

Background brief on the financial aid granted by the United Kingdom to Nigeria (31 January 1961)


Caption: In a background brief dated 31 January 1961, the Commonwealth Relations Office outlines the financial aid granted by the United Kingdom to Nigeria between 1946 and 1962.

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BACKGROUND BRIEF FOR THE SECRETARY OF
STATENIGERIA
UNITED KINGDOM FINANCIAL AID

Between 1946 and 1962 the United Kingdom will have made available to Nigeria some £80 million (or £5 million a year) of which about £50 million will have been grants and £30 million loans. Since independence the main United Kingdom contribution has been £12 million Commonwealth Assistance Loan (tied to the purchase of capital or semi-capital goods from the United Kingdom), about £2 million of Colonial Development and Welfare funds and a somewhat larger amount in the form of approved Colonial Development Corporation investment. In addition, Nigeria is receiving free certain military stores and training facilities, technical assistance (which, in 1961/62, may amount to as much as £400,000), and has been offered help in meeting some of the cost of expatriate staff at an estimated cost for 1961/62 of some £3¼ million.

2. Consideration is now being given to the United Kingdom help which can be given towards her next Development Plan (1962-7). During the years of the current Development Plan, 1955/62, Nigerian development expenditure has averaged almost £50 million a year, and during the same period United Kingdom aid has been at the rate of about £4 million a year. In future the rate of development is likely to increase, and the first very provisional estimates for the Development Policy Committee indicate that the United Kingdom might need to provide about £1 million per year to help implement the

/Ashby Report

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Ashby Report and some £5 million a year for Nigerian Development over and above future technical assistance and Overseas Service aid to Nigeria, and any aid for "prestige" projects, such as the Niger Dam.

3. Private capital inflow into Nigeria from the United Kingdom during the last two years has been at the rate of about £20 million a year (mostly Oil Company investment).

Commonwealth Relations Office
31st January, 1961.

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