

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

Industrial Goods

Trade and Tariffs

Industrial Goods are defined as all products not subject to the WTO Agreement on Agriculture or the Agreement on Textiles and Clothing. United States' exports to Morocco average \$379 million¹, or an estimated 1 percent of total U.S. industrial exports to the world. Aerospace, Capital Goods, Energy, and IT are the largest sectors for U.S. industrial exports to Morocco.

Moroccan tariffs on industrial products range from 0 to 50 percent, averaging 28 percent. The highest tariffs on non-textile industrial goods apply to the fish, footwear and building products sectors.

Morocco's industrial goods exports to the United States average about \$292 million², or an estimated 8 percent of the country's total non-textile industrial exports to the United States annually.

The United States applies tariffs ranging from zero to specific tariffs that are equivalent to 109 percent on industrial products. All industrial imports from Morocco eligible for duty-free treatment under the U.S. Generalized System of Preferences (GSP) will remain duty-free upon implementation of this agreement.

Tariff Elimination

Tariffs will be phased out according to five tariff elimination categories: immediate elimination, equal cuts over two years, equal cuts over five years, equal cuts over nine years, and non-equal cuts over ten years. Duties on used products fall into the last category, which decreases by 3 percent for the first five years, and then by 15 percent until duty free by year ten.

In conjunction with this FTA, Morocco joined the WTO Information Technology Agreement. As a result, tariffs on IT products will be eliminated on an MFN basis immediately, with the exception of certain cables to be phased out over ten years.

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)