

LAGOS
INDUSTRIAL POLICY
(2025 TO 2030)

By

Lagos State Ministry of Commerce,
Cooperatives, Trade and Investment

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Mr. Babajide Olusola Sanwo-Olu

Governor of Lagos State

THE GOVERNOR OF LAGOS STATE



“Lagos must lead not only Nigeria but also Africa in charting a path towards sustainable prosperity, global competitiveness, and shared opportunity.”

It is with great pride, profound responsibility, and a deep sense of purpose that I present to you the Lagos State Industrial Policy (LSIP) 2025–2030. This policy is a bold manifesto for transformation, a covenant with our people, and a strategic roadmap that will guide Lagos into its rightful place as Africa’s industrial powerhouse and a global city of the future.

For centuries, Lagos has been Nigeria’s window to the world; a city of enterprise, and unmatched ingenuity. Today, Lagos accounts for over two-thirds of the nation’s industrial investment and commercial activity, and it remains the home of Nigeria’s financial services, creative industries, and innovation ecosystem. Yet, while our achievements are remarkable, our aspirations are far greater. Lagos must lead not only Nigeria but also Africa in charting a path towards sustainable prosperity, global competitiveness, and shared opportunity.

This Industrial Policy embodies that vision. It is anchored firmly on the pillars of infrastructure renewal, ease of doing business, export competitiveness, sustainability and green industrialisation, and inclusivity, ensuring that no Lagosian is left behind. It aligns seamlessly with our THEMES+ Agenda and the Lagos State Development Plan (LSDP 2052), embedding our State’s ambition to become a resilient, inclusive, and globally relevant 21st-century economy.

This Policy also underscores our determination to harness the opportunities of the African Continental Free Trade Area (AfCFTA). With over 1.3 billion people and a combined GDP of more than \$3 trillion, AfCFTA is Africa’s future, and Lagos will be at its heart, driving trade, innovation, and industrial integration across the continent.

Most importantly, this Policy was not crafted in isolation. It is the product of extensive stakeholder consultations, drawing upon the wisdom of ministries, agencies, private sector leaders, civil society organisations, academia, and development partners. Their voices, insights, and commitments are embedded within these pages, making this a truly collective vision for our State.

As Governor, I am keenly aware of the challenges before us; energy deficits, infrastructural constraints, financing gaps, and climate pressures. But I am equally convinced that within these challenges lie unparalleled opportunities.

The LSIP is our instrument to convert those opportunities into tangible outcomes: factories humming with renewable energy, young entrepreneurs leading digital start-ups, women thriving in industrial cooperatives, investors finding a home for their capital, and Lagosians enjoying the dignity of decent work and improved livelihoods.

This Industrial Policy is, therefore, not only an economic plan; it is a legacy project. It is a commitment to future generations that Lagos will not merely survive the pressures of urbanisation and globalisation, but will thrive, lead, and shine as a city of hope, opportunity, and resilience. I invite all Lagosians, government officials, business leaders, entrepreneurs, development partners, and citizens, to join us on this journey. Let us work together, innovate together, and succeed together. The destiny of Lagos is greatness, and the Lagos State Industrial Policy 2025–2030 is our blueprint to achieve it.

Together, let us build the **industrial Lagos of tomorrow, today.**

Mr. Babajide Olusola Sanwo-Olu
Governor of Lagos State



A CITY OF ENTERPRISE AND RESILIENCE

For centuries, Lagos has been Nigeria's window to the world a city of enterprise, resilience, and unmatched ingenuity. Today, Lagos accounts for over two-thirds of the nation's industrial investment and commercial activity.

This policy embodies our vision through extensive stakeholder consultations with ministries, agencies, private sector leaders, civil society, academia, and development partners. Their voices and commitments are embedded within these pages.





Mrs. Folashade K. Bada Ambrose-Medebem

Honourable Commissioner, Ministry of Commerce,
Cooperatives, Trade & Investment (MCCTI)
Lagos State Government



FOREWARD

Lagos State stands at the cusp of a new industrial era; innovation, one defined by resilience, and sustainability. It is with great optimism and strategic clarity that we present the Lagos State Industrial Policy (LSIP) 2025–2030, a comprehensive roadmap to transform Africa’s largest sub national economy into a 21st-century industrial powerhouse. This policy builds on the strong foundations laid by previous administrations and aligns seamlessly with Mr. Governor’s THEMES+ Agenda and the Lagos State Development Plan (LSDP 2052), ensuring our industrial strategy complements Lagos’s broader socio-economic vision. Recent endorsements at both national and international levels have further reinforced our resolve: from federal recognition under Nigeria’s climate framework to support from global development partners, the LSIP emerges with a united mandate for implementation.

In crafting this updated policy, we embraced an inclusive and forward-looking approach. The LSIP 2025–2030 is the product of extensive stakeholder consultations involving Ministries, Departments and Agencies (MDAs), the private sector, academia, and civil society whose insights have sharpened our strategic direction. The policy reflects a new orientation: one that prioritises green industrialisation and climate adaptation as core tenets of our development. We recognize that Lagos must industrialise differently; faster, greener, and more inclusively, if it is to retain its economic leadership in Nigeria and seize the opportunities of the African Continental Free Trade Area (AfCFTA). Thus, sustainability and resilience have been mainstreamed throughout this document, from energy and infrastructure plans to support for climate-smart enterprises and environmental stewardship programs.

Our vision is clear. By 2030, Lagos will boast a thriving manufacturing and services base powered by reliable infrastructure and clean energy, a dynamic small-business ecosystem nurtured by access to finance and technology, and a skilled workforce driving innovation in every sector. We will achieve this while ensuring no one is left behind: women, youth, persons with disabilities (PWDs), and all marginalised groups will be active participants and beneficiaries in our industrial journey. In pursuing this vision, we are also deeply conscious of our responsibility to future generations. Lagos’ industrialisation will be pursued hand-in-hand with climate action, mitigating emissions, adapting to rising climate risks, and leveraging green finance (such as carbon credits) to fund our transition. A flagship initiative in this regard is the Clean Cookstoves and Tree Planting Project, which, through an unprecedented distribution of clean energy solutions and mass afforestation, will create green jobs and position Lagos as a global leader in sub-national climate action.

On behalf of the Lagos State Government, I extend gratitude to all contributors who made this policy possible and reaffirm our unwavering commitment to its execution. The LSIP 2025–2030 is more than a policy document; it is a pact with our future. Its successful implementation will require partnership; between government and the private sector, between investors and communities, and between today’s leaders and the next generation. Together, we will build an industrialised Lagos that is competitive, inclusive, and sustainable, setting the pace for Nigeria and the African continent at large.

Signed,

**Mrs. Folashade K. Bada
Ambrose-Medebem**

Honourable Commissioner,
Ministry of Commerce,
Cooperatives, Trade & Investment
(MCCTI) Lagos State Government



Mr. Babatunde Onigbanjo

Permanent Secretary
Ministry of Commerce, Cooperatives, Trade & Investment (MCCTI),
Lagos State Government



FOREWARD

It is with a deep sense of responsibility and professional fulfilment that I present this Forward to the Lagos State Industrial Policy (LSIP) 2025–2030. The development of this Policy marks a significant milestone in the State’s strategic journey to strengthen industrial capacity, stimulate innovation, and build a resilient and globally competitive economy. As the administrative anchor of the Ministry, the responsibility of coordinating, harmonising, and quality-assuring the diverse inputs that shaped this Policy rests firmly with the Office of the Permanent Secretary—a responsibility we have undertaken with diligence, technical rigour, and unwavering commitment to excellence.

The LSIP 2025–2030 reflects the realities and aspirations of a rapidly evolving Lagos. Our State continues to expand in population, economic activity, and regional influence, making it imperative to adopt a forward-looking, evidence-based approach to industrial development. This Policy responds by providing a coherent framework that integrates sustainable infrastructure expansion, MSME and cooperative strengthening, industrial cluster optimisation, export competitiveness, and climate-aligned industrial practices. It also aligns fully with Mr. Governor’s THEMES+ Agenda and the Lagos State Development Plan (LSDP 2052), ensuring harmony across the State’s medium- and long-term development priorities.

In my capacity as Permanent Secretary, I am especially proud of the strong institutional collaboration that shaped this document. The Ministry worked closely with sister MDAs, private sector organisations, industrial associations, academia, civil society groups, and development partners to ensure that the Policy reflects real sector needs and global best practices. The contributions of our Directors, technical officers, consultants, and field teams were instrumental in grounding this Policy in accurate data, verifiable insights, and practical implementation pathways.

Equally important is the robust implementation architecture embedded in this Policy: the establishment of an Industrial Policy Task Force, annual performance scorecards, monitoring and evaluation dashboards, clear KPIs, and structured feedback loops across MDAs. These mechanisms will ensure accountability, enhance transparency, and guarantee that the Policy translates from text to tangible outcomes; new jobs, resilient value chains, expanded industrial output, strengthened cooperatives, improved investment flows, and greener, more sustainable industrial practices.

I extend my gratitude to His Excellency, Mr. Babajide Olusola Sanwo-Olu, for his visionary leadership and steadfast commitment to industrial transformation; to the Honourable Commissioner for her strategic guidance and relentless

drive; and to the dedicated staff of MCCTI who contributed their expertise at every stage of this process. I also acknowledge the private sector actors and development institutions whose insights refined and elevated the Policy’s scope and ambition.

The Lagos State Industrial Policy 2025–2030 represents both a mandate and a roadmap. With disciplined execution, strong inter-agency coordination, private sector partnership, and continuous stakeholder engagement, it will serve as a catalyst for industrial prosperity across all five divisions of our State. It is my earnest expectation that this Policy will guide Lagos toward a future defined by economic competitiveness, sustainability, innovation, and shared prosperity for all.

Signed,

Mr. Babatunde Onigbanjo

Permanent Secretary
Ministry of Commerce, Cooperatives,
Trade & Investment (MCCTI),
Lagos State Government

GLOSSARY OF KEY TERMS AND ACRONYMS

Term / Acronym	Full Meaning	Definition / Context in LSIP
AfCFTA	African Continental Free Trade Area	Free trade agreement among 54 African countries creating a single market for goods and services, enhancing Lagos's export competitiveness.
ECOWAS	Economic Community of West African States	Regional intergovernmental organisation established in 1975 (Treaty of Lagos) to promote economic integration, trade liberalisation, free movement of people, and collective political stability among West African countries.
EGIS	Engineering and Consulting Services International	A multinational consulting and engineering group that advised on infrastructure planning and environmental safeguards in the LSIP.
EXCO	Executive Council of Lagos State Government	The Lagos State Executive Council, chaired by the Governor, which serves as the highest executive authority responsible for policy approval, strategic oversight, and inter-ministerial coordination in the implementation of the Lagos State Industrial Policy 2025–2030.
FDI	Foreign Direct Investment	Long-term cross-border investment by a foreign entity into productive assets within Lagos State, involving significant ownership, operational influence, and capital commitment, with the objective of establishing or expanding industrial, manufacturing, or service enterprises.
FTZ	Free Trade Zone	A legally designated industrial area within Lagos State operating under special customs, tax, and regulatory regimes to promote export-oriented manufacturing, attract investment, and enhance industrial competitiveness.
GESI	Gender Equality and Social Inclusion	Framework ensuring women, youth, and persons with disabilities are included in industrial development.
GIS	Geographic Information System	A digital spatial planning and data management system used to map, analyse, and monitor geographically referenced information, supporting industrial zoning, infrastructure planning, environmental management, and corridor-based development under the Lagos State Industrial Policy 2025–2030.
IPITF	Industrial Policy Implementation Task Force	Inter-agency body responsible for coordinating LSIP implementation and monitoring delivery milestones.
LASERP	Lagos State Export Readiness Programme	A flagship programme designed to prepare Lagos MSMEs for regional and global trade. Provides training, certification, packaging, and standards compliance to improve export competitiveness under AfCFTA.
LASG	Lagos State Government	The subnational authority responsible for policy, regulation, and implementation.
LASMECO	Lagos State Access to Finance for MSMEs through Cooperatives	Financing scheme to provide affordable loans and credit guarantees to MSMEs and cooperatives.
LASMIIZO	Lagos State Medical Industrial Zone	Proposed industrial cluster for pharmaceuticals, vaccines, and medical devices.

LASEPA	Lagos State Environmental Protection Agency	Monitors, enforces, and regulates environmental compliance for industries.
LAWMA	Lagos Waste Management Authority	Manages waste collection, recycling, and disposal; central to WTE and circular economy.
LBOS	Lagos Bureau of Statistics	Produces socio-economic and industrial data for evidence-based policymaking.
LCCI	Lagos Chamber of Commerce and Industry	Represents private sector businesses; key stakeholder in LSIP consultation.
LDCAs	Local Council Development Areas	Sub-administrative units created to deepen grassroots governance in Lagos.
LIFC	Lagos International Financial Centre	Proposed financial hub at Eko Atlantic to consolidate Lagos's financial leadership in Africa.
LICC	Lagos International Convention Centre	Flagship trade and investment promotion facility to host exhibitions and global summits.
LSIP	Lagos State Industrial Policy	Medium-term framework (2025–2030) guiding Lagos's industrialisation strategy.
LSDP 2052	Lagos State Development Plan 2022–2052	A 30-year blueprint structured around economic, infrastructure, social, and environmental pillars.
LWIL	Lekki Worldwide Investments Limited	State-owned investment company driving the Lekki Economic Zone through Operation Quadrant Ignite.
MSMEs	Micro, Small, and Medium Enterprises	Represent 90%+ of Lagos businesses; targeted for finance, market access, and formalisation.
MIST	Ministry of Innovation, Science & Technology	Lagos State ministry embedding innovation and digitalisation in industrialisation.
NBS	National Bureau of Statistics (Nigeria)	Federal body responsible for GDP, trade, and industrial data.
NIRP	Nigeria Industrial Revolution Plan	Federal plan (2014) to transform Nigeria's industry; LSIP builds upon this.
OQI	Operation Quadrant Ignite	LWIL-led project optimising the Lekki Industrial Quadrant for large-scale industrialisation.
PPP	Public-Private Partnership	Model for government-private collaboration in infrastructure and industrial clusters.
SDGs	Sustainable Development Goals	UN goals for poverty eradication, environment, and prosperity; LSIP aligns with SDG 8, 9, 12, 13.

THEMES+ Agenda	Traffic, Health, Education, Making Lagos a 21st Century Economy, Entertainment, Security + Inclusivity	Strategic development framework guiding Lagos State policy.
UNFCCC	United Nations Framework Convention on Climate Change	1992 treaty establishing global climate governance; LSIP projects (e.g., Clean Cookstoves) endorsed under it.
WTE	Waste-to-Energy	Generating energy from waste; a priority for Lagos's circular economy strategy.

SECTOR-SPECIFIC TERMS

Terms	Definition / Context in LSIP
Agro-Processing	Converting raw agricultural products into value-added goods; central to Lagos's Food Security Hub.
Carbon Credits	Tradable certificates representing reduced or removed greenhouse gas emissions; Lagos aims to scale carbon credit generation as part of its green industrialisation strategy.
Circular Economy	Economic model to minimise waste and maximise resource efficiency by reusing materials.
Controlled Environment Agriculture (CEA)	Technologies like hydroponics and vertical farming to boost yield despite land constraints.
Decent Work	Employment that provides fair income, security, and dignity, aligned with SDG 8.
Green Bonds	Financial instruments raised for eco-friendly infrastructure and projects.
Hydroponics	Soil-less farming method using nutrient-rich water solutions; promising for Lagos urban farming.
Industrial Symbiosis	System where one firm's by-products serve as inputs for another, reducing costs and waste.
Logistics Corridor	Transport infrastructure designed to support industrial freight movement efficiently (e.g., Lekki-Badagry).
Recirculating Aquaculture Systems (RAS)	Water-recycling fish farms that enable intensive aquaculture with low environmental impact.
Rules of Origin (AfCFTA)	Trade criteria determining whether products qualify for tariff-free access under AfCFTA.
Smart Manufacturing	Using AI, IoT, and data to enhance production efficiency and reduce waste.
Value Chains	All stages from production to consumption of goods/services; strengthening these is core to LSIP clusters.

ACKNOWLEDGEMENTS



This Industrial Policy is the culmination of collaborative efforts by a wide array of stakeholders dedicated to Lagos State's development. The Ministry of Commerce, Cooperatives, Trade and Investment (MCCTI) wishes to express profound appreciation to Mr. Governor, Babajide Olusola Sanwo-Olu, for his visionary leadership and unwavering support in prioritising industrialisation as a pillar of the THEMES+ Agenda. We are grateful to the members of the State Executive Council and the Lagos State House of Assembly for their guidance and for creating an enabling environment through supportive legislation.

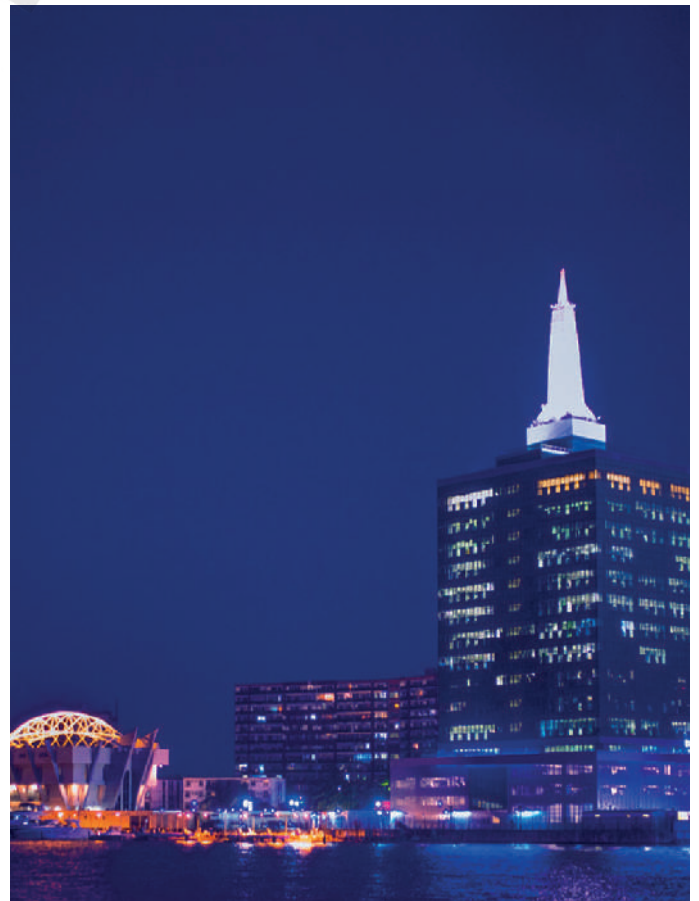
Our sincere thanks go to all MDAs that actively participated in the consultation and review of the LSIP 2025–2030. In particular, we acknowledge the valuable inputs of the Ministry of Special Duties and Inter-Governmental Relations, Ministry of Housing, Ministry of Energy & Mineral Resources, Ministry of Wealth Creation & Employment, and other agencies whose written submissions and feedback helped to refine this policy. Their recommendations on execution frameworks, data integrity, sustainable energy, job creation, and inclusivity have been meticulously integrated into the policy. We also thank the MDAs that facilitated data provision and verifications, including the Lagos Bureau of Statistics, for ensuring our strategy is built on accurate and credible information. The Ministry of Agriculture provided critical insights on food security and agro industrialisation, particularly in shaping the design of the Food Security Hub, envisioned as the largest integrated agro-logistics and processing complex in Africa. The Ministry of Tourism, Arts & Culture and the Ministry of Innovation, Science & Technology (MIST) enriched the policy by embedding Lagos' cultural heritage, creative industries, and digital innovation into the broader industrialisation agenda. Technical expertise was also provided by EGIS Group (Engineering and Consulting Services International), whose advisory on infrastructure planning, environmental safeguards, and compliance frameworks informed the integration of circular economy principles and climate change adaptation measures within this policy.

The role of our private sector and civil society partners cannot be overstated. We appreciate the Lagos Chamber of Commerce and Industry, manufacturing associations, MSME cooperatives, financial institutions, and civil society organisations that participated in the stakeholder forums. Their on-the-ground perspectives and commitment

to Lagos's prosperity have enriched the policy's content and grounding in reality.

We commend the LSIP drafting committee and technical working group; a dedicated team of professionals from MCCTI and supporting consultants, for their hard work, research, and drafting of this comprehensive document. Special thanks to the Lagos State Ministry of Budget and Economic Planning for aligning this policy with the LSDP 2052, and to development partners and donors (including the GIZ, UNIDO, and others) for their technical support and global insights.

Finally, we acknowledge the people of Lagos State the entrepreneurs, industrialists, workers, and youths whose aspirations are the true north of this policy. It is their drive and ingenuity that fuel Lagos's industrial engine. We remain committed to delivering on the promises herein and creating an enabling environment for their success. This document is a testament to the collective resolve of all stakeholders to build a Lagos that thrives on industry, innovation, and inclusion. We urge all parties to maintain the spirit of collaboration as we move to the implementation phase. Together, we will translate this policy from paper to prosperity for the benefit of every Lagosian.





EXECUTIVE SUMMARY



Lagos State, though Nigeria's smallest state by land area, remains the country's unmistakable economic powerhouse and the most consequential sub-national economy in Africa's most populous nation. With an estimated population exceeding 25 million people, Lagos functions as Nigeria's primary commercial nerve centre; home to the country's most concentrated market activity, its most active private sector ecosystem, and a growing base of industrial and services enterprises that collectively account for roughly 30% of national GDP. With a Gross State Product estimated at approximately N40 trillion in 2023 (about \$200 billion in PPP terms), the Lagos economy is comparable in scale to several sovereign African economies. This scale confers a strategic advantage, but it also carries a heightened responsibility: as Nigeria advances a renewed National Industrialisation Policy aimed at increasing manufacturing to 20–25% of GDP by 2030, Lagos must not only align with this ambition, but actively set the pace by demonstrating, through disciplined policy and execution, how industrial growth can translate into mass job creation, value addition, export competitiveness, and sustainable prosperity.

Why a New Industrial Policy?

The case for a new Lagos State Industrial Policy is grounded in the changing realities of Lagos itself and the evolving regional and global landscape in which Lagos must compete. Rapid urbanisation continues to expand the State's demographic and consumer footprint, while technological disruption is redefining production systems, supply chains, and the nature of competitiveness. In parallel, the implementation of the African Continental Free Trade Area (AfCFTA) creates both opportunity and urgency. The AfCFTA will reward territories that can produce competitively, move goods efficiently, and meet quality standards at scale; it will expose those that cannot to intensified import competition, within Africa and beyond. Lagos therefore requires a modern, coherent, and enforceable industrial

policy that is anchored in discrete projects, and built on a clear framework: a policy logic that connects development objectives to institutional reforms, investment rules, spatial planning decisions, and a predictable implementation pathway.

At the same time, Lagos confronts structural constraints that directly shape industrial outcomes. Persistent infrastructure gaps, most critically a power shortfall estimated at 8,500 MW, continue to impose a heavy cost on productivity and investment. Congestion and logistics inefficiencies raise the cost of moving inputs and finished goods, affecting both local distribution and export capability. The combined pressures of housing and workspace shortages, land scarcity, and the complexity of industrial land availability place additional constraints on industrial growth. Climate vulnerabilities, particularly flood risks, environmental pressures, and the broader sustainability imperative, further demand that the industrialisation pathway Lagos adopts must be climate-smart and resilient. Lagos is not starting from zero. Past policy efforts, including industrial policy interventions from 1987, 1998, and the 2017–2022 policy cycle, laid foundations by strengthening the business climate, supporting SMEs, and reinforcing the State's role as Nigeria's key commercial gateway. However, the Lagos State Industrial Policy (LSIP) 2025–2030 represents a critical evolution. It intentionally reframes the industrialisation agenda into a comprehensive policy framework; one that moves away from being a catalogue of proposed initiatives and instead becomes a holistic roadmap anchored in governance, policy instruments, institutional coordination, and enforceable rules that guide both public action and private investment. In doing so, the LSIP aligns Lagos's industrial ambition with national priorities and relevant international best practices, while retaining the institutional realism necessary for implementation in Lagos's complex urban economy.

Policy Vision and Focus



By 2030, Lagos envisions a thriving, inclusive, and green industrial economy; one that is structurally capable of sustaining productivity-driven growth and delivering broad-based benefits. This vision implies a stronger, more competitive manufacturing and services base supported by reliable infrastructure and cleaner energy; an expanded and empowered SME and MSME ecosystem that can scale from survivalist activity to growth-oriented enterprise; and a workforce that is not only employable, but increasingly productive, skilled, and innovative in the technologies and practices that modern industry requires.

To deliver this vision, the LSIP establishes a set of strategic thrusts that are deliberately policy-focused: sustainable infrastructure development as the backbone of competitiveness; deepened ease of doing business reforms to reduce regulatory friction and improve investor confidence; expanded access to finance for enterprises, particularly those in value chains with high employment and productivity potential; strengthened export readiness and competitiveness to position Lagos as an AfCFTA-aligned production and trade hub; climate-smart industrialisation that embraces resilience, resource efficiency, and environmental stewardship; and social inclusion measures that ensure the gains of industrial growth are not narrow or exclusionary, but shared across gender, geography, and income levels.

In practical terms, the LSIP defines the instruments through which Lagos will catalyse private sector-led industrial growth: incentives that are rules-based and performance-linked; regulatory frameworks that are predictable and investor-facing; institutional mechanisms that reduce fragmentation across MDAs; and structured approaches to industrial land, zoning, and cluster development. Lagos-specific interventions, whether in power, logistics, skills development, or SME competitiveness, are not framed as the policy itself, but as illustrations of policy application. This is a deliberate discipline. The LSIP is the governing framework; projects and deals are outcomes of that framework, to be pursued through separate, adaptable implementation tools and investment platforms.

Structure of the Policy

The LSIP is structured to be readable, coherent, and accessible to both technical and nontechnical stakeholders, while remaining rigorous in its policy intent. It begins by establishing the policy's vision, objectives, and guiding principles by clarifying why the policy exists, what it seeks to achieve, and the values and logic that will govern decision making. It then outlines an Industrial Development Framework that presents the policy pillars, cross-cutting enablers, and priority sectors where

Lagos will concentrate reforms, incentives, and institutional support to achieve scale and measurable outcomes. Recognising that industrialisation in Lagos is inseparable from land, infrastructure, mobility, and urban form, the policy includes a dedicated Physical Development and Zoning section. This provides spatial planning guidance for channelling industrial investments across Lagos's divisions, clarifying the role of industrial corridors, clusters, zoning regulations, and the link between land-use planning and industrial productivity. The policy also establishes a PPP and Investment Facilitation Framework that sets out how Lagos will attract, structure, and govern investments transparently by providing clear guidelines for deal structuring and investment execution without converting the policy itself into an investment prospectus.

Finally, the LSIP specifies Institutional and Governance arrangements, defining responsibilities across relevant ministries, departments, and agencies; setting coordination and delivery mechanisms; and clarifying how policy discipline will be maintained over time. A robust Monitoring and Evaluation framework rounds out the policy architecture, ensuring that industrialisation is tracked with measurable indicators, implementation is accountable, and learning loops are embedded to allow adjustment and improvement over the 2025–2030 period.

Closing Perspective

In summary, the Lagos State Industrial Policy 2025–2030 is a strategic blueprint designed to position Lagos as a 21st-century industrial hub of Africa. It leverages Lagos's immense human capital and market scale, confronts binding constraints, especially infrastructure and spatial limitations, and strengthens the enabling environment necessary for enterprise growth and investment. It is policy-led, framework-driven, and institutionally grounded. With sustained political will, disciplined implementation, and strong stakeholder commitment, Lagos can translate this policy into industrial excellence, much as peer economies have done by combining clear frameworks with delivery capability, from Ethiopia's industrial park model to Vietnam's special economic zones. The LSIP signals that Lagos is ready to move from ambition to execution, and to set a new benchmark for sub-national industrial development in Nigeria.



Geographical Setting

Lagos State is located in south-western Nigeria along the Atlantic coast. It is the smallest state by land area (about 3,577 km², ~0.4% of Nigeria's land mass) yet one of the most densely populated. Despite its compact size, Lagos boasts diverse geography: a low-lying coastal terrain with significant water bodies (lagoon and creek networks make up ~22% of the area) and mangrove and swamp forests inland. The State stretches over 180 km of coastline and borders Ogun State to the north and east and the Republic of Benin to the west.

Administratively, metropolitan Lagos and the five historical divisions – Ikeja, Badagry, Ikorodu, Lagos Island (Eko), and Epe (collectively known as IBILE) – are subdivided into 20 Local Government Areas (LGAs), with an additional 37 Local Council Development Areas (LCDAs) created in 2002 to deepen grassroots development. This unique geography and administrative spread present both opportunities (e.g. fisheries, water transport, coastal trade) and challenges (e.g. flooding, land scarcity) for industrial development. Effective land use planning and climate adaptation measures (such as flood control infrastructure and land reclamation) are integral to Lagos's industrial strategy.



Geographically, Lagos is characterized by low-lying terrain and significant water bodies. Roughly 22% of the State's area consists of lagoons, rivers, and creeks, and an additional 18% is subject to seasonal flooding. The dominant vegetation zones are freshwater swamp forests and mangrove forests, shaped by a tropical climate with two major seasons: a dry season (November–March) and a wet season (April–October). Major water bodies include the Lagos, Lekki, and Ologe Lagoons, and rivers such as the Ogun, Osun, Owo, and Yewa, among others. This unique geography presents both opportunities (for fisheries, water transport, etc.) and challenges (flood management, land reclamation) for industrial development. Effective land use planning and climate adaptation strategies, including flood control infrastructure, are therefore integral to Lagos's industrial policy.

Governance Structure



Under the 1999 Constitution of the Federal Republic of Nigeria (as amended), Lagos State operates a democratic governance structure with three co-equal arms: the Executive, the Legislature, and the Judiciary. This structure provides the checks and balances necessary for good governance and the rule of law, which are essential to creating a stable environment for industrial and economic growth.

A brief overview of each arm is given below:

The Executive

Executive power in Lagos State is vested in the Governor, who is the Chief Executive and Head of the State Government. The Governor, assisted by the Deputy Governor, exercises authority through the State Executive Council, which is composed of **Commissioners (who Head the State Ministries)** and Special Advisers. The Executive Council is the highest policy-making organ of the State, responsible for formulating and implementing government policies, including this Industrial Policy.

The Council's decisions are carried out by the civil service, led by Permanent Secretaries in each ministry, department and agency (MDA). The executive arm's primary role in the context of LSIP implementation is policy execution translating the strategies and programs outlined in this policy into actionable projects and deliverables on the ground. This involves mobilising resources, enforcing regulations, and coordinating across MDAs to achieve the policy's targets within the set timeframe.

Lagos's Executive, recognizing the state's unique autonomy and status within the Nigerian federation, has also actively engaged in inter-governmental cooperation. The State's administrative capital is Ikeja (situated about 30 km north of Lagos Island). The government has fostered partnerships with neighboring states and regional bodies; for example, Lagos was instrumental in the Development Agenda for Western Nigeria (DAWN), a framework for southwest states to pursue joint infrastructure and economic projects. Such collaboration is pertinent for industrial development, particularly in areas like transport (e.g. regional rail links), power, and trade corridors that transcend state boundaries.

Notably, the THEMES+ Agenda of Lagos State's current administration is a guiding framework that shapes executive priorities. THEMES+ stands for Traffic Management & Transportation, Health & Environment, Education & Technology, Making Lagos a 21st Century Economy, Entertainment & Tourism, Security & Governance, "+" (plus) Gender Equity & Social Inclusion. This Industrial Policy is closely aligned with these pillars. For instance, LSIP initiatives in infrastructure and transport support

the Traffic Management pillar; our clean energy and waste-to-energy programs align with the Health & Environment pillar; skills development and tech incubation align with Education & Technology; and the entire thrust of LSIP directly advances the goal of Making Lagos a 21st Century Economy. The inclusion of Gender Equity and Social Inclusion ("+") is reflected in dedicated measures for women, youth, and PLWD empowerment in this policy.

Similarly, the Lagos State Development Plan 2052 (LSDP 2052) provides a long-term development blueprint for Lagos over a 30-year horizon (2022–2052). The LSDP envisages Lagos as a world-class city and maps out strategies in four dimensions: economic development, infrastructure, social development, and sustainable environment. The LSIP 2025–2030 has been formulated to reinforce and operationalise the industrialisation components of the LSDP. It draws upon LSDP strategies such as promoting a circular economy, enhancing the business environment, and leveraging innovation, thereby ensuring consistency between medium-term industrial targets and Lagos's long-term **vision. Both the THEMES+ Agenda and LSDP 2052 have been explicitly integrated into the LSIP's goals and objectives, reflecting a unified policy direction across the government.**

The Legislature

The legislative arm of Lagos State is the Lagos State House of Assembly, a unicameral body constitutionally empowered to make laws for the peace, order, and good governance of the State. The Assembly consists of 40 members elected from constituencies across the state for four-year terms. The Legislature plays a critical role in the success of the LSIP through its law-making, appropriation, and oversight functions. Enactment of new laws or amendment of existing laws may be required to implement certain aspects of this policy – for example, establishing the proposed Lagos Industrial Development Fund or Investment Promotion Agency, strengthening regulations for industrial zones, or providing legal backing for incentives and enforcement mechanisms. The House of Assembly's support in passing enabling legislation and budgetary appropriations is therefore pivotal.

Lagos State House of Assembly has historically been proactive in economic legislation having passed laws such as the Lagos State Public Private Partnerships Law, the Land Use Charge Law, and others that impact the business climate. For industrial policy, the Assembly's committees (e.g., on Commerce and Industry, Budget and Economic Planning, Environment) will oversee the implementation of this policy and ensure that the Executive remains accountable to set targets.



In Nigeria's federal structure, certain matters (like trade and commerce, labour, etc.) fall on the Concurrent Legislative List – meaning both federal and state legislatures have powers. The Lagos Assembly is cognizant of avoiding conflicts with federal law while asserting the State's interests.

Notably, between 1999 and 2016, the Assembly passed over 70 laws touching on revenue administration, public procurement, and other governance reforms that have improved Lagos's investment climate. The Industrial Policy will be institutionalised through both executive action and legislative support, including where necessary the passage of an Industrial Policy Law codifying key aspects to ensure continuity beyond this administration.

The Judiciary

The judiciary in Lagos State is made up of the State courts including the High Court of Lagos State (with specialized divisions such as the Commercial Division), the Magistrates' Courts, and customary courts as well as any federal courts sitting in Lagos (such as the Federal High Court and National Industrial Court for labour matters). The judiciary's role in the industrial policy context is to uphold the rule of law, enforce contracts, and provide timely dispute resolution which is crucial for investor confidence. Lagos is renowned for having one of Nigeria's most efficient judiciaries. Reforms such as the introduction of the Small Claims Court for commercial disputes up to N5 million, and practice directions to fast-track commercial cases, have improved legal processes for businesses. The Lagos Arbitration Law and the Multi-Door Courthouse have further provided alternative dispute resolution avenues.

Under this policy, continued collaboration with the judiciary is encouraged to ensure industrial disputes (e.g. commercial contract disputes, labour disputes, land acquisition conflicts) are resolved speedily and fairly. The policy advocates for strengthening commercial courts and possibly establishing dedicated Industrial Courts or Tribunals at the state level (in coordination with federal authorities) to handle industry-related cases (such as disputes in free trade zones) efficiently. Judicial support will also be needed to enforce regulations – for example, sanctioning environmental infractions or intellectual property violations. The independence and effectiveness of the judiciary give businesses confidence that agreements will be honored and their investments protected in Lagos.

In summary, Lagos's governance structure, Executive, Legislature, and Judiciary, provides the institutional framework through which the Industrial Policy will be implemented.

The LSIP 2025–2030 explicitly calls for an effective governance architecture, including a proposed high-level Industrial Policy Task Force (with members from key MDAs and private sector) to coordinate efforts, and annual performance reviews to be reported to both the Executive Council and House of Assembly. Through robust governance and political will, Lagos will translate this policy from vision to reality, setting a benchmark for sub-national industrial governance in Nigeria.

NIGERIA'S INDUSTRIAL POLICY FRAMEWORK IN BRIEF

National Industrialisation Policy

Nigeria's national industrialisation policy provides the broader context within which Lagos operates. The thrust of the country's industrial policy is to harness and utilise domestic resources, where Nigeria has comparative advantage, and to create a competitive industrial base. Federal policy emphasizes liberalising the industrial sector by removing constraints to private investment, reducing the cost of doing business, and attracting foreign direct investment (FDI) into key sectors. It also prioritises the development of Micro, Small, and Medium Enterprises (MSMEs) as engines of growth, with support for improved access to credit, technology transfer, and clustering of industries to achieve economies of scale.

Over the decades, Nigeria's industrial policy orientation has shifted from heavy public sector dominance in the 1970s to a liberalised, private sector-led regime from the mid 1980s onward. Structural Adjustment Programs and subsequent economic reforms led to privatisation of many state-owned enterprises and the deregulation of sectors like banking, telecommunications, and power. Today's policy framework continues that trajectory, aiming to create a market-led economy where government's role is to facilitate and regulate rather than directly produce. The national industrial policy is also integrated with Nigeria's medium-term and long-term development strategies. It aligns with Nigeria's Agenda 2050, a perspective plan for making Nigeria a dynamic, industrialised, knowledge-based economy by mid-century. Under Agenda 2050, industrial policy is seen as a tool for inclusive and sustainable development, explicitly linking industrial growth to job creation, poverty reduction, and environmental sustainability (e.g. promoting clean and energy-efficient industries).



The key objectives of Nigeria's industrial policy can be summarised as follows:

Enhance Global Competitiveness of Nigerian manufactured goods, enabling them to compete in quality and price on international markets.

Expand Gainful Employment in the manufacturing and industrial sectors, thereby absorbing Nigeria's growing labour force.

Promote Entrepreneurship and Technical Skills Development, recognizing that a skilled workforce and vibrant entrepreneurial culture are critical for industrial take-off.

Achieve Rapid and Sustained Economic Growth by broadening the nation's productive base beyond oil, focusing on value-addition in agriculture, solid minerals, and other resources.

Improve Access to Affordable Long-Term Finance for manufacturers, through innovative financing mechanisms and development finance institutions, to address one of the biggest constraints in the sector.

Encourage Geographical Dispersion of Industries to foster balanced regional development, and promote patronage of made-in-Nigeria products and local raw materials sourcing (local content).

Promote Environmentally Sustainable Industrial Processes, ensuring that industrial development does not come at the expense of environmental health and that clean technologies are adopted.

These federal objectives resonate strongly with Lagos State's priorities. As Nigeria's commercial nerve centre, Lagos naturally aligns its policy to support the achievement of national goals. For example, by serving as the primary hub for import substitution industries and export-oriented manufacturing which drive competitiveness and diversification. However, Lagos also faces distinct sub-national challenges (like extreme population density and land constraints) that require localized solutions. The LSIP addresses those while remaining consistent with the spirit of national policy.

Nigeria Industrial Revolution Plan (NIRP)

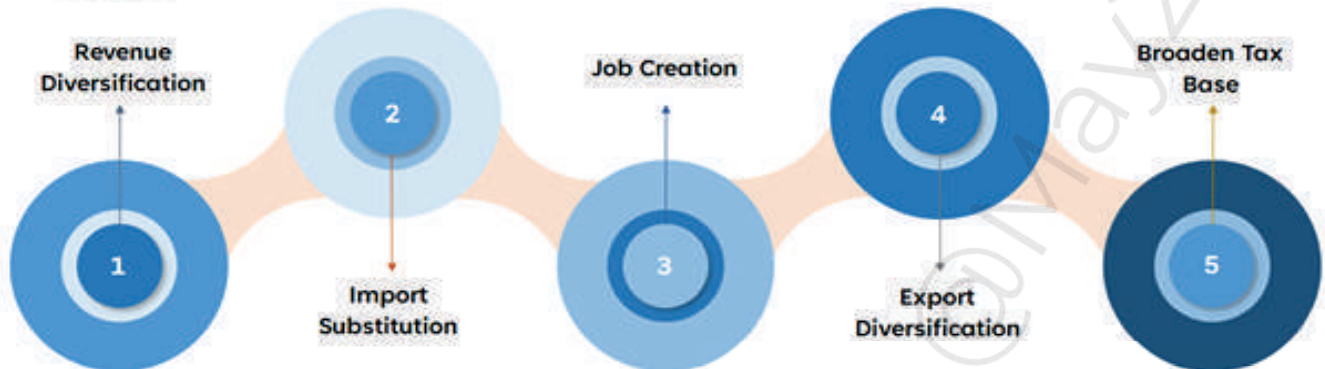
The Nigeria Industrial Revolution Plan (NIRP), launched in 2014, is a signature national initiative that laid out a detailed roadmap for industrialisation over a five-year horizon (with longer-term aims). The NIRP's core aim was to increase manufacturing's contribution to GDP from around 4% in 2012 to over 10% by 2017. While these specific targets were not fully met, the NIRP outlined a strategic direction that remains relevant. It identified key sectors for Nigeria to focus on; sectors where the country has comparative advantages or high potential. These include agro-allied industries (e.g. food processing, textiles), metals and solid minerals, oil and gas-related industries (petrochemicals, fertilisers), construction materials, light manufacturing, and services. In essence, the NIRP aimed to leverage Nigeria's abundant natural resources and large domestic market to jump-start industrial growth.

The NIRP was built on four expected outcomes: Job Creation, Economic & Revenue Diversification, Import Substitution, and Export Expansion. By growing industries in the identified sectors, Nigeria sought to reduce reliance on imports, increase the variety of exports (beyond crude oil), create millions of jobs, and broaden the government's tax base through industrial growth. The plan also emphasized the need for supportive enablers: infrastructure improvement, skills development, improved access to finance, and an enabling regulatory environment.





Nigeria Industrial Revolution Plan (NIRP) was designed as a five-year plan to accelerate the build-up of industrial capacity within Nigeria. The plan aimed to increase manufacturing's contribution to GDP from 4% in 2012 to 6% by 2015, and finally above 10% by 2017. The NIRP was expected to drive the following outcomes:



Some notable features of the NIRP (which influence Lagos's strategy) include:

It was strategic: focusing on sectors where Nigeria can be regionally or globally competitive (e.g. agro-processing given Nigeria's agriculture base, cement and construction given local demand and limestone reserves, etc.).

It was holistic: using a comprehensive framework to assess all needs of the industrial sector infrastructure, power, skills, finance, standards, etc., so that interventions are coordinated.

It was integrated: aligning with other national policies and plans, ensuring industrial initiatives did not occur in isolation (e.g. linking to agricultural policy, trade policy, power sector roadmaps, and education reforms).

It was execution-focused: the NIRP delineated clear roles, set targets, and identified "quick wins" to generate momentum. It underscored implementation as the top priority, with an emphasis on accountability for results.

While Lagos State was not singled out in the NIRP, the plan acknowledged that industrial activities would naturally concentrate in certain hubs, Lagos chief among them, due to existing infrastructure and investor preferences. Furthermore, since the NIRP's unveiling, there have been new developments such as the coming into force of the African Continental Free Trade Area (AfCFTA) in 2021. AfCFTA creates a continent-wide common market by progressively eliminating tariffs on 90% of goods and removing non-tariff barriers among African countries. This presents both opportunities and challenges: Lagos based industries can potentially access new export markets across Africa, but they will also face stiffer competition from other African producers. Thus, Nigeria's industrial strategy needs updating to account for AfCFTA, global supply chain shifts, and other realities.

fundamental problems (infrastructure, power, skills, finance) that NIRP highlighted, and also by detailing the "how" concrete initiatives tailored to Lagos's context to realise these objectives. For example, where NIRP speaks of improving access to finance, the LSIP introduces the Lagos A2F MSME Fund called LASMECO and other financing programs. Where NIRP calls for skills development, LSIP outlines vocational training and apprenticeship schemes. Additionally, Lagos's policy goes further in areas like sustainability and climate change, which were not prominent in the NIRP but are now critical for any modern industrial strategy. In effect, the LSIP serves as Lagos State's localized industrial revolution plan, complementing and operationalising the federal vision within the state.

CENTRALITY OF LAGOS TO NATIONAL INDUSTRIAL DEVELOPMENT

Lagos State's special status as Nigeria's commercial and industrial nerve centre cannot be overstated. Any discussion of Nigeria's industrial development invariably puts Lagos at the forefront, given the State's concentration of industries, skilled workforce, and infrastructure. Several factors underscore the centrality of Lagos to Nigeria's industrialisation efforts:

Massive Population and Market: With an estimated population exceeding 25 million (projected to surpass 30 million by 2035), Lagos offers a vast labour pool for production as well as a huge consumer market. This dual advantage means industries in Lagos have ready access to human resources and a local market to achieve scale. Moreover, Lagos's metropolitan area blends into the greater South-West market and serves as a gateway to other Nigerian regions, amplifying its market reach.



Strategic Location and Connectivity: Lagos's coastal location provides direct access to the Atlantic, making it Nigeria's primary maritime outlet. The state hosts the nation's two busiest seaports (Apapa and Tin Can Island Ports) and the busiest international airport (Murtala Muhammed International Airport). It also has land transport links (roads and planned rail) to the West African corridor. This means raw materials can be imported, and finished goods exported, more efficiently through Lagos than anywhere else in Nigeria. The development of the new Lekki Deep Sea Port further cements Lagos's role as West Africa's logistics hub. Additionally, Lagos's proximity to neighboring Benin Republic (and by extension other ECOWAS countries) positions it as a trading post into the ECOWAS market. These logistics advantages significantly reduce supply chain costs for Lagos-based manufacturers and attract investors aiming to serve regional markets.

Superior Infrastructure and Industrial Capacity: Compared to other parts of Nigeria, Lagos has relatively better infrastructure – albeit still insufficient for its needs. It enjoys more reliable electricity (with several Independent Power Projects and over 45% of national power consumption), a more extensive road network (though congested), telecom coverage (it's the hub of Nigeria's telecoms with 50% of subscriptions), and social infrastructure (banks, logistics firms, industrial estates). Industrial capacity utilisation in Lagos tends to be higher than the national average. For instance, it was recorded at ~54% in 2014 and is estimated around 58–60% in recent years, higher than many other zones. This indicates that Lagos's factories generally operate more efficiently and have room to ramp up production, a testament to the supporting ecosystem present in the state.

Financial and Commercial Services Hub: Lagos is home to Nigeria's financial industry; housing the headquarters of most banks, insurance companies, private equity, and the Nigerian Stock Exchange (which accounts for over 60% of market capitalisation in West Africa). The availability of financial services is a key enabler for industry. Lagos also offers professional services (consulting, legal, accounting, R&D institutions) which are necessary for an advanced industrial economy. This concentration of services reduces transaction costs for businesses and fosters innovation (e.g. through networking and knowledge spillovers). The establishment of the Lagos International Financial Centre (LIFC) aims to further leverage this by creating a platform to channel investments into sectors like manufacturing and infrastructure.

Existing Industrial Base and Track Record: Lagos has a long history of industrial activity. From textiles in Ikeja to chemicals in Apapa, and light manufacturing in Ilupeju and Matori, the state hosts numerous industrial clusters. It also contains free trade zones (Lekki FTZ, Lagos Free Zone, Dangote Refinery Zone, etc.) that attract foreign investment. This existing base creates a virtuous cycle: industries attract supplier firms, logistics providers, and skilled workers, which in turn attract more industries. For Nigeria's import substitution or export push to succeed, it naturally gravitates towards Lagos due to this ecosystem. For example, when Nigeria pursued cement self-sufficiency, Lagos (with Dangote's massive cement export terminals) became central to distribution; in the current push for petrochemical and fertiliser production, the world-scale Dangote Refinery and Petrochemical complex in Lagos is the linchpin.

In light of these factors, the LSIP recognises Lagos as the focal point of Nigeria's industrial growth. However, it also acknowledges that Lagos faces unique challenges that could constrain its ability to play this role such as severe congestion, land scarcity, environmental pressures, and social inequalities. If left unaddressed, these issues could undermine not only Lagos's development but also Nigeria's broader diversification agenda. Therefore, many initiatives in this policy (e.g. developing new industrial parks in less congested divisions, investing in transport infrastructure, ensuring environmental sustainability) are designed to enable Lagos to continue driving national industrialisation without hitting bottlenecks.

In summary, Lagos provides Nigeria with a natural platform to achieve rapid industrial expansion. The State's comparative advantages which includes human capital, port access, financial hub, existing industries position it as the "engine room" of the country's economy. The Federal Government's plans for industrialisation (including those under Nigeria Agenda 2050 and sector-specific strategies) hinge on a thriving Lagos. Conversely, a successful industrial Lagos will have spillover benefits nationwide: creating markets for raw materials from other states, providing jobs that reduce unemployment pressures, and generating government revenues that can be invested across Nigeria. The LSIP 2025-2030 is crafted in this spirit of cooperative federalism – it leverages national policies and programs (such as the African Development Bank's Special Agro-Industrial Zones program, or the Nigeria Export Processing Zones Authority incentives) to amplify Lagos's industrial drive, while also making specific state-level interventions to maximise the local benefits.

(At the time of this document, projections indicate that if Lagos maintains an enabling environment and the policies herein are executed, Lagos could realize annual industrial sector growth of ~10%, create over 500,000 new direct and indirect jobs in five years, and significantly boost non-oil exports. This would materially contribute to Nigeria's goal of becoming one of the top 100 economies globally in GDP size and a major manufacturing hub in Africa.)



Lagos's population was officially estimated at over 25,000,000 in 2021, making it Africa's most populous city and one of the world's largest megacities. This population is growing rapidly with an annual growth rate of about 3.75%, adding roughly 600,000 people each year.

LAGOS STATE: HIGHLIGHTS OF WHAT EXISTS

Lagos State at a Glance – Socio-Economic Profile

Lagos Demographics: Lagos's population was officially estimated at over 25,000,000 in 2021, making it Africa's most populous city and one of the world's largest megacities. This population is growing rapidly and with an annual growth rate of about 3.75% (according to Lagos Bureau of Statistics and independent analyses), Lagos adds roughly 600,000 people each year¹. The state's land area (excluding water bodies) is only about 2,800 km², leading to an extremely high population density averaging over 7,000 persons per km². An average household in Lagos has about 5 persons, reflecting both the urban character and the presence of many young families. Managing this vast and growing population, by providing jobs, housing, and services, is at the core of Lagos's development challenge and is a driving imperative of this Industrial Policy.

Despite its challenges, Lagos's demographic profile is an asset: it offers a large labour force, a huge consumer base, and a youthful demographic that can be channeled into productive industry with the right training.

The median age is around 19 years, and the working age population (15–64) comprises over half of residents.

This "youth bulge" underscores the importance of job creation through industrialisation. Notably, the LSIP includes initiatives like vocational training and the Building Young Industrialists Initiative to harness the energy of Lagos's youth for economic development.

Key Socio-Economic Indices



Human Mobility: Lagos experiences intense daily intra-city movement. Over 7.5 million trips occur daily between the Lagos mainland and island business districts.

This underscores the significance of transportation infrastructure and informs LSIP strategies on improving transit (e.g., expanding public transport and introducing smarter traffic management).



Vehicular Population: As of 2023, Lagos had over 4 million vehicles plying its roads – about a third of all registered vehicles in Nigeria. This volume, combined with limited road space, leads to chronic traffic congestion (estimated to cost Lagos billions of Naira in lost productivity yearly). The policy addresses this through multimodal transport investments and traffic management solutions.



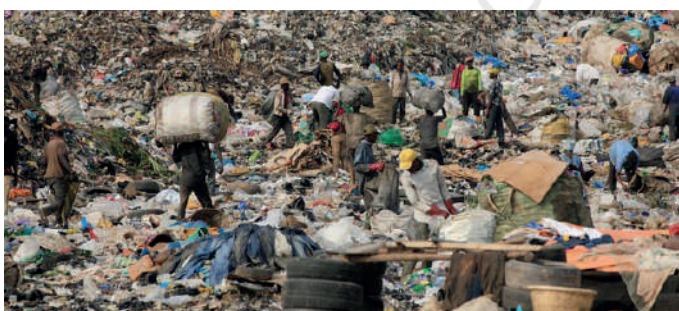
Electricity Demand: Lagos's power demand is estimated at 12,000 MW, whereas actual supply from the national grid averages only ~3,500 MW. This huge deficit (about 8,500 MW shortfall) means most businesses and homes rely on self-generation (diesel generators, solar, etc.), raising costs and constraining productivity. Ensuring reliable, affordable power is thus the highest priority enabler for industrial growth in Lagos. The LSIP supports embedded power projects, the use of gas and renewables, and mini-grid development in industrial clusters to bridge this gap.



Road Network: Lagos State maintains over 20,000 kilometers of roads. While this is substantial, road quality and connectivity vary, and the density of roads per population is low. Ongoing projects like the Lagos-Badagry Expressway expansion, the Pen Cinema flyover, and various inner-city road improvements are part of the state's efforts. The LSIP calls for continued expansion and upgrade of transport infrastructure as a backbone for industry (see Infrastructural Development section).



Water Supply: Daily demand for water in Lagos is roughly 1,000 million gallons per day (MGD), while supply from the Lagos Water Corporation and other sources is about 400 MGD, meeting only 40% of needs. Industries need water for production processes, and residents need water for consumption; the deficit in water infrastructure is therefore a limitation on industrial and human development. The policy encourages Public-Private Partnerships in water treatment and distribution, rainwater harvesting for industrial estates, and efficient water use technologies to address this gap.



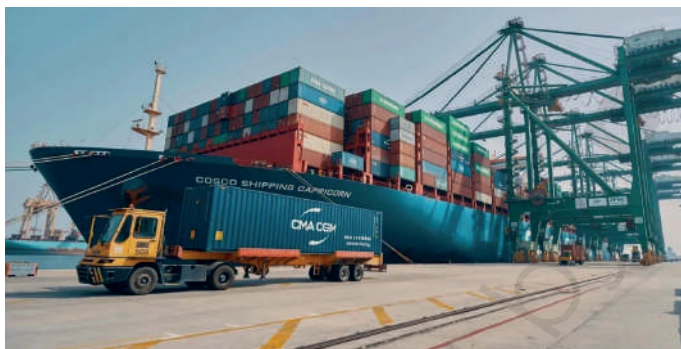
Waste Generation: The city generates around 13,000 metric tons of solid waste per day (2022 figure), a reflection of its high population and consumption levels. Less than 40% of this waste is currently properly disposed or recycled. This presents both an environmental challenge and an industrial opportunity (for waste recycling and waste-to-energy projects). Indeed, waste management and circular economy initiatives feature prominently in this policy as pathways to sustainability and new business creation.

Beyond these indices, Lagos boasts Nigeria's most diversified economy. It is the nation's financial centre, housing headquarters of banks and the stock exchange; its ICT hub, with an emergent tech startup ecosystem (often dubbed "Yabacon Valley" around Yaba); a center for creative industries (film, music, fashion); and a thriving informal sector from markets like Alaba and Balogun to countless small enterprises. The Gross State Product per capita in Lagos is significantly higher than the national average, reflecting higher productivity and income levels. However, inequality is also pronounced – alongside affluent neighborhoods and booming businesses exist pockets of poverty and informal settlements. This reality informs the LSIP's strong emphasis on inclusive growth, MSME support, and balanced divisional development to spread prosperity.

LAGOS IN NIGERIA'S ECONOMY

Lagos State's contribution to Nigeria's economy is colossal. By most estimates, Lagos accounts for at least one-third of Nigeria's GDP on its own. In 2022, Nigeria's GDP was rebased to about N274.23 trillion (approximately

Lagos State's contribution to Nigeria's economy is colossal. By most estimates, Lagos accounts for at least one-third of Nigeria's GDP on its own. In 2022, Nigeria's GDP was rebased to about N274.23 trillion (approximately \$600 billion), of which Lagos contributed around 35–40%. To put this in perspective, Lagos's GDP (in nominal terms) is larger than the economies of several African countries combined. The state's economic dominance is driven by its concentration of industries, services, and investment. Some highlights of Lagos's role in Nigeria's economy include:



Leading Non-Oil Growth: Lagos has been the lead contributor (well over 50%) to Nigeria's non-oil GDP for over a decade. Whereas many other regions rely on oil revenues, Lagos's economy is diversified into trade, manufacturing, real estate, finance, entertainment, and other services. This diversification makes Lagos the engine of Nigeria's efforts to reduce over-reliance on oil.



Commerce and Trade Hub: Approximately 70% of Nigeria's industrial and commercial activities are located in Lagos, as well as about 65% of the nation's overall commercial activities. The state is home to over 2,000 industrial complexes, thousands of small factories, and the largest open markets in West Africa. Lagos' large consumer market also attracts major domestic and multinational companies to site their sales and distribution networks in the state.



Financial Nerve Centre: Lagos hosts the headquarters of virtually all Nigerian and international banks in the country (over 200 financial institutions), the Insurance industry hub, and the Nigeria Stock Exchange which accounts for over 60% of the nation's market capitalization. The state's financial sector facilitates capital for businesses nationwide. Lagos is also pioneering fintech and digital banking growth. Plans for the Lagos International Financial Centre (LIFC) aim to bolster this position and channel more investment into Nigeria's economy.



Energy Consumption: Lagos accounts for 45% of Nigeria's electricity consumption, reflecting the high concentration of industries and households. It also consumes about 50% of Nigeria's petroleum products (fuel, diesel, etc.) These figures underscore the scale of economic activity in Lagos, but also point to challenges e.g. heavy fuel use implies significant carbon emissions and pollution, motivating the push for cleaner energy in this policy.



Ports and Trade: Lagos's seaports handle about 70% of Nigeria's cargo throughput and generate about 50% of port revenue in the country. The Apapa Port Complex and Tin Can Port are Nigeria's busiest, making Lagos the gateway for imports (ranging from raw materials to finished goods) and exports (both oil and non-oil). The new Lekki Deep Sea Port, operational from 2023, further increases capacity. Lagos's ports are thus critical infrastructure not just for the state but for national and regional trade. Efforts to improve port efficiency and expand port infrastructure (including the planned Badagry Deep Sea Port) are key for Nigeria's trade competitiveness and feature within our policy initiatives (e.g. advocating port upgrades and decongestion measures).



Telecommunications and ICT: Lagos is Nigeria's telecom hub, home to roughly 50% of the country's telecom subscribers and major ICT firms. The presence of subsea fiber optic landing points in Lagos and multiple data centres has catalysed the state's digital economy. This supports not only the tech sector but also digitalization of traditional industries (e.g. fintech in finance, e-commerce in trade). The LSIP recognises ICT as both a sector and an enabler across all industries proposing support for broadband infrastructure and tech incubation to maintain Lagos's edge.



Transport and Aviation: About 75% of Nigeria's international air traffic and 40% of domestic air traffic goes through Lagos. The Murtala Muhammed International Airport is the busiest airport in West Africa. This connectivity is vital for business travel, tourism, and freight (Lagos airport handles significant cargo volumes as well). The State is also developing a second international airport in Lekki to further boost connectivity. Lagos's centrality in aviation facilitates rapid movement of people and goods, which is indispensable for a modern industrial economy.

Collectively, these indicators highlight that Lagos is the economic heart of Nigeria. However, they also bring responsibilities: Lagos' policy choices and performance have outsized impacts on national economic health. For instance, during the COVID-19 pandemic, Lagos's partial shutdown had significant ripple effects on Nigeria's GDP. Conversely, a surge in manufacturing output in Lagos can noticeably lift national growth figures. Thus, the Federal Government and Lagos State Government have a shared interest in Lagos's successful industrialisation. The Federal Government has supported Lagos through special programs (like designation of Free Trade Zones, export expansion grants utilized by Lagos firms, rail and road projects to improve port access, etc.). The LSIP calls for even stronger Federal-State collaboration, for example, on power projects (like completing the Lagos-Ogun inter-state gas pipelines), on export promotion under the AfCFTA, and on financing major infrastructure (possibly via federal guarantees or multilateral support).

In summary, Lagos's contribution to Nigeria's economy is multi-dimensional: as producer, consumer, financier, and trade facilitator. Retaining Lagos's status as the foremost economic hub is not just a local ambition but a national economic strategy. That is why this policy has been carefully aligned with Nigeria's broader plans (such as the Economic Recovery and Growth Plan, Nigeria's National Development Plan 2021–2025, and the upcoming Agenda 2050) and enjoys strong support from the Federal Government. Lagos will continue to lead, innovate, and push the boundaries of what is possible in Nigeria's industrial sector, thereby pulling along the rest of the country.





city economy in the world, and 4th in Africa behind only Cairo, Johannesburg, and Cape Town. With the policies in this LSIP, Lagos aims to break into the top 3 in Africa and top 50 globally in the coming decades.



On the continental stage, Lagos State stands out as a powerhouse in its own right. If Lagos were a country, its economy would rank among the top economies in Africa. In fact, Lagos's GDP would place it as the 4th largest economy in Africa (after Nigeria itself, South Africa, and Egypt).

Population and Market: Lagos's population alone exceeds that of at least 30 African countries combined. For example, Lagos has more people than the entire populations of countries like Namibia, Botswana, Senegal, and Tunisia put together. This gives Lagos a continental significance in terms of market size for consumer goods, providing a testing ground and launchpad for products that can then scale across Africa. Companies often pilot innovations in Lagos (due to its trendsetter status) before expanding elsewhere. The youthful demographics also mean Lagos could supply talent to aging societies later on.

LAGOS IN AFRICAN CONTINENT

On the continental stage, Lagos State stands out as a powerhouse in its own right. If Lagos were a country, its economy would rank among the top economies in Africa. In fact, Lagos's GDP would place it as the 4th largest economy in Africa (after Nigeria itself, South Africa, and Egypt). The State's annual budget, surpassing \$3 billion in recent years, is larger than those of several African nations. This sheer economic scale, combined with Lagos's cultural and innovation dynamism, has earned the city global recognition and influence.



Some perspectives on Lagos's position in Africa:

Economic Size and Growth: Despite global economic disruptions (such as the 2020 pandemic), Lagos has shown remarkable resilience. The state's GDP grew from about N27 trillion in 2020 to roughly N41 trillion in 2024, reflecting robust growth in sectors like tech, entertainment, and agro-processing even amid challenges. In U.S. dollar terms, using applicable exchange rates and purchasing power adjustments, Lagos's economy is around \$100–200 billion. This size translates to Lagos being ahead of economies like Kenya, Ghana, and Ethiopia in raw GDP. A 2023 global city ranking placed Lagos as the 98th largest

Regional Integration and NEPAD: Lagos is a key player in regional initiatives. It is one of seven lead states in the New Partnership for Africa's Development (NEPAD) sub-national network, reinforcing its commitment to Africa's development agenda. Through NEPAD and the African Union's programs, Lagos has engaged in knowledge sharing on infrastructure financing and urban development. Additionally, Lagos's integration into the ECOWAS economy means it will be pivotal in West Africa's response to the AfCFTA, likely emerging as a major export-processing node for the sub-region. This policy makes provisions for Lagos to capitalise on AfCFTA, such as upgrading quality infrastructure to meet export standards and establishing trade facilitation hubs.



Financial Hub Ambitions: Lagos' ambition to become Africa's foremost financial hub is progressing with the development of the Lagos International Financial Centre (LIFC) at the new Eko Atlantic City. Alongside other African financial centers (Johannesburg, Nairobi, Casablanca), Lagos is positioning to attract international investment and offer financial services across the continent. Success in this realm would further entrench Lagos's continental influence, channeling capital into industrial projects locally and in the region.



Global City Recognition: Beyond economics, Lagos has gained repute as a center of culture and tourism in Africa. In 2024, Time Out Magazine ranked Lagos as the 19th Best City to Visit in the World, ahead of destinations like Miami and Dubai in terms of vibrancy and appeal. It was also rated the city with the 6th best nightlife globally, reflecting its lively entertainment scene. Such accolades enhance Lagos's brand, attracting foreign visitors, events (concerts, conferences like the Lagos International Trade Fair), and even expatriate talent. A cosmopolitan, liveable Lagos can better attract the high-skill professionals needed for certain industries (finance, tech, R&D) and encourage diaspora investment, an increasingly important source of capital in Africa.

Challenges and African Leadership: As one of Africa's megacities, Lagos also faces issues common to major African cities such as slum proliferation, traffic congestion, and environmental vulnerabilities. How Lagos tackles these will set examples (positive or negative) for other rapidly growing cities like Kinshasa or Nairobi.

Through initiatives like mass transit, affordable housing schemes, and climate adaptation projects (mangrove restoration, coastal defenses), Lagos aspires to provide a model of sustainable urban industrial growth for African peers. In particular, Lagos' pioneering Clean Cookstoves and Tree Planting Project endorsed under the United Nations Framework Convention on Climate Change (UNFCCC) is a first-of-its-kind climate action at city scale in Africa, likely to be watched and replicated if successful.

In summary, Lagos' industrial policy cannot be inward-looking; it inherently carries regional and continental dimensions. By strengthening its industrial base, Lagos will bolster West Africa's economic integration and contribute to Africa's collective industrial output (supporting the vision of "Made in Africa" goods competing globally). The LSIP includes strategies to maximize these opportunities: from developing export-ready industries that leverage AfCFTA, to pursuing city-to-city partnerships within Africa for technology and knowledge transfer. Just as importantly, Lagos seeks to lead in climate compatible industrialisation, proving that African cities can develop manufacturing and infrastructure while reducing emissions and protecting the environment. The support from international climate finance (e.g., carbon credits of an estimated \$200 million annually for Lagos from the clean cookstove initiative) will aid in this transition.

In conclusion of this introductory context: Lagos State's destiny is intertwined with that of Nigeria and Africa. This policy recognises that fact. It is both locally grounded and globally aware. The strategic initiatives that follow are geared to make Lagos a globally competitive city-economy, an engine of national prosperity, and a beacon of sustainable development in Africa.

PREVIOUS INDUSTRIAL POLICY IN THE HISTORY OF LAGOS STATE

Lagos State has a history of formulating industrial policies, though prior to the 21st century these were few and far between. In fact, before the current effort, industrial policy was formally documented only in 1987 and later updated in 1998. It is instructive to briefly review those past policies to understand continuity and changes in strategy over time.

The 1987 Industrial Policy: The first comprehensive industrial policy for Lagos State, enacted in 1987, focused on three broad objectives:

Creating a Conducive Business Climate: To promote, attract, and sustain private sector investment in "preferred sectors" as determined by government from time to time. Essentially, this meant government's role was to facilitate industries via incentives and a friendly business environment.

Integrated Rural Development & Balanced Growth: Recognising that industrial and economic activities were overly concentrated in metropolitan Lagos, the 1987 policy aimed to spread development to the then less-developed areas (e.g., encouraging agro allied and craft industries in Badagry, Epe, Ikorodu, etc.) as part of an integrated rural development strategy. This was meant to reduce rural-urban migration and ensure all parts of the state benefitted from industrialisation.

Maintaining Lagos's Premier Position: Ensuring Lagos retained its status as Nigeria's center of industrial and commercial activities. Even as at 1987, Lagos was the nation's economic capital, and the policy sought to solidify that lead through continuous improvements.

These objectives reflected the context of the time; Nigeria in the late 1980s was undergoing Structural Adjustment, moving away from state-led industry to private-led growth. Lagos's policy thus emphasized enabling the private sector as the engine (a shift from earlier decades where government set up many industries). The 1987 policy outlined roles for government largely as a catalyst and facilitator: it was to provide infrastructure, ease bureaucratic bottlenecks, and limit direct involvement in production. It called for reviewing and amending laws/regulations that hindered investment, after consulting private sector bodies. It also directed government to consider privatising or restructuring existing state-owned enterprises to inject private funds and management.

The 1987 policy highlighted establishing a more business-friendly environment (like today's ease of doing business focus) and recognized the need for government to withdraw from heavy direct investment in industry; instead focusing on policy, regulation, and partnership with private investors. It also began to articulate the cluster concept implicitly by talking about industrial estates and infrastructure provision.

The 1998 Amendment: By 1998, an update was issued (during the late 90s when Nigeria was still under military rule but preparing for democracy). The 1998 industrial policy for Lagos largely mirrored the 1987 policy in content and objectives. It reiterated the core aims of a conducive climate, balanced growth, and sustaining Lagos's primacy. The main additions in 1998 were reviews of specific areas like:

Investment Portfolio Management: The 1987 document had estimated total investment in Lagos State at that time to be N20 million (though this figure seems symbolic or a certain portfolio under state purview). The 1998 policy likely updated these figures and perhaps set new targets for attracting investment.

Infrastructural Development: By 1998, infrastructure needs (power, roads, water) were even more pressing given Lagos’s growth. The 1998 policy reviewed ongoing projects and stressed improvements in these foundations as critical to industrial expansion.

Industrial Land Policy: The 1998 update examined how land was allocated for industry, presumably to streamline acquisition in industrial estates and ensure sufficient land was earmarked for future industrial parks.

Industrial Data Bank: Recognising the importance of data, the 1998 policy talked about maintaining a database of industries and related information in the state. This was an early nod to evidence-based policy – something the 2025 LSIP continues by highlighting credible data (as seen by the Ministry of Housing’s insistence on data accuracy in this update).

Comparatively, the contents of the two documents (1987 and 1998) were largely similar. This suggests that through the late 80s and 90s, Lagos’ industrial strategy did not dramatically change; it was more about reinforcing the liberalisation trend and addressing persistent challenges (like infrastructure deficits and bureaucracy).

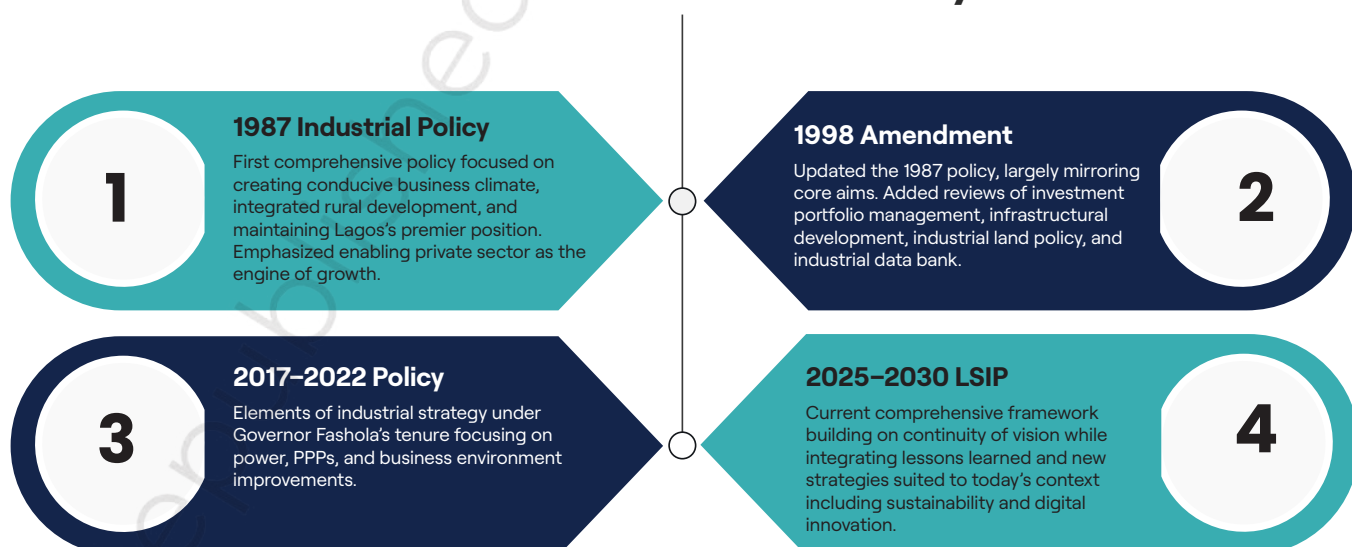
These past policies laid important foundations: establishing industrial estates, creating agencies (like Lagos State Industrial Development Corporation back then), and raising awareness that Lagos needed its own approach aside from federal policy. However, Lagos’s industrial growth in those years was constrained by national economic turbulence and limited follow-through on some plans. By the early 2000s (post-1999 democracy), the state began to take bolder steps, which led to the 2012–2017 industrial policy (not heavily documented as a separate policy, but elements of industrial strategy under Governor Fashola’s tenure focusing on power, PPPs, etc.) and then the 2017–2022 Industrial Policy which the LSIP 2025–2030 succeeds.

In summary, previous industrial policies in Lagos State emphasized:

- A facilitative role of government (not running industries, but enabling them).
- The importance of infrastructure and ease of doing business as preconditions. MSMEs and private investment as drivers of growth.
- The need for spatial spread of industries to reduce urban congestion and ensure equity.

These themes persist in the current policy, but with new dimensions like sustainability, digital innovation, and more formal monitoring. The LSIP 2025–2030 thus builds on a continuity of vision making Lagos Africa’s industrial and commercial powerhouse while integrating lessons learned and new strategies suited to today’s context.

Evolution of Industrial Policy





LAGOS STATE INDUSTRIAL POLICY 2025–2030

A comprehensive framework that guides the state's industrial development over the next five years, with a view toward achieving longer-term aspirations by 2052 in line with the Lagos State Development Plan.



POLICY VISION, OBJECTIVES, AND PRINCIPLES

With the context established, the Lagos State Industrial Policy 2025–2030 (LSIP) is presented as a comprehensive framework that guides the state's industrial development over the next five years, with a view toward achieving longer-term aspirations by 2052 in line with the Lagos State Development Plan. This updated policy reflects both the successes and shortcomings of previous strategies, the inputs of a wide array of stakeholders, and the emerging trends in the global and national economic landscape. It is designed to be transformational; not just continuing business-as-usual, but positioning Lagos for a leap in industrial capacity, complexity, and competitiveness.

By 2030

Lagos will possess a fast-growing, diversified industrial economy that is globally competitive, socially inclusive, and environmentally sustainable.

Vision

The Lagos State Industrial Policy is anchored on a clear and ambitious vision: by 2030, Lagos will possess a fast-growing, diversified industrial economy that is globally competitive, socially inclusive, and environmentally sustainable. This vision reflects Lagos's determination to move beyond its historic role as a trading and consumption hub into a mature production-oriented economy capable of generating value, jobs, and innovation at scale.

In practical terms, this vision envisages a Lagos in which modern manufacturing facilities, industrial service firms, and technology-enabled enterprises operate within a predictable and efficient economic environment. Factories and industrial clusters are powered by reliable and increasingly cleaner energy sources, supported by efficient transport and

logistics networks that connect producers to domestic, regional, and global markets. Small and medium enterprises are no longer trapped at subsistence levels but are able to scale, formalize, and integrate into value chains through access to finance, technology, skills, and market opportunities. Industrial expansion translates into quality employment for Lagos's youthful and rapidly growing population, offering dignified livelihoods while strengthening household incomes and social stability.

Crucially, Lagos's industrialization pathway is deliberately aligned with climate action and social inclusion. Growth is pursued in a manner that safeguards environmental assets, reduces pollution, improves resource efficiency, and builds resilience to climate risks. At the same time, the benefits of industrial development are broadly shared across income groups, genders, and geographic divisions of the State. In this way, the vision positions industrialization not merely as an economic objective, but as a central instrument for building a more equitable, resilient, and prosperous Lagos over the long term.

Policy Objectives

To translate this vision into concrete outcomes, the Lagos State Industrial Policy 2025-2030 articulates a coherent set of policy objectives. These objectives are aligned with Lagos State's development priorities, including the THEMES+ Agenda and the Lagos State Development Plan 2052, as well as Nigeria's national industrialisation goals. Together, they provide a clear results framework that will guide policy design, institutional action, and investment decisions throughout the policy period.



Infrastructure Upgrade for Industry

The first objective is to significantly strengthen the industrial infrastructure base of Lagos State. Reliable and affordable infrastructure remains the single most binding constraint to industrial competitiveness in Lagos, particularly in relation to energy. The policy therefore prioritises improvements across power supply, transport infrastructure (including roads, rail, ports, and logistics platforms), water supply, and digital connectivity. Reducing the cost of production and improving productivity are central outcomes of this objective. Addressing the existing power deficit, where demand is estimated at approximately 12,000 MW against available supply of about 4,300 MW, through embedded generation, renewable energy solutions, grid upgrades, and energy efficiency measures is identified as a critical enabler of industrial growth. In operational terms, Lagos will pursue industrial power delivery through designated Industrial Power Corridors and cluster-based power solutions aligned to priority zones and industrial estates. Rather than treating power as a general economy-wide constraint alone, the LSIP will prioritise concentrated power reliability for industrial clusters where the productivity and job impact per megawatt is highest. This includes embedded generation and distribution solutions for industrial estates, dedicated feeder reliability upgrades, and structured arrangements that enable industrial parks and clusters to secure predictable energy through bankable commercial models, subject to regulatory alignment. This approach ensures that power interventions directly translate into industrial output gains, lower production costs, and improved competitiveness for firms operating within designated industrial corridors. Infrastructure investment under this objective is not pursued as an end in itself, but as a deliberate instrument to unlock private sector productivity and competitiveness.





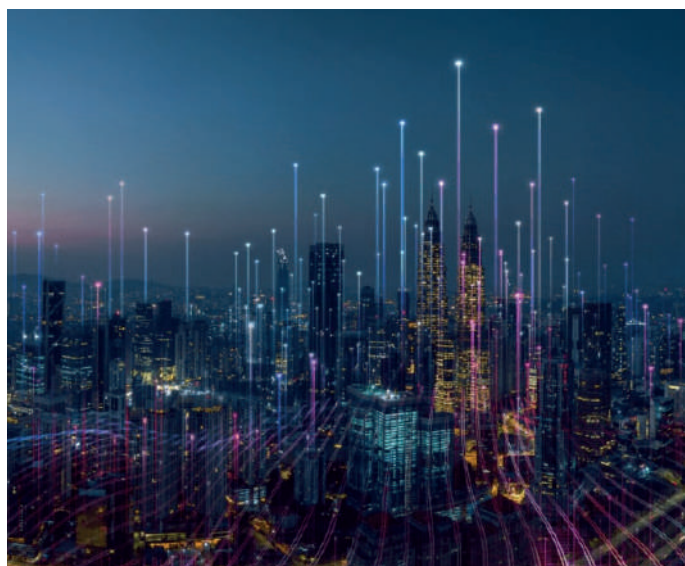
MSME Growth and Industrial Entrepreneurship

The third objective recognises that micro, small, and medium enterprises are the backbone of Lagos's economy and the primary source of employment. The LSIP therefore prioritises the deliberate transformation of MSMEs into competitive industrial enterprises. This includes improving access to affordable and appropriate financing, expanding technical and managerial support, facilitating market access, and strengthening linkages between small firms and larger enterprises within value chains. Targeted support will be directed toward MSMEs engaged in value-added production, innovation-driven startups, and enterprises with potential for scale. The overarching aim is to create a dynamic pipeline of indigenous industrial firms, operationalising the national aspiration of transitioning "MSMEs to industry" and ensuring that Lagos's industrial growth is rooted in local enterprise development.



Skills, Talent, and Innovation

The fourth objective is to develop the human capital and innovation ecosystem required to sustain industrial transformation. Industrial competitiveness ultimately depends on the availability of skilled labour, technical expertise, and adaptive innovation capacity. The policy therefore emphasises strengthening technical and vocational education, modernising skill acquisition centres, and aligning training curricula with the evolving needs of industry. In parallel, it promotes STEM education and the development of higher order skills necessary for advanced manufacturing and industrial services. The LSIP also seeks to stimulate research and development, technology adoption, and digital innovation among Lagos-based firms, enabling them to move up the value chain. A structured framework for collaboration between industry, academia, and government will be established to support applied industrial research and accelerate innovation diffusion.



Business Environment and Investment Climate

The second objective focuses on consolidating Lagos as a premier destination for industrial investment. This entails deepening ease of doing business reforms by reducing regulatory bottlenecks, simplifying administrative procedures, ensuring fairness and predictability in taxation, and strengthening dispute resolution mechanisms. Lagos already ranks among Nigeria's leading states in business environment reforms; however, the policy sets a higher ambition of benchmarking against global best practice. International comparators such as Rwanda, now ranked among the easiest places to do business globally, demonstrate that sustained reform and institutional discipline can transform investor perceptions. The objective is to entrench confidence in Lagos as a location where policies are consistent, rules are clear, and government institutions function effectively in support of enterprise and investment.





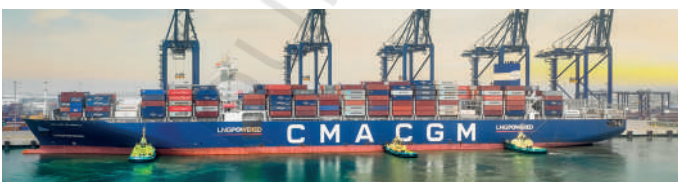
Sectoral Diversification and Value Addition

The fifth objective addresses the need to diversify Lagos's industrial base beyond its traditional concentrations. While Lagos already hosts a wide range of economic activities, the policy deliberately targets expansion in high-potential sectors where the State possesses comparative advantages or untapped potential. These include agro-processing and food manufacturing, textiles and garments, pharmaceuticals and medical devices, construction materials, automotive assembly, electronics and ICT hardware, creative industries, and recycling and waste-to-energy solutions. The objective is to deepen value chains by increasing local processing of raw and intermediate goods, reduce dependence on imports where local production is viable, and expand export-oriented manufacturing. By 2030, Lagos aims to substantially increase the contribution of manufacturing and value-added services to its Gross State Product, reinforcing Nigeria's broader ambition to raise manufacturing's share of national GDP to between 20 and 25 percent.

Inclusive and Sustainable Industrial Development

The sixth objective ensures that industrial growth in Lagos is both socially inclusive and environmentally responsible. Inclusion is pursued through deliberate support for women and youth entrepreneurs, the creation of industrial employment opportunities accessible to low-income populations, and the integration of persons with disabilities into industrial programmes and workplaces. Spatial inclusion is also emphasised, with industrial development extended to less-developed divisions of the State. Sustainability, in turn, is pursued through the promotion of clean technologies, renewable energy, energy efficiency, and circular economy practices that reduce waste and environmental degradation. This objective aligns Lagos's industrial strategy with the Sustainable Development Goals and the State's climate commitments, positioning green industrialisation as a defining feature of Lagos's long-term development model.

Collectively, these objectives provide a coherent response to Lagos's development imperatives. They ensure that all interventions under the LSIP, from infrastructure investment to SME support and skills development, are purposeful, integrated, and firmly oriented toward outcomes in employment creation, competitiveness, sustainability, and shared prosperity.



Industrial Labour Relations, Productivity, and Workforce Stability

Sustainable industrialisation requires not only capital and infrastructure, but also stable labour relations and continuous productivity improvement. The LSIP recognises the importance of a balanced industrial labour framework that supports enterprise competitiveness while protecting worker welfare and social stability.

Lagos State will promote structured engagement between employers, labour unions, and relevant government institutions to foster cooperative labour relations, minimise industrial disputes, and improve workplace standards across industrial zones. Productivity-enhancing initiatives, such as workplace skills upgrading, adoption of modern production practices, and performance-based training, will be encouraged to ensure that wage growth is aligned with productivity gains.

By strengthening labour-industry dialogue and promoting formalisation within industrial employment, the LSIP aims to build a workforce that is skilled, productive, and resilient, thereby reinforcing Lagos's competitiveness as an industrial destination.

Industrial Baseline and 2030 Outcome Targets

To ensure disciplined measurement of progress, the LSIP is anchored to a defined industrial baseline and 2030 outcome targets. The baseline reflects the State's industrial structure at the commencement of the policy period and establishes a reference point for monitoring transformation outcomes.

As of 2024, Lagos' manufacturing contribution to Gross State Product, industrial employment levels, non-oil export performance, MSME formalisation rates, and infrastructure reliability indicators form the measurable foundation of this policy. Over the 2025–2030 period, Lagos will pursue measurable improvements across these indicators, including:

- Increase in manufacturing share of GSP
- Expansion of formal industrial employment
- Growth in non-oil export volumes and regional trade penetration
- Improvement in power reliability within designated industrial clusters
- Increase in MSME graduation into formal industrial value chains

Detailed baseline values and 2030 targets will be captured within the LSIP Results and Delivery Framework to ensure transparent tracking and accountability. This anchoring ensures that industrial transformation is measured against defined structural shifts rather than narrative progress alone.



To ensure that the policy objectives are pursued consistently and effectively, the LSIP is underpinned by a set of guiding principles that shape both policy design and implementation.

Private Sector-Led Growth.

Industrial development in Lagos will be driven primarily by the private sector, with government playing an enabling, regulatory, and facilitative role. The policy prioritises market-oriented interventions that remove constraints, improve infrastructure, and provide clear incentives rather than direct state ownership or operation of industrial enterprises. Public-Private Partnerships and investor participation are central delivery mechanisms, reflecting the conviction that entrepreneurship, capital mobilisation, and private sector innovation are the engines of sustainable industrial growth.

Good Governance and Accountability

Effective industrial policy requires disciplined execution. The LSIP embeds principles of transparency, accountability, and clearly defined institutional responsibilities to ensure that policy commitments translate into results. Strong governance mechanisms will coordinate action across ministries and agencies, track progress against defined targets, and hold implementers accountable for performance. Regular reporting and structured stakeholder engagement will reinforce credibility and public trust, recognising that policy without delivery undermines both confidence and impact.

Evidence-Based Planning and Flexibility

Policy decisions under the LSIP will be guided by data, analysis, and empirical evidence. Continuous monitoring and evaluation will inform adjustments, enabling Lagos to respond pragmatically to what works and what does not. This flexibility is essential in a rapidly changing economic environment shaped by technological shifts, market volatility, and external shocks. The policy framework is therefore designed to be adaptive rather than rigid, allowing Lagos to remain proactive and resilient in the face of uncertainty.



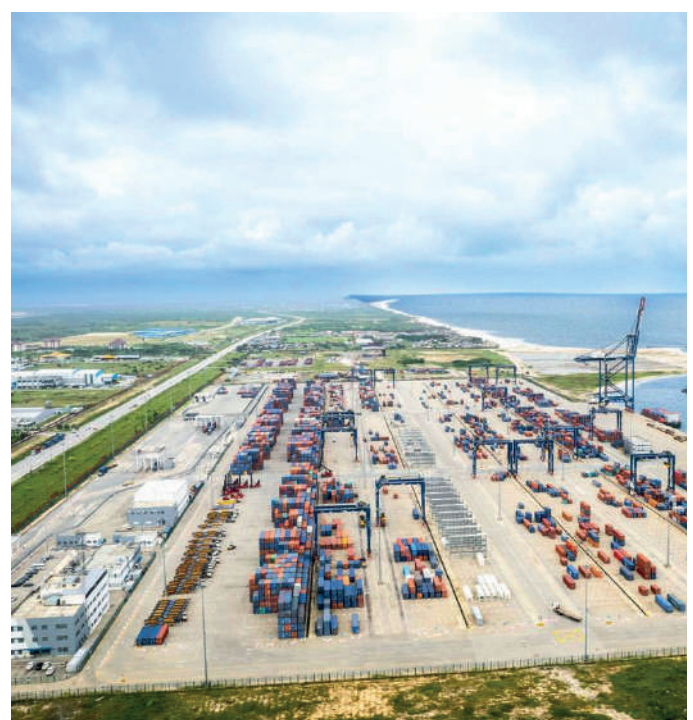
Inclusivity and Partnership

Industrialisation is a collective endeavour. The LSIP recognises the roles of investors, business associations, workers, communities, academia, development partners, and different tiers of government in achieving its objectives. Inclusivity ensures that benefits are broadly distributed across geographies, genders, and social groups, while partnership ensures that implementation leverages the strengths and resources of all stakeholders. Close collaboration with the Federal Government—particularly on power, ports, trade policy, and regulation—will amplify the impact of the State's industrial strategy.

Spatial Balance and Environmental Stewardship

Finally, the policy commits to spatially balanced industrial development that reduces congestion in the metropolitan core and extends economic activity to new growth frontiers across the IBILE divisions of Lagos. Industrial development is deliberately integrated with land-use planning and urban development frameworks to ensure efficiency, livability, and resilience. Environmental stewardship is integral, with strict compliance to environmental regulations, pollution mitigation measures, and promotion of eco-industrial parks and green infrastructure. This principle reflects Lagos's resolve to balance economic expansion with ecological sustainability.

Taken together, the vision and objectives define what Lagos seeks to achieve by 2030, while the guiding principles define how the State will pursue industrialisation. They establish a coherent foundation for the policy frameworks, instruments, and implementation mechanisms detailed in the sections that follow.





INDUSTRIAL DEVELOPMENT FRAMEWORK: POLICY PILLARS, ENABLERS, AND PRIORITY SECTORS

At the heart of the framework are six mutually reinforcing policy pillars. These pillars are not isolated silos; they are designed as an integrated system in which progress in one area strengthens outcomes in others.

To translate the vision and policy objectives of the Lagos State Industrial Policy (LSIP) 2025–2030 into concrete, implementable action, the State has articulated a comprehensive Industrial Development Framework. This framework provides the strategic architecture through which industrialisation will be pursued in a disciplined, coordinated, and outcome-oriented manner. It establishes the policy logic that connects ambition to execution by defining the core pillars that will drive industrial transformation, the cross-cutting enablers that support them, and the priority areas where Lagos will deliberately concentrate effort and resources to achieve scale and impact.



The framework is deliberately aligned with, and conceptually mirrors, Nigeria's National Industrial Policy, which is organised around strategic pillars addressing competitiveness in production, value-chain development, MSME growth, trade integration, and governance. However, Lagos's framework is carefully adapted to the realities of a highly urbanised, land-constrained, infrastructure-stressed, yet market-dominant sub-national economy. It recognises Lagos's dual role as Nigeria's principal consumption centre and its most important platform for industrial production, logistics, services, and export interface.

At the heart of the framework are six mutually reinforcing policy pillars. These pillars are not isolated silos; they are designed as an integrated system in which progress in one area strengthens outcomes in others. Together, they provide the organising structure for government action, private sector engagement, and institutional coordination throughout the policy period.

Pillar 1: Competitive and Productive Industry Base

Boosting Industrial Competitiveness and Value Addition

The first pillar focuses on building a competitive, productive, and resilient industrial base capable of producing goods and services at quality and cost levels that meet domestic and international market requirements. Lagos's industrial future depends on its ability to reduce structural inefficiencies that have historically undermined competitiveness, including high production costs, fragmented supply chains, and limited technological upgrading.

Under this pillar, the State will prioritise the upgrading of industrial infrastructure, particularly power, transport, and logistics systems, to improve productivity and reliability across manufacturing and industrial enterprises. Equally important is the promotion of modern production technologies, automation, and process optimisation within factories, enabling Lagos-based firms to improve output quality, reduce waste, and enhance efficiency. Quality assurance and standards compliance will be strengthened to ensure that "Made in Lagos" products can compete credibly in export markets and withstand import competition.

This pillar also emphasises deeper value-chain integration. Lagos will facilitate stronger linkages between local suppliers and large manufacturers, encourage the processing of raw and intermediate goods into finished products, and support industries that retain more value domestically rather than exporting unprocessed commodities. By addressing Nigeria's long-standing challenges of fragmented production systems and high input costs, this pillar aims to reposition Lagos as a centre of value-added industrial production with stronger backward and forward linkages across the economy.

Technology Transfer, Local Content, and Industrial Upgrading

To maximise the long-term benefits of industrial investment, the LSIP places emphasis on technology transfer, domestic capability development, and progressive industrial upgrading. Lagos seeks not only to attract investment, but to ensure that such investment contributes to the deepening of local skills, supplier networks, and technological know how.

Incentive frameworks and investment facilitation measures will encourage partnerships between foreign investors and local firms, integration of Lagos-based suppliers into industrial value chains, and the localisation of selected production stages over time. The State will support initiatives that promote supplier development, workforce upskilling, and collaborative research and innovation between industry, academia, and research institutions.

Through these measures, Lagos aims to avoid enclave industrialisation and instead foster an ecosystem in which investment translates into sustained domestic industrial capability and competitiveness.

Industrial Productivity and Firm-Level Upgrading Framework

The LSIP recognises productivity enhancement as the core driver of industrial competitiveness. Accordingly, Lagos State will promote structured firm-level upgrading through cluster-based productivity benchmarking, technology extension services, and access to modern production methods. Industrial clusters will be supported with advisory services focused on lean manufacturing, quality management systems, digital process optimisation, and energy efficiency improvements.

The State will collaborate with industry associations, technical institutions, and private advisory firms to establish productivity diagnostics and improvement programmes within priority sectors. Over time, measurable improvements in output per worker, energy efficiency, and export readiness will serve as indicators of industrial upgrading success.

Pillar 2: Enabling Business Environment and Investment Promotion

Regulatory Reform and Ease of Doing Business

The second pillar recognises that industrial growth is ultimately contingent on the quality of the business environment. Even the most ambitious industrial strategies will falter if regulatory systems are opaque, administrative processes are slow, or investor confidence is undermined by unpredictability.

Accordingly, this pillar commits Lagos to deepening regulatory and administrative reforms that make it easier to start, operate, and expand industrial enterprises. Key interventions include simplifying business registration and licensing processes, improving access to industrial land through transparent allocation and titling systems, streamlining building and development permits, and fast-tracking approvals for priority industrial infrastructure.

Fiscal measures and incentives for targeted sectors are also situated within this pillar, aligned with national frameworks but tailored to Lagos's specific context, such as land rent rebates or targeted state-level tax reliefs within designated industrial zones.

Beyond regulation, this pillar places strong emphasis on proactive investment promotion and retention. Lagos will institutionalise one-stop investor facilitation mechanisms, actively market its industrial opportunities to domestic and foreign investors, and deploy structured aftercare services to retain existing firms and support reinvestment. The objective is to entrench Lagos's reputation as unequivocally "open for business", drawing lessons from African peers such as Rwanda and Mauritius, where sustained regulatory discipline and investor engagement have translated into strong industrial and investment outcomes. A predictable and investor-friendly business environment under this pillar serves as a foundational enabler for all other components of the industrial policy.

Pillar 3: MSME and Entrepreneurship Development

From Micro to Macro: Scaling Local Industry

The third pillar acknowledges that Lagos's industrial transformation will be built on the foundation of its vast base of micro, small, and medium enterprises. These enterprises represent both the largest source of employment and the most fertile ground for future industrial champions. This pillar is therefore dedicated to enabling MSMEs to transition from survival-oriented activity to growth-driven industrial enterprise.

To ensure that MSME policy instruments contribute to structural transformation rather than subsistence preservation, the LSIP adopts a differentiated segmentation framework. Enterprises will be categorised into three broad cohorts for targeted intervention design.

I. Micro and survival enterprises will receive support focused on formalisation, financial inclusion, and basic capability strengthening.

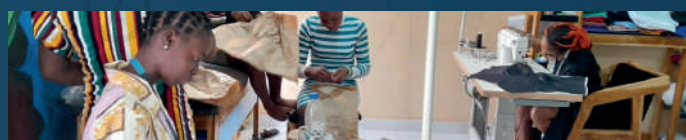
II. Growth-oriented enterprises with demonstrated market traction will receive productivity upgrading support, including quality certification, cluster infrastructure access, and structured credit facilitation.

III. Export-ready and scaling enterprises will be prioritised for market expansion support, technology upgrading, and integration into regional and continental value chains under AfCFTA.

The above are to create measurable graduation pathways over time, ensuring that policy interventions increase firm productivity, employment intensity, and value addition within Lagos' industrial ecosystem.

Key interventions include expanding entrepreneurship training, business incubation, and mentorship programmes that nurture innovation in manufacturing, agribusiness, ICT, creative industries, and other value-adding sectors. Access to finance is central to this effort. The policy introduces structured financing mechanisms such as the Lagos Industrial Development Fund, designed to provide credit and seed funding to MSMEs operating within priority industrial value chains, while also strengthening cooperative and cluster-based financing models for small manufacturers and the Lagos State Access to Finance for SMEs through Cooperatives (LASMECO), a partnership with the Bank of Industry to facilitate access to single digit, non-collateralised loans to SMEs operating within Cooperatives. Beyond access to finance, the framework also facilitates the organisation of MSMEs within value chains, financial inclusion, formalisation of the informal sector and the creation of a base to facilitate the production of goods that can be exported.

Market access is another critical focus. The State will facilitate MSMEs' integration into larger markets by



promoting producer cooperatives, clustering small enterprises, linking local firms with exporters and anchor buyers, and leveraging digital platforms for e-commerce and supply-chain participation. Through initiatives such as the Lagos State Export Readiness Program and in line with national industrial policy aspirations, Lagos will deliberately support high-potential firms to graduate from informal or small-scale operations into formal, medium and large-scale enterprises.

Inclusion is integral to this pillar, with targeted support for youth-led and women-led businesses to ensure that industrial entrepreneurship is broad-based and socially transformative.

Recognising the heterogeneity within the MSME ecosystem, the LSIP adopts a differentiated support model based on firm capability and growth trajectory. MSMEs will be segmented into three broad categories for policy design purposes.

Survival and micro-enterprises will receive support focused on formalisation, basic business capability strengthening, and access to cooperative finance mechanisms. Growth-oriented enterprises with demonstrated market traction will receive targeted productivity upgrading support, including access to cluster-based infrastructure, quality certification assistance, and structured access to credit and supplier development programmes. Export-ready and scaling firms will be prioritised for market expansion facilitation, technology upgrading support, and integration into regional and continental value chains under AfCFTA.

The objective of this segmentation is to enable measurable firm graduation over time, ensuring that MSME policy instruments contribute to structural industrial upgrading rather than perpetual subsistence support.

Pillar 4: Infrastructure, Clusters, and Spatial Industrial Development

Industrial Infrastructure and Cluster Development

The fourth pillar addresses the physical and spatial foundations of industrialisation, recognising that industrial productivity in Lagos is inseparable from land use, infrastructure provision, and spatial planning. This pillar commits the State to the development and upgrading of industrial zones, parks, and estates as structured platforms for industrial growth.

Lagos will invest, often through Public-Private Partnerships, in well-serviced industrial parks that offer ready-built factory facilities, reliable power and water supply, waste management systems, and shared services. These interventions are designed to lower entry and operating costs for manufacturers, particularly SMEs. Existing industrial estates in areas such as Ikeja, Apapa, and Ilupeju will be revitalised through infrastructure renewal, improved utilities, and better estate management.

New industrial clusters will be developed in underutilised or emerging areas, most notably along the Lekki Free

Zone corridor, which is being repositioned as a major manufacturing, logistics, and export hub through coordinated investments in roads, ports, energy, and investor incentives. Specialised parks, such as a Lagos State Medical Innovation and Industrial Zone for pharmaceuticals and medical devices or agro-allied industrial hubs, will serve as policy instruments to concentrate resources, skills, and infrastructure around priority sectors.

This pillar also encompasses broader transport and logistics reforms, including port efficiency improvements, rail connectivity (in collaboration with federal initiatives), enhanced road access to industrial zones, and development of logistics facilities such as truck transit parks and warehousing hubs. Drawing lessons from international experience, particularly Ethiopia's industrial parks, which demonstrated the power of well-serviced clusters to generate employment and export growth, Lagos aims to achieve economies of scale, reduce congestion in the city centre, and spatially rebalance industrial activity across the State.

Pillar 5: Skills Development and Industrial Innovation

Human Capital and Technology for Industrial Growth

The fifth pillar recognises that sustained industrial competitiveness ultimately rests on people, skills, and innovation. Under this pillar, Lagos will strengthen the ecosystem for skills development, technical education, and industrial innovation to meet both current and future labour market needs.

This includes upgrading technical colleges and vocational training centres, often in partnership with the private sector, to deliver industry-relevant skills in trades such as welding, fabrication, electrical installation, machinery operation, and industrial maintenance. Planned Skill Enhancement Centres across Lagos's divisions will build on earlier initiatives while aligning training content more closely with employer demand.

Beyond vocational skills, the policy promotes higher-level STEM education and advanced technical training through partnerships with universities and research institutes, ensuring a steady pipeline of technicians, engineers, and scientists for Lagos's industries.

On the innovation front, the State will support the establishment of industrial R&D hubs, innovation labs, and fabrication centres that enable firms to design, test, and commercialise new products. Adoption of digital tools, from basic ICT systems to advanced Industry 4.0 technologies, will be encouraged to enhance productivity and competitiveness. Incentives such as innovation grants or tax credits for R&D investment will be explored to stimulate private sector innovation. This pillar responds directly to global evidence from countries such as India and Vietnam, where sustained investment in skills and technology underpinned rapid industrial growth and global value-chain integration.

Pillar 6: Green and Inclusive Industrialisation

Sustainability and Inclusion as Core Strategy

The sixth pillar cuts across all others, embedding sustainability and inclusion as defining features of Lagos's industrialisation model. Industrial growth under the LSIP is deliberately designed to be environmentally responsible and socially equitable, ensuring long-term resilience and legitimacy.

The LSIP integrates climate resilience and industrial competitiveness through structured decarbonisation pathways within priority value chains. Rather than treating environmental sustainability as a parallel objective, Lagos will promote energy efficiency, cleaner production technologies, waste-to-value systems, and renewable energy integration as productivity-enhancing interventions that reduce long-term operating costs and strengthen export competitiveness.

Industrial clusters and designated zones will be encouraged to adopt shared green infrastructure, including common effluent treatment systems, waste recycling facilities, and embedded renewable power solutions. Where feasible, the State will leverage climate finance instruments and blended financing structures to support green industrial upgrading, ensuring that environmental compliance enhances rather than constrains industrial growth.

This integration ensures that Lagos' industrial expansion remains resilient to global regulatory shifts, carbon border mechanisms, and evolving international trade standards. On the environmental front, this pillar promotes clean energy adoption, resource efficiency, and compliance with pollution control standards across industrial activities. Lagos will encourage the use of renewable energy sources, including solar, gas, and waste-to-energy, alongside energy-efficient equipment and production processes. Eco-industrial parks will be piloted, enabling industries to share resources and infrastructure, reduce waste, and apply circular economy principles where the output of one process becomes the input for another. Climate adaptation measures, such as flood-resilient industrial infrastructure and green buffers, will be integrated into industrial planning in recognition of Lagos's climate vulnerabilities.

Social inclusion is equally central. The policy incorporates Gender and Social Inclusion frameworks to ensure that women, youth, artisans, informal workers, and persons with disabilities are actively integrated into industrial programmes. Industrial projects will be assessed for their social impact, including job creation for local communities and avoidance of displacement or exclusion. By explicitly embedding inclusion and sustainability across all pillars, Lagos seeks to future-proof its industrial strategy and position itself as a model of equitable and responsible industrial development, drawing lessons from peers such as Rwanda and Vietnam that have successfully balanced growth with social progress.

Industrial Decarbonisation and Climate Finance Integration

To align environmental sustainability with industrial competitiveness, the LSIP will prioritise the integration of decarbonisation measures within productive value chains. Energy efficiency upgrades, renewable energy adoption, waste-to-value systems, and cleaner production technologies will be promoted as cost-reduction and export-competitiveness strategies rather than standalone environmental initiatives.

Where climate finance instruments or carbon credit revenues are mobilised, Lagos State will prioritise reinvestment into industrial upgrading, cluster-level energy infrastructure, and green technology adoption. This approach ensures that climate-linked financing strengthens industrial productivity while maintaining compliance with evolving global trade and environmental standards.



INTEGRATED FRAMEWORK PERSPECTIVE

Taken together, these six pillars form a coherent and mutually reinforcing framework for industrial transformation in Lagos State. Each pillar is supported by specific policy measures, programmes, and milestones to be elaborated in implementation plans, yet none operates in isolation. Improvements in infrastructure and spatial development reinforce business environment reforms; skills development strengthens MSME growth; and sustainability considerations shape all aspects of industrial expansion.

This integrated approach enables Lagos to confront the complex, interrelated constraints that have historically limited industrialisation, while leveraging its unparalleled market scale, entrepreneurial energy, and strategic location. Through disciplined application of this Industrial Development Framework, the LSIP 2025–2030 provides a credible pathway from policy intent to industrial outcomes.

Cross-Cutting Enablers

In addition to the six core pillars, the Lagos State Industrial Policy (LSIP) 2025–2030 recognises that industrial transformation cannot be achieved by sector interventions alone. Industrialisation succeeds when the broader environment in which enterprises operate is stable, predictable, and supportive of long-term investment. The policy therefore identifies a set of cross-cutting enablers such as foundational policy, institutional, and system-wide conditions that underpin the success of the entire Industrial Development Framework.

These enablers are not presented as standalone programmes in isolation; rather, they constitute the “operating conditions” that allow the pillars to function effectively. Where these enabling conditions are weak, even well-designed interventions under the core pillars will struggle to deliver results. Accordingly, Lagos will treat the strengthening of these enablers as an integral part of its industrial strategy, mobilising collaboration across state institutions, federal authorities, financial systems, and private sector actors.

Macroeconomic and Fiscal Stability

A stable macroeconomic environment is fundamental to industrial growth. Investors and industrial operators make long-term commitments such as building factories, procuring equipment, hiring labour, and structuring supply chains, only when they can anticipate reasonable stability in key macro variables. Manageable inflation, a relatively stable exchange rate environment, predictable interest rates, and sustainable public finances together shape investor confidence, the cost of doing business, and the feasibility of production planning.

While Lagos acknowledges that many macroeconomic levers reside at the federal level, the State will actively collaborate with relevant federal authorities and national institutions to advocate for, and support, policies that contribute to inflation control and foreign exchange stability, given the sensitivity of manufacturers to currency volatility and import costs for machinery and inputs. At the state level, Lagos will pursue disciplined

fiscal management by strengthening revenue generation in ways that broaden the tax base and improve compliance without imposing punitive burdens on productive enterprise. This includes tightening expenditure efficiency, prioritising infrastructure investments that reduce business costs, and ensuring that industrial competitiveness is not undermined by fragmented levies or unpredictable fiscal practices. The LSIP will also align with national economic reforms that improve the investment climate, including broader efforts around market liberalisation, subsidy reforms, and improving transparency in fiscal policy. In essence, Lagos will position fiscal stability not merely as a budgetary objective, but as an industrial competitiveness imperative.

Unified Billing and Levy Harmonisation

In recognition of the cost and uncertainty imposed by fragmented and overlapping levies, Lagos State will implement a Unified Billing and Payment Framework for State-imposed fees and charges affecting industrial operators. This framework will consolidate eligible levies into a single, transparent demand notice supported by standardised definitions, published rate schedules, and a digital platform for billing, payment, receipting, and reconciliation across participating MDAs.

A dedicated dispute-resolution mechanism will be embedded within the framework to address billing errors, duplicative demands, or non-statutory charges within defined timelines. By simplifying compliance while safeguarding revenue integrity, the framework strengthens the predictability of the business environment and reinforces Lagos's commitment to a rules-based industrial ecosystem.

Legal and Regulatory Framework

Industrialisation requires rules that are clear, consistent, enforceable, and aligned with investment realities. A fragmented, outdated, or unpredictable regulatory environment increases risk, slows investment decisions, and inflates transaction costs. The LSIP therefore commits Lagos to an active review and strengthening of its legal and regulatory architecture to support industrial development.

This includes updating land use regulations to facilitate transparent industrial land zoning, leasing, and allocation processes; modernising building codes and permitting frameworks to reflect the needs of industrial facilities; strengthening environmental regulations so they protect communities and ecosystems while remaining clear, fair, and administratively efficient; and improving commercial and investment-related regulations that shape contracts, licensing, dispute resolution, and enterprise operations. Strengthening contract enforcement and property rights, supported through a responsive Lagos State judiciary and functional commercial courts, will further reduce investor risk and reinforce the credibility of Lagos as a secure place to invest.

Where new laws or legislative amendments are required, particularly around industrial incentives, PPP structuring, investment facilitation, or regulatory streamlining, the policy supports proactive legislative engagement to ensure that the legal framework keeps pace with industrial ambition.

Importantly, Lagos will ensure that regulatory agencies responsible for standards, environmental permits, land approvals, and business licensing operate in a coordinated and business-responsive manner. An improved investor grievance and resolution mechanism will be instituted to promptly address regulatory bottlenecks or bureaucratic delays, drawing inspiration from proven national models such as the Presidential Enabling Business Environment Council, adapted to Lagos's subnational realities to ensure speed, accountability, and predictable outcomes.

Investor Approvals Map and Regulatory Pathway Clarity

To enhance transparency and reduce regulatory uncertainty, Lagos will publish an Investor Approvals Map for industrial projects. This will set out the typical approvals required, responsible MDAs, documentation requirements, indicative timelines, and escalation points. The approvals map will be integrated into the one-stop facilitation platform and supported by digital tracking to enforce service standards and strengthen accountability across regulatory agencies.



Access to Finance

Industrial development is capital-intensive. Whether for factory development, equipment acquisition, technology upgrading, working capital, or supply-chain expansion, access to finance, both debt and equity, is a fundamental determinant of industrial growth. The LSIP recognises that without affordable and appropriately structured financing, Lagos's industrial ambitions will remain constrained, particularly for MSMEs and indigenous industrial entrepreneurs.

Beyond the Lagos Industrial Development Fund, the State will facilitate broader access to credit and investment capital through strategic partnerships with financial institutions and development finance actors. Specific measures will include credit guarantee schemes that reduce lending risk and stimulate financing to manufacturers, structured engagements with institutions such as the Bank of Industry and other federal credit programmes to improve uptake by Lagos entrepreneurs,

and deliberate promotion of venture capital and private equity participation in industrial ventures through investor forums and structured pipelines.

Recognising that conventional bank lending is often expensive or unsuitable for small manufacturers, the LSIP also encourages innovative financing models such as equipment leasing arrangements, supplier credit structures, invoice discounting, and structured cooperative financing for clustered enterprises.

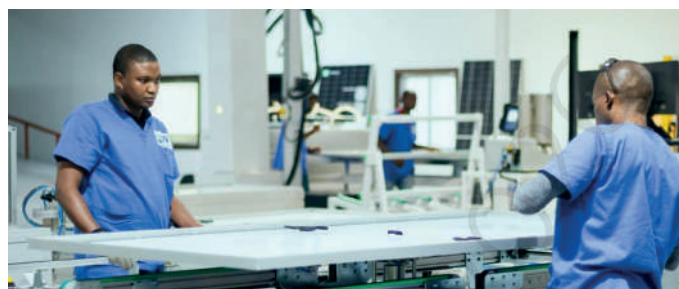
The policy further positions Lagos to mobilise development finance, from institutions such as the African Development Bank, the World Bank, and other bilateral and multilateral partners, particularly for large-scale industrial infrastructure projects that are catalytic but difficult to finance through traditional state budgets alone. The overarching objective is to ensure that viable industrial ventures, across firm sizes and sectors, can access finance at reasonable cost and on terms that match industrial investment horizons.

Quality Standards and Market Access

Industrial competitiveness is ultimately tested in the market, especially beyond local boundaries. For Lagos industries to integrate into regional and global value chains, they must meet quality standards, comply with regulations, and demonstrate reliability in product specification and delivery. The LSIP therefore places strong emphasis on strengthening quality infrastructure and expanding market access.

Lagos will collaborate with relevant federal agencies such as the Standards Organisation of Nigeria, NAFDAC, and other regulatory bodies to upgrade the standards and quality ecosystem available in the State. This includes improving access to testing laboratories, certification services, and metrology facilities that enable firms to validate product quality and comply with domestic and export requirements. At the enterprise level, Lagos will promote awareness and compliance with international standards, offering guidance and capacity-building for firms seeking certification and quality improvement.

In parallel, the State will actively support firms to take advantage of trade opportunities under AfCFTA, AGOA, and other market access regimes. This will include dissemination of market intelligence, training on export readiness and compliance, and the establishment of mechanisms, such as an Export Facilitation Hub, that help companies navigate customs processes, export logistics, trade documentation, and trade finance. Improved quality standards and export readiness will strengthen Lagos's ability to compete internationally, align with Nigeria's national objective of boosting global competitiveness, and enable Lagos firms to move from being primarily local-market producers to regional and global suppliers.



AfCFTA Export Priorities and Market Entry Playbook

AfCFTA implementation under the LSIP will move from broad ambition to targeted export execution. Lagos will identify a short list of priority export products aligned to its industrial strengths, corridor logistics, and value-chain upgrading objectives, and will map these products to priority destination markets within West Africa and selected African hubs where demand conditions, standards requirements, and logistics routes are most favourable. This prioritisation will be reviewed periodically to reflect market dynamics and emerging competitiveness opportunities. For each priority product category, Lagos will support firms to meet export readiness requirements through standards compliance, certification support, packaging and labelling guidance, and export documentation advisory.

To reduce export frictions, Lagos will work with federal trade institutions and private logistics operators to strengthen trade facilitation, reduce delays in port and border processes, and enable consolidated shipping models that allow MSMEs to participate in regional trade. Lagos will operationalise export support through a structured mechanism such as an Export Facilitation Hub, providing market intelligence, buyer linkage support, and guidance on trade finance instruments relevant to AfCFTA transactions. This approach ensures AfCFTA is implemented as a measurable market access programme that converts industrial upgrading into export growth, rather than remaining a policy reference.

Fair Competition and Protection of Lagos Manufacturers

Lagos State will strengthen fair-competition conditions by intensifying standards enforcement, market surveillance, and consumer protection measures in collaboration with relevant federal regulatory agencies. Within applicable legal and constitutional limits, State procurement and supplier development programmes will be aligned to expand market opportunities for compliant Lagos-based manufacturers, while curbing the circulation of substandard, counterfeit, or improperly certified products that undermine legitimate production.

Structured engagement with industry associations will support early identification of unfair-competition concerns, which will be channelled through established grievance and regulatory resolution mechanisms to ensure timely and proportionate action. These measures reinforce consumer confidence while safeguarding industrial jobs and investment.



Security and Rule of Law

A secure and orderly environment is indispensable for industrial growth. Industrial operators require protection for assets, predictability for movement of goods and labour, and confidence that contracts, rights, and laws will be upheld fairly. Lagos will therefore continue to invest in its security architecture as a central enabling condition for industrialisation.

This includes leveraging technology and intelligence-led approaches to security, strengthening community policing partnerships, and prioritising the protection of critical industrial and logistics assets. Particular attention will be devoted to securing key industrial corridors and hubs, such as ports, major industrial estates, border-facing zones, and logistics routes, against theft, vandalism, and extortionary practices that raise the cost of doing business. The rule of law is equally critical. Lagos will reinforce fair enforcement of laws and regulations, crack down on illegal levies and harassment of businesses, and strengthen mechanisms that allow investors and enterprises to resolve disputes transparently and efficiently.

The LSIP also contemplates the establishment of an Industrial Peace Committee to mediate labour disputes, community grievances, or industrial relations issues in a timely manner, preventing disruptions that could threaten productivity and investor confidence. In this way, security and rule of law are treated not simply as public order issues, but as economic competitiveness fundamentals.



Industrial Power Corridors for Clustered SMEs

Recognising that access to reliable and affordable power remains a binding constraint for SMEs and clustered manufacturers, Lagos will establish Industrial

Power Corridors aligned with priority industrial estates, cluster locations, and logistics routes. Under this policy instrument, the State will facilitate embedded generation and last-mile distribution solutions, including captive and wheeling arrangements where feasible, to deliver predictable electricity supply to defined industrial catchments.

Implementation will prioritise areas with high SME concentration and employment potential, pairing power reliability with metering, demand aggregation, and service-level performance standards. By anchoring energy solutions within spatial industrial planning, the policy seeks to reduce downtime, improve productivity, and strengthen the competitiveness of Lagos-based enterprises.

Integrated Enabling Conditions

These cross-cutting enablers are best understood as shared conditions that government, the private sector, financial institutions, and federal partners must jointly cultivate. The Lagos State Government will champion them through deliberate policy reforms, institutional strengthening, and structured partnerships, recognising that their collective strength determines whether interventions under the six pillars can take root and deliver sustained impact.

When these enablers function effectively, when macro stability is credible, laws are enforceable, finance is accessible, standards are reliable, markets are reachable, and security is assured, industrial policy moves from aspiration to performance. The LSIP's industrial pillars can then translate into real outcomes: increased investment, stronger firms, better jobs, greater value addition, expanded exports, and a more resilient and inclusive Lagos economy.

Industrial Resilience and Strategic Supply Chains

Recent global disruptions have underscored the vulnerability of industrial systems to external shocks, including pandemics, geopolitical tensions, foreign exchange volatility, and climate-related events. In response, the LSIP embeds industrial resilience as a core consideration across all policy pillars. Lagos will prioritise the strengthening of strategic supply chains to reduce excessive dependence on imports for critical goods and inputs, particularly in sectors such as food processing, pharmaceuticals, medical supplies, energy systems, and essential industrial materials.

Policy measures will encourage diversification of sourcing, local production of critical inputs where feasible, and the development of domestic supplier networks that can support continuity of production during periods of disruption. Industrial zoning, infrastructure planning, and investment incentives will take resilience considerations into account, ensuring that Lagos's industrial growth is not only rapid, but also durable and adaptable in the face of uncertainty.



PRIORITY SECTORS FOR LAGOS INDUSTRIALIZATION



While the Lagos State Industrial Policy (LSIP) 2025–2030 is deliberately designed as a broad, enabling framework that supports industrial activity across the economy, it also recognises the strategic importance of focus. Industrial transformation at scale requires prioritisation by concentrating policy attention, institutional effort, and investment facilitation around sectors where Lagos possesses clear competitive advantages, structural strengths, or strategic relevance to national development goals. Accordingly, the LSIP identifies a set of priority sectors that offer the greatest potential to deliver measurable outcomes in terms of value addition,

employment creation, export competitiveness, and technological upgrading by 2030.

The selection of these sectors is informed by Lagos’s economic structure, market size, locational advantages, existing industrial base, and alignment with Nigeria’s national industrial and economic priorities. These priority sectors are not intended to exclude other viable industrial activities; rather, they provide an organising lens through which Lagos will channel promotional efforts, tailor policy instruments, and address sector-specific constraints in a more targeted and effective manner.





Agro-Processing and Food & Beverage Manufacturing



Agro-processing and food and beverage manufacturing represent a foundational priority for Lagos's industrial strategy, driven by the State's position as Nigeria's largest consumer market. Demand for processed foods, beverages, and packaged agricultural products is substantial and growing, yet a significant share of this demand continues to be met through imports or inefficient supply chains. The LSIP therefore prioritises the development of agro-processing industries that add value to agricultural commodities sourced both within Lagos, such as fisheries, aquaculture, vegetables, and poultry, and from surrounding regions that naturally supply the Lagos market.

Priority subsectors include rice milling, cassava processing, seafood and fish processing, dairy products, beverages, and packaged foods. By promoting integrated agro-allied industrial hubs that combine logistics, cold storage, processing, and packaging, Lagos aims to reduce post-harvest losses, stabilise food supply, and enhance food security.

These interventions are also expected to generate employment opportunities across urban and peri-urban areas, strengthen rural-urban value chains, and retain a greater share of value within the domestic economy.

Light Manufacturing and Consumer Goods

Light manufacturing and consumer goods production form another strategic pillar of Lagos's industrial focus. This sector encompasses textiles and garments, leather products, wood furniture, plastics, and fast-moving consumer goods, industries with strong labour absorption potential and direct linkages to domestic consumption. Lagos has a historical legacy in textiles, apparel, and furniture production, alongside a massive and diversified consumer base that currently depends heavily on imports for everyday manufactured goods.

The LSIP seeks to revitalise and expand light manufacturing by supporting factory modernisation, upgrading production techniques, and strengthening workforce skills. Emphasis will be placed on enforcing quality standards so that locally manufactured goods can effectively substitute imports and compete on both price and quality. Spatially, the policy contemplates the development of dedicated clusters, such as garment districts or furniture production zones, that enable shared services, economies of scale, and skills specialisation. Lagos's globally recognised fashion and creative industries provide a natural synergy, offering opportunities to integrate design excellence with scaled garment manufacturing.



Pharmaceuticals, Healthcare Products, and Biotechnology

The COVID-19 pandemic underscored the strategic importance of domestic capacity in pharmaceuticals, medical devices, and healthcare supplies. In response, Lagos is positioning itself as a leading hub for pharmaceutical manufacturing and healthcare related industrial activity in Nigeria and the wider West African sub-region. The State's large healthcare market, concentration of medical professionals, and proximity to regional markets provide a strong foundation for this ambition. A greater share of value within the domestic economy. The LSIP prioritises pharmaceuticals, medical devices, diagnostics, and selected biotechnology applications as high-value, knowledge-intensive sectors.

The planned Lagos Medical Innovation and Industrial Zone (LASMIIZO) exemplifies this strategic direction, envisaged as a cluster hosting pharmaceutical manufacturing plants, medical equipment assembly facilities, and research and development centres. Through the provision of serviced land, reliable infrastructure, and streamlined regulatory approvals, Lagos aims to attract both domestic and international investors, reduce reliance on imported medicines, generate high-skilled employment, and position itself as an exporter of healthcare products to neighbouring markets.



Petrochemicals and Allied Industries

Lagos's proximity to Nigeria's oil and gas infrastructure and emerging refinery capacity, particularly along the Lekki axis, creates significant opportunities for downstream petrochemical and allied industrial development. The LSIP prioritises the expansion of petrochemical manufacturing that converts refinery outputs and feedstocks into higher value products such as plastics, fertilizers, industrial chemicals, and synthetic materials.

The policy supports the development of petrochemical industrial parks where firms can co-locate to utilise shared infrastructure and benefit from proximity to feedstock sources. In parallel, construction materials industries, including cement, steel fabrication, glass, ceramics, and related inputs, are prioritised to support Lagos's booming construction and real estate sector, as well as regional demand. By strengthening these industries, Lagos seeks to deepen domestic value addition, reduce import dependence, and reinforce its role as Nigeria's industrial backbone.

Automotive Assembly and Transportation Equipment

Automotive assembly and transportation equipment manufacturing represent another priority area aligned with Lagos's existing industrial base and logistics advantages. Building on current assembly operations for buses, trucks, and passenger vehicles, the LSIP aims to attract expanded assembly and component manufacturing activities across multiple transportation modes, including two-wheelers, passenger cars, commercial vehicles, and marine vessels.

The State's proximity to major ports facilitates the importation of semi-knocked-down and completely knocked-down kits, as well as the export of finished vehicles and components. In alignment with federal automotive policies, Lagos will encourage local production of automotive parts such as batteries, tyres, electronics, and interior components. The policy also recognises the potential of light engineering and fabrication, leveraging Lagos's skilled artisan base to support machinery manufacturing and industrial maintenance services. Dedicated clusters for automotive and machinery parts production will be explored to strengthen supply chains and local content.

ICT, Electronics, and the Digital Economy

Lagos is already Nigeria's foremost technology and innovation hub, hosting a vibrant ecosystem of startups, digital service providers, and technology talent. The LSIP seeks to harness this digital strength as an enabler of industrialisation and as a sector in its own right. Priority is given to electronics assembly and, over time, manufacturing of ICT hardware such as mobile devices, computers, solar panels, and related components.

In addition to hardware, the policy recognises the enabling role of software and digital services in modern industry. Fintech solutions, e-commerce platforms, digital logistics systems, and advanced manufacturing technologies such as 3D printing and digital fabrication are positioned as productivity-enhancing tools across industrial value chains.

By encouraging global technology firms and local innovators to establish assembly plants, technology hubs, and innovation centres in Lagos, the State aims to position itself as an African node in increasingly diversified global technology supply chains.



Creative Industries and Content Production

Although traditionally categorised within the services sector, Lagos's creative industries, particularly film, music, fashion, and digital content, have significant industrial linkages and manufacturing components. The LSIP therefore recognises the creative economy as a strategic asset within Lagos's broader industrial ecosystem.

Policy support will focus on developing infrastructure such as film villages, production studios, fabrication laboratories, and specialised manufacturing facilities for creative goods. While traditional physical media production has declined, opportunities remain in the scaled manufacturing of fashion garments, stage and event technology, musical equipment, and branded merchandise. By integrating creative content production with industrial manufacturing capabilities, Lagos can deepen value capture within its globally influential creative sectors.

Renewable Energy and Environmental Technologies

In line with the LSIP's commitment to sustainability and resilience, renewable energy and environmental technologies are identified as strategic growth sectors. Lagos faces acute challenges related to energy supply, waste management, and environmental degradation, yet these challenges also present significant industrial opportunities.

The policy prioritises industries involved in renewable energy, such as solar panel assembly, battery manufacturing, and waste-to-energy solutions, as well as environmental management technologies including recycling facilities, water treatment equipment, and circular economy applications. With an estimated 13,000 tonnes of waste generated daily, Lagos possesses substantial potential to convert waste into energy, recyclable materials, and industrial inputs. By creating an

enabling policy environment and targeted incentives, Lagos aims to attract private investment into these sectors, simultaneously addressing environmental challenges and fostering new engines of industrial growth.

Strategic Focus and Global Context

These priority sectors are illustrative rather than exhaustive, reflecting areas where Lagos can most rapidly and credibly build industrial scale. The LSIP remains open to supporting any viable industrial activity consistent with its policy objectives. However, by explicitly identifying priority sectors, Lagos will be able to focus promotional efforts, tailor incentives, and design sector-specific development programmes that systematically address bottlenecks and unlock growth.

This approach aligns with global best practice, where successful industrialisers have combined broad enabling reforms with targeted sectoral focus. Vietnam's manufacturing ascent was accelerated by concentrating on electronics and textiles within special economic zones, while India's "Make in India" initiative prioritised sectors such as electronics, automobiles, and textiles to drive manufacturing toward a 25 percent GDP contribution. Lagos's strategy similarly balances openness with focus, leveraging its strengths to accelerate industrial diversification and competitiveness.

AfCFTA Market Targeting and Export Product Prioritisation

In order to operationalise Lagos' AfCFTA strategy, the LSIP will identify priority export products within designated industrial sectors based on comparative advantage, production capacity, and regional demand patterns. Sector-specific trade diagnostics will inform targeted export promotion efforts, including standards compliance support, logistics facilitation, and market intelligence services.

The State will collaborate with federal trade agencies and private sector associations to strengthen Rules of Origin compliance, streamline export certification processes, and reduce non-tariff barriers affecting Lagos-based manufacturers. This structured approach ensures that AfCFTA participation translates into measurable export expansion rather than aspirational alignment.

Tiered Industrial Priority and Sequencing Framework

To preserve policy discipline and ensure efficient allocation of public resources, the LSIP adopts a tiered industrial prioritisation framework. While the policy provides broad-based support for industrial growth, specific sectors and value chains will receive differentiated levels of strategic focus based on their contribution to productivity, employment generation, export competitiveness, and fiscal impact.

Tier 1 sectors comprise high-impact industries with strong export potential, significant value-addition capacity, and catalytic linkages across supply chains. These sectors will receive concentrated infrastructure enablement, investor facilitation, and targeted competitiveness interventions.

Tier 2 sectors include employment-intensive industries and domestic value chains critical to inclusive growth and MSME integration. Support will focus on productivity upgrading, cluster development, and skills alignment.

Tier 3 sectors represent emerging or enabling industries that support the broader industrial ecosystem, including logistics, renewable energy technologies, and industrial services. Interventions in these sectors will prioritise regulatory facilitation and institutional support rather than large-scale public investment.

This tiering framework reflects sequencing and intensity of support, not exclusion from policy eligibility. This tiered approach ensures that Lagos avoids dispersing resources thinly across too many initiatives and instead sequences industrial development in a manner that maximises structural transformation outcomes.

State–Federal Trade and Customs Coordination Framework

While trade policy, customs administration, tariffs, and border controls fall largely within the remit of the Federal Government, the effectiveness of Lagos’s industrialisation strategy is directly influenced by how these regimes operate in practice within the State. The LSIP therefore establishes a structured framework for coordination with relevant federal institutions to ensure that Lagos-based manufacturers and exporters are able to compete effectively under regional and global trade regimes, particularly the African Continental Free Trade Area (AfCFTA).

Lagos State will strengthen collaboration with agencies such as the Nigeria Customs Service, the Nigerian Ports Authority, the Nigerian Export Processing Zones Authority, the Standards Organisation of Nigeria, and the National Agency for Food and Drug Administration and Control to improve trade facilitation, reduce clearance times, enhance standards compliance, and minimise administrative bottlenecks at ports and industrial zones. The State will also support manufacturers in navigating trade rules, product standards, and export documentation requirements through coordinated export readiness and trade intelligence support.

Through this interface, Lagos seeks to ensure that national trade policies translate into practical competitiveness for Lagos industries, while safeguarding the State’s industrial base from unfair competition and operational frictions that could undermine local value creation.

Concluding Perspective

In summary, the Industrial Development Framework of the LSIP 2025–2030 deliberately marries economy-wide policy pillars with a targeted sectoral lens. It ensures that Lagos addresses systemic constraints, such as infrastructure, regulation, skills, and finance, while simultaneously concentrating attention on sectors where the State’s industrial opportunities are most compelling. The sections that follow on spatial planning, investment facilitation, and governance provide the institutional mechanisms through which this framework will be operationalised, translating policy intent into measurable industrial outcomes.



PHYSICAL DEVELOPMENT AND ZONING FRAMEWORK

A defining feature of the LSIP 2025–2030 is the deliberate integration of spatial planning with industrial development objectives. In a state characterized by extreme land scarcity and high urban density, industrialization cannot be pursued in a spatially neutral manner.

A defining feature of the Lagos State Industrial Policy (LSIP) 2025–2030 is the deliberate integration of spatial (physical) planning with industrial development objectives. In a state characterised by extreme land scarcity, high urban density, and intense competition among residential, commercial, and industrial land uses, industrialisation cannot be pursued in a spatially neutral or ad hoc manner. Where industry is located, how land is zoned, and how infrastructure is sequenced are as critical to industrial success as incentives, finance, or regulation. This section therefore sets out the Physical Development and Zoning Framework that will guide the orderly, efficient, and sustainable spatial distribution of industrial activities across Lagos State between 2025 and 2030.

The framework recognises that unplanned industrial sprawl exacerbates congestion, inflates land values, increases environmental risk, and deepens social tensions between industrial and residential uses. Conversely, well-planned industrial zoning can unlock productivity gains, reduce logistics costs, improve quality of life, and enable Lagos to grow as a coherent industrial mega-city rather than a fragmented urban agglomeration.

Guiding Strategy for Spatial Industrial Growth

The LSIP adopts a “corridors and clusters” strategy as the organising principle for spatial industrial development. Rather than allowing industrial activities to disperse organically and inefficiently across the urban fabric, the policy identifies specific growth corridors and cluster locations where industrial development will be deliberately concentrated and supported by coordinated infrastructure investment, regulatory alignment, and land-use protection.

This approach aligns with Lagos State’s broader physical planning initiatives and the Lagos State Development Plan 2052, ensuring that industrialisation is integrated with housing provision, transportation networks, environmental management, and urban resilience strategies. The objective is twofold: first, to decongest historically overburdened industrial areas in the metropolitan core;

and second, to catalyse economic activity in underutilised or emerging divisions of the State. By doing so, Lagos aims to achieve more balanced divisional development, reduce excessive commuting pressures, moderate land price escalation in central districts, and create new industrial communities that are functionally efficient and socially sustainable.



Key Industrial Zones and Corridors

Lekki–Epe Corridor (East Lagos Industrial Hub).

The Lekki–Epe corridor is designated as Lagos State’s primary industrial and logistics growth pole. Anchored by the Lekki Free Trade Zone and the Deep–Sea Port, this corridor is strategically positioned to serve as a gateway for both domestic production and international trade. Large tracts of land along this axis are being zoned for industrial parks, export processing zones, and large-scale manufacturing activities, including petrochemicals, automotive assembly, construction materials, and advanced manufacturing.

To strengthen execution discipline and ensure effective cross-government coordination, Lagos State will deploy an inter-agency delivery and coordination framework, currently operationalised as Operation Quadrant Ignite, to support the implementation of priority industrial policy actions. This framework will align infrastructure delivery, regulatory reforms, investment facilitation, security, and spatial planning interventions across designated industrial corridors and zones. To ensure structured zone governance and coordinated investor support within the Lekki–Epe Corridor, Lekki Worldwide Investments Limited (LWIL) will serve as the State’s designated cluster and economic zone delivery vehicle for the Lekki Economic Zone. In this capacity, LWIL will coordinate land access, infrastructure sequencing, and investor facilitation within the zone, working in structured alignment with MCCTI and relevant MDAs. This arrangement ensures that approvals, compliance requirements, and infrastructure enablement are resolved through a coordinated pathway, reducing duplication, clarifying institutional boundaries, and reinforcing disciplined execution under Operation





Quadrant Ignite. By providing a structured mechanism for synchronising the actions of relevant Ministries, Departments, and Agencies, the framework will help resolve bottlenecks, sequence interventions appropriately, and accelerate policy execution. It is an internal operating mechanism focused on delivery effectiveness and does not constitute a standalone programme or project; rather, it serves as an implementation support structure to ensure that approved industrial policy objectives are translated into timely and coordinated action on the ground.

To support this transformation, the State will prioritise complementary infrastructure investments such as the coastal road network, regional arterial roads, potential freight rail connectivity, and dedicated power generation solutions. The long-term vision is to evolve the Lekki-Epe axis into a fully functional industrial city, relieving pressure on Lagos Island, Apapa, and other legacy industrial areas while leveraging port proximity to improve import-export efficiency. Environmental zoning will be rigorously enforced, with wetlands, coastal ecosystems, and sensitive areas preserved, and eco-friendly industrial practices mandated to ensure that industrial growth along this corridor is both productive and sustainable.



Ogun-Lagos Boundary Industrial Belt (West Corridor)

Along the western flank of the State, particularly in the Badagry Division and adjoining areas near the Ogun State boundary, Lagos will develop a strategic industrial belt that leverages cross-border proximity and regional trade flows. The Agbara industrial area in Ogun State has already demonstrated the viability of this corridor for manufacturing activity. Lagos's strategy is to complement and extend this industrial ecosystem by developing industrial estates, logistics hubs, and warehousing facilities on its side of the boundary.

The ongoing expansion of the Lagos-Badagry Expressway is a critical enabler of this zone, improving connectivity to the metropolis and positioning the corridor as a gateway for regional trade under the African Continental Free

Trade Area. Land along this axis will be zoned specifically for industrial use, with carefully planned buffers to protect adjacent residential communities. The long-term objective is to establish West Lagos as a major industrial and logistics gateway linking Lagos to regional markets in West Africa, while reducing congestion pressure on eastern and central corridors.



Ikorodu Industrial and Agro-Processing Cluster (North-East)

The Ikorodu Division, characterised by relatively lower population density and greater land availability, is identified as a strategic location for new industrial development, particularly in agro-processing, agro-logistics, and light manufacturing. The State will promote the development of an integrated agro-industrial park in Ikorodu, building on existing plans for agro-logistics hubs and leveraging proximity to both agricultural supply zones and Lagos's consumer markets.

In addition, the utilisation of Ikorodu's lighter port terminals and waterways presents an opportunity to enhance industrial logistics and reduce pressure on road transport. Zoning plans will earmark land for industrial activity along major transport corridors, while infrastructure investments, including improved ferry services and road connectivity, will link Ikorodu more effectively to Lagos Island and other economic centres. By industrialising Ikorodu, Lagos will bring employment opportunities closer to residential concentrations, reduce daily commuting burdens, and foster more balanced urban growth.

Ikeja-Ilupeju-Oshodi Industrial Renewal (Central Lagos)

The established industrial zones of central Lagos, including Ikeja, Ilupeju, Oshodi, and Apapa, remain critical to the State's industrial base but face challenges arising from age, congestion, and proximity to dense residential areas. The LSIP therefore adopts a renewal and modernisation approach for these zones rather than expansion.

Policy measures will encourage vertical redevelopment of ageing industrial sites, the repurposing of obsolete facilities to higher-value industrial uses, and targeted

infrastructure upgrades such as improved road layouts, drainage systems, power distribution networks, truck parking facilities, and digital connectivity. For example, the retrofitting of the Ikeja Industrial Estate may include dedicated truck holding areas, fibre optic infrastructure, and captive or embedded power solutions to guarantee reliability. Land-use plans will explicitly protect these industrial areas from encroachment by incompatible residential or commercial developments, preventing the gradual erosion of industrial land without strategic assessment. At the same time, environmental considerations are paramount. Given the proximity of residential neighbourhoods, industries in central zones will be guided toward cleaner production processes, emissions control technologies, and, where necessary, the gradual relocation of highly polluting activities to less dense zones.

Specialised Industrial Zones (Statewide)

In addition to major corridors, Lagos will establish specialised industrial zones aligned with priority sectors and emerging opportunities. These include:

Medical and Pharmaceutical Industrial Zones (LASMIIZO): Dedicated zones for pharmaceutical manufacturing, medical devices, diagnostics, and related R&D activities, located in areas with strong logistics access and proximity to research institutions.

Creative and Technology Parks: Clustered zones, potentially in areas such as Yaba, supporting ICT, digital services, creative production, and light manufacturing that complements the digital economy.

Logistics Parks and Inland Container Depots: Strategically located near ports and transport nodes to organise freight movement, consolidate trucking activity, and eliminate the uncontrolled proliferation of roadside truck parks.

Eco-Industrial Parks: Pilot zones, potentially along the Lekki corridor, where industries share utilities, waste streams, and environmental infrastructure, demonstrating circular economy principles and green industrial development.

Zoning and Land-Use Policies

To operationalise this spatial strategy, Lagos will strengthen and update its urban and regional planning instruments. The Ministry of Physical Planning and Urban Development, working closely with the Ministry of Commerce, Industry, and Investment, will formally designate and protect industrial land-use zones within official state plans. These zones will be safeguarded for industrial and compatible commercial activity.

Land acquisition for public industrial projects will be conducted transparently and with fair compensation, in accordance with existing land-use laws. For private investors, the State will facilitate access to land by



Buffer zones will be mandated between heavy industrial activities and residential areas to mitigate noise, pollution, and safety risks. Zoning regulations will also allow for controlled mixed-use industrial environments, particularly in new growth areas, enabling light industry, offices, and worker housing to co-exist where appropriate. Environmentally sensitive areas such as wetlands, mangroves, and waterfronts will be subject to strict development controls, with Environmental Impact Assessments and climate adaptation measures, such as flood-resilient site design and enhanced drainage, integrated into industrial planning.



Spatial Infrastructure Planning

The Physical Development and Zoning Framework is tightly linked to Lagos's infrastructure planning agenda. Transport investments, including mass transit rail lines, BRT corridors, port upgrades, and major road expansions such as the Lagos-Badagry Expressway, Lekki Regional Road, and proposed Fourth Mainland Bridge, are synchronised with industrial zone development to unlock new land and reduce logistics costs. Where feasible, freight rail spurs and intermodal connections will be integrated into industrial parks.

Utility planning will prioritise dedicated solutions for industrial areas, including embedded or independent power plants, industrial water supply schemes developed through PPPs, and shared waste management and effluent treatment facilities. Co location of utility infrastructure within industrial clusters will improve efficiency, reduce costs, and enhance environmental performance.

As new industrial hubs emerge, the State will promote the development of worker housing and social amenities nearby to prevent informal settlement growth and excessive incorporation of residential estates, schools, healthcare facilities, and community infrastructure, creating balanced and liveable industrial communities.



Concluding Perspective

By implementing this Physical Development and Zoning Framework, Lagos ensures that industrial growth is pursued not only as an economic objective but as a core component of orderly urban development. The framework reduces conflict between industrial and non-industrial land uses, optimises land utilisation in a highly constrained environment, manages environmental risk, and promotes equity by extending industrial opportunities across all divisions of the State.

Ultimately, where industry locates is as important as how it grows. The LSIP 2025–2030 provides Lagos with a clear spatial roadmap; one that complements national initiatives such as special economic zones while reflecting Lagos's unique urban realities. Through disciplined zoning, coordinated infrastructure, and integrated planning, Lagos is positioned to evolve into a well-planned industrial mega-city rather than a victim of uncoordinated industrial sprawl.

PPP AND INVESTMENT FACILITATION FRAMEWORK

Mobilizing the scale of investment required to deliver Lagos State's industrial transformation demands a deliberate and sophisticated approach to private sector participation and strategic partnerships within a transparent, predictable, and performance-oriented policy environment.

Mobilising the scale of investment required to deliver Lagos State's industrial transformation, across infrastructure, productive enterprises, innovation ecosystems, and industrial services, demands a deliberate and sophisticated approach to private sector participation and strategic partnerships.

This framework sets out how Lagos State will attract, structure, govern, and sustain investment, domestic and foreign, public and private, within a transparent, predictable, and performance-oriented policy environment. It reinforces the principle that industrial policy should define rules, institutions, and processes, while project pipelines and deal structuring remain dynamic implementation tools that evolve over time. In strategic geographies such as the Lekki Industrial Quadrant, pipeline origination will be informed by pre-structured land and infrastructure programmes led by the State's designated development vehicle.

Role of Public-Private Partnerships

Public-Private Partnerships are central to Lagos's industrialisation agenda, particularly given the scale of infrastructure investment required and the fiscal limits of public resources. Lagos State has an established PPP legal and institutional architecture, anchored by the Lagos State Public-Private Partnership Law and the Lagos Office of Public-Private Partnerships, which will serve as the primary vehicle for structuring and delivering industrial-enabling projects under the LSIP.

PPPs will be deployed to deliver critical industrial infrastructure including power generation and distribution solutions for industrial zones, transport and logistics infrastructure such as ports, rail links, highways, and industrial jetties, as well as industrial estates, water supply systems, broadband connectivity, and waste management facilities. These are areas where private capital, technical expertise, and operational efficiency can significantly enhance public investment outcomes.

The LSIP defines a clear and disciplined PPP lifecycle: strategic project identification and prioritisation aligned with industrial policy objectives; transparent investor solicitation through competitive bidding or structured market engagement; bankable project structuring and contracting; and rigorous contract management and performance monitoring. Emphasis will be placed on projects that are commercially viable, appropriately risk-allocated, and capable of attracting credible long-term investors. For instance, Build-Operate-Transfer or Design-Build-Finance-Operate models may be used for industrial parks, where private developers design, finance, and operate infrastructure over a concession period before transfer. Similarly, power projects may be structured with state-backed off-take guarantees or other support mechanisms, drawing on Lagos's experience with independent power projects.

To reinforce clarity and investor confidence, the State commits to publishing standard PPP guidelines, sector templates, and model contracts. Crucially, project-level details are not embedded in the LSIP itself. Instead, Lagos will maintain a rolling and regularly updated pipeline of priority projects, presented through appropriate platforms such as investment summits, targeted roadshows, and a dedicated online investment portal. This approach ensures flexibility, adaptability, and policy coherence, while avoiding the rigidity and governance risks associated with static deal catalogues.



INVESTMENT FACILITATION AND PROMOTION ARCHITECTURE

Beyond PPP-delivered infrastructure, the LSIP establishes a proactive and institutionalised investment facilitation and promotion system focused on industrial sectors.

One-Stop Investment Facilitation Desk

The State will strengthen or establish a dedicated Investment Facilitation Desk, serving as a single interface for investors seeking to establish or expand industrial operations in Lagos. This function, potentially housed within the Ministry of Commerce, Industry, and Investment or coordinated with an existing investment promotion agency, will provide comprehensive support, including information on opportunities, guidance on site selection and zoning, assistance with permits and approvals, and active troubleshooting of bureaucratic bottlenecks. The Desk will work in close coordination with the Nigerian Investment Promotion Commission to ensure alignment with national incentives and a seamless investor experience across federal and state levels.



Investment Incentive Framework

While many fiscal incentives are determined at the federal level, Lagos retains important instruments to attract and retain industrial investment. The LSIP sets out a transparent and standardised incentive framework that may include fast-tracked land allocation or concessionary land rates in designated industrial zones, targeted reliefs or rebates on specific state taxes and levies, infrastructure support such as subsidised utility connections, and facilitation of regulatory approvals. All incentives will be explicitly tied to performance criteria, such as investment size, employment creation, or local value addition, and will be published to ensure consistency and transparency. This replaces ad hoc, negotiated deals with a rules-based system that strengthens governance and investor confidence.

Incentive Discipline Framework

All industrial incentives under the LSIP will be governed by an Incentive Discipline Framework designed to protect fiscal credibility and ensure value for money. Incentives will be rule-based, published, time-bound, and applied consistently. Eligibility will be anchored on clear criteria including minimum investment thresholds, job creation commitments, local value addition, environmental compliance, and alignment to designated industrial corridors, clusters, and priority value chains. Incentives will be performance-conditioned. Beneficiaries will be required to meet verifiable milestones, including commissioning timelines, employment targets, skills

training commitments, and agreed operational metrics relevant to productivity and competitiveness.

Incentive packages will include sunset clauses, periodic reviews, and enforceable claw-back provisions where commitments are not met or misrepresentation occurs. The State will also maintain transparency through standardised documentation and reporting arrangements for incentive beneficiaries. This framework replaces discretionary concessions with a disciplined regime that rewards credible delivery, reduces rent-seeking risk, and strengthens investor confidence in Lagos as a predictable industrial destination.

Corridor-Based Incentive Architecture

To reinforce spatial industrial strategy and accelerate decentralised growth, Lagos will deploy a corridor-based incentive architecture linked to designated industrial corridors and cluster zones, including the Lekki-Epe corridor and the West Lagos gateway anchored around Badagry and the Ogun boundary belt. Incentives will be transparent, rules-based, and performance-linked, combining facilitated access to industrial land, time-bound rebates on eligible State charges, and targeted infrastructure connection support where justified by investment scale, job creation, local sourcing, and export outcomes.

This approach ensures that incentives are deployed systematically to reinforce spatial planning objectives, reduce congestion in legacy industrial areas, and catalyse new industrial growth poles, rather than negotiated as isolated concessions.

Industrial Finance and Capital Mobilisation

In addition to MSME-focused financing mechanisms, the LSIP recognises the need for substantial long-term capital to support mid-scale and large industrial investments in manufacturing, infrastructure, logistics, and technology-intensive sectors. Lagos State will therefore pursue a diversified industrial finance strategy that mobilises public, private, and development finance at scale.

This approach will include engagement with development finance institutions, commercial banks, private equity funds, and institutional investors to structure blended finance solutions, credit enhancement mechanisms, and risk-sharing instruments where appropriate. For strategic industrial infrastructure and catalytic investments, the State may explore targeted guarantees, viability gap funding, or co-investment structures, subject to fiscal sustainability and transparency safeguards.

The objective is to ensure that viable industrial projects are not constrained by financing gaps, while maintaining disciplined governance and value-for-money principles.



High-Level Industrial Investment Council

To institutionalise strategic public-private dialogue, the LSIP proposes the establishment of a Lagos Industrial Investment Council, Co-Chaired by Senior State Leadership and an eminent private sector figure. This Council will periodically review progress on the investment pipeline, resolve cross-agency constraints affecting investors, and provide strategic recommendations to improve the investment climate. By embedding private sector insight at the highest level of policy execution, the Council signals Lagos's commitment to partnership and shared accountability in delivering industrial outcomes.

The Lagos Industrial Investment Council shall be co-chaired by the Honourable Commissioner responsible for industry and a distinguished private sector leader appointed by the State Government. Membership shall include representatives of key economic ministries, investment promotion agencies, financial institutions, and recognised industry associations. The Council will meet biannually to review industrial investment opportunities, address strategic policy constraints, and provide guidance on industrial development priorities.

Pipeline Development and Deal Origination

Moving beyond passive investment promotion, Lagos will adopt an active deal origination model. Sector-focused teams or designated "investment champions" will identify high-impact opportunities within priority sectors and prepare preliminary business cases or pre-feasibility analyses to lower entry barriers for investors. This rolling investment pipeline—functionally replacing the static deal book—will be curated, updated, and showcased through investor engagements and an online investment portal, ensuring equal access to information and continuous market relevance.

Targeted Promotion and Strategic Partnerships.

The State will pursue targeted investment promotion through hosting industrial and investment summits in Lagos, participating in international trade and investment forums, and engaging foreign trade missions and diaspora networks. Strategic partnerships with multilateral and bilateral institutions such as UNIDO, UNCTAD, and development finance institutions will support capacity building, project preparation, and global

investor outreach. High-level investment missions led by state leadership may be deployed selectively to priority markets, reinforcing Lagos's value proposition as a large market with improving infrastructure and a reform-oriented government.

Investor Aftercare and Investment Governance

The LSIP recognises that attracting investment is only the first step; sustaining and expanding it is equally critical. The investment framework therefore embeds robust aftercare and governance mechanisms.

A dedicated investor aftercare unit will engage regularly with existing investors to address operational challenges, facilitate regulatory coordination, and identify expansion opportunities. Modeled on global best practice, this concierge-style support treats investors as long-term partners, reducing the risk of disinvestment and encouraging reinvestment.

For PPPs and incentivised investments, Lagos will implement a structured system for monitoring mutual commitments. Investor obligations, such as capital deployment and job creation, and government obligations, such as land provision or infrastructure delivery, will be tracked against defined milestones. Contracts will include clear remedies for noncompliance, and a transparent dashboard of major PPP projects may be maintained to strengthen public accountability.

Regulatory simplification remains a priority. One-stop-shop functions will be digitised and strengthened to allow investors to obtain approvals through a single interface, with application tracking systems that enforce service timelines across agencies. Where legal or executive action is required to eliminate duplication or inefficiency, such reforms will be pursued decisively.

Finally, Lagos will institutionalise public communication and feedback mechanisms, including periodic investment climate updates and structured investor roundtables. These channels will enable continuous feedback from the private sector and inform iterative policy improvement.



GLOBAL PERSPECTIVE AND STRATEGIC SHIFT

"Lagos seeks to localize these lessons within its sub-national context by adopting a facilitative, rules-based, and execution-oriented investment posture."

This means actively courting strategic investors, systematically de-risking priority investments, and ensuring that once commitments are made, delivery is disciplined, coordinated, and measurable.

The approach balances investor friendliness with accountability, ensuring public resources generate public value.

In shaping this framework, Lagos State draws deliberately from the practical lessons of global peers that have succeeded in translating industrial ambition into investment reality. Vietnam's rise as a global manufacturing destination did not occur by chance; it was enabled by the disciplined development and management of special economic zones, clear investment rules, and an active state facilitation posture that reduced investor friction while maintaining policy coherence. Ethiopia's industrial park strategy similarly demonstrated the catalytic power of clustering by pairing serviced industrial infrastructure with efficient one-stop services that simplified investor onboarding, accelerated permitting, and improved the operating environment for manufacturers.

India's "Make in India" initiative reinforced another critical lesson: that industrial investment responds not only to market size, but to reform credibility. India combined regulatory simplification with strong outward-facing investment outreach, signalling seriousness, reducing policy uncertainty, and sustaining growth in manufacturing-focused foreign direct investment over time.

Lagos seeks to localise these lessons within its sub-national context by adopting a facilitative, rules-based, and execution-oriented investment posture. This means actively courting strategic investors rather than waiting passively for interest; systematically derisking priority investments through transparent frameworks, credible.

Overall, the Investment Facilitation and PPP Framework represents a fundamental shift in posture. Lagos moves from a model of listing opportunities to a model of governing investment, structuring opportunities with clarity, reducing risk through transparent rules and standardised processes, and partnering with the private sector to deliver bankable infrastructure and productive enterprises. Through this approach, the capital, expertise, and innovation of domestic and international investors will be systematically harnessed to achieve the industrial infrastructure, enterprise development, and competitiveness objectives of the LSIP 2025–2030.



support, and ensure that industrialisation remains embedded in the State's performance agenda. Lagos Worldwide Investments Limited (LWIL) will function as a commercial investment facilitation and structuring platform within the State's industrial development architecture. Its role is to support the promotion, structuring, and execution of investments that are fully aligned with the Lagos State Industrial Policy, approved PublicPrivate Partnership frameworks, and established spatial and sectoral development plans. LWIL will not serve as a policy-making or regulatory body; rather, it will operate as an implementation interface between government and private capital, assisting in translating policy-defined priorities into bankable investment opportunities under clear governance rules. All activities undertaken by LWIL will remain subject to existing laws, institutional mandates, and oversight arrangements, ensuring coherence, transparency, and consistency with State industrial objectives.

However, industrial development is inherently multi-sectoral. Effective implementation requires that multiple Ministries, Departments, and Agencies execute complementary responsibilities in a coordinated manner. Accordingly, the LSIP assigns critical roles to the following MDAs, among others:

Institutional, Governance, and Implementation Arrangements

Achieving the ambitious goals of the Lagos State Industrial Policy requires institutional architecture that is fit for purpose and governance mechanisms that are strong enough to sustain performance over time. Industrial policy succeeds when responsibility is clear, coordination is structured, bottlenecks are resolved quickly, and progress is consistently monitored. This section therefore delineates who is responsible for what in implementing the policy, and how leadership, oversight, coordination, and stakeholder engagement will be organised to ensure that LSIP delivery moves beyond aspiration into execution.

The governing principle is straightforward: policy quality is necessary, but delivery discipline is decisive. Lagos's success will depend on translating policy intent into sequenced actions, measurable outputs, and verifiable outcomes—through clear roles, empowered institutions, and firm accountability.

Lead Ministry and Core Implementing Agencies

The Lagos State Ministry of Commerce, Industry, and Cooperatives will serve as the anchor institution for LSIP implementation. It will provide strategic leadership, coordinate execution across government, drive policy initiatives, and monitor progress against targets. The lead Ministry will be responsible for translating the LSIP into detailed action plans, convening and aligning relevant ministries and agencies, interfacing with the private sector and federal institutions, and reporting routinely on implementation status. The Commissioner will champion the policy within EXCO, mobilise high-level political

Ministry of Energy and Mineral Resources: responsible for power projects and industrial energy policy, including embedded generation in industrial areas, independent power solutions for clusters, and the energy mix required for industrial competitiveness. -

Ministry of Works and Infrastructure / Ministry of Transport: responsible for road networks, mobility systems, port connectivity, logistics infrastructure, and transport linkages to industrial zones. -

Ministry of Physical Planning and Urban Development: responsible for industrial zoning, land-use planning, spatial regulation, and building permit frameworks for industrial developments. -

Ministry of Environment (and LASEPA): responsible for environmental regulation, climate resilience measures, pollution control, and ensuring that industrial expansion occurs within sustainability standards.

Ministry of Finance: responsible for aligning budgeting with LSIP priorities, managing state-level incentive frameworks, and supporting structured financing facilities where applicable.

Ministry of Education and technical education agencies: responsible for delivering skills development programmes, vocational training, and curricula alignment with industrial labour market demand.

Lagos State Employment Trust Fund (where applicable): supporting MSME financing programmes, entrepreneurship support, and potentially co-financing vocational training initiatives.

Lagos investment promotion structures: responsible for investor attraction, facilitation, pipeline development, and aftercare systems.



Each MDA will be assigned defined deliverables, timelines, and performance metrics. For example, Works and Infrastructure may be tasked with defined milestones around industrial road delivery or estate servicing; Education may be tasked with establishing skill centres or graduating trainees in targeted industrial trades; Physical Planning may be tasked with industrial land bank development and zoning enforcement. The LSIP will be operationalised through a detailed Implementation Plan, developed post-approval, that converts the policy into a structured matrix of responsibilities, resourcing plans, and delivery timelines.



Implementation Strategy and Delivery Phasing

While the LSIP will be operationalised through a detailed Implementation Plan developed post-approval, the Policy itself defines a clear implementation strategy to prevent fragmentation and ensure disciplined execution. Implementation will follow a phased approach across the policy period. The first phase will prioritise removal of binding industrial constraints, including infrastructure reliability in industrial clusters, regulatory streamlining, coordinated investor servicing, and security stabilisation in strategic industrial corridors. The second phase will focus on scaling cluster development, expanding industrial estate capacity, strengthening skills pipelines, and deepening value chain integration. The final phase will consolidate export competitiveness, strengthen firm productivity, and institutionalise reforms to ensure continuity beyond 2030.

Execution discipline will be maintained through a structured quarterly review cycle under the Industrial Policy Implementation Task Force. Each implementing MDA will execute defined deliverables tied to timelines and performance indicators. A central policy delivery function will track milestones, manage risk escalation, and consolidate reporting to State leadership to ensure that industrial reform remains results-driven rather than activity-driven.

Industrial Investment Mobilisation and Fiscal Envelope

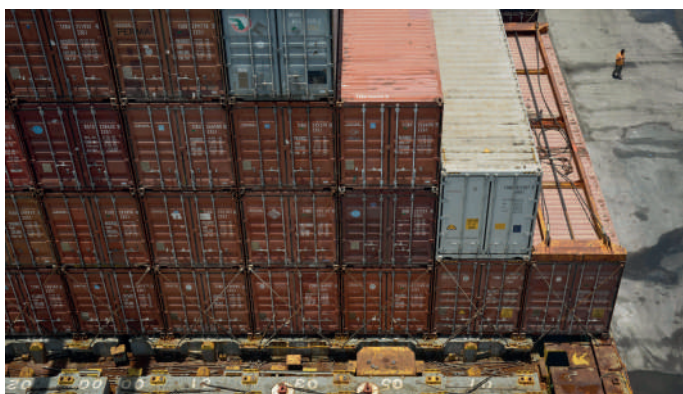
Over the 2025–2030 policy period, Lagos State will pursue a structured industrial investment mobilisation strategy combining public infrastructure allocation, Public-Private Partnerships, and private capital attraction. While detailed costing is maintained within the Implementation Plan and Medium-Term Expenditure Framework, the State's ambition is to catalyse substantial industrial capital formation across priority corridors and clusters through blended financing structures. Public investment will focus primarily on enabling infrastructure and institutional strengthening, while private capital will be mobilised for productive assets, industrial facilities, and value chain expansion. This disciplined allocation model ensures fiscal sustainability while leveraging Lagos' market scale to attract long-term industrial investment.

Operational Guidelines and Service Standards for MDAs



To ensure that the Lagos State Industrial Policy translates from strategic intent into consistent and predictable execution, the State will issue LSIP Operational Guidelines applicable to all implementing Ministries, Departments, and Agencies. These Guidelines will serve as the practical bridge between the policy and the Implementation Plan, establishing clear service standards that define approval pathways, documentation requirements, processing timelines, and escalation procedures for resolving delays or inter-agency bottlenecks.

Each implementing MDA will be required to publish an LSIP-aligned service charter and designate a focal officer responsible for inter-ministerial coordination, investor engagement, and performance reporting. Compliance with these Guidelines will be monitored through the Industrial Policy Implementation Task Force scorecard and reflected in institutional performance assessments. In this way, delivery discipline is embedded within the administrative system, ensuring that industrial policy execution is institutionalised rather than dependent on individual discretion.



Coordination Mechanisms

To prevent fragmentation and ensure whole-of-government execution, Lagos will establish a high-level Industrial Policy Implementation Task Force (IPITF). The Task Force will serve as the central coordination and problem-solving platform for LSIP implementation, ensuring that no pillar fails due to lack of inter-agency alignment. It may be chaired by the Governor or a designated senior official with authority to drive cross MDA action, and it will include representatives from key implementing MDAs, with structured inclusion of private sector and academia to ensure that implementation is informed by real economy feedback.

The IPITF will convene regularly, at minimum quarterly, to review implementation progress across pillars using agreed performance metrics, resolve inter-agency bottlenecks, approve operational workplans, and ensure that resources are allocated in accordance with policy priorities. It will also provide a formal channel for private sector feedback on the business environment, regulatory reforms, and on-the-ground constraints that require rapid government response.

To reinforce execution discipline, each flagship industrial initiative under the LSIP shall have a designated Lead Implementing Authority responsible for milestone delivery and cross-agency coordination. The Lead Authority shall be accountable for achieving agreed outputs within defined timelines and shall report quarterly to the Industrial Policy Implementation Task Force.

Where implementation bottlenecks persist beyond a defined review cycle, unresolved matters shall be escalated formally to the Commissioner responsible for Industry and, where necessary, to the State Executive Council for resolution. This structured escalation protocol ensures that inter-agency delays do not stall industrial reform and that accountability remains clearly assigned throughout the policy lifecycle.

At the working level, specialised technical working groups will support execution. These may include, for example, a Skills and Innovation working group led jointly by Education and Industry institutions; an Infrastructure Delivery team involving Works, Energy, Transport, and PPP structures; and a Zoning and Spatial Development working group involving Physical Planning, Environment, and relevant industrial agencies. These groups will handle continuous coordination, execution troubleshooting, and progress reporting to the Task Force.

The Industrial Policy Implementation Task Force (IPITF) will serve as the central coordination platform for LSIP implementation. Relevant MDAs will act as implementing authorities responsible for sector-specific interventions. The Industrial Investment Council will provide strategic oversight and facilitate dialogue between government and the private sector. Where policy or implementation matters require executive decision, recommendations arising from the Industrial Investment Council or the Industrial Policy Implementation Task Force shall be transmitted through the Honourable Commissioner responsible for industry to the Lagos State Executive Council for consideration.

Institutional Capacity and Reforms

The LSIP recognises that successful delivery requires institutional capability that matches the policy's ambition. Therefore, a core implementation element is institutional strengthening and capacity building.

The lead Ministry's industrial development functions may be upgraded through the creation of a Policy Delivery Unit staffed with skilled professionals responsible for day-to-day execution tracking, milestone management, inter-agency follow-through, and stakeholder coordination. Where necessary, technical assistance may be mobilised through secondments, partnerships with development institutions, or deployment of specialist advisors to strengthen delivery capability.

Civil servants across relevant MDAs will be equipped with training and tools in project management, PPP negotiation, investor relations, monitoring and evaluation, and data-driven delivery management. Where new structures are required, such as the strengthening or activation of a Lagos investment promotion platform, the policy supports their establishment and maturation, drawing lessons from institutional models such as the Rwanda Development Board which integrates investment facilitation and economic sector coordination.

In addition, industrial data systems will be strengthened through collaboration with the Lagos Bureau of Statistics and relevant agencies to improve the capture of industrial performance indicators, investment flows, employment data, and sector growth metrics. Without credible data, industrial policy becomes difficult to manage, evaluate, or improve.

Legislative and Regulatory Support

The Lagos State House of Assembly will play a strategic role in enabling and sustaining LSIP implementation. The legislature will be engaged to enact new laws or amendments where required to operationalise incentives, strengthen PPP arrangements, modernise regulatory frameworks, and support industrial development reforms. Legislative oversight, through relevant committees, will reinforce accountability and transparency, ensuring that executive commitments translate into action and that implementation remains aligned with approved policy intent.

The House's role in budget approval is equally critical. LSIP implementation depends on annual budgetary allocations that fund key programmes, infrastructure commitments, and capacity-building initiatives. The policy therefore positions the legislature as a stakeholder in policy success, fostering structured engagement and regular reporting to sustain buy-in and continuity.



Federal and Sub-National Collaboration

Given Lagos's role as Nigeria's industrial engine, collaboration with the Federal Government is indispensable, particularly in areas where policy competence is shared or federal-led through trade policy, tariffs, national power grid infrastructure, port regulation, and major transport corridors.

The LSIP therefore calls for sustained engagement with the Federal Ministry of Industry, Trade and Investment to ensure alignment with national industrial initiatives, AfCFTA strategies, and export competitiveness programmes. Lagos will seek active participation in national coordination platforms where state-level perspectives can shape policy direction.

Partnership with federal agencies will also be strengthened, including collaboration with the Nigerian Export Processing Zones Authority on free zone governance, engagement with the Nigeria Customs Service to improve port and trade processes, and coordination with the Transmission Company of Nigeria and other power sector institutions to improve electricity reliability in industrial corridors.

In addition, Lagos will work with neighbouring states, particularly within the South-West, for regional infrastructure planning, transport connectivity, and market integration. Challenges such as port access congestion, cross-border logistics, and supply chain integration require regional solutions. The LSIP contemplates structured mechanisms such as a South-West Industrial Corridor Forum to coordinate cross-border initiatives and unlock shared competitiveness gains.



Communication and Change Management

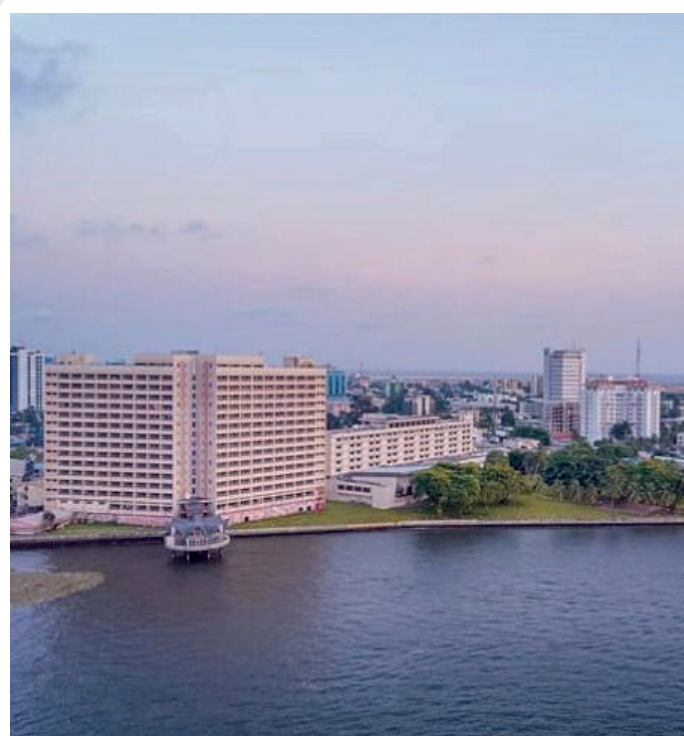
Delivering industrial policy at this scale requires not only technical execution but also sustained change management. A dedicated Communication Strategy will be developed to publicise the LSIP's objectives, benefits, and implementation progress to the public, businesses, and investors. Regular updates on milestones, such as industrial estate upgrades, investor onboarding, or regulatory reforms, will sustain momentum and reinforce confidence.

Internally, government communication will ensure that civil servants and implementing agencies clearly understand their roles, timelines, and performance expectations.

The aim is to build a delivery culture where execution is treated as a shared mission, and where constraints are escalated and resolved quickly rather than allowed to persist.

In governance terms, the LSIP seeks to institutionalise a culture of delivery comparable to top-performing economies, where implementation monitoring is relentless, senior leadership is actively engaged in problem-solving, and performance is tracked against clear metrics. While the Governor's political commitment is a major driver, the policy's institutional mechanisms are designed to sustain continuity beyond individuals and political cycles.

The communication strategy for the LSIP will include annual industrial performance reports, periodic stakeholder consultations, and targeted engagement with investors, industry associations, and development partners. The responsible ministry will coordinate communication activities to ensure transparency and public awareness of industrial policy implementation.



Development Partners and Donor Coordination

Development partners such as multilateral institutions, bilateral agencies, and technical organisations, remain active in Nigeria's industrial and enterprise development space. Lagos will coordinate strategically with these partners to mobilise financing, technical assistance, and capacity building in support of LSIP delivery. A donor coordination platform, potentially led through the Ministry of Economic Planning, will ensure that partner interventions are aligned with LSIP priorities, avoid duplication, and fill implementation gaps.

This coordination approach allows Lagos to strategically combine complementary interventions; for instance, aligning a World Bank-supported MSME programme with an AfDB-supported infrastructure project, so that both reinforce the same LSIP pillars and geographic priorities.

Governance and Anti-Corruption Measures

The LSIP embeds strict governance standards in implementation. Public procurement laws will be applied rigorously to ensure transparency and value for money. Anticorruption safeguards, including e-procurement systems, independent audits of major projects, and structured citizen oversight through civil society engagement, will be instituted to protect public resources and sustain investor trust.

The policy commits the State to a zero-tolerance stance on rent-seeking behaviour, illegal levies, or any misuse of industrial policy initiatives for private gain.

This is not only a matter of public integrity; it is economically critical. Corruption and opacity raise transaction costs, deter credible investors, and weaken delivery performance.

ASSESSMENT



INVESTMENT INCENTIVE FRAMEWORK

The LSIP sets out a transparent and standardized incentive framework that replaces ad hoc, negotiated deals with a rules-based system that strengthens governance and investor confidence while ensuring value for public investment.

Land Incentives

Fast-tracked land allocation or concessionary land rates in designated industrial zones for qualifying investments

A

Tax Reliefs

Targeted reliefs or rebates on specific state taxes and levies tied to performance criteria

B

Infrastructure Support

Subsidized utility connections and facilitation of regulatory approvals reducing setup costs

C

All incentives explicitly tied to performance criteria such as investment size, employment creation, or local value addition, and published to ensure consistency and transparency.

Concluding Perspective

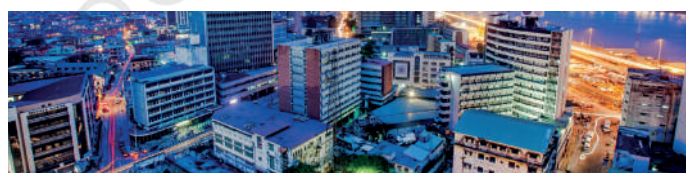
Ultimately, these institutional, governance, and implementation arrangements are what transform the LSIP from a policy document into an actionable programme. By clarifying leadership responsibilities, establishing coordination and delivery structures, strengthening institutional capacity, engaging the legislature, collaborating with federal and regional partners, mobilising development support, enforcing governance safeguards, and managing communication effectively, Lagos is positioned to answer the fundamental question that accompanies every industrial strategy: the policy may be strong on paper, but how will it be delivered?

The answer lies in the delivery architecture described above, an empowered lead ministry, an accountable implementation task force, coordinated agencies, supportive legislation, engaged partners, and a results-oriented governance culture. With these foundations in place, Lagos can proceed confidently to implementation, continuous adjustment, and measurable progress—setting the stage for the next critical dimension of the LSIP: monitoring, evaluation, and learning.

Theory of Change and Results Chain

The LSIP is anchored on a clear results logic that links policy reforms and public investments to measurable industrial outcomes. When Lagos reduces the cost and unpredictability of operating industrial businesses through reliable infrastructure, streamlined regulation, and predictable land and permitting processes, firms invest, expand output, and hire. When these enabling conditions are combined with targeted enterprise upgrading instruments such as productivity support, skills alignment, quality infrastructure, and market access facilitation, firms become more competitive, expand value addition, and enter regional and international markets. The result is sustained job creation, increased industrial output, stronger value chains, higher non-oil exports, and a broader, more resilient fiscal base that can finance further competitiveness-enhancing public goods.

To preserve policy discipline, the LSIP's results chain will be implemented through prioritisation, sequencing, and performance gating. Public support will be concentrated where the contribution to productivity, jobs, and competitiveness is demonstrable. Programmes and incentives will be structured with clear entry conditions, measurable milestones, and transparent exit rules to ensure that industrial policy remains focused on outcomes rather than activity. This results-driven approach ensures that the LSIP functions as an execution framework for industrial transformation, with a clear line of sight from policy instruments to economic impact.



Implementation Strategy and Delivery Phasing (2025–2030)

Lagos State will implement the LSIP 2025–2030 through disciplined sequencing that converts policy intent into structured delivery. Implementation will be organised into three phases. Phase I (2025–2026) will prioritise foundational enablers that unlock private investment and remove binding constraints, including industrial power delivery solutions, serviced industrial land, streamlined permits and inspections, and full operationalisation of the one-stop investment facilitation desk. Phase II (2027–2028) will deepen competitiveness by scaling industrial parks and specialised zones, embedding supplier development and MSME upgrading programmes, strengthening skills alignment, and accelerating logistics and trade facilitation reforms that reduce industrial operating costs. Phase III (2029–2030) will consolidate gains by intensifying export competitiveness support for priority products and corridors, tightening performance-based incentives, and institutionalising reforms that strengthen continuity beyond the policy period.

Delivery will be governed through an annual LSIP Delivery Plan approved by the Industrial Policy Implementation Task Force. The Delivery Plan will specify priority interventions for the year, responsible MDAs, financing routes, milestones, and measurable outputs to be achieved within the year. Progress will be reviewed quarterly. Interventions that do not meet execution standards will be redesigned, deferred, or withdrawn to protect policy credibility and prevent dilution of resources across competing activities. This approach ensures that the LSIP is implemented as a delivery programme with accountable execution, not as a statement of ambition.

To strengthen financing realism and investor confidence, Lagos State will maintain a Costed Implementation Plan that translates LSIP priorities into a medium-term fiscal envelope. The Plan will consolidate public capital commitments, recurrent delivery costs, and contingent liabilities associated with PPPs and guarantees, and it will specify the financing route for each priority intervention, including budgetary allocations, PPP structures, development finance, climate finance instruments, and private co-investment. The Costed Implementation Plan will be updated annually to reflect sequencing decisions, macroeconomic conditions, and delivery performance.



MONITORING, EVALUATION, AND POLICY LEARNING

A robust and credible Monitoring and Evaluation (M&E) framework is a cornerstone of the Lagos State Industrial Policy (LSIP) 2025–2030. Industrial policy is inherently complex, multi-sectoral, and long-term in nature; without systematic monitoring, rigorous evaluation, and structured learning, even well-designed policies risk drifting off course. This section therefore sets out how Lagos State will track implementation progress, assess results, and continuously refine policy actions over the life of the LSIP. The overarching objective is to embed a culture of evidence-driven decision-making, ensuring that industrial policy remains dynamic, responsive, and relentlessly focused on outcomes rather than intentions.

At its core, the M&E framework is designed to create a continuous feedback loop in which data informs decisions, lessons shape adjustments, and performance accountability drives execution. In doing so, it operationalises the principle that industrial policy must be managed as a living strategy, not a static document.

M&E Framework Overview

The LSIP's M&E system will operate across multiple, interlinked levels to capture the full chain from activity to impact. At the first level, monitoring of inputs and activities will track whether planned actions are being implemented as intended. This includes monitoring the initiation and progress of projects, the disbursement of funds, the delivery of infrastructure, the conduct of training programmes and workshops, and the enactment of policy and regulatory reforms, all measured against agreed timelines and workplans.

At the second level, monitoring of outputs will measure the immediate and tangible results generated by these activities. Examples include the number of MSMEs trained or financed, megawatts of power added to industrial zones, kilometres of roads constructed or rehabilitated for industrial access, number of tenants occupying industrial parks, regulatory reforms enacted, and institutional mechanisms established. These outputs provide early signals of whether implementation is translating into concrete deliverables.

At the third and most critical level, evaluation of outcomes and impacts will assess whether the LSIP is achieving its strategic objectives. This includes analysing changes in industrial output, employment creation, investment inflows, economic diversification, productivity, and environmental and social outcomes. Such evaluation will rely on baseline comparisons, using data from 2024 or initial surveys, and track progress at midterm and end-term points, while carefully examining the extent to which observed changes can be attributed to policy interventions rather than external factors.

To operationalise monitoring and evaluation in a structured manner, the LSIP will be supported by a consolidated Results and Delivery Framework that translates each policy pillar into measurable indicators, baseline values, target outcomes, reporting frequency, and designated data ownership across MDAs. This framework will serve as the reference instrument for quarterly performance reviews and annual implementation resets, ensuring that progress is assessed against defined outcomes rather than narrative reporting alone. The Results and Delivery Framework will be published as an annex to the LSIP implementation instruments.

Key Performance Indicators

Early in the implementation phase, Lagos State will define a comprehensive set of Key Performance Indicators (KPIs) aligned with the policy's objectives, pillars, and crosscutting priorities. These indicators will translate high-level goals into measurable performance benchmarks.

Economic performance indicators may include growth in manufacturing Gross State Domestic Product, increases in manufacturing as a share of total GSDP, the number of direct and indirect industrial jobs created, growth in non-oil exports originating from Lagos, and the number of new industrial enterprises established annually.

Business environment indicators may track improvements in Lagos's subnational ease-of-doing-business metrics, reductions in the average time required to obtain key licenses and approvals, the number of investments facilitated through state mechanisms, and the total value of domestic and foreign industrial investments attracted each year.

Skills development indicators will measure the number of individuals trained in vocational and technical programmes, job placement rates of graduates into industrial employment, and reported improvements in the availability of skilled trades as experienced by firms.

Inclusion and sustainability indicators will assess whether industrial growth is broad-based and environmentally responsible. These may include the proportion of industrial jobs held by women, the number of women-owned manufacturing businesses supported, reductions in emissions or waste generated by industrial processes, and the uptake of cleaner production standards and certifications.

Each indicator will be anchored by a clearly defined baseline and a 2030 target, with intermediate milestones, such as a mid-term benchmark in 2027, to facilitate course correction. Targets will be ambitious yet grounded in data and implementation capacity, ensuring credibility and accountability.

Data Collection and Management

Effective M&E depends on timely, reliable, and well-managed data. To this end, Lagos State will strengthen data collection systems across relevant MDAs and enhance the capacity of the Lagos Bureau of Statistics to capture industrial performance metrics. This will include regular enterprise surveys, integration of administrative data from business registration and licensing systems, investment tracking databases, and collaboration with national data sources where appropriate.

The State may develop a digital M&E dashboard that consolidates KPI data and enables periodic updates, quarterly or annually, accessible to policymakers and, where appropriate, the public. Modern information systems will facilitate data aggregation from multiple agencies, reduce reporting lags, and improve analytical capability. In addition, Lagos will collaborate closely with industry associations such as the Manufacturers Association of Nigeria and chambers of commerce to obtain qualitative insights on capacity utilisation, operational challenges, and investor sentiment. These perspectives will complement quantitative indicators, providing context that enriches interpretation and decision-making.

Monitoring Roles and Reporting

The Industrial Policy Implementation Task Force will serve as the apex monitoring body, reviewing KPI performance at its regular meetings and providing strategic guidance on corrective actions. At the operational level, each implementing MDA will designate an M&E officer or unit responsible for tracking progress within its mandate and reporting into a central LSIP M&E Unit, likely housed within the lead Ministry or the Ministry of Economic Planning.

Internal progress reporting will be conducted on a frequent basis, monthly or bi-monthly, to enable early identification of implementation challenges. These internal reports will

be complemented by a comprehensive annual LSIP implementation report prepared for State leadership and key stakeholders. The annual report will synthesise achievements, highlight gaps, and recommend adjustments for the subsequent year.

To institutionalise consistency and clarity, a dedicated M&E Framework document will be developed, detailing indicators, data sources, responsibilities, and reporting timelines. This ensures that all actors share a common understanding of what success looks like and how it is measured.

Evaluation and Policy Learning

While monitoring provides information on what is happening, evaluation provides insight into why it is happening and how effectively. Lagos will therefore commission periodic evaluations to support learning and policy refinement.

A mid-term evaluation, expected around 2027, will provide an independent and in-depth assessment of LSIP implementation at the halfway point. This review will examine the performance of each policy pillar, identify bottlenecks and enabling factors, and assess the influence of external conditions such as macroeconomic trends or federal policy shifts. Its findings will inform strategic adjustments to improve effectiveness during the remaining implementation period.

A final evaluation at the conclusion of the policy period in 2030 will measure overall achievements against original objectives and targets. It will quantify economic, social, and environmental impacts, assess sustainability of reforms and investments, and extract lessons to inform subsequent industrial and development strategies.

Central to this process is a structured feedback loop. Evaluation findings will feed directly into decision-making, enabling adaptive management. Underperforming interventions may be redesigned or scaled back, while successful initiatives may be expanded or institutionalised. This iterative approach ensures that the LSIP evolves in response to evidence rather than remaining fixed in the face of changing realities.

Policy learning will also extend beyond Lagos. Continuous scanning of international and regional industrial policy experiences—such as developments in Ethiopia’s industrial parks, Rwanda’s governance innovations, or India’s production-linked incentive schemes—will inform local adaptation. Combining external learning with Lagos-specific evidence will create a rich knowledge base for ongoing policy refinement.

Reporting, Accountability, and Transparency

The M&E framework underpins accountability at multiple levels. Regular progress reports will be presented to the State Executive Council, enabling high-level oversight, strategic direction, and corrective action where needed. These reports will support informed decisions on resource reallocation, political prioritisation, and implementation acceleration.

Public communication will reinforce accountability. Lagos may publish simplified annual summaries of LSIP progress to inform citizens, businesses, and civil society of achievements and next steps. Such transparency invites scrutiny, builds trust, and reinforces delivery discipline among implementing agencies.

Ultimately, M&E outcomes will shape future policy choices. Interventions that demonstrate strong impact may be scaled or embedded beyond 2030, while less effective measures will provide valuable lessons for future planning.

Concluding Perspective

In conclusion, the Monitoring, Evaluation, and Policy Learning framework ensures that the Lagos State Industrial Policy remains a living, adaptive strategy rather than a static plan. By committing to measurable targets, rigorous evaluation, transparent reporting, and continuous learning, Lagos State demonstrates a clear resolve to manage industrialisation with discipline, accountability, and responsiveness. This culture of evidence-based governance will not only support achievement of LSIP objectives by 2030 but will also strengthen the institutional foundations for future development policies and long-term economic transformation.

LEARNING FROM GLOBAL SUCCESS STORIES

Lagos State is adapting proven international frameworks to drive sub-national industrial transformation through disciplined execution, clear investment rules, and systematic de-risking of priority investments.

Vietnam

Disciplined development of special economic zones with clear investment rules and active state facilitation that systematically reduced investor friction and accelerated foreign direct investment.

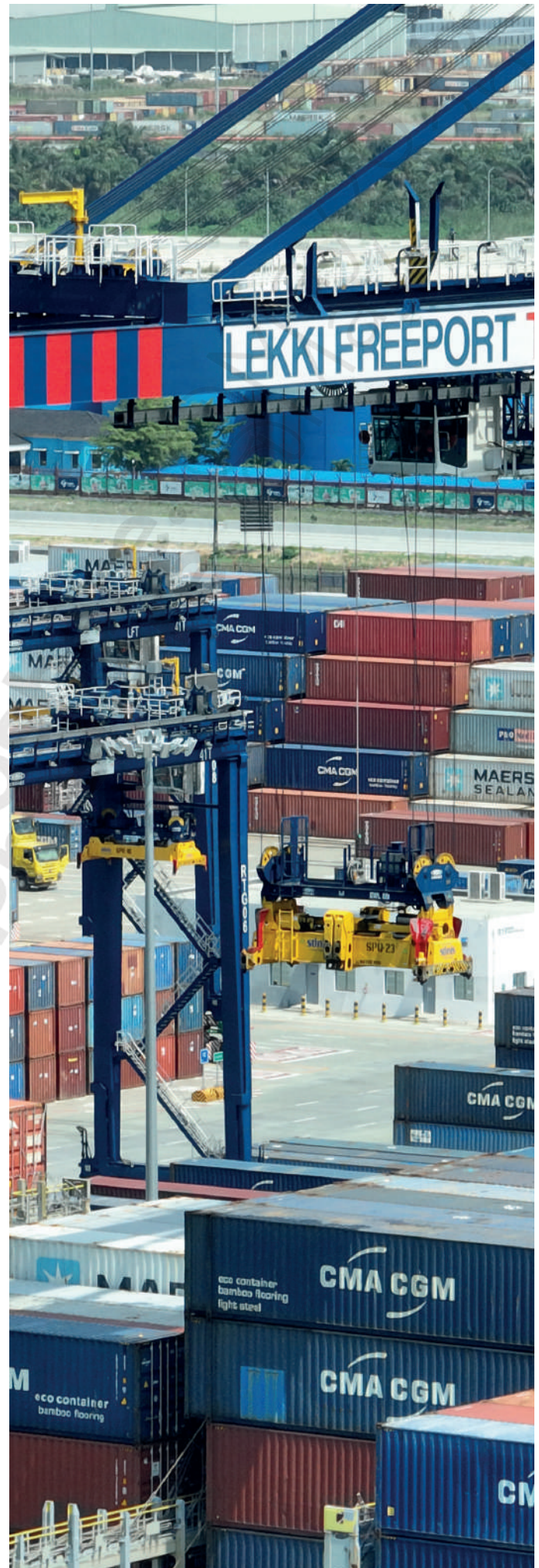
Ethiopia

Strategic industrial park development pairing serviced infrastructure with efficient one-stop services that dramatically simplified investor onboarding and reduced time-to-operation.

India

“Make in India” combined regulatory simplification with strong outward-facing investment outreach, reducing policy uncertainty and creating predictable business environments.

Lagos seeks to localize these lessons by adopting a facilitative, rules-based, and execution-oriented investment posture—actively courting strategic investors and ensuring delivery is disciplined, coordinated, and measurable.





BUILDING YOUNG INDUSTRIALISTS INITIATIVE

With over half of Nigeria's population under the age of 30, youth are the future drivers of industrialisation. The Building Young Industrialists Initiative is a dedicated component of LSIP 2025–2030 aimed at grooming and empowering the next generation of industrial leaders in Lagos. By investing in the youth, Lagos seeks to ensure a continuous pipeline of entrepreneurs, innovators, and skilled professionals to sustain industrial growth. The focus areas of this initiative include:

Entrepreneurship Development Programs: The State will conduct specialized entrepreneurship training targeting young people (including fresh graduates and young professionals) to equip them with the knowledge and mindset needed to start and manage industrial ventures. These programs will cover business planning, basic accounting, operations management, and regulatory compliance, among other topics. They will be delivered through bootcamps, mentorship clinics, and partnerships with institutions like Lagos Business School and industrial associations. The aim is to demystify manufacturing and industrial enterprise for youth and build their confidence to venture into these sectors.

Access to Finance for Youth Enterprises: Lack of capital is a significant barrier for young entrepreneurs. The initiative will facilitate access to affordable financing for youth-led industrial startups. This might be achieved through earmarking a portion of existing SME funds specifically for youth or establishing a Lagos Young Industrialist Fund. The Lagos State Employment Trust Fund (LSETF) already supports youth entrepreneurship; under LSIP, such schemes could be expanded or new ones created (with possible credit guarantees or interest-free loans for young innovators). Grants or equity investment schemes could also be considered for high-potential ideas (especially in tech or value-added manufacturing).

Mentorship and Networking: The initiative will connect young industrialists with experienced mentors and industry leaders for guidance. Mentor networks will be formalised, possibly through an online platform where youth can request mentorship in certain areas and be matched with seasoned entrepreneurs or retired executives. Regular networking events, "industrial mixers", and peer-learning forums will also be organised to allow young entrepreneurs to share experiences and establish partnerships. Such exposure helps young people navigate challenges and seize opportunities with the support of those who have walked the path before.

Industrial Apprenticeship and Skill Acquisition:

To develop practical skills, the State will promote apprenticeship programs in industries for young people. In collaboration with manufacturing companies and vocational institutions, Lagos will facilitate placements where youths work and train within factories or industrial facilities to gain hands-on experience. For example, a youth might apprentice at a food processing plant or an automotive assembly workshop for 6–12 months, learning the technical and soft skills of that industry. This not only builds competency but often leads to permanent employment or the confidence to start similar small enterprises thereafter.

Recognition and Incentives: The government plans to introduce recognition and incentive programs to celebrate outstanding young industrialists, thereby encouraging others. Annual awards (with prize money or equipment grants) could be given for categories like “Young Industrial Entrepreneur of the Year”, “Most Innovative Industrial Startup”, etc. Additionally, performing youth-led businesses might receive tax breaks or fast-tracked access to land and facilities. Recognition creates positive publicity and raises the profile of youth in industry, helping to attract support and investment for their ventures.

Integration into Industrial Clusters: Lagos will ensure that young entrepreneurs are integrated into industrial clusters and parks to benefit from shared resources and support systems. For instance, a youth-owned startup might get space in an incubation section of an industrial park where they can use common facilities (like prototyping labs or shared warehousing). By clustering young industrialists together or alongside established ones, they can more easily access supply chains, receive mentorship on-site, and collectively solve problems.

The overarching aim of the Building Young Industrialists Initiative is to unlock the creativity, energy, and innovation of Lagos’s youth for industrial development. As these young individuals establish and grow businesses, they will generate employment for their peers and contribute fresh ideas and dynamism to the industrial sector. This initiative ensures that Lagos’s industrialisation is not a one-time push but a sustainable journey passed from one generation to the next. Ultimately, by empowering youth now, Lagos is securing its position as an industrial powerhouse in the decades to come, driven by home-grown talent and leadership.



PROMOTION OF WOMEN AND PEOPLE LIVING WITH DISABILITIES’ (PLWD) ENTREPRENEURSHIP

Inclusive industrial growth is a key theme of LSIP 2025–2030. In line with this, Lagos State is committed to promoting the entrepreneurship of women and people living with disabilities (PLWDs) so that these groups can actively participate in and benefit from industrial development. Women and PLWDs represent vast underutilised potential in the economy; empowering them not only advances social equity but also boosts overall economic output. The policy outlines specific support for these groups:

Capacity Building and Skills Development: The State will organise tailored training programs and workshops for women entrepreneurs and PLWD entrepreneurs. These will focus on building skills needed to run successful industrial enterprises – such as technical skills in particular trades/crafts, business management, financial literacy, and use of technology. For example, training sessions might be held for women in leather goods manufacturing to improve design and production techniques, or for PLWD individuals in ICT-related manufacturing (like assembling phones or accessories) in a conducive setting. Training materials and delivery will be customised to be accessible (e.g. using sign language interpreters for deaf participants, or ensuring venues are wheelchair-accessible).



Access to Finance: Recognizing that women and PLWD entrepreneurs often face greater barriers in obtaining credit, the initiative will facilitate their access to affordable financing. Possible actions include setting aside a certain percentage of the MSME Fund or other credit schemes specifically for women- or PLWD-led businesses, offering microcredit and grants for women cooperatives, and working with financial institutions to develop loan products with flexible conditions (like no collateral loans or group lending) for these demographics. Additionally, Lagos may partner with international donor programs focused on women’s economic empowerment to raise grant funding or guarantee facilities that de-risk lending to female entrepreneurs.

Mentorship and Support Networks: Women and PLWD entrepreneurs will be connected with experienced mentors and support networks to guide them and share best practices. This could involve forming a Women in Industry Network and a PLWD Business Network under the auspices of MCCTI. Through these networks, entrepreneurs can receive mentorship from successful businesswomen or business owners with disabilities (including international mentors where available), which can help navigate challenges like work-life balance for women, or dealing with biases in the market. Support groups also provide moral encouragement and a platform to collectively advocate for their interests.

Market Access Opportunities: The policy will create opportunities for women and PLWD entrepreneurs to showcase and sell their products. This includes reserving stalls for women/PLWD-owned businesses at trade fairs and exhibitions, organizing exclusive fairs focusing on products made by women or PWD groups, and helping them leverage e-commerce platforms. The government might partner with online marketplaces to feature products from these entrepreneurs (for example, a section for “Made by Lagos Women” on a popular platform). By increasing their market visibility, these entrepreneurs can scale up faster.

Incentives and Recognition: To encourage more participation and acknowledge excellence, the government will introduce incentive programs and awards for women and PLWD entrepreneurs. Incentives may include tax rebates for companies that are women-

owned or employ a high percentage of women/PWDs, or priority in public procurement for such businesses (e.g., the state could set a target that X% of goods for school feeding programs are procured from women-led agribusinesses). Recognition will come in form of awards similar to the youth awards – celebrating successful businesswomen and PWD entrepreneurs in the industrial sector. Highlighting role models is especially important to inspire aspiring female and disabled entrepreneurs.

Policy Advocacy: The State will advocate for and, where needed, implement policy and regulatory reforms to eliminate barriers facing women and PLWDs in industry. This could mean reviewing laws or customary practices that inhibit women from owning property or accessing credit and working with stakeholders to address those. It also involves ensuring that any industrial policies or programs consider gender and disability impacts (gender mainstreaming), so they are designed to be inclusive. For instance, if a new industrial estate is being planned, ensuring from the start that it includes features like creches/daycare facilities (to support women workers) and is wheelchair-friendly, etc. Similarly, the government will push for inclusive policies at the national level (like advocating that federal SME programs include disability considerations).

By implementing these measures, Lagos aims to achieve inclusive growth, reduce poverty, and foster social equity through industrialisation. Empowering women means a huge segment of the population can contribute more fully. Studies have shown that women are very likely to reinvest earnings in their families and communities, multiplying the development impact. Likewise, empowering PLWDs (often some of the most marginalised in society) taps into their talents and reduces dependency. This initiative will harness the untapped potential of these groups, leading to a more vibrant and diverse industrial sector and ensuring the benefits of growth reach all segments of society.

BALANCED DIVISIONAL DEVELOPMENT

Lagos State comprises multiple divisions (IBILE: Ikeja, Badagry, Ikorodu, Lagos Island, Epe) and dozens of local communities, each with unique potentials and needs. A key equity goal of LSIP 2025–2030 is Balanced Divisional Development by ensuring that industrial growth and its benefits are spread across all regions of the State. This strategy will reduce regional disparities, curb excessive rural-urban migration, and promote inclusive prosperity. The main focus areas under this initiative include:

Industrial Clusters in All Divisions: The State will promote the establishment of at least one industrial cluster or park in each division. This means identifying and developing industrial estates in currently underserved areas. For example, an agro allied industrial cluster might

be developed in Badagry (leveraging its agricultural produce and port), a tech or knowledge-based park in Ikeja (building on existing tech presence), a marine and fisheries cluster in Epe, light manufacturing clusters in Ikorodu, etc. By having functional industrial zones in each division, local populations can find jobs and entrepreneurial opportunities without migrating to the Lagos metropolis, thereby decongesting the city and uplifting local economies.

Infrastructure to Underserved Areas: Priority infrastructure will be provided to divisions that have historically lagged in development. This includes roads linking hinterland areas to markets, electrification projects, water supply, and telecommunications expansion in rural or peri-urban communities. If a particular division lacks reliable grid power, the State may install independent power plants or solar mini-grids there to support industries. Improving transport, power, and ICT in these areas creates a conducive environment for businesses to set up. The policy ensures that new major infrastructure projects are spatially distributed to close the gap between well-developed and less-developed localities.



Local Capacity Building: The government will invest in skills development programs targeting residents of all divisions. This can take the form of vocational training centers in each division teaching trades aligned with planned industrial activities (e.g. training in garment making in a division where a textile cluster is coming up, or welding and metalwork in a division slated for a fabrication cluster). By empowering local youth with industrial skills, they become employable in new industries established in their vicinity. It also encourages youth to remain in their home communities rather than all migrating to the city for work.

Support for Local Enterprises: Incentives, grants, and finance will be provided to encourage entrepreneurship in underserved divisions. The State might, for instance, offer special startup grants for businesses that locate in a less-industrialised area, or tax exemptions for pioneer investors in those areas. Financial institutions could be incentivised to open branches and lend in rural areas (perhaps through a risk-sharing scheme). Additionally, local cooperatives and small businesses in each division will receive guidance on how to tap into state-wide programs (like the MSME Fund) so that no area is left out

due to lack of awareness or access.

Tailored Policies and Context-Specific Initiatives: The LSIP recognises that each division has unique resources and challenges. Therefore, policies will be tailored to each region's context. For example, in riverine or coastal divisions, policies might focus on fisheries, aquaculture, and water transport industries. In divisions with more land, agro-processing or logistics hubs might be the focus. The government will engage local stakeholders to identify the best industrial development strategy for each area. This context-specific approach ensures interventions are effective and meet real needs rather than a one-size-fits-all model.

Monitoring and Evaluation across Divisions: Mechanisms will be established to monitor progress in industrial development in each division and make adjustments as needed. Key performance indicators might track things like number of new factories opened in each division, jobs created per division, or infrastructure projects completed. A dedicated team could ensure that resources (budget, programs) are being fairly allocated and utilized in each area, and report regularly to the State's leadership on closing divisional gaps.

By promoting balanced divisional development, Lagos State aims to create a more inclusive and equitable industrial landscape where all regions contribute to and benefit from growth. This will enhance social cohesion (as no community feels left out of progress), reduce poverty in historically disadvantaged areas, and ensure sustainable statewide development rather than just concentrated urban growth. Over time, balanced development also eases pressure on Lagos city's infrastructure as economic activities become more decentralized. The vision is that whether one is in Epe, Badagry, Ikorodu, Ikeja or Lagos Island, there will be thriving industries and job opportunities nearby, leading to an overall better quality of life across the state.

Industrial Risk Management and Mitigation Framework

The implementation of the LSIP acknowledges inherent economic, institutional, and external risks that may affect delivery outcomes. These include macroeconomic volatility, infrastructure delays, regulatory bottlenecks, investor confidence fluctuations, global trade disruptions, and climate-related vulnerabilities. To manage these risks, Lagos State will operate a structured risk identification and mitigation process embedded within the Industrial Policy Implementation Task Force. Quarterly reviews will include risk mapping and mitigation tracking, ensuring early detection of implementation bottlenecks and structured response mechanisms.

Where risks threaten priority interventions, corrective actions may include sequencing adjustments, policy recalibration, regulatory amendments, or targeted institutional reinforcement. This risk management discipline ensures that industrial transformation remains adaptive, resilient, and responsive to evolving economic conditions while maintaining policy stability and investor confidence.

PATHWAY TO LSDP 2052 AND LONG-TERM INDUSTRIAL TRANSFORMATION

2025–2030: Foundation Phase

LSIP sets concrete priorities and implementation mechanisms for immediate action

2040–2052: Maturity Phase

Progressive deepening of industrial capability toward globally competitive status



2030–2040: Deepening Phase

Lessons and institutional capacity inform refined industrial strategy

Monitoring, evaluation, and policy learning mechanisms embedded in the LSIP will provide the evidence base for refining industrial strategy beyond 2030, ensuring continuity, adaptability, and progressive advancement over time.

The LSIP establishes not an endpoint, but a structured pathway toward Lagos's long-term aspiration of becoming a globally competitive, resilient, and inclusive industrial megacity by mid-century.

The Lagos State Industrial Policy 2025–2030 represents the first phase of a longer-term industrial transformation agenda aligned with the Lagos State Development Plan (LSDP) 2052. While the LSIP sets out concrete priorities and implementation mechanisms for the current policy horizon, it is deliberately designed to generate lessons, institutional capacity, and industrial momentum that will inform subsequent policy cycles.

Monitoring, evaluation, and policy learning mechanisms embedded in the LSIP will provide the evidence base for refining industrial strategy beyond 2030, ensuring continuity, adaptability, and progressive deepening of industrial capability over time. In this way, the LSIP establishes not an endpoint, but a structured pathway toward Lagos's long-term aspiration of becoming a globally competitive, resilient, and inclusive industrial megacity by mid-century.



CONCLUSION

The Lagos State Industrial Policy (2025–2030) sets out a bold, deliberate, and forward looking pathway to unlock the full industrial potential of Lagos State over the coming decade. It brings together policy reform, strategic investment facilitation, spatial planning, institutional strengthening, and inclusive growth into a single, coherent framework designed to reposition Lagos as a globally competitive industrial economy. In doing so, the LSIP moves decisively beyond fragmented interventions and ad hoc projects, offering instead a structured, rules-based approach to industrial transformation that is anchored in execution discipline and long-term value creation.

Grounded in international best practice and informed by the experiences of successful industrialising economies, the policy is carefully tailored to Lagos’s unique realities—its scale, density, market depth, private sector dynamism, and infrastructural constraints. It recognises that industrialisation in Lagos cannot be achieved through isolated initiatives, but must be pursued through coordinated policy instruments, credible institutions, and sustained public-private collaboration. The LSIP therefore serves not merely as a statement of intent, but as an operational guide that clarifies priorities, defines roles, and establishes the governance mechanisms required to translate ambition into results.

At its core, the LSIP is a call to collective action. It invites government institutions to work across silos with shared purpose; challenges the private sector to invest, innovate, and expand within a predictable and supportive policy environment; and engages citizens as beneficiaries

and participants in a more productive, inclusive, and resilient economy. By adhering consistently to the policy frameworks set out in this document, Lagos State will consolidate its position as Nigeria’s economic nerve centre while also expanding its industrial depth, competitiveness, and export capacity.

The journey outlined by the LSIP will not be without difficulty. Industrial transformation at this scale demands sustained political commitment, institutional discipline, and the courage to make difficult trade-offs. Yet the potential rewards are substantial. Successful implementation of the LSIP promises hundreds of thousands of quality jobs, stronger domestic value chains, improved infrastructure, enhanced resilience to external shocks, and a cleaner, more inclusive growth model. In achieving these outcomes, Lagos will not only secure greater prosperity for its residents but also establish itself as a benchmark for sub-national industrialisation across Africa.

Ultimately, the Lagos State Industrial Policy (2025–2030) affirms a simple but powerful proposition: that with clear policy direction, credible governance, and disciplined execution, Lagos can transform its immense economic energy into sustained industrial excellence. The opportunity is historic, the responsibility is shared, and the moment to act is now.



ANNEXES



Annex 1: Research and Development (R&D) Framework

Objective: To establish a structured framework for R&D that supports Lagos State's industrialization efforts by driving innovation, technological advancement, and competitiveness across industrial sectors.

Rationale: R&D is critical for developing new or improved products, services, and processes, enabling industries to adapt to changing market demands and global trends. A robust R&D framework in Lagos will facilitate problem-solving for local industrial challenges and foster an innovation ecosystem that can sustain long-term industrial growth.

Objectives of the R&D Framework

The R&D Framework aims to achieve the following specific objectives:

Promote Innovation: Encourage industries to invest in R&D for developing innovative products, services, and processes. This objective seeks to embed a culture of continuous improvement and invention within Lagos's industrial sector, so firms constantly upgrade their offerings and methodologies.

Strengthen Collaboration: Foster partnerships between academia, research institutions, and industry to drive research and innovation jointly. By leveraging the strengths of each (academic knowledge, industry practical perspective, government facilitation), these collaborations can yield applicable research outcomes.

Enhance Competitiveness: Support industries in adopting cutting-edge technologies and improving production efficiency. The framework will help businesses stay competitive nationally and globally by facilitating technology adoption (e.g., automation, AI, advanced materials).

Address Local Challenges: Develop R&D solutions tailored to the specific needs and challenges of Lagos State's industrial sectors. This means directing research towards issues like raw material substitution for local availability, climate adaptation technologies for Lagos's environment, traffic decongestion for industrial logistics, etc., ensuring research has high local relevance.





Strategies for Developing the R&D Framework

To achieve the above objectives, the framework will implement the following strategies: Establishment of R&D Centers: Set up dedicated R&D centers focusing on priority sectors such as ICT, agro-processing, renewable energy, and manufacturing. These centers (potentially one per priority sector) will be equipped with laboratories, testing facilities, and skilled researchers. The State will provide funding and infrastructure for these centers to conduct advanced research and innovation (in partnership with universities and/or private sector).

Public-Private Partnerships (PPPs): Encourage collaboration between industries, research institutions, and government agencies to share knowledge and resources for R&D activities. This includes promoting joint ventures between local and foreign firms to transfer technology and expertise into Lagos. The framework may establish a PPP-R&D fund where government and industry co-sponsor research projects of mutual interest.

Incentives for R&D Investment: Introduce tax incentives, grants, and subsidies to encourage industries to allocate resources to R&D. For example, companies could get a tax deduction or credit for qualifying R&D expenditures, or matching grants could be provided for R&D projects. Special schemes will support MSMEs in accessing funding for research and innovation, since small firms often struggle to invest in R&D.

Capacity Building for R&D: Strengthen the capacity of research institutions and universities in Lagos State to undertake industrial research. This involves training and professional development for researchers and scientists to enhance their skills and expertise. It could include sending fellows to advanced labs abroad, hosting workshops on research methods, and improving research facilities in educational institutions. The aim is to have world-class local talent and institutions that can drive relevant R&D.

Commercialization of Research Outputs: Develop mechanisms to translate research findings into commercially viable products and services. This strategy will establish innovation hubs and incubators to support startups in bringing their ideas to market. It will also strengthen intellectual property (IP) support – helping researchers patent inventions and connect with investors or industry players who can implement the innovations. Perhaps a Lagos Innovation Commercialization Office will be set up to broker deals between inventors and companies and to provide seed funding to the most promising innovations.

Priority Sectors for R&D

The R&D Framework identifies the following sectors as priorities for research and innovation in Lagos State:

Manufacturing and Processing Industries: To improve processes, product quality, and develop new manufacturing capabilities (e.g., in food processing, textiles, construction materials, consumer goods).

ICT and Digital Technologies: To leverage Lagos's tech hub status in creating software, hardware, and telecom solutions that support industrial and service sectors (like fintech for industrial financing, e-commerce tech for market access, etc.).

Renewable Energy and Environmental Sustainability: To find sustainable energy solutions (solar panels suited to Lagos's climate, biofuel from waste) and technologies for waste management, recycling, climate adaptation, and reduction of industrial emissions.

Agro-Allied Industries: To support improvements in agriculture and agribusiness, including better crop varieties for raw materials, more efficient farming and agroprocessing technologies, and food preservation techniques.

Construction and Real Estate: To develop new building materials (possibly using local inputs), green building technologies, and cost-effective construction methods to support infrastructure growth.

Transport and Logistics: To innovate in traffic management, public transport systems, and logistics (for instance, traffic optimization algorithms, water transportation technology, or last-mile delivery solutions in the congested urban context).

Monitoring and Evaluation of R&D Activities

A monitoring and evaluation (M&E) sub-framework will track the effectiveness and impact of R&D initiatives. Key performance indicators (KPIs) will include:

Number of R&D projects initiated and completed: How many research projects (in priority sectors) are started and brought to completion under this framework, indicating research activity level.

Adoption rate of research outputs by industries: The proportion of completed research projects whose results are taken up by industry (e.g., a new process implemented in factories, or a prototype turned into a product). This measures the success of commercialization and relevance of research.

Contribution of R&D activities to industrial growth and innovation: This could be measured by number of new products introduced to the market, improvements in productivity attributable to R&D, or even patents filed

and licensed. It ties R&D efforts to tangible economic outcomes like increased output or quality improvements in target sectors.

Increase in funding and investment in R&D by private and public sectors: Tracking the trend in R&D spending in Lagos (both government budget for R&D and private sector R&D expenditure). A rising trend would indicate growing commitment and capability in R&D.

The R&D M&E system will involve collecting data from research institutions, industries, and possibly surveys to measure these KPIs. Regular reports will be produced (perhaps yearly) to assess progress, and these will feed into the overall Industrial Policy M&E to adjust strategies if needed.



Annex 2: Gender Equality and Social Inclusion (GESI) Framework

Objective: To ensure that industrial development in Lagos State is inclusive and equitable, providing equal opportunities for all genders and social groups to participate in and benefit from industrialization. This framework aligns with the THEMES+ Agenda's focus on Gender Equity & Social Inclusion and mainstreams GESI considerations into the Industrial Policy.

Overview: The GESI Framework is a cross-cutting plan that addresses barriers faced by women, youth, persons with disabilities (PWDs), and other marginalised groups in the industrial sector. It provides targeted strategies to promote their involvement as entrepreneurs, workers, and decision-makers in industrialization processes.

Objectives of the GESI Framework

The GESI Framework aims to achieve the following objectives:

Promote Equal Participation: Increase the participation of women and marginalised groups (including PWDs and youth) in industrial sectors. This involves not only employment but also their presence as business owners and leaders within industry.

Support Inclusive Policies: Advocate for and implement industrial policies and programs that address the unique needs and challenges of vulnerable populations. For example, ensuring that training programs have provisions (like childcare or flexible schedules) that enable women's attendance, or that infrastructure in industrial areas is disability-friendly.

Encourage Women's Entrepreneurship: Foster the growth of women-led enterprises and MSMEs in the industrial sector. This includes providing tailored support to female entrepreneurs as detailed in the main policy (finance, training, networks), so that more women can start and scale industrial businesses.

Empower Persons with Disabilities (PWDs): Provide tailored support and opportunities for PWDs to engage in industrial activities. This may involve special training programs for PWDs, assistive technologies in the workplace, antidiscrimination enforcement, and incentives for companies that employ PWDs.

Reduce Inequality: Address systemic barriers and biases that hinder the inclusion of underrepresented groups in industrial development. This objective compels the government to look into laws, cultural norms, or corporate practices that create inequalities (e.g., hiring biases, unequal pay, inheritance laws that limit women's asset ownership) and work to reform them.

Strategies for Promoting Gender Equality and Social Inclusion

To achieve these objectives, the following strategies will be implemented:

Policy Advocacy and Reform: Integrate GESI considerations into all industrial policies and programs. This means every initiative under LSIP will be reviewed through a GESI lens. Also, establish or strengthen legal and regulatory frameworks to ensure fair treatment and equal opportunities (for example, enforcing nondiscrimination in hiring, mandating accessibility standards in building codes, etc.).



Capacity Building and Training: Organize dedicated training programs for women and marginalised groups to enhance their technical and entrepreneurial skills. Provide mentorship and networking opportunities specifically tailored to women and minorities in industry, leveraging successful role models to guide newcomers.

Access to Finance: Develop financial products and services designed to meet the needs of women and marginalised groups. This includes working with banks to create low-interest loan schemes or microfinance specifically targeted at women entrepreneurs or cooperatives of marginalised artisans. Collaborate with financial institutions to offer collateral-free or low-collateral loans and grants for women-led enterprises and businesses run by PWDs.

Inclusive Industrial Infrastructure: Ensure that industrial parks and facilities are accessible and accommodating to PWDs. This involves physical infrastructure (ramps, signage in Braille, etc.), as well as support services like assistive technologies at workplaces. Promote the establishment of childcare facilities and other support services (such as nursing rooms, safe transportation) in industrial zones to encourage women's participation by reducing the burden of care responsibilities.

Monitoring and Evaluation of GESI Initiatives: Establish a robust system to track the participation and impact of gender equality and social inclusion initiatives in the industrial sector. This means collecting data disaggregated by gender, disability status, etc., for all relevant metrics (e.g., how many women-owned businesses were supported, how many PWDs trained and employed, wage gap between men and women, etc.). Use this data to adjust programs for better inclusion outcomes.

Key Focus Areas for GESI Implementation

The GESI framework highlights several focus areas to drive implementation:

Women's Economic Empowerment: Encourage women to enter and thrive in traditionally male-dominated industrial sectors such as manufacturing, construction, and engineering. This can involve setting enrollment targets for women in technical training programs, campaigns to challenge stereotypes about women's roles, and corporate sensitization. Additionally, recognize and celebrate women industrialists' contributions to economic growth (e.g., via awards or publicity), as this visibility can inspire other women.

Support for PWDs: Create targeted programs to train and employ PWDs in industrial activities. This includes vocational training in skills PWDs can excel at (depending on disability, e.g., vision-impaired people in phone

assembly with adaptive tools, or wheelchair users in computing/CAD design). Ensure workplace policies accommodate the needs of PWDs (flexible work arrangements, workplace modifications) and promote inclusive hiring practices in industrial firms.

Youth and Vulnerable Groups: Engage the youth and other vulnerable populations (such as people from low-income backgrounds or ethnic minorities) in industrial development through skills training and job opportunities. Address systemic barriers (like lack of connections, bias) that limit these groups' access to industrial jobs or entrepreneurship. For youth, this overlaps with the Building Young Industrialists Initiative – ensuring that outreach extends to young women and young PWDs, not just the general youth.

Outcomes of the GESI Framework

Successful implementation of the GESI Framework will result in measurable positive outcomes:

Increased representation of women and marginalised groups in industrial sectors – more women-owned industrial businesses, higher percentage of female and PWD employees in factories and firms, and more diversity in industrial workplaces overall.

Enhanced economic empowerment and improved livelihoods for vulnerable populations – as women and other groups gain better jobs or grow their businesses, household incomes rise, poverty rates in these demographics fall, and their overall economic security improves.

Greater diversity and inclusivity within industrial workplaces and enterprises – a shift in workplace culture where diversity is valued; mixed teams driving innovation and productivity; companies benefiting from a broader talent pool. This might also reflect in reduced gender pay gaps and more women/PWDs in leadership roles over time.

Sustainable and equitable industrial development – by harnessing the talents of all citizens and distributing opportunities widely, industrial growth is more socially sustainable. It will help prevent social tensions, ensure broad-based support for industrial policies, and foster a stable environment for investments because the benefits are seen to be shared.

In summary, the GESI Framework ensures that Lagos State's industrialisation is not just about economic metrics, but about who is included in that growth. It operationalizes the principle that development must be inclusive to be truly successful. Lagos envisions an industrial sector where everyone, regardless of gender, ability, or background, can contribute to and benefit from the State's industrial prosperity.

Annex 3: Monitoring and Evaluation (M&E) Framework



Objective: To provide a structured system for continuously monitoring the implementation of the Lagos State Industrial Policy and evaluating its impacts, thereby ensuring the policy stays on track to achieve its objectives and enabling evidence-based adjustments. The M&E Framework is critical for accountability and learning, forming the backbone of policy management.

Scope: The M&E Framework covers all initiatives under LSIP 2025–2030. It defines what success looks like (targets/KPIs), how data will be collected and reported, and how evaluations will inform decision-making.

Objectives of the M&E Framework

The M&E Framework aims to achieve the following objectives: -

Track Progress: Continuously monitor the implementation of industrial policy initiatives to ensure they are moving in line with strategic goals. Essentially, this is about tracking inputs (resources used), activities (what is being done), and outputs (immediate results achieved) against planned timelines and targets.

Evaluate Impact: Assess the outcomes and impacts of industrial policy interventions on key indicators such as economic growth, job creation, export performance, social inclusion, etc.. This involves looking beyond outputs to see what changes have occurred as a result – e.g., has the ease of doing business improved? Have MSMEs grown? Are more jobs created? How has poverty or inequality shifted?

Inform Decision-Making: Provide evidence-based insights to guide policy adjustments and resource allocation. The M&E system will generate data and analysis that help government decide where to intensify effort, where to re-strategize, or what new opportunities to capitalize on. It ensures that decisions are not made blindly but rely on what the data shows. -

Promote Accountability: Ensure transparency and accountability in the implementation of industrial policy programs. Regular reporting makes government agencies answerable for their performance. Public dissemination of progress (as appropriate) also allows citizens and stakeholders to hold the government accountable.

Facilitate Learning: Identify best practices and lessons learned during implementation to improve future industrial policy initiatives. This creates a feedback loop where each year or mid-term, the implementation experience is analyzed to glean lessons (e.g., a particular approach to training was very effective, or a certain incentive didn't work as intended) and these lessons shape the continuation or next phase of the policy.

Key Components of the M&E Framework

The M&E Framework will consist of several key components or systems, each addressing a different aspect of monitoring or evaluation:

Performance Indicators: Develop a comprehensive set of Key Performance Indicators (KPIs) to measure progress and impact. Examples of KPIs include: number of MSMEs supported, jobs created in industrial sector, number of new factories opened, amount of private investment attracted, value of non-oil exports from Lagos, increase in power supply to industries, reduction in average business registration time, etc.. Each KPI will have baseline values and target values (annual targets, end-of-policy targets). They will be SMART (Specific, Measurable, Achievable, Relevant, Time-bound) and cover all major objectives.

Data Collection and Management: Establish a robust data collection system to gather accurate and timely information on policy implementation. This could involve an M&E unit collecting reports from MDAs monthly, setting up dashboards that MDAs update in real-time, and using digital tools (like an online M&E platform or mobile apps for field data) to streamline data gathering. The system will define data sources for each KPI (e.g., Lagos Bureau of Statistics for GDP figures, Ministry of Commerce for MSME counts, surveys for beneficiary feedback). Data quality assurance processes will be put in place.

Stakeholder Engagement: Involve stakeholders including government agencies, private sector, civil society, and development partners – in the monitoring and evaluation process. This could mean forming an M&E Steering Committee with representation from these groups to review M&E reports. It also means ensuring that feedback from businesses and citizens (the ultimate beneficiaries) is captured (for instance, through periodic stakeholder surveys or town-hall meetings on progress). Collaboration and feedback mechanisms will ensure inclusivity and shared accountability.

Periodic Reporting: Prepare regular progress reports to communicate the status of policy implementation and outcomes to stakeholders. Likely, monthly or quarterly internal reports will be produced for the Task Force and State leadership, and annual performance reports will be more formally published/presented. These reports will highlight achievements, pinpoint challenges, and suggest recommendations for improvement. Possibly a mid-term review report around 2027/2028 and a final evaluation report in 2030 will be done as well.

Evaluation Mechanisms: Conduct periodic evaluations of industrial policy programs to assess their relevance, efficiency, effectiveness, impact, and sustainability. These



evaluations are more in-depth than routine monitoring. For example, mid-term evaluation might look at whether the policy design is still relevant given any economic changes, whether resources are being used efficiently, and what early outcomes are observable. End-term evaluation will judge how well objectives were met and what lasting impacts are likely. Independent evaluators (consultants, research institutes) might be engaged for objectivity. Evaluation findings will be used to inform decision-making and potential policy revisions, for instance, if an evaluation finds a particular scheme underperforming, it could be overhauled or replaced.

Learning and Adaptation: Create platforms for sharing best practices, lessons learned, and innovative approaches to industrial policy implementation. This could include post-mortems or learning workshops after major projects, documentation of case studies where things worked well (or didn't) and why, and exchange programs with other states or countries to learn from their experiences. The culture of adaptive management means policies and programs will be tweaked in response to learning. Adaptive management might involve piloting new initiatives on a small scale, evaluating them, and scaling up successful ones, thus the M&E will support an iterative approach to policy execution.

Implementation of the M&E Framework

To implement the M&E Framework effectively, the following steps and institutional arrangements will be undertaken:

Establishing an M&E Unit: Upgrade the role of the Inspectorate and Monitoring Unit within MCCTI (or possibly create a standalone Industrial Policy M&E Unit) to coordinate M&E activities. This unit will be staffed with skilled M&E professionals and provided the necessary resources (IT systems, vehicles for field visits, analytical software, etc.) to carry out data collection, analysis, and reporting. They will act as the secretariat for the Task Force on all M&E matters.

Developing a Results-Based M&E Plan: Prepare a detailed M&E Plan that outlines for each objective/initiative: the indicators, data sources, data collection methods, frequency of data collection, responsible persons/institutions, and reporting timelines. This plan will also include the baseline values and target values for the indicators, as well as the evaluation schedule (e.g., mid-term and final evaluation timelines).

Capacity Building: Train relevant stakeholders, including government officials involved in implementation, industry association reps who might supply data, and even civil society monitors on M&E principles and practices. This ensures everyone understands the importance of

accurate reporting and their role in the M&E system. Such training might involve workshops on data management, the use of M&E software, or even basic concepts of results-based management for program managers.

Leveraging Technology: Use digital platforms and tools to enhance the efficiency and accuracy of M&E activities. For example, an online dashboard accessible to decision makers could display up-to-date KPIs. Data collection can be digitized and field officers might use tablets to fill in monitoring checklists that sync to a central database. Additionally, the inspectorate processes will be digitized, such as registration of MSMEs into cooperatives along value chains, capturing that data electronically for easy reporting. Use of GIS mapping could also help to show geographic spread of industrial projects and identify gaps.

By implementing these steps, Lagos will have a functional M&E system that not only monitors, but actively helps manage the industrial policy implementation.

Expected Outcomes of the M&E Framework

With the M&E Framework in place, the expected outcomes include:

Improved accountability and transparency in the execution of industrial policy initiatives. Regular reporting and dissemination of information mean government units know they are being watched and must deliver, and the public can see and trust that progress is being tracked.

Enhanced decision-making based on reliable data and evidence. The leadership can allocate resources more effectively for instance, scaling up programs that are performing well or reallocating funds from underperforming areas to more impactful uses, guided by data.

Timely identification and resolution of implementation challenges. M&E will surface issues (like a delay in an infrastructure project, or low uptake of a loan scheme) early enough for corrective action to be taken. Instead of finding out at the end that something failed, mid-course corrections can salvage or improve the outcomes.

Greater alignment between industrial policy goals and outcomes. By constantly checking progress against goals, the implementation stays focused. If some activities are found not contributing to the desired outcomes, they can be reoriented or dropped, thereby ensuring that what is being done actually drives towards the strategic objectives set out initially.

In essence, the M&E Framework is the mechanism that keeps the LSIP 2025–2030 a living strategy, enabling Lagos State to effectively manage its industrial transformation journey, demonstrate results to stakeholders, and build upon successes while learning from failures.

Annex 4: Costed Implementation Plan and Medium-Term Fiscal Envelope (2025–2030)

PURPOSE AND SCOPE

This Costed Implementation Plan provides a high-level financial framework to support the execution of the Lagos State Industrial Policy (LSIP) 2025–2030. It outlines projected public investment requirements, expected private capital mobilisation, Public-Private Partnership (PPP) participation, and blended financing mechanisms over the five-year policy period.

This Annex does not constitute annual budget appropriations. It provides a strategic fiscal envelope aligned with the State's Medium Term Sector Strategy (MTSS) and Medium-Term Expenditure Framework (MTEF).

OVERALL INVESTMENT MOBILISATION TARGET (2025–2030)

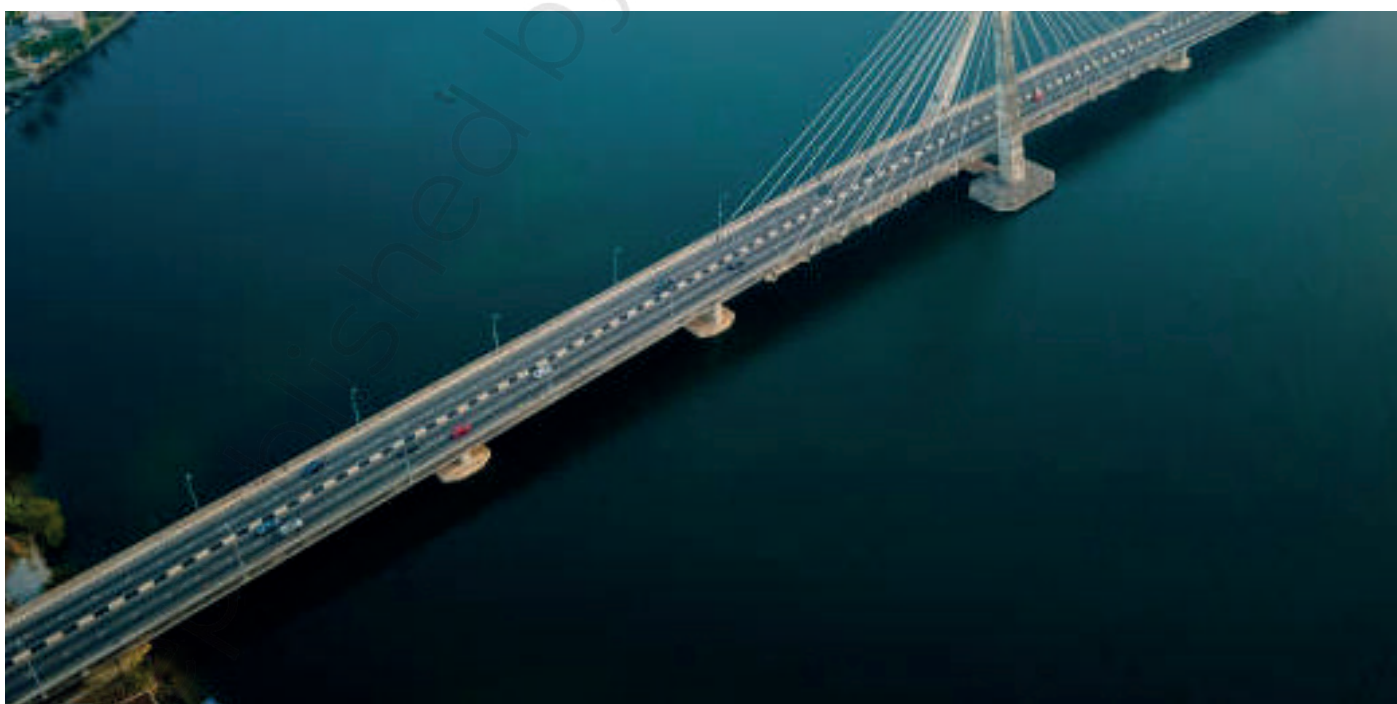
Over the 2025–2030 period, Lagos State aims to catalyse:

N5.0 – N7.5 Trillion in Total Industrial Investment

Comprising:

Source	Estimated Range (N Trillion)	Share
State Public Capital Allocation	0.9 – 1.2	15%
Public-Private Partnerships	1.5 – 2.5	30%
Private Domestic Investment	1.2 – 2.0	25%
Foreign Direct Investment (FDI)	1.0 – 1.8	20%
Development Finance & Climate Instruments	0.4 – 0.8	10%

These projections are indicative planning envelopes based on current industrial pipeline assessments and infrastructure financing capacity.



PUBLIC CAPITAL ALLOCATION (STATE-LED ENABLING INVESTMENTS)

Projected State Capital Envelope (2025–2030):

N900 Billion – N1.2 Trillion

Primary allocation areas:

Investment Area	Estimated Envelope (N Billion)
Industrial Infrastructure (roads, drainage, cluster servicing)	350 – 450
Power Enablement (industrial feeders, embedded generation support)	150 – 250
Industrial Parks & Cluster Development	120 – 180
Skills & Technical Training Infrastructure	80 – 120
Digital & Regulatory Infrastructure (approvals systems, GIS, data systems)	50 – 80
Digital & Regulatory Infrastructure (approvals systems, GIS, data systems)	50 – 80
Environmental & Green Industrial Infrastructure	100 – 150
Policy Delivery & Institutional Strengthening	30 – 50

Public spending will prioritise enabling infrastructure rather than direct industrial production.

PUBLIC-PRIVATE PARTNERSHIP (PPP) PIPELINE

Estimated PPP Mobilisation Target:

N1.5 – N2.5 Trillion

Targeted PPP sectors:

- Industrial power projects
- Industrial park development
- Logistics hubs and freight parks
- Waste-to-energy facilities
- Water and effluent treatment infrastructure
- Inland container depots

PPP projects will follow the Lagos State PPP Law and bankability criteria.

PRIVATE CAPITAL MOBILISATION STRATEGY

Projected Private Domestic Investment:

N1.2 – N2.0 Trillion

Projected FDI Mobilisation:

N1.0 – N1.8 Trillion

Priority channels:

- Tier 1 industrial sectors
- Corridor-based cluster development
- Export-oriented manufacturing
- Technology assembly and light manufacturing
- Renewable energy and industrial decarbonisation

The State will not directly finance private productive assets but will de-risk through regulatory certainty, land access, and infrastructure provision.

MSME AND INDUSTRIAL FINANCE ENVELOPE

Projected MSME & Industrial Finance Support (Blended Sources):

N250 – N400 Billion

Sources:

- Lagos State MSME funds
- Bank of Industry collaboration
- Cooperative finance instruments
- Development finance institutions
- Credit guarantee schemes

MSME finance will focus on productivity upgrading and firm graduation pathways.

CLIMATE FINANCE AND GREEN INDUSTRIAL ENVELOPE

Projected Climate & Green Industrial Financing (2025–2030):

N200 – N400 Billion

Potential instruments:

- Carbon credit revenues
- Green bonds
- Climate adaptation funds
- Multilateral green financing
- Energy transition grants

Where mobilised, climate-linked revenues will prioritise:

- Cluster-level renewable integration
- Energy efficiency retrofits
- Cleaner production technology
- Waste-to-value infrastructure

PHASED FINANCIAL SEQUENCING

Phase I (2025–2026): Constraint Removal

- Industrial feeder upgrades
- Regulatory digitisation
- Corridor servicing
- Initial PPP structuring

Estimated Public Deployment: N250–N300 Billion

Phase II (2027–2028): Cluster Expansion

- Industrial estate expansion
- Skills centre rollout
- Export facilitation systems
- Climate integration

Estimated Public Deployment: N350–N400 Billion

Phase III (2029–2030): Competitiveness Consolidation

- Productivity upgrading
- Value chain deepening
- Green retrofitting
- Trade expansion

Estimated Public Deployment: N300–400 Billion

FISCAL SUSTAINABILITY SAFEGUARDS

To ensure fiscal discipline:

- Annual allocations will align with MTEF ceilings.
- PPP projects must pass value-for-money assessment.
- Incentives shall be performance-linked and time-bound.
- Debt exposure shall remain within State fiscal sustainability thresholds.
- Climate and blended finance instruments will prioritise concessional funding structures.

MONITORING FINANCIAL PERFORMANCE

The Industrial Policy Implementation Task Force will:

- Review annual capital deployment
- Track private capital mobilisation
- Monitor PPP performance
- Report annually to EXCO on industrial investment leverage ratios

Key Financial KPIs:

- Public-to-private leverage ratio
- Industrial capital formation growth
- PPP pipeline closure rate
- FDI inflow to priority sectors
- MSME credit growth rate

SUMMARY FINANCIAL PROFILE (2025–2030)

Category	Estimated Total (NTrillion)
Public Capital	0.9 – 1.2
PPP	1.5 – 2.5
Private Domestic	1.2 – 2.0
FDI	1.0 – 1.8
Climate & Development Finance	0.4 – 0.8
Total Mobilisation Target	5.0 – 7.5

