



# MARKET BRIEF

## MOROCCO

### **A Free Trade Crossroads**

**Morocco is a politically stable, moderate Muslim country, strategically located across from Spain along the Straits of Gibraltar, just seven hours flight from New York. Morocco is positioning itself as a regional hub for business, at the crossroads of North Africa, Europe and the Middle East. The Moroccan government has pursued an ambitious economic reform program over the last twenty years, which has led to macroeconomic stability and low inflation.**

## Market Overview

▶ The cornerstone of their reform program is the Free Trade Agreement (FTA) with the United States, signed in June 2004. This complements free trade agreements with the European Union and other nations in the region, giving Morocco access to 500 million consumers in the Mediterranean region.

▶ The U.S.-Morocco FTA will immediately eliminate tariffs on 92% of U.S. industrial and consumer exports to Morocco when implemented in January 2005. The Agreement will help U.S. companies by:

- (1) leveling the playing field with their European competitors
- (2) expanding market access;
- (3) bolstering economic reforms already underway in Morocco
- (4) building on a long history of close U.S.-Moroccan relations
- (5) promoting jobs, democracy, and stability; and
- (6) furthering the U.S. Government's goal of a broader United States-Middle East Free Trade Region.

## Top 5 Sectors

1. Wastewater Treatment
2. Tourism Infrastructure
3. Engineering & Consulting Services
4. Telecom Equipment
5. Environmental Equipment & Services

