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Kochâ??OCP Alliance deepens Moroccoâ??US fertilizer linkages as Phosphate capacity expands to 2.5 Million Tonnes

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Strategic joint venture strengthens North American fertilizer supply chain amid global phosphate market uncertainty

In a strategic move aimed at strengthening phosphate fertilizer supply networks and expanding access to high-quality crop nutrition products, Koch Ag & Energy Solutions, a subsidiary of Koch Industries, has entered into an agreement with OCP Nutricrops, a subsidiary of Morocco-based OCP Group, to acquire a 50 per cent equity interest in Jorf Fertilizers Company I (JFC I). The transaction marks another significant step in Kochâ??s long-term partnership with OCP and reinforces Moroccoâ??s growing importance as a global hub for phosphate fertilizer production.

JFC I operates a major phosphate fertilizer manufacturing facility within the Jorf Lasfar industrial complex in Morocco, with an annual production capacity of approximately 1.2 million tonnes. Following completion of the deal, Kochâ??s combined phosphate fertilizer production capacity through its Moroccan joint ventures will rise to around 2.5 million tonnes annually. The development comes at a time when global fertilizer markets remain vulnerable to supply disruptions, geopolitical tensions and raw material constraints, making strategic investments in integrated production assets increasingly critical.

Building on the KoFert Partnership

The latest agreement builds upon Koch Industriesâ?? earlier investment in Moroccoâ??s fertilizer sector. In 2022, Koch acquired a 50 per cent stake in Jorf Fertilizers Company III, which was later renamed KoFert. By expanding its presence across multiple phosphate fertilizer assets at Jorf Lasfar, Koch is strengthening its ability to serve agricultural markets, particularly in North America, with a more diversified portfolio of phosphate-based crop nutrition solutions. Scott McGinn, President of Koch Fertilizer, said the new investment leverages the companyâ??s experience from the KoFert partnership while broadening its phosphate product offering for customers.

OCP Nutricrops Chairman and CEO Faris Derri noted that the collaboration would enhance both companiesâ?? ability to deliver reliable and high-quality soil nutrition solutions while contributing to global food security.

Jorf Lasfar: The Global Phosphate Powerhouse

The partnership further highlights the strategic importance of the Jorf Lasfar fertilizer complex, widely recognized as the worldâ??s largest integrated phosphate fertilizer production platform. Operated by OCP Group, the complex combines phosphate processing, fertilizer manufacturing and export capabilities, positioning Morocco as one of the most influential players in the global phosphate market. However, the expansion comes against a challenging operational backdrop. OCPâ??s capacity utilization reportedly remained around 50 per cent in June, primarily due to shortages of sulfur, a critical raw material for phosphate fertilizer production.

While current sulfur inventories are expected to support higher operating rates during July and August, long-term supply stability remains uncertain. Geopolitical disruptions, including tensions involving Iran and the United States, along with constraints affecting Kazakh sulfur exports, continue to create challenges for fertilizer producers worldwide.

North American Market Opportunity Opens Amid Trade Policy Shift

The Kochâ??OCP agreement also arrives amid changing trade dynamics in the US fertilizer market. Weeks before the joint venture announcement, the Trump administration suspended anti-dumping and countervailing duties on phosphate fertilizers imported from OCP, citing concerns over domestic supply constraints linked to disruptions around the Strait of Hormuz. The policy shift has created a more favourable environment for Moroccan phosphate fertilizers to re-enter and expand within the US market. For Koch, the partnership provides an opportunity to strengthen its North American fertilizer supply chain by combining its market reach and distribution capabilities with OCPâ??s globally integrated phosphate resources.

Strategic Implications for the Global Fertilizer Industry

The agreement reflects a broader industry trend: fertilizer companies are increasingly moving toward strategic partnerships and upstream investments to secure supply resilience. Phosphate fertilizers remain essential for global agriculture, supporting crop productivity and maintaining soil nutrient balance. With demand pressures driven by food security concerns, changing agricultural practices and geopolitical uncertainties, access to reliable phosphate resources has become a strategic priority.

The Kochâ??OCP alliance positions both companies to capture emerging opportunities in the global crop nutrition market while reducing exposure to volatile international supply chains. As fertilizer markets navigate continued uncertainty, Moroccoâ??s phosphate reserves and integrated production infrastructure are expected to remain central to global agricultural security.