

## **U.S. – Morocco Free Trade Agreement Signing Ceremony**

USTR Robert B. Zoellick

Morocco's Minister-Delegate of Foreign Affairs and Cooperation Taib Fassi-Fihri

Congressman Lincoln Diaz-Balart (R-FL)

Congressman Phil English (R-PA)

Ben Franklin Room, U.S. State Department, Washington, DC

June 15, 2004

**CONGRESSMAN DIAZ-BALART:** Minister Fassi-Fihri, Ambassador Zoellick, Ambassador Mekouar, Ambassador Rielly, distinguished guests, ladies and gentlemen. The relationship between Morocco and the United States has existed throughout the history of our country. In December of 1777 when war raged between the American colonies and Britain Sultan Sidi Muhammad boldly recognized our young and not yet free republic. That magnanimous act of recognition was cemented in a treaty of peace and friendship between our countries, ratified in July of 1787. That enduring document remains the oldest unbroken treaty in the history of the foreign relations of the United States. Quite simply the kingdom of Morocco is our most permanent and enduring friend.

We formed the Morocco caucus in Congress to highlight and to further deepen that magnificent and critically important relationship between the United States and the kingdom of Morocco. The United States has no better friend and ally in the Mahgreb in North Africa and in the Arab world than Morocco. We are cognizant of and grateful for the help Morocco provided during the reign of the great statesman King Hasan II and the dangerous and prolonged struggle known as the Cold War and in the initial and ultimately delicate stages of the peace process between Israel and her neighbors. We are cognizant of and grateful for the unequivocal and decisive help Morocco has provided during the reign of another great statesman, King Mohammed VI in our common war against the forces of international terrorism. Both our peoples have been victims of the scourge of cowardly attacks upon unarmed civilians and both nations have answered the challenge of this difficult time with strong leadership and decisive action.

The United States must be cognizant and supportive of the wisdom and experience of Morocco that great influence for stability in North Africa and the Middle East regarding issues related to International Terrorism. We must understand that Morocco's insistence upon its territorial integrity and its refusal to accept a terrorist state in the Western Sahara is critically important not only for the national security of Morocco but also for the security of the United States and of our European allies.

Today is a very special day. A day of celebration. Today we celebrate another milestone in the wonderful relationship between the United States and Morocco, the signing of the free trade agreement between our two countries. This agreement will benefit both our peoples as it facilitates and encourages ever-growing commerce between our countries and the creation of many new jobs in Morocco and in the United States. This agreement will help turn an already solid relationship into an even greater friendship. I congratulate all who have worked so diligently for the achievement of this historic agreement. We will now work in the United States

Congress with all seriousness and dedication to ensure that this vital agreement enters into force on the earliest possible date. Thank you very much.

**AMBASSADOR ZOELLICK:** Thank you very much Congressman and thank you to all of you for joining us today. It's a real pleasure to be here with my colleague – and very good friend – Minister Delegate Taib Fassi-Fihri, who has served his country extraordinarily well in our common effort to open trade between the United States and Morocco. And I'm delighted that we've had a number of members of Congress that have tried to be here with us today that have helped us with the Moroccan caucus; representatives of the business community; and a number of other distinguished guests on this historic occasion: the signing of the U.S.-Morocco Free Trade Agreement.

Americans owe Morocco a special debt of gratitude. Over two centuries ago, when the United States was young and vulnerable to powerful European nations, Morocco stepped forward to offer a hand of friendship. The official "Treaty of Peace and Friendship" was signed in 1787, before the U.S. Constitution was even ratified. Now this 18<sup>th</sup> century treaty was extremely forward-looking for its time. Our countries offered each other "Most Favored Nation" trading status as countries still do. And the treaty included provisions against slavery.

So today, it's especially fitting that we stand here in the Benjamin Franklin room for it was Ben Franklin who urged the United States Congress at that time to pursue this first treaty of friendship between our nations.

This enduring friendship was forged through a common past but also common values. We are both peoples that have been shaped by many cultures. The landscape of Tangier and Marrakech has been shaped by Greeks, Romans, Spanish, French, Berbers and Arabs, just as the United States has been shaped by waves of colonizers and immigrants from a host of nations.

The Moroccan's love of freedom, as deep as our own, is far more long-standing. Millennia before America was even discovered, when the Berbers of Morocco battled for control of their shores with Greeks and Phoenicians, the Berbers called themselves "Imazighen," or free men. But the agreement that we sign today is about much more than friendship. It also comes at a critical time for Morocco and the broader Middle East.

Muslims are striving to define the nature of Islam. It's a struggle between leaders who embrace tolerance against extremists who thrive on resentment. It's a conflict of economic reformers against those who fear modernization because it threatens their power to intimidate. And it's a contest of those who welcome closer ties with the West against those who see us as an enemy. America's strategic interest in this struggle is immense, but our ability to influence it is limited. From the Middle East to Southeast Asia, only fellow Muslims can persuade their brothers and sisters of the Islamic future.

But the United States is not without influence, for economic development and open societies are important tools of change. Through free trade agreements we can embrace reforming states, helping to encourage their transformation, bolstering their prospects for success even as we open new markets for American goods and services.

In a letter to Morocco's Sultan Sidi Mohamed, George Washington apologized for the fact that his country could send no rich gift. Washington wrote and I quote:

“This young nation, just recovering from the waste and desolation of a long war, has not, as yet, had time to acquire riches by agriculture and commerce. But our soil is beautiful, and our people industrious and we have reason to flatter ourselves that we shall gradually become useful to our friends.”

Open trade is a strong tool to help reformers -- a powerful way to be, as George Washington said, “useful to our friends.” Trade opens societies to the outside world, and encourages development, and allows men and women to improve their lives today and to build a future for their children tomorrow. Trade helps generate a middle class that can become an advocate of continued reform.

The policies that foster economic freedom open the door for political freedom. International trade requires business people to speak freely, to work cooperatively, and to observe the rule of law. And such habits are the building blocks of democracy.

That's why President Bush has a vision of a free trade area stretching from Morocco to Yemen. And this free trade agreement is an important step. The United States already has free trade with Jordan, where our two-way commerce has boomed. And we've just completed another free trade agreement with Bahrain.

And these leaders have sparked the interest of others. The United States has now signed trade facilitation framework agreements with eight other Arab countries, from Algeria to Yemen, as a preliminary step towards free trade.

Piece by piece, the Administration is trying to build a mosaic of modernizers with a plan that offers trade and openness as tools for Muslim leaders looking to the rebirth of an optimistic and tolerant Islam. His majesty King Mohamed VI has had the courage to be such a leader.

At the same time, this agreement is a boon for America's manufacturers and farmers. On the first day that the U.S.-Morocco Free Trade Agreement goes into effect, 95 percent of the two-way trade in industrial and consumer products will be without tariffs. U.S. farmers will also find additional opportunities. And Morocco has made broad commitments to open its service sector, creating new opportunities for U.S. banking, insurance, telecommunications, and technology companies.

I'd like to thank the hard working professionals from U.S. Trade Representative's office as well as many of you from other offices I see in the office who helped craft this agreement. Because we had more than 100 colleagues from a variety of different departments across the U.S. government, I'm sorry that I can't thank all of you by name because I know your many contributions -- but I am deeply grateful for your skill, your service, and your spirit.

Of course, I need to single out our chief U.S. negotiator, Cathy Novelli, who's been the skillful architect of this accomplishment. As all of you who know Cathy and have had a chance to work with her who know her imagination and steadfast optimism make her an accomplished leader as well as a negotiator.

I want to give a special thanks to our Chief Agricultural Negotiator, Al Johnson, without whom we would not have succeeded. He assumed some responsibility of some very tough issues -- working with our colleagues at USDA, and with the Congress and our many constituencies, as well as our Moroccan counterparts.

Our former Ambassador to Morocco, and my close friend, Margaret Tutwiler, who has been an inspiration -- as well as, let's say, prod -- for our work on this free trade agreement, also deserves our deep gratitude. And I know she's being succeeded well by Ambassador Rielly as well. I hope my thanks to these leaders, as well as to Moroccan Ambassador Aziz Mekouar will represent my thanks to both our teams.

As much as I would like to say that signatures today will make this free trade agreement a reality, we face one more test. Both in the United States and Morocco, we must now turn our attention to winning approval of this agreement from our respective legislators.

In the United States, we're only here because the Congress passed Trade Promotion Authority in 2002, and because so many members of the Senate and the House of both parties have offered us unflinching support. So I'm particularly pleased that with the Congressman's help that we're on our way to trying to get this done this year.

The work of negotiating this historic agreement could not come without the strong help of many of you from the farm and business communities in both our nations. But I cannot give you my thanks without asking for your help one last time. Businesses and their workers are the ones that can best tell the story about trade. Together we're going to have to present to the Congress and the Parliament the importance of the trade in terms of jobs, growth, and opportunities. Millions of Americans and Moroccans depend on vibrant and growing trade for their jobs. And this Morocco -U.S. FTA will only add to that number.

Today's agreement is important for many reasons. It opens a significant market to American exports, helping us create jobs here at home. It support reaffirms the broader Middle East by showing that Americans wants to build and strengthen Muslim societies. And it reminds the world that Americans do not forget their friends, especially those who've been with us when times were tough and we had no riches to offer. Thank you.

**MINISTER FASSI FIHRI:** (Unintelligible) Ambassador Robert Zoellick, honorable Congressmen, excellencies, distinguished guests, ladies and gentlemen. I would like to start by thanking Ambassador Zoellick and Congressman Diaz-Balart for their kind remarks on Morocco.

My delegation and I are grateful for the US Government for hosting this event. We are delighted to see distinguished American decision makers among us today. This is a testimony of our mutual interests and willingness to see this agreement being approved and implemented quickly.

I would like to thank both teams for their commitment and dedication with which they have handled the negotiation in order to reach a fair and balanced agreement. I would like particularly to extend a very special thank to my friends Ambassador Zoellick, the chief negotiator Cathy Novelli, and Ambassador Al Johnson for their leadership and strong determination to make this deal possible.

My deep gratitude goes also to the honorable members of the Moroccan Caucus for their wonderful support. I would like also to thank warmly the U.S.-Moroccan business coalition for their extraordinary commitment.

Two years ago, here in Washington, His Majesty King Mohammed VI and President Bush decided the launching of negotiations for a Free Trade Agreement between Morocco and the United States. With our signature today on this FTA, our two countries will open a new chapter in a bilateral relationship that has already stretched into its third century.

My delegation and I come today here in Washington as representative of a country whose history is very old, but whose people are very young. We come as representatives of a country that is in the forefront of political, economic, and social reform for the progress and the welfare of its people mobilized for the protection of its fundamental values and its territorial integrity.

The process of reform --- that was initiated by His Majesty Hassan II, and which has accelerated since 1999 under his son and successor, His Majesty Mohammed VI --- has affected every aspect of Moroccan life. From the political independence of our courts and central bank to the privatization of industry and services. From the free election of a vigorous parliament to protecting the status of women and the rights of children. From bringing more schools to our people to promoting a strict observance of human rights and good governance.

All this is transforming Morocco. The step we have taken --- and which we will continue to take --- hold great promise for the future security, well-being, and prosperity of our people. But we cannot complete the job alone. That is why the FTA that is signed here today is so important.

This agreement as Congressman Diaz-Balart said, is a milestone in a specific process which start with the bilateral investment treaty (BIT) in 1985 and the Trade and Investment Framework Agreement (TIFA) in 1995.

With this agreement, Morocco and the United States will become economic partners in a way we have never enjoyed before. Your country will gain a vital stake in the economic success and the social development of my country. With this agreement, Morocco will gain a renewed incentive to complete the task of reform. The process of economic reform is never easy, but Morocco knows where the future is headed. Whatever the cost today, we know the longer-term payoff will be worth it.

With this agreement --- and in the exchange of technologies, investments, skills, that it will surely promote --Morocco will find some of the tools with which prosperity can be produced and its benefit multiplied.

Finally, with this agreement, Morocco becomes a bridge between the United States, the Middle East, Africa, and even Europe. For, indeed, Morocco is situated at the crossroads between continents and along side the frontiers between different cultures.

The benefits that will surely flow from this agreement will not merely be economic, nor will they be only to the advantage of Morocco and the United States --- but to every other country with which we trade. Morocco has a network of Free Trade Agreements with many Arab countries, European Union and recently with Turkey. Likewise, Morocco hope for greater benefits within the framework of the WTO

I alluded a moment ago to the exchange that necessarily accompany free trade --- investment, and the sharing of technologies and skills. But, most importantly, there is the free flow of people and ideas.

Morocco desires the free trade agreement we are signing today be more than just an avenue of commerce. Let it become a highway of person-to-person contacts, of travel, of educational and cultural exchanges.

I also believe that Morocco and the United States have remained friends these many years because we have so much in common: open, free, multicultural societies which have learned the lesson of tolerance, moderation, protection of minorities, and respect for religious freedom.

Morocco is grateful for your friendship and for the confidence in our shared future that is represented by this free trade agreement. I pray that, in time, its mutually beneficial effects will be felt by every one of our people, Moroccans and Americans alike. Thank you very much.

**AMBASSADOR ZOELLICK:** Congressman Phil English just joined us and I know that he's worked very closely with Congressman Diaz-Balart on this, would you like to say a few words on this?

**CONGRESSMAN ENGLISH:** Thank you Ambassador, it's a real honor to be here because I really feel that this agreement long negotiated with good faith on both sides is a real milestone for the relations between the United States and the region. Today the United States and the kingdom of Morocco enter into an historic agreement that will deepen more then 200 years of friendship. This bilateral FTA is truly a win-win for both countries and will serve as a beacon of closer cooperation between the nations of the Mahgreb and the America. Ambassador Zoellick has said it before but it bears repeating, the FTA with Morocco is the best market access package of any US FTA with a developing country. On that basis alone I think the Congress needs take up the challenge and move forward and pass this FTA. We have a great unique opportunity to close our relations, to strengthen relations with a traditional ally and to reach out into a region which is strategically more significant but more to the point is also economically more

significant. In the process put in place a model agreement that can provide us with an (unintelligible) comparison particularly in issues like intellectual property rights.

I think the administration deserves enormous credit for having put together and negotiated with such a good ally such a solid agreement and I'm hopeful that we'll be able to take it up in the House of Representatives in the coming weeks, pass it, and use it as a model in coming years for how we can strengthen our economic relations with our peers elsewhere in the world. Thank you all for the opportunity to be here.