

African Development Bank extends \$450 Mn guarantee to accelerate OCP's low-carbon industrial transformation

01 June 2026 | News

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The African Development Bank Group (AfDB) and OCP Group have entered into a landmark \$450 million partial credit guarantee agreement aimed at accelerating the Moroccan phosphate giant's industrial decarbonisation agenda and long-term sustainability investments.

The strategic financing arrangement is expected to facilitate the mobilisation of a \$530 million green financing package structured by Société Générale and BNP Paribas, providing critical capital support for OCP's ambitious 2023-2030 transformation programme.

The investment roadmap is centred on advancing low-carbon fertilizer production, expanding renewable energy capacity, strengthening sustainable water resource management, and enhancing industrial efficiency across OCP's operations.

According to the African Development Bank, the transaction represents the first financing mechanism of its kind in Morocco and underscores the institution's broader commitment to leveraging private and institutional capital to accelerate Africa's energy transition and climate-resilient infrastructure development.

The financing package will support a portfolio of projects designed to reduce greenhouse gas emissions, improve water and energy-use efficiency, and reinforce environmentally sustainable agricultural practices. The programme is also expected to contribute to soil conservation efforts and strengthen the resilience of agricultural value chains.

AfDB officials highlighted the institution's role in deploying its AAA credit standing to attract global investment flows into strategic sectors critical to Africa's long-term development, including renewable energy, food security, climate-smart agriculture, and sustainable fertilizer production.

The agreement aligns with growing international efforts to decarbonise industrial supply chains while safeguarding agricultural productivity amid escalating climate and resource challenges.

OCP, one of the world's leading phosphate and fertilizer producers, views the financing arrangement as a pivotal step in advancing its transition towards a low-carbon, circular industrial model. The company's transformation strategy prioritises resource efficiency, environmental stewardship, and sustainable agricultural development while supporting the needs of farming communities.

Industry observers note that the financing framework reflects increasing investor confidence in large-scale industrial decarbonisation projects and highlights the growing role of innovative financial instruments in supporting sustainability-linked investments across emerging markets.

The partnership is expected to strengthen Morocco's position as a regional leader in green industrial development while reinforcing broader efforts to align fertilizer production with global climate and sustainability objectives.