

Brussels, 16 September 2010

## **Adoption of a draft agreement between the EU and Morocco in the agri-food and fisheries sector**

***The European Commission has today adopted a draft decision on a EU-Morocco bilateral trade agreement for agri-food and fisheries products. It now passes to the Council and the European Parliament for approval. The agreement will reinforce the position of European exporters on the Moroccan market, particularly exporters of processed agricultural products, representing a major offensive interest for the EU with full liberalisation planned in stages over the next ten years, with the exception of pasta, for which a quantitative restriction is provided. In the agricultural products sector, the agreement will allow for the immediate liberalisation of 45% of the value of EU exports and 70% in ten years. The tinned food, dairy products, oilseeds and fruit and vegetable sector will benefit fully from total liberalisation. The fisheries sector will also be opened up for EU products (91% after five years and 100% in 10 years).***

Community exports for these three sectors reached almost €1.03 billion in the 2007-2009 period. Under the agreement, exports will benefit from better access to this neighbouring market, which is currently undergoing strong demographic growth. In global terms, the overall trade balance during the same period was largely favourable to the European Union, with exports of €12.3 billion relative to imports of €7.3 billion.

The two parties have also agreed to open negotiations on the protection of geographical indications. Moreover, the agreement includes provisions on the respect of international obligations with regard to health and plant health matters.

This agreement will allow both parties to take full advantage of changing consumption and market potential, while reinforcing cooperation and safeguard mechanisms. The agreement marks an important stage in trade relations between the EU and the Kingdom of Morocco, in line with political commitments made in the framework of the Barcelona Process.

In the context of the Euro-Mediterranean roadmap for agriculture (Rabat roadmap) adopted on 28 November 2005, the European Commission and Morocco began negotiations in February 2006 to improve the existing agreement on the liberalisation of trade in agricultural products, processed agricultural products, fish and fishery products.

Starting from a limited level of liberalisation under the current agreement, Morocco agreed to a major effort to open up by immediately liberalising 45% of imports from the EU in terms of value. As provided for in the Rabat roadmap, Morocco will benefit from a transition period for the complete liberalisation of certain products. Thus the value of fully liberalised trade will increase to 61% in five years and 70% in ten years.

The EU's tinned goods and fruit and vegetable sectors, with the exception of beans, sweet almonds, apples and tomato concentrate (for which tariff quotas have been negotiated) will be entirely liberalised within ten years. EU dairy products will see their access to Morocco completely liberalised, with the exception of liquid milk and whole milk powder. Oilseeds and cereals (with the exception of common wheat and durum wheat and their derivatives) will also be liberalised.

For the more sensitive products for which trade will not be fully liberalised, such as meat, cured meat products, wheat, olive oil, apples and tomato concentrate, Morocco has improved their conditions of access to its market in the form of tariff quotas.

From the European Union's perspective, the agreement responds by providing the immediate liberalisation of 55% of imports from Morocco. The improved concessions in the fruit and vegetable sector, which accounts for 80% of the EU's imports, have taken account of particular sensitivities, with the aim of integrating Moroccan exports into the EU market and promoting complementarities between the production systems.

To this end, the production schedules have been maintained for the products considered to be the most sensitive, namely tomatoes, strawberries, courgettes, cucumbers, garlic and clementines. The concessions agreed for these products were made in the form of tariff quotas. It should be highlighted that the entry price system has been maintained for all products.

After adoption of the draft decision by the Council on the signature of the Agreement, a draft decision on the conclusion will be send to the EP for approval. After this formal part, the Agreement shall enter into force on the first day of the third month following the date of deposit of the last instrument of approval by both parties.