U.S.-Morocco Free Trade Agreement Market Access Results

Consumer Goods

Trade and Tariffs

The consumer goods sector is composed of various product groups, including the toy and furniture Uruguay Round sectoral agreements, appliances, and various recreational goods. Consumer goods accounted for 1 percent of total U.S. non-textile industrial exports to Morocco averaging \$4.9 million.¹ Recreational boats, refrigerators, and printed books lead U.S. exports in the sector.

Morocco tariffs on consumer goods range from 2.5 to 50 percent, averaging 35.7 percent. The highest tariffs generally apply to appliances and furniture.

Moroccan exports to the United States in this sector were about \$26.6 million², or about 9.1 percent of the region's total non-textile industrial exports to the United States.

U.S. tariffs on consumer goods range from 0 to 109 percent, with an average of 3.6 percent. Tariffs are highest on broomcorn brooms.

Tariff Elimination

Tariffs will be phased out according to four tariff elimination categories: immediate elimination, equal cuts over two years, equal cuts over five years, and equal cuts over nine years.

Overall, 65 percent of U.S. consumer goods exports receive duty-free treatment immediately upon implementation of the agreement. Tariffs on 1 percent of exports will be eliminated between two and five years. The remaining tariffs will be phased out over nine years.

The United States agreed to eliminate duties on 99 percent of Moroccan consumer goods immediately, with the remaining duties phased out over nine years.

Subsectors: Furniture, Toys, Gems & Jewelry and Recreational & Sporting Goods

<u>Furniture</u>: Both the United States and Morocco agreed to eliminate duties on 100 percent of furniture trade.

<u>Toys</u>: Both the United States and Morocco agreed to eliminate duties on 100 percent of trade in toys.

<u>Gems & Jewelry</u>: Ninety-six percent of U.S. gems and jewelry goods exports to Morocco will be duty-free immediately upon implementation of the agreement. Tariffs on the remaining 4 percent exports will be eliminated over five years. All Moroccan gems and jewelry exports to the United States will be duty-free immediately.

<u>Recreational & Sporting Goods</u>: Both the United States and Morocco agreed to eliminate duties on 100 percent of trade in recreational and sporting goods.

¹ Based on Moroccan Imports for Consumption from the United States (Average 1999-2001)

² Based on U.S. Imports for Consumption from Morocco (Average 1999-2001)