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Trade Policy Monitoring

EU and Morocco reach agri-trade liberalization deal 2003

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Report Highlights:

The European Union and Morocco have reached an agreement for the liberalization of agricultural trade. 96% of Moroccan current exports would receive preferential access to EU markets under the new deal, primarily in the form of tariff reductions and TRQs. For EU exports to Morocco, this figure is 62%. Key aspects include a 1 MMT TRQ for EU wheat exports to Morocco with a 38% tariff reduction, with possible reductions in the TRQ based on the size of the Moroccan wheat harvest.

The deal must now be formally approved by the EU and the Moroccan government.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2]
[E2]

The European Union and Morocco have reached an agreement at the level of negotiators for agricultural trade liberalization. The agreement will now need formal approval from both the Commission and the European Council as well as the Moroccan government. This agreement comes after three years of negotiations.

This agreement is in the context of the Barcelona process for integration between the EU and the countries of the Mediterranean basin, which includes a call for gradual liberalization of agricultural trade. The next round of agricultural trade liberalization between Morocco and the EU is slated for 2008, with negotiations penciled in for 2007.

According to the European Commission, the deal would see 96% of Morocco's current agricultural exports to the EU receive some form of preferential access, in return, 62% of the EU's current agricultural exports to Morocco would receive preferences. Lower duties and TRQs are to be provided for a wide range of products including poultry, cheese, barley, corn, rice and some fruit and vegetables.

Morocco will gain an increased TRQ for tomato exports to the EU, from the current 150,600 MT/year to 175,000 MT/year, valid for the marketing 'year' from October to May. There will also be a new additional quota for 15,000 MT of tomatoes in 2004/05, rising to 45,000 MT from 2006/07 onwards. Should Moroccan exports of tomatoes exceeds these limits, the TRQ will be reduced by 20,000 MT for that year.

EU exports of wheat will gain preferential access in the form of a 38% reduction in import duties for 1.06 MMT of wheat. However, should Moroccan domestic wheat production rise above 2.1 MMT, then the size of the quota will be proportionately reduced. If production rises in excess of 3 MMT, then the TRQ would be reduced to 400,000 MT. It is also reported that a mechanism will be put in place to compensate for the effects of any fluctuations in the Moroccan wheat tariff.

[Link to the Commission Press Release announcing the agreement:](#)

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/03/1451|0|RAPID&lg=EN&display=

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EU-Morocco agricultural trade data

| | | EU Imports from Morocco | | | |
|---------------------------------|--|-------------------------|----------------|----------------|------------------|
| | '000s EUR | 2000 | 2001 | 2002 | average 00-02 |
| 01 | Live animals | 498 | 1,027 | 1,784 | 1,103 |
| 02 | Meat and edible meat | 115 | 106 | 27 | 83 |
| 04 | Dairy products; eggs; honey | 33 | 1 | 449 | 161 |
| 05 | Other products of animal origin | 12,569 | 9,135 | 7,374 | 9,693 |
| 06 | Live trees and other plants | 6,559 | 5,973 | 4,524 | 5,685 |
| 07 | Vegetables | 218,006 | 239,586 | 313,299 | 256,964 |
| 08 | Fruits and nuts | 219,786 | 233,242 | 249,935 | 234,321 |
| 09 | Coffee; tea; spices | 3,083 | 4,276 | 5,046 | 4,135 |
| 10 | Cereals | 14 | 101 | 37 | 51 |
| 11 | Products of the milling industry | 0 | 15 | 0 | 5 |
| 12 | Oil seeds and oleaginous fruits | 17,737 | 21,777 | 22,659 | 20,724 |
| 13 | Lacs, gums, resins, saps | 278 | 608 | 2,111 | 999 |
| 15 | Fats and oils | 892 | 8,048 | 3,582 | 4,174 |
| 16 | Prep, of meat | 0 | 22 | 1 | 8 |
| 17 | Sugar | 7,516 | 5,903 | 1,221 | 4,880 |
| 18 | Cocoa | 0 | 0 | 0 | 0 |
| 19- 21 | Prepar,vegetables, fruits, other edible preps | 92,284 | 90,862 | 86,186 | 89,777 |
| 22 | Wines and vinegar | 7,365 | 6,273 | 7,634 | 7,091 |
| 23 | Residues from food industries | 670 | 689 | 0 | 453 |
| 24 | Unmanufactured tobacco | 0 | 2 | 34 | 12 |
| 33 | Essential oils | 7,572 | 9,324 | 12,174 | 9,690 |
| 35 | Albuminoid,subst, and starches | 0 | 0 | 0 | 0 |
| 41 | Raw hides & skins | 81 | 135 | 0 | 72 |
| 43 | Raw furskins | 0 | 0 | 0 | 0 |
| 50 | Silk | 0 | 0 | 0 | 0 |
| 51 | Wool, animal hair | 15 | 19 | 12 | 15 |
| 52 | Cotton | 1,213 | 924 | 1,286 | 1,141 |
| 53 | Flax and hemp | 27 | 0 | 0 | 9 |
| Total Agric, Products | | 596,313 | 638,046 | 719,374 | 651,244 |
| Total All Products | | 5,526 | 5,817 | 5,909 | 5,751 |
| Ag as a % of all imports | | 10,8 | 11,0 | 12,2 | 11,3 |

Source: European Commission

| | | EU Exports to Morocco | | | | |
|---------------------------------|---|-----------------------|----------------|----------------|------------------|--------------|
| | | 2000 | 2001 | 2002 | average 00-02 | % |
| 01 | Live animals | 21,109 | 10,735 | 10,912 | 14,252 | 2,9 |
| 02 | Meat and edible meat | 12,201 | 9,557 | 1,526 | 7,761 | 1,6 |
| 04 | Dairy; eggs; honey | 42,541 | 72,534 | 61,028 | 58,701 | 11,9 |
| 05 | Other products of animal origin | 9,515 | 6,178 | 4,921 | 6,871 | 1,4 |
| 06 | Live trees and other plants | 6,840 | 7,280 | 11,425 | 8,515 | 1,7 |
| 07 | Vegetables | 16,403 | 13,106 | 25,303 | 18,270 | 3,7 |
| 08 | Fruits and nuts | 3,337 | 5,531 | 5,554 | 4,807 | 1,0 |
| 09 | Coffee; tea; spices | 1,768 | 1,955 | 2,523 | 2,082 | 0,4 |
| 10 | Cereals | 327,793 | 236,982 | 173,087 | 245,954 | 49,9 |
| 11 | Products of the milling industry | 1,699 | 1,407 | 1,867 | 1,657 | 0,3 |
| 12 | Oil seeds and oleaginous fruits | 33,035 | 22,960 | 27,048 | 27,681 | 5,6 |
| 13 | Lacs, gums, resins, saps | 1,069 | 881 | 830 | 927 | 0,2 |
| 15 | Fats and oils | 62,932 | 24,085 | 35,187 | 40,735 | 8,3 |
| 16 | Prep, of meat | 1,088 | 751 | 587 | 809 | 0,2 |
| 17 | Sugar | 2,171 | 2,580 | 2,810 | 2,520 | 0,5 |
| 18 | Cocoa | 1 | 0 | 5 | 2 | 0,0 |
| 19-21 | Prepar,vegetables, fruits, other edible preps | 5,182 | 5,630 | 5,835 | 5,549 | 1,1 |
| 22 | Wines and vinegar | 3,591 | 3,966 | 3,779 | 3,779 | 0,8 |
| 23 | Residues from food industries | 29,692 | 16,676 | 23,357 | 23,242 | 4,7 |
| 24 | Unmanufactured tobacco | 459 | 1,240 | 1,578 | 1,092 | 0,2 |
| 33 | Essential oils | 6,466 | 8,466 | 8,844 | 7,925 | 1,6 |
| 35 | Albuminoid,subst, and starches | 1,962 | 2,197 | 2,291 | 2,150 | 0,4 |
| 41 | Raw hides & skins | 206 | 186 | 784 | 392 | 0,1 |
| 43 | Raw furskins | 0 | 0 | 0 | 0 | 0,0 |
| 50 | Silk | 8 | 0 | 36 | 15 | 0,0 |
| 51 | Wool, animal hair | 2,567 | 1,774 | 1,057 | 1,800 | 0,4 |
| 52 | Cotton | 5,995 | 6,275 | 2,253 | 4,841 | 1,0 |
| 53 | Flax and hemp | 199 | 81 | 134 | 138 | 0,0 |
| Total Agric, Products | | 599,831 | 463,013 | 414,559 | 492,468 | 100,0 |
| Total All Products | | 6,988 | 6,861 | 7,046 | 6,965 | € bn |
| Ag as a % of all imports | | 8,6 | 6,8 | 5,9 | 7,1 | % |

Source: European Commission