill-gotten gains and so further entrench corruption. It is difficult for politicians who want to tackle the problem to emerge, because the political system is so rife with corruption. That some state offices, including state governors and the president, are immune from prosecution makes dealing with corruption in the places it matters most all the more difficult. Others are vulnerable to corruption as those who gain power through corrupt means may then become ‘godfathers’ to those who see no other way of improving their circumstances.

Nigeria’s ‘resource curse’ and economic mismanagement over many years coupled with years of military rule have created ideal circumstances for corruption to thrive. Corruption happens in Nigeria simply because it can, but also much of the time because there is no other way to earn a living.

It is important that Nigerian citizens have the capacity and feel confident to ask questions when institutions fail to do so. A Freedom of Information Law would be helpful to Nigerian citizens, giving them access to information about assets and income would be one way of enabling them to question state officials and make them seem a little less untouchable. A Freedom of Information Bill, proposed in 2000, was passed by the House of Representatives in August 2004, and by the Senate in November 2006. This is a great step forward for the anti-corruption effort in Nigeria, and it is hoped that the President will sign off on the Bill without delay. However, the real test of political will for freedom of information in Nigeria will come when it is time to implement the law. It is hoped that the 2007 elections and transfer of power will not detract from progress on freedom of information.

International development and humanitarian organisations including DFID need to take steps to protect themselves from corruption. While institutions that channel funds through multilateral institutions have the benefit of external auditing, local NGOs that receive funding directly may only receive checks from time to time. Those international organisations who partner with local NGOs need to monitor carefully resource allocation and impact, and also need to ensure that their partners are diverse enough to avoid elitism and stagnation.

Changes are taking place in Nigeria, and a body created under the current administration, the Economic and Financial Crimes Commission, has been making efforts to tackle the massive problem of corruption. The UK, in partnership with the Economic and Financial Crimes Commission, has had some success in tackling financial crime that bridges the two countries. The UK’s Proceeds of Crime Act

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2 Nuhu Ribadu, Chair of the Economic and Financial Crimes Commission, in a meeting with the APPG 07/11/2006
implemented at the end of 2005 has been helpful as so far £1 million of assets sent to
the UK by former governors have been seized and returned to Nigeria. However,
money laundering in the UK continues, and no prosecutions on the British side have
yet been made. Cooperation between UK and Nigerian authorities in fighting
corruption has been fruitful. This should be taken as encouragement to further efforts
in the UK to continue to support Nigeria and tackle corruption at home.

Recommendations:
The APPG applauds the passing of the Freedom of Information Bill in the House of
Representatives and the Senate, and hopes that the Executive will advance the fight
against corruption by signing off on the Bill and further taking measures in
cooperation with Nigerian state authorities to see the Law’s full implementation.

The APPG recognizes the importance of the work of the Department of
International Development and other humanitarian and development
organizations, both local and international, operating in Nigeria. It urges HMG to
make certain that there are efficient independent monitoring mechanisms for all
projects to ensure first-hand that all money invested is used effectively and will
ensure a healthy diversity in organizations partnered with to deliver outcomes.

ii. The Economic and Financial Crimes Commission

The Economic and Financial Crimes Commission established in 2002 and headed by
Nuhu Ribadu runs on a three to four year reform agenda, based around good
governance, transparency and accountability. The EFCC has had success in ‘419’
fraud convictions and in trying to sanitize the banking sector. In terms of money and
assets the EFCC reports that it has so far been able to recover over US$5 billion. It
has sought to reorganize the customs department. The EFCC believes that the
confidence of private and international investors has grown as a result of action
taken.

Of all donors, the European Union provides the most support to the EFCC, providing
funding to build capacity. Some of the money was used to build a financial
intelligence unit. DFID is working with the EFCC on capacity building and has a
financial crimes advisor to support the EFCC in research. The Metropolitan Police has
in the last year strengthened relations with Nigeria, and the Metropolitan Police, the
Foreign and Commonwealth office and DFID are working together to deal with
stolen assets transferred to the UK. This has been of critical importance to the EFCC
and Nigerians, as those perceived to be untouchable in Nigeria have been pursued
in the UK. This has helped to build confidence in tackling corruption among the elite
in Nigeria. The Commission has also started to work with civil society groups.

The EFCC is now venturing into the space of political office holders. The same week
that the APPG delegation was visiting Nigeria, Metropolitan Police detectives were
in Jos presenting evidence against Governor Joshua Dariye on allegations of illegal
transfer of public funds amounting to £3 million to London. More than half of local
government is being investigated, with cases in court in 5 states. 75 local

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3 M. Peel, Nigeria-Related Financial Crime and its Links with Britain, (London: Royal Institute of International Affairs,
governments have already been taken to court. The Commission is confronted by a
great many difficulties as it faces resistance from those who would prefer continuity.
Its staff face threats and it is regularly criticised in its work for being biased. The
delegation was told on several occasions that the EFCC was targeting opposition
leaders and Governors. This may be true; certainly people arrested and charged were
not allies of the President at the time although some may have been in the past. The
delegation felt that provided these people were actually guilty there was not a
conflict of interest, but if it is discovered that innocent people are being targeted for
political reasons then we would expect the incoming administration to justly deal
with those who have misused their position.

The APPG was impressed by the determination of Mr. Ribadu and the EFCC to
deliver on one of the most difficult jobs in Nigeria. While corruption is a deeply
embedded and damaging problem in Nigeria, to tackle it is not an insurmountable
task. It is believed that corruption is not yet so deeply rooted in Nigerian culture that
it cannot be stopped.

Recommendations:
The APPG congratulates the EFCC on its progress, HMG for its continued support
and the work of the Metropolitan Police on Nigeria. HMG should continue to
support and promote the EFCC, helping to provide the means and capacity to
investigate.

The APPG believes that regular meetings and updates should take place between
UK and Nigerian Government representatives, police of both countries, the EFCC
and other international bodies and police forces to ensure proper communication
and with the aim of establishing similar initiatives for cooperation between Nigeria
and other countries where stolen money may be invested.

iii. Oil, Security and Corruption: the Case of the Niger Delta

Nowhere are the effects of corruption in Nigeria so evident as they are in the Niger
Delta. This region, covering an area of nine states, is the source of almost all of
Nigeria’s foreign exchange earnings and over half of its budgetary revenues and
makes Nigeria the sixth largest exporter of oil in the world. Communities living by
the sources of this highly prized commodity have no clean water or electricity, no
access to education and health services and have suffered the environmental impacts
of gas flaring and oil spills, such that fish stocks upon which they depend have been
decimated.

Unfortunately, due to security concerns, the delegation was unable to visit the Delta
during their visit. They were therefore unable to follow up on the visits made by the
delegation of the APPG on the Niger Delta in 2005 and could not check to see
whether the Eni Group had dealt with the problem of gas flaring at the Akululu
community as they had said they would. The APPG does hope that it will be able to
visit the Delta again in 2007 or 2008.

It is important to raise the issue of the Delta however, as the standard of living that
the Western world enjoys is intimately tied to the living conditions of communities in
the Delta. Nigeria’s sort after light sweet crude oil comprises one-fifth of the United
State’s oil imports and a significant quantity of the UK’s oil imports. If the injustices in the Delta are not addressed and the security situation further deteriorates, the price of oil will inevitably be further affected.

Oil companies are in part culpable for the situation in the Delta, however they do channel wealth in taxes to the Federal Government, and money is redistributed to states with Delta states receiving a larger allocation. In 2006, almost $6 billion was allocated to the 9 Delta states. This money does not reach the people who need it in the form of services due to corruption at every level. The deterioration of the security situation in the Delta is a consequence of long-term and ignored grievances of impoverished communities, widespread unemployment and underemployment and the proliferation of small arms in the area. The Niger Delta has become increasingly difficult to govern. This is exacerbated by the limited capacity of security forces in the region. The delegation heard that the Nigerian army has only 6 boats for 3000 soldiers and 70% of military equipment does not work.

The international community cannot afford to ignore the situation in the Niger Delta. It will take a concerted long-term and long-sighted effort to curb the crisis in the Delta. There are too many parties benefiting from insecurity and corruption for anything less. It was felt the United States must use its influence as the main buyer of Nigerian oil to help and assist the oil companies and the Nigerian Government to improve living conditions in the Niger Delta. Given that the crisis in the Niger Delta is rooted in the extreme poverty of the population in a region that produces immense wealth, finding evidence to target corrupt leaders must be a priority as only once this happens will the massive funds provided to the oil region governors – and for that matter governors of all regions – be used to deliver public services.

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4. Human and Economic Development

In Nigeria, one in five children dies before the age of five, net enrolment in primary education is estimated at 55%, which means that at least 7 million children of primary school age do not go to school, and 56% of households have no access to clean water (DFID). The UK needs to continue engagement with the Nigerian government and other donors to work towards achievement of the UN’s Millennium Development Goals (MDGs). Development in Nigeria is constrained by poor accountability and financial management. Nigeria currently has the biggest foreign reserves in its history, of N40 billion and almost no debt. With a programme of £70 million for Nigeria in 2006, DFID stated that its resources are tiny in comparison to the needs of the country.

i. Public Service Provision

Nigeria’s human development indicators are woefully poor, and access to public services is limited. Priorities for Nigerian citizens are potable water, electricity, education, jobs and law and order. There have been changes in recent years in the approach to health and education, but government systems need to work better if there is to be real progress and this can only be achieved through improvements in governance and transparency.

Health

The spread of HIV/AIDS in Nigeria has been rapidly increasing and tuberculosis and malaria are taking a significant toll on the country. Many lack even basic health care services. Health indicators in the North are even worse than in the South, although rates of HIV are a lot lower. There have been some improvements, with immunisation up to around 5% from 1% of the population. The delegation heard that there had been some resistance to polio immunisation as it was commonly believed that efforts to encourage immunisation were a plot by the West to cause infertility and so reduce the size of the population. This problem has been solved as vaccine is being accepted from other Muslim States.

The delegation visited a health centre at Takkai, a community just outside of Kano city. The centre provides maternal care, a much needed service in the north where studies have revealed a maternal mortality rate of 2420 per 100,000.5 Kano State has the highest maternal mortality rate in the region. This is a result of poverty, poor nutrition and lack of access to basic services. Families in the region have on average 7 children each and the subject of family planning is approached with care as it is a culturally sensitive subject. There are problems with Tuberculosis and Meningitis across West Africa. Each untreated case of TB is likely to transmit to 15 others, largely because of close living conditions and unsatisfactory housing. The health centre at Takkai is funded by the local government, while the state government provides support for staffing, and the UK’s DFID provides training and access to

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basic drug services. The Federal Government helps to provide vaccines. However, effectiveness of the clinic is limited by logistics; for example the inability to refrigerate and transport vaccines renders them useless. The delegation also saw that the clinic, like the rest of Nigeria, has an erratic and unreliable electricity supply. The health centre has resourcefully worked out a system, using its own generator a few times a day, whereby it maintains vaccines, blood and other necessities at temperatures required.

Possibly the biggest challenge facing this health centre, and other public service institutions, is that of human capacity. It is difficult to find qualified staff willing to live and work where both electricity and water supply are unreliable. All important to maternal health care, female health workers are particularly hard to come by, although they are on the rise now as women are now able to get qualifications locally. There is a school of nursing and midwifery in Kano.

The DFID’s input to health services in Nigeria is important. In this case it consults with the centre to assess its needs and it works with the staff to improve the standard of delivery and provide drugs. DFID’s work with the health centre is at the time of writing almost two years old. In 2007 data will be collected to assess its impact.

Local government has been approached to provide water, infrastructure and so on. It also provides funding for a breastfeeding advertising campaign with the support of other levels of government, which has made a noticeable difference. It is hoped that the government of Nigeria will adapt the model at this health centre for other clinics and hospitals and extend it to other public services.

**WATER**

The service that is probably taken most for granted in the West that is in severely short supply in Nigeria is the provision of potable water. At least 80 million Nigerians do not have access to potable water. The impact of this lack of clean water on human and economic development is massive. Those without clean water become trapped in a vicious cycle of poverty when ill health resulting from drinking contaminated water weakens the body, reducing the productivity. The resulting economic hardship limits the ability to buy or grow food. Undernourished, people become less able to fight of disease and less able to work. The provision of clean water at reasonable cost to Nigeria’s entire population therefore needs to be urgently addressed.

A discouraging scene was presented at a community on the outskirts of Abuja. This community at Ido Sarki had had a network of standpipes put in place by the government. With more than 20 surrounding communities affected by cholera and other waterborne diseases, the provision of clean water is crucial to the very survival of communities such as that at Iddo Sarki. Of all of the standpipes built, only two were left working. One of them we saw had worked for only two days before breaking. Too much pressure is put on the remaining two standpipes to provide water as 5000 people in the community rely on them. The work to bring water to this community was contracted out. This is a prime example of low-level corruption, where the job was carried out by the contracted party but with substandard...
materials, pumps that broke and pipes that could not withstand the water pressure. A profit was made by the contracted party, leaving the community without sufficient water supply due to the use of inferior materials. People are once again using the contaminated waters of the nearby stream. The problem intensifies as people have been moved off land in Abuja more and more people are arriving to settle in communities such as this one.

Another community that the delegation visited was at Wudil in Kano. With the UK’s DFID in partnership with the World Bank and USAID engaged with local and state government, work is being done to supply this community with potable water thorough standpipes. Currently the community gets its water from the nearby river. The provision of clean water will make an enormous difference to this community, ultimately impacting 300,000 people. Standards of health will improve, and it will help with the development of cottage industries, and improve the community’s productive capacity. People will have to pay for this water though the fee will be subsidized. There is an expectation that water should be free, as the government has promised to provide water free. Free provision would however be debilitating as it would make maintenance impossible. The community hopes to engage with the local government on helping to subsidize this project and it is hoped that ultimately it will be self-sustaining in the next 5 – 10 years. This programme is unique in Nigeria as it is in partnership with the community. A committee has been formed from the community with the aim that it will manage funding and accounts. This is a vitally important element of the project. It is as much about management as it is about supply. It is important that communities have control and ownership of projects that are to benefit them. Only if these projects are put in their hands to manage will they become sustainable. There is currently an unwritten commitment from the local government to maintain the system, though the community is seeking a formal commitment from the local government and the state waterboard. The state government would provide support in treatment, distribution and management. If this project is successful it may be replicated elsewhere.

![Visiting the water project in Kano](image)

Such projects are of great importance not only for their potential to improve public service delivery, but also because they help to strengthen civil society and community voices, and help to improve relations and engagement within communities and between communities and local government. This is crucial to development in Nigeria. The delegation was only able to travel to Abuja, Lagos and Kano, three of the most easily accessible places in the country. It can be logically assumed then that many areas in Nigeria suffer from far
greater neglect than those communities the APPG delegation visited. Change in Nigeria must come from responsive local and state governments working with communities. International development agencies and NGOs face the crucial question of who it is they are helping. All organizations have limited resources to address huge needs, making this question all the more important. Efforts must be made to reach those who are furthest from the centres and suffer the worst hardships.

On a visit to one of Diageo’s Guinness breweries in Lagos, the delegation was told how private enterprise can also help in the provision of public services. Guinness returns value to communities through taxation and employment, but it also runs a campaign called Water for Life, which aims to provide potable water to as many people as possible. So far it has constructed three major boreholes. In 2007 they aim to bring water to 300,000 more people. Such projects run by private investors are very important, and businesses certainly should give back to the communities they operate in. However, it is important that they do not come to be seen as a viable replacement for government in service provision, a tempting option in Nigeria, particularly in the Delta where international oil companies may be more visible than local government.

**YOUTH AND EDUCATION**

Youth and the education and opportunities open to them are issues of critical importance across Africa. There needs to be a focus on job creation in Nigeria, if crime and corruption are to be effectively combated.

In Nigeria, 11 million children have no basic education. 2 million children have been orphaned by HIV/AIDS. There is a new strategy for education, though state-level initiatives need to be supported. The UK needs to assist in building capacity as there are thousands of graduates in Nigeria without employment. According to DFID, support for scholarships at further education level is no longer provided by the Nigerian government, as the aim is for a broader impact on education. However, standards of further education in Nigeria are already low and declining, damaging prospects for Nigeria’s much needed capacity building.

There are 2000 public schools in the North and 20 000 Islamic schools, which girls only attend if the national curriculum is in place. The number of girls attending school in the North is increasing, although girls continue to be married at a very young age, often at 12 or 13 years old. Issues of gender discrimination are not only pertinent to the North however. Nationwide there needs to be a stronger focus on bringing women into decision-making processes in Nigeria.

The delegation met with representatives from different youth groups brought together under the umbrella of LEAP Africa. Youths at this meeting said that they felt marginalized, that despite their ideas and energy they have no access to material or technical support. They felt that change under the current system is impossible, that most people are too preoccupied with finding food to be able to instigate change. They felt that opportunities for them are limited. To get a good education in Nigeria it is necessary to go to private school, which can be prohibitively expensive. They also
expressed deep concerns about the distribution of aid money and monitoring mechanisms on spending of that money.

Meeting with youth group representatives at the British Council, Kano

**Recommendation:** HMG through the work of DFID and international NGOs working in Nigeria should provide support to the Nigerian government and Nigerian NGOs to enable all children, male and female, to receive a basic education irrespective of religion or area.

**ii. Economic Diversification**

Economic diversification is crucial to Nigeria’s survival and development. It is key to the fight against corruption and to the reduction of poverty. Nigeria’s vast economic potential has been crippled by its dependence on oil. There is insufficient money from oil alone to sustain the 130 million plus people of Nigeria, therefore, there is a need to create employment and produce its own food and energy supply.

Oil is not labour intensive, and officially employs few people relative to the revenue it generates. Nigerians have seen few benefits from the resource, and pay exorbitant prices for fuel, because Nigeria does not have the capacity to refine its own oil. Poverty, the cost of fuel and knowledge of the commodity’s value has stimulated the formation of an informal trade in bunkered oil. This parallel activity, which involves tapping for fuel at pipelines, is extremely dangerous and hundreds have died in explosions at tapped and broken pipelines. A measure that has the potential to support economic diversification in Nigeria is energy self-sufficiency. For example, oil refined at home could reduce the cost of fuel and enable a more constant power supply to be generated. Reliable electricity provision could enable people to invest more of their time in productive activity, and reduce bunkering and the accidents caused by it. Nigeria’s manufacturing sector is very small, due to its oil dependency and erratic power supply. It is currently self-sufficient in only toothpaste and beer.
DFID is seeking to improve transparency in business and is hoping to promote non-oil growth and particularly to make agriculture work for Nigeria’s poor.

There have been efforts at diversifying the economy, particularly in the area of agriculture. Nigeria, once the bread basket of West Africa, has massive potential to be so again with its ample labour and land. There is no industry that can absorb Nigeria’s large labour force and in the short-term subsistence farming maybe the best alternative for Nigeria’s unemployed. Due to its current power generation problems, farming is a more immediately realistic alternative to manufacturing. Small scale farming would be preferable to commercial farming as the latter does not employ enough people to solve Nigeria’s problems with unemployment. Currently, domestic demand is only met in maize, yams and chicken.

Recommendation:
HMG should in cooperation with other international donors and UK businesses operating in Nigeria undertake to support the Nigerian Government in programmes to diversify the economy and create jobs. A logical step in this would be to enable self-sufficiency in energy by building power stations.

iii. Private Investment

At a conservative estimate, US$2billion is still sent to the UK each year. There needs to be incentives in Nigeria for keeping this money in country. Improvements in electricity and transportation infrastructure would be helpful. The banking system is becoming more reliable and this is one reason for increasing investment in country. The complexity of doing business in Nigeria can be off-putting for investors. Human and economic development and private investment are mutually reinforcing as a greater dispersal of wealth through communities will increase purchasing power within communities and therefore consumption will grow.

Business is made difficult for those Nigerians wishing to invest internationally due to the country’s reputation for corruption. Nigerian business people may face prejudice and struggle to gain access because of the actions of a minority of fraudsters. Nigerians face far higher transaction costs due to this damaging reputation. Foreign investors doing business in Nigeria can support economic diversification and help to build external relations with Nigerian business people. Private international investors in Nigeria also have a responsibility to avoid engaging in corrupt activity. Reports in 2006 of corruption among some multinationals were discouraging and frustrating given the challenge already facing Nigeria in tackling the problem.

Navigating Nigeria’s complex and time-consuming customs service can be a disincentive to foreign investors. In can also inhibit development. For example, equipment for the water facility that will supply communities at Wudil, Kano and Guyu had been at Lagos port for three months at the time of the APPG delegation visit. Equipment imported through air freight does however come through much faster.
5. Nigeria and the UK

Nigeria and the UK have long-standing ties and the bilateral relationship is of great importance to both countries. Official estimates put the number of Nigerians currently living in the UK at 1 million. The Nigerian diaspora contribute a great deal not only to the British economy but also to the Nigerian economy through remittances to family in the country. The UK has benefited from business opportunities in Nigeria. British investment in the country is estimated to amount to £1 billion. Nigeria is the UK's second largest African market, with exports worth £775 million. The UK for its part seeks to support Nigeria in its development and there has also been cooperation in Nigeria's fight against corruption.

There is massive demand from Nigerians to come to the UK to work and study. The British visa section in Lagos alone receives 200 000 visa applications annually. Such is the aspiration of many to travel to the UK that people have found the most creative ways of producing forged and falsified documents. On their visit to the UK visa office in Lagos, the delegation were shown fake and stolen passports, falsified examination certificates and even a forged letter from the office of Tessa Jowell printed on headed paper. The lengths to which people will go to gain access to Britain is a sign of the lack of opportunity in Nigeria and the urgent need to address this. Many, once trained abroad are reluctant to return home as they may face unemployment, lower standards of living and a corrupt system difficult to navigate.

The UK is in a position to help Nigeria in its attempts to overcome problems of corruption, to further its development and to reposition itself in the international community. An important friend to the UK, Nigeria is underestimated in its value to the international community as a whole.

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6 UK Trade and Investment, https://www.uktradeinvest.gov.uk/ukti/appmanager/ukti/countries?_nfls=false&_nfpb=true&_pageLabel=CountryType1&navigationPageId=nigeria
6. Conclusion

Nigeria has massive potential, but realising it will require energy, long-sightedness and perseverance. Corruption is at the root of Nigeria’s troubles, and the attraction of relying on oil revenue has made the permeation of corrupt activity through society all the more easy. There needs to be improvements in accountability and governance and public service provision, concurrent with the fight against corruption.

We therefore look forward to seeing greater accountability of elected politicians to their electorate. A greater understanding by the people of their rights and capacities will help to achieve this, and we applaud the work of LEAP Africa and its work with young people. Empowerment of the disenfranchised will help to bring pressure to bear on the elite to improve on governance. However, this empowerment requires delivery on basic services: water, education and health. The UN’s Millennium Development Goals are vital to the future of Nigeria and we support international efforts to promote them, most recently the International Finance Facility for Immunisation.

The elections that take place in April 2007 must be as free and fair as the system allows, and there needs to be a smooth transition of power from one elected president to the next in May 2007. Though the elections will be imperfect, this is an important step in Nigeria’s democratic transition, and it is important that confidence in the democratic process is gradually built. We hope that efforts to stamp out corruption continue under the next President.

Nigeria should not be in the situation it is in. It has potential to be a great power in Africa. It is resource rich and already plays an important role internationally, although this is not given due recognition. There is immense energy and an entrepreneurial spirit among Nigerians that given the right circumstances could bring rapid development to the country and improvement in living conditions to those who currently struggle daily to survive.

As outsiders, the potential of the international community to stimulate change in Nigeria is far more limited than that of Nigerians themselves. While it is essential that the international community provides support and encouragement, the real work of change will be carried out by Nigerians themselves. The All Party Parliamentary Group will continue in its efforts to work for the people of Nigeria, to do what it can to bring the necessary pressure to encourage positive change in the country. The APPG hopes to continue to hold relevant meetings on Nigeria, to learn more about the country and offer support and friendly criticism where it can. We welcome comments and suggestions regarding both this report and future work that the APPG may undertake.
APPENDICES

Appendix I

The APPG on Nigeria

The All Party Parliamentary Group (APPG) on Nigeria was initially established as the APPG on the Niger Delta in February 2005 after Bill Tynan had a Westminster Hall debate on the Niger Delta, which brought to attention the need for a group to focus on the region. The APPG was started after the 2005 General Election and has been chaired since its inaugural meeting by John Robertson MP. A delegation representing the APPG on the Niger Delta travelled to the area in August of 2005. It was after this visit that it became clear that it would be necessary for the group to expand its regional focus as the challenges facing the Niger Delta are inextricably tied to those challenges facing Nigeria as a whole.

The APPG on the Niger Delta became the APPG on Nigeria in February 2006 and its membership from all UK political parties is rapidly growing. The Group aims to create a better understanding in the UK of issues pertaining to Nigeria, to build relations and to support efforts to promote development and social justice in the country. The Group has met with representatives from the business, NGO and government sectors from both countries in an effort to improve its understanding of the country, issues impacting it and perspectives of stakeholders involved. In an effort to achieve its aims, the APPG hopes to visit Nigeria annually.

The APPG Niger Delta Visit 2005

A delegation consisting of John Robertson MP, Bob Blizzard MP, Anne Moffat MP, Jim Sheridan MP and Bill Tynan (formerly MP for Hamilton South) and Stuart Hudson (secretariat) travelled to the Niger Delta in August 2005. The focus of the visit was on the impact of the oil industry on the environment and communities of the region, on conflict and security, and on development in the region.

In its report of its visit, the delegation concluded that the Federal Government of Nigeria should take the lead in regulating the impact of oil companies on their environment. It is important that the Nigerian government sets clear environmental standards and that oil companies demonstrate their willingness to make the necessary investment to meet them. The delegation recommended the commissioning of an environmental impact assessment to look at the physical and environmental impacts of gas flaring on communities and the land. It also recommended that HMG and the Nigerian government monitor the situation to ensure the revised target of ending flaring by 2009 is met.

The report further pointed out that HMG and other governments have a role to play in helping the people of the Niger Delta. It argued that DFID should engage in the Delta as a stable Delta region is necessary for the rest of Nigeria to be able to grow in a sustainable and equitable way. The report recommended that HMG and other governments should consider greater use of conditionality when offering aid and debt relief packages, to demand further action on human rights, corruption and democracy.
On oil companies, the report found that Shell’s reforms on transparency and accountability were important but their results were not immediately obvious to the people of the Delta. Their plans for Sustainable Community Development would not remove the legacy of decades of tension. The report recommended that Shell take action that demonstrates their good faith to the communities amongst which they operate – for example, practical verifiable steps on environmental issues. The 2005 delegation felt that it is right that the oil companies are criticised for the continuous flaring of gas over many decades. The oil companies must take responsibility for what happens with their payments to individuals and communities.

The 2005 delegation met with NGOs who are actively working to help the communities of the Niger Delta. On health, education, democracy, human rights and many other issues, civil society groups act as a force for good. Their efforts can bring tangible benefits to the people of that region, but they also serve a wider purpose. They can hold governments to account – sometimes at considerable personal risk to themselves – and focus the attention of the international community. A thriving civil society is a prerequisite for a healthy democracy, and Nigerians have shown they have the ideas, the determination and the bravery to make a difference.
Appendix II

ALL PARTY PARLIAMENTARY GROUP ON NIGERIA
NOVEMBER 5th – 11th 2006
DRAFT PROGRAMME as at 1230 on 31 Oct.

Sunday November 5th
*22:15  Depart London Heathrow

Monday November 6th
*0525  Arrive Abuja
*0525 – 0630  Travel to hotel, Check-in
0630 – 1230  Rest at hotel
1245  Travel to British High Commission
1300 – 1430  Briefing lunch with British High Commissioner and staff
1500 – 1600  Call on Professor Maurice Iwu, Chairman, INEC
1915  Travel to Deputy High Commissioner’s Residence
1930  Reception at DHC’s Residence
Overnight at Transcorp Hilton

Tuesday November 7th
0800 – 0845  Breakfast
0915 – 0945  Meeting with HE Vice President Atiku Abubakar
1000 – 1045  Briefing by DFID Nigeria
1100 – 1200  Meeting with Nuhu Ribadu, Chair of EFCC
1215 - 1345  Lunch at British Council
1345  Depart British Council for Airport
1420  Arrive Airport
1520 – 1620  Fly to Lagos on Virgin Nigeria
1730 approx Check into hotel
1900  APPG Dinner
*Overnight at Protea Victoria Island Hotel

All Party Parliamentary Group on Nigeria
26
Wednesday November 8th

0800 – 0900  Breakfast

0900   Depart Hotel

0930 – 1030  Tour of BDHC Visa Section

1100 – 1200  Meeting with Prof Pat Utomi, Lagos Business School

Lunch

1330 – 1430  Meeting with Diageo

1515   Arrive airport

1630 - 1915  Fly to Kano on Virgin Nigeria

1915 – 2000  Travel to Prince Hotel

   Evening Free

Overnight at Prince Hotel

Thursday November 9th

0700 – 0800  Breakfast

0800   Depart Hotel

0900 – 1200  Visit Local Community to include Health Centre and Water Project

1200 – 1245  To British Council

1245 – 1345  Sandwich lunch at the British Council followed by short tour of the office

1400 – 1500  Roundtable with Youth Groups at British Council

1530 – 1630  Visit to market

1645   Return to Prince Hotel

1900 – 2100  Dinner with civil society representatives

Friday November 10th

*0630  Depart Hotel

*0815 – 0900  Fly to Abuja on Virgin Nigeria

0930 – 1100  Visit Iddo Sarki Community and school
1100 – 1130 Travel to National Stadium
1130 – 1230 Tour of National Stadium complex
1245 Check in to Hotel

Lunch
1500 – 1600 Call on Mr Frank Nweke, Minister for Information
1615 Return to Hotel
1815 Depart Hotel
1830 – 1930 Debriefing at British High Commission
1930 – 2130 Dinner at the High Commissioner's Residence
2130 approx Return to hotel

Overnight at Transcorp Hilton

Saturday 11th November
07:00 Depart hotel
10:10 Depart Abuja
15:35 Arrive London Heathrow
Appendix III

Acronyms

APPG – All Party Parliamentary Group
DFID – Department for International Development
EFCC – Economic and Financial Crimes Commission
HMG – Her Majesty’s Government
INEC – Independent National Electoral Commission
LEAP – Leadership, Effectiveness, Accountability, Professionalism (NGO)
NGO – Non-governmental organisation
UNMDGs – United Nations Millennium Development Goals
Appendix IV

Map of Nigeria