

**COOPERATION AGREEMENT BETWEEN THE
EUROPEAN COMMUNITY AND MOROCCO**

Biennial Report on the Operation of the Agreement

Communication from the Parties

The report below presents the information received from the Permanent Delegation of the European Commission, dated 21 March 2000. It is organized in accordance with the standard format (WT/REG/W/6).

I. BACKGROUND INFORMATION ON THE AGREEMENT

1. Membership and dates of signature, ratification and entry into force

The first cooperation agreement between the European Community and Morocco was signed in Rabat on 27 April 1976. Since then, Greece, Spain, Portugal, Austria, Finland and Sweden have become parties to the Agreement, following their accession to the European Communities.

2. Type of agreement

The cooperation agreement between the European Community and Morocco covers three main areas: trade, social affairs and economic and financial cooperation.

On 26 February 1996, the Euro-Mediterranean Association Agreement was signed between Morocco and the European Union (EU) with a view to reinforcing existing links by establishing a balanced partnership.

The new Association Agreement will enter into force once it has been ratified by all the EU member States and will replace the 1976 Cooperation Agreement and its successive adjustment protocols. It covers a number of areas, essentially involving political dialogue, the gradual creation of a free-trade area, economic and financial cooperation and cooperation in social and cultural affairs.

4. Trade data

The development of trade between the parties and the relevant trade statistics, including those for the rest of the world, appear in annex.

II. TRADE PROVISIONS

1. Import restrictions and

2. Export restrictions

The trade provisions of the 1976 Cooperation Agreement, according to which industrial products (other than those listed in Annex II to the Treaty establishing the EEC) originating in Morocco may be imported into the Community without quantitative restrictions or measures having an equivalent effect and with exemption from customs duties or charges having an equivalent effect, remain unchanged.

The transitional measures provided for in the additional protocols signed in 1998 following the accession of Spain and Portugal to the European Communities and relating to imports into those two countries of industrial and agricultural products from Morocco will remain in force until the implementation of the 1996 association agreement.

3. Rules of origin

4. Standards

5. Safeguards

6. Anti-Dumping and countervailing measures, and

7. Subsidies and State aid

The cooperation agreement does not contain provisions relating to standards or State aid. With regard to trade defence instruments and rules of origin, the provisions of the Agreement remain unchanged.

8. Sector-specific provisions

The cooperation agreement does not contain any specific measures relating to imports of textile products originating in Morocco; a specific subsequently concluded self-restricting arrangement expired on 31 December 1997.

The provisions of the agreement relating to agriculture remain unchanged.

The Cooperation Agreement does not cover fisheries; a first specific agreement in this regard was signed in 1988, followed by a second in 1992 for a duration of four years and finally, a third agreement in 1996 which also lasted for four years. This latest agreement expired on 30 November 1999.

IV. OTHER

Financial aspects

From 1976 to 1996, Morocco benefited from four five-yearly financial protocols (ECU 1,125 million) providing for grants financed from the EC budget and EIB loans.

Areas related or complementary to trade liberalization

The Cooperation Agreement does not contain provisions in these areas. No specific agreement has since been signed concerning the harmonization of legislation or the creation of common regulatory structures or disciplines.

Services and intellectual property

The Cooperation Agreement does not cover either services or intellectual property, and no specific agreement has since been signed in these areas.

ANNEX¹

Table 1 – EU Imports from the World and Morocco 1980-1998
(Millions of ECU)

SITC:	0	1	2	3	4	5	6	7	8	9	TOTAL
1980 (EU 9)											
World	23,908	1,929	27,501	85,384	1,579	11,374	37,648	37,853	22,176	20,502	269,853
Morocco	387	3	379	47	22	31	112	21	123	39	1,164
1984 (EU 10)											
World	33,643	2,810	36,139	107,594	2,803	19,968	48,969	71,432	34,537	24,205	382,100
Morocco	404	3	458	98	4	166	153	55	292	25	1,659
1988 (EU 12)											
World	32,221	2,152	35,752	47,393	1,499	25,067	59,078	106,689	49,968	27,937	387,757
Morocco	576	3	400	42	1	213	174	146	704	13	2,271
1992 (EU 12)											
World	34,580	3,215	32,218	65,183	1,748	33,888	69,355	146,277	76,771	23,900	487,135
Morocco	759	5	268	74	3	225	152	409	1,404	13	3,312
1996 (EU 15)											
World	41,305	3,599	34,829	75,910	2,423	44,328	75,479	189,056	93,962	20,131	581,065
Morocco	910	7	296	28	44	348	212	491	1,865	15	4,232
1997 (EU 15)											
World	44,248	4,072	40,131	85,155	2,554	51,485	87,685	229,346	108,779	17,690	672,413
Morocco	876	7	373	17	50	382	231	663	2,109	12	4,750
1998 (EU 15)											
World	45,198	4,458	39,370	64,843	2,891	55,290	94,672	264,153	116,092	22,676	709,643
Morocco	902	7	379	57	6	329	236	1,063	2,286	19	5,321

¹ Source for all tables: Eurostat (COMEXT).

Table 2 – EU Exports to the World and Morocco 1980-1998
(Millions of ECU)

SITC:	0	1	2	3	4	5	6	7	8	9	TOTAL
1980 (EU 9)											
World	13,662	3,422	4,327	10,071	717	23,228	46,455	84,154	21,333	13,716	221,084
Morocco	221	5	55	41	12	152	300	546	90	57	1,479
1984 (EU 10)											
World	21,120	5,784	7,319	18,087	1,343	38,465	65,412	129,088	39,835	24,806	351,259
Morocco	79	5	68	51	61	172	473	716	128	81	1,833
1988 (EU 12)											
World	19,588	6,205	7,602	8,232	1,158	44,449	65,673	141,249	48,507	20,256	362,917
Morocco	78	10	123	28	46	318	729	983	215	79	2,610
1992 (EU 12)											
World	24,887	8,778	8,068	10,552	1,491	54,200	71,091	180,838	59,247	16,939	436,091
Morocco	238	19	122	47	21	379	1,165	1,580	329	52	3,953
1996 (EU 15)											
World	30,646	10,339	11,414	15,431	1,998	79,144	102,957	283,081	79,287	12,695	627,011
Morocco	259	16	166	107	53	504	1,439	1,630	446	42	4,696
1997 (EU 15)											
World	33,504	12,374	13,084	17,109	2,575	93,046	114,927	331,113	88,686	13,717	721,109
Morocco	228	18	175	151	58	538	1,605	1,855	603	42	5,329
1998 (EU 15)											
World	31,772	12,005	11,554	13,833	2,831	95,885	112,815	343,435	89,424	16,869	730,423
Morocco	321	18	158	149	51	587	1,792	2,733	654	49	6,547

Table 3 – EU Trade with Morocco by HS Section
(Millions of ECU)

EXPORTS					
SECTION	1988	1992	1996	1997	1998
TOTAL	2,610	3,953	4,696	5,329	6,547
I	32	51	86	61	94
II	39	171	173	156	214
III	46	22	53	61	53
IV	29	51	51	56	63
V	44	70	133	176	178
VI	254	303	388	415	461
VII	112	140	208	223	236
VIII	35	38	48	55	47
IX	39	32	67	77	75
X	60	86	144	152	161
XI	436	802	1,089	1,304	1,467
XII	8	23	29	33	42
XIII	36	50	51	55	56
XIV	6	8	3	14	10
XV	265	344	328	357	416
XVI	605	1,016	1,142	1,257	1,526
XVII	376	561	483	599	1,204
XVIII	57	82	79	107	99
XIX	15	2	3	2	3
XX	38	53	64	77	78
XXI	12	4	26	34	30

IMPORTS					
SECTION	1988	1992	1996	1997	1998
TOTAL	2,271	3,312	4,232	4,750	5,321
I	129	199	225	260	281
II	312	424	505	445	441
III	1	3	43	50	6
IV	167	176	237	230	237
V	358	265	235	272	338
VI	213	225	349	382	329
VII	7	8	17	21	22
VIII	48	53	72	59	44
IX	9	18	20	22	29
X	35	24	26	34	26
XI	698	1,342	1,754	1,972	2,120
XII	52	71	117	140	148
XIII	2	6	17	23	27
XIV	25	14	17	27	32
XV	45	40	54	78	78
XVI	89	173	373	478	568
XVII	58	235	118	184	492
XVIII	5	13	11	13	22
XIX	0	0	0	0	0
XX	8	10	14	16	25
XXI	2	4	12	13	19

Table 4 – EU Trade with the World by HS Section
(Millions of ECU)

EXPORTS					
SECTION	1988	1992	1996	1997	1998
TOTAL	362,917	436,091	627,011	721,109	730,423
I	7,060	8,001	9,980	10,897	10,062
II	6,372	8,511	8,819	9,757	9,145
III	1,341	1,673	2,286	2,977	3,156
IV	13,817	19,194	24,510	27,744	27,279
V	9,723	12,152	17,487	19,630	16,711
VI	37,393	46,951	68,968	81,772	85,215
VII	15,521	16,914	23,128	27,148	27,504
VIII	4,119	4,084	7,159	7,375	6,435
IX	1,771	2,035	4,045	4,927	5,182
X	7,937	10,271	18,033	19,764	19,803
XI	20,244	25,208	31,611	34,724	35,221
XII	3,440	4,526	5,922	6,313	6,043
XIII	7,153	8,120	11,257	12,916	12,894
XIV	13,026	12,425	16,992	19,285	17,990
XV	30,826	30,864	42,214	46,944	45,623
XVI	93,666	120,842	193,730	226,482	234,539
XVII	46,674	59,351	89,086	104,705	110,049
XVIII	14,107	17,067	23,982	28,129	29,109
XIX	402	388	1,097	1,326	1,656
XX	7,819	9,378	13,350	15,177	15,242
XXI	8,204	5,727	13,354	13,115	11,565

IMPORTS					
SECTION	1988	1992	1996	1997	1998
TOTAL	387,757	487,135	581,065	672,413	709,643
I	8,349	10,300	10,897	12,227	13,296
II	17,555	17,353	23,130	25,437	24,992
III	1,542	1,781	2,250	2,390	2,693
IV	13,638	15,595	18,511	19,019	19,518
V	55,920	73,081	84,793	95,737	75,508
VI	22,179	29,303	39,774	46,234	49,432
VII	10,125	13,862	17,132	19,323	21,043
VIII	6,121	5,701	7,590	8,498	8,224
IX	9,615	10,926	9,118	10,973	11,434
X	17,605	19,227	11,110	11,996	12,571
XI	28,639	39,478	47,467	55,248	57,903
XII	3,325	5,451	7,029	8,308	8,274
XIII	2,593	3,883	4,386	5,090	5,648
XIV	17,526	15,037	21,620	23,890	26,981
XV	26,101	29,345	33,661	40,312	44,472
XVI	81,389	106,397	146,298	173,122	195,378
XVII	25,240	40,386	42,797	56,275	68,476
XVIII	14,869	19,652	24,343	27,814	29,926
XIX	118	194	466	603	510
XX	6,655	12,072	14,394	17,529	19,046
XXI	5,733	5,511	14,298	12,387	14,318