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OCP, a Strategic Pillar of the Moroccan Economy: An Analysis of Its Impact and the Leadership of Mr. Mostafa Terrab

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ABSTRACT

The Office Chérifien des Phosphates (OCP), a flagship of the Moroccan economy, plays a crucial role in positioning the Kingdom on the global economic stage. This article aims to analyze the strategic importance of OCP for Morocco's economy through its contribution to GDP, employment, exports, and sustainable development projects. Furthermore, the visionary management of its CEO, Mr. Mostafa Terrab, is a key factor in the modernization and internationalization of the group. This study is based on a documentary analysis of institutional, academic, and media sources, combined with an exploratory qualitative approach. The findings reveal that OCP goes beyond being a phosphate producer: it acts as a catalyst for industrial transformation, innovation, and South-South partnerships. Under the leadership of Mr. Terrab, driven by managerial excellence and African engagement, the group has achieved remarkable performance on the global stage while reinforcing its role as a driver of national socio-economic development.

Keywords: OCP, Moroccan economy, phosphate, leadership, Mr. Mostafa Terrab.

INTRODUCTION

OCP is one of the key players in the Moroccan economy. With over 70% of the world's phosphate reserves, Morocco has established itself as a major player in the global fertilizer market. OCP is not limited to extraction; it spans the entire value chain, from mining to the marketing of finished products. The group's transformation has been particularly remarkable under the leadership of Mostafa Terrab, appointed CEO in 2006.

Thanks to a strategy of industrial integration, technological innovation, and international partnerships—particularly in Africa—OCP has become a global giant. This research aims to understand OCP's impact on the Moroccan economy and the role of Mr. Terrab's leadership in the group's strategic success. The study draws on extensive documentation (AfDB, HCP, IMF, OCP, World Bank, FAO, etc.) and academic works (Alaoui, 2018; Kabbaj, 2020; Choukrane, 2021; El Mandjra, 2022, etc.).

PROBLEM STATEMENT

Despite OCP's strategic importance, few academic studies highlight the correlation between its growth and national economic performance, as well as the central role of its CEO's leadership.

MATERIALS AND METHODS

This study is based on a documentary analysis of annual reports (OCP, BAM, HCP), academic research articles, publications from international organizations (FAO, World Bank), and press releases. A qualitative analysis framework was used to organize the data around four main axes: economic contribution, industrial strategy, managerial leadership, and social impact. A comparative approach was also applied to position the group among its global competitors (Mosaic, Nutrien, Yara).

THEORETICAL FRAMEWORK

The theoretical framework is based on the Resource-Based View (Barney, 1991), the theory of transformational leadership (Burns, 1978; Bass, 1985), and the concept of endogenous development (Perroux, 1955). OCP is analyzed as a capital- and technology-intensive company rooted in sustainable development and regional integration. Mr. Terrab's leadership is examined in terms of his ability to innovate, unify teams, and turn market constraints into growth opportunities.

Analyzing OCP's Contribution to the Moroccan Economy

OCP stands as a central pillar of the Moroccan economy. Holding more than 70% of the world's phosphate reserves, the OCP Group has become one of the largest producers and exporters of fertilizers globally. This analysis aims to measure the group's economic impact on several levels: its share of national GDP, significant contribution to the balance of payments through exports, role in state taxation via taxes and dividends, and job creation—directly (over 21,000 employees) and indirectly (in sectors such as transport, logistics, and services).

The study also examines OCP's role in economic resilience during major crises (COVID-19, the war in Ukraine), where its foreign currency earnings helped stabilize the economy. Additionally, this investigation explores how OCP acts as a catalyst for public-private investment in rural areas, contributing to territorial inclusion and national industrialization.

Studying OCP's Development Strategy

Since the strategic shift under Mr. Mostafa Terrab's leadership starting in 2006–2008, OCP has undergone a profound transformation. The study aims to explore the foundations and guiding principles of this strategy. It revolves around three main axes: vertical integration of the value chain (from mining to fertilizer), expansion of production capacity (industrial complexes in Jorf Lasfar and Safi), and market diversification, especially in Africa, Asia, and Latin America.

The analysis also covers major investments in logistics infrastructure, such as the phosphate pipeline linking Khouribga to Jorf Lasfar, which has significantly reduced costs and carbon footprint. Another key element is the customer-centric approach involving tailor-made fertilizers adapted to the soils and crops of partner countries. Finally, this strategy is supported by a long-term vision focused on sustainable development, circular economy, and food sovereignty—particularly in Africa.

Identifying Innovation Levers Used by OCP

This section highlights how OCP has embedded innovation into its production, management, and growth model. The group has developed a large-scale technological and scientific ecosystem, notably through UM6P, research centers in agronomy, soil engineering, and artificial intelligence. OCP now uses big data to map African soils and provide smart fertilizers. Industrially, it has modernized its processes with cutting-edge technologies for phosphate extraction, treatment, and transport. Logistics innovation, such as the 235-km pipeline, has greatly reduced costs and CO_2 emissions. Moreover, the group invests in renewable energy, seawater desalination plants, and circular economy projects. These innovations are designed to meet 21st-century challenges: food security, environmental sustainability, energy efficiency, and global competitiveness.

Evaluating the Governance of Mr. Mostafa Terrab

Mr. Mostafa Terrab’s leadership is a relevant case study in the field of strategic management. The goal here is to assess the foundations and outcomes of the governance model he embodies. Upon taking over the group, Mr. Terrab moved away from a purely administrative model to establish governance based on efficiency, innovation, and accountability. He introduced a corporate culture centered on performance, merit, transparency, and international openness. His managerial vision also emphasizes investment in human capital, exemplified by the creation of Mohammed VI Polytechnic University (UM6P), designed as a talent incubator for the group and the continent. Mr. Terrab's governance is also marked by his ability to combine the logic of a public enterprise with private-sector efficiency, through significant strategic autonomy while serving public interest goals. This ability to transform a public company into a high-performing multinational without losing its national identity serves as an innovative model for the Global South.

GENERAL CONCLUSION

It is clear that the OCP Group holds a strategic position in the Moroccan economy—not only because of its vast phosphate reserves and industrial production capacity, but above all due to its drive for transformation, innovation, and social engagement. As a central player in national economic development, OCP significantly contributes to GDP growth, export stability, the creation of skilled jobs, and the diversification of international partnerships, particularly with African nations.

However, beyond the group’s economic importance, this research highlights the decisive role of a key human factor: the exceptional leadership of its CEO, Mr. Mostafa Terrab. Under his leadership, the group has undergone a deep transformation, evolving from a traditional public enterprise into a modern, high-performing multinational that is respected on the global stage. His strategic vision— rooted in vertical integration, investment in innovation, African anchoring, and environmental sustainability—has enabled OCP to become a model of success for public enterprises in developing countries.

Mr. Terrab embodies transformational leadership, combining managerial rigor, strategic foresight, and a strong sense of social responsibility. He has fostered a culture of excellence and innovation throughout the organization while investing in human capital through leading institutions such as Mohammed VI Polytechnic University. His ability to align economic performance with social commitment makes him an iconic figure in contemporary African management.

Ultimately, the experience of the OCP Group under Mr. Mostafa Terrab's leadership stands as a benchmark in governance, endogenous development, and economic diplomacy. It demonstrates that even in a context of fierce global competition and growing environmental pressures, enlightened and visionary leadership can transform a national enterprise into a global champion in the service of sustainable development.

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