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Trade Policy Review Body

TRADE POLICY REVIEW

REPORT BY THE SECRETARIAT

MOROCCO

This report, prepared for the sixth Trade Policy Review of Morocco, has been drawn up by the WTO Secretariat on its own responsibility. The Secretariat has, as required by the Agreement establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), sought clarification from Morocco on its trade policies and practices.

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Document WT/TPR/G/453 contains the policy statement submitted by Morocco.

Note: This report is subject to restricted circulation and press embargo until the end of the first session of the meeting of the Trade Policy Review Body on Morocco. This report was drafted in French.

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SUMMARY

1. Since its last trade policy review (TPR) in 2015, Morocco was able to increase its GDP per capita from USD 3,236 to USD 3,570. That period was also marked by a major recession in 2020 (-7.2%), owing to the effects of the COVID 19 pandemic. However, a strong rebound in 2022 enabled the Moroccan economy to return to its pre-pandemic level very quickly. Nevertheless, Morocco's public finances deteriorated steadily during the period under review, with the Treasury's debt reaching 69.8% of GDP in 2022. During the same period, state presence in the economy remained strong and the Government invested massively in infrastructure.

2. Dominated by manufactured goods, Morocco's international trade grew considerably between 2015 and 2022. The European Union remained the Morocco's main trading partner. Moroccan exports are fairly diversified, consisting primarily of chemicals, vehicles and transport equipment, electrical machinery and equipment, textiles, vegetable products and mineral products. Historically, Morocco has run a services balance surplus, largely thanks to tourism. Morocco remains highly attractive to foreign investors, as illustrated by the fact that the stock of foreign direct investment (FDI) increased from USD 49.7 billion in 2015 to USD 73.0 billion in 2021.

3. Morocco participates actively in the work of the WTO and submitted several notifications during the review period. However, certain notifications were still pending as of December 2023, including those concerning agriculture, and subsidies and countervailing measures. The country was involved in three dispute settlement procedures at the WTO as the respondent. It has signed the Information Technology Agreement (ITA), but has not yet notified its final Schedule of Commitments. It ratified the Trade Facilitation Agreement (TFA) in 2019.

4. Morocco has regional trade agreement (RTAs) in force with the European Union, the United States, the European Free Trade Association (EFTA), Türkiye and most Arab countries. During the review period, it signed a new RTA with the United Kingdom and ratified the Agreement Establishing the African Continental Free Trade Area (AfCFTA). The latter was not notified to the WTO. In addition preferential access is granted to certain products from 33 African least developed countries (LDCs).

5. In December 2022, a new investment law entered into force, covering all sectors, except agriculture. It contains provisions that seek to encourage the replacement of imports with local production, boost exports and reduce regional disparities. However, the conditions for receiving the premiums are relatively complex. Foreign investment remains restricted for certain activities in the electricity, transport, hydrocarbon, mining and fishery sectors.

6. Since Morocco's previous TPR, many changes have been made to customs tariffs. The simple average of MFN tariffs rose from 12.5% in 2015 to 16.6% in 2023. The average duty was 32.2% for agricultural products (WTO definition) (a slight increase from 30% in 2015), and 13.7% for non-agricultural products, compared with 9.5% in 2015. All MFN tariff lines are bound and the simple average bound rate is 42.2%; 58% for agricultural products and 39.6% for non-agricultural products. As of 1 January 2024, customs duties have been amended further. For example, the 40% rate has been reduced to 30% for the majority of products concerned. Variable duties continue to be applied to sugars and cereals. In addition, other duties and taxes still target imports only.

7. As was the case during the previous TPR, Morocco still has a considerable number of tariff lines for which the applied rates exceed the bound rates, although number did decrease slightly to 774 (down from 792 in 2015). This has been the case since 2000, when Morocco amalgamated "other duties and taxes", more specifically, the 15% fiscal levy on imports (PFI), with customs duties.

8. The VAT system is complex, with two different regimes ("domestic" and "imports"), with or without a "right of deduction". Reform of this tax has been approved and will be implemented over a three-year period (2024 26) to produce a simplified VAT regime with two base rates of 10% and 20%, respectively. An internal consumption tax (TIC) is applied to tobacco, beverages, energy products and sugar-containing products.

9. In 2020, export processing zones were renamed Industrial Acceleration Zones (ZAIs). Goods entering or leaving ZAIs are exempt from all duties and taxes for the first five years. The tax system

is in the process of being reformed to harmonize the ZAI regime with that of companies operating outside these zones. To be eligible for the ZAI status, companies must export 75% of their output.

10. New safeguard and anti-dumping measures have entered into force since 2016. At the end of June 2023, 10 definitive anti-dumping measures were in force. Moreover, one anti-dumping measure has been in force for more than 10 years.

11. A new Government Procurement Code came into force in 2023. The rules apply to all government entities, public institutions and local authorities. The Code gives preference to domestic companies and includes measures that favour micro-, small and medium-sized enterprises (MSMEs).

12. The Competition Council was set up in 2018 and imposed penalties for the first time in 2022. The telecommunications, financial services, audiovisual communication, port activities and electricity sectors have their own competition authorities. Prices for flour, sugar and butane gas, as well as for basic services, health products and services, and manufactured tobacco are set by the State. Sugar and flour are subject to price controls.

13. The National Food Safety Board (ONSSA) carries out systematic controls of imported agricultural and agri-food products. Import and export licences are required for a number of products. In February 2021, Morocco joined the African Organisation for Standardisation (ARSO).

14. Since Morocco's previous TPR, no changes have been made to the legislative framework on industrial property. Copyright and related rights are managed by the Moroccan Office of Copyright and Related Rights (BMDAV), which has had financial autonomy since 2022. The Office's administrative costs will be funded by a percentage taken on income received from the exploitation of copyright and related rights.

15. The agricultural sector remains a major source of employment. Moroccan agricultural exports and imports increased sharply between 2015 and 2022. The "Generation Green 2020-30" strategy seeks to further develop the sector, create additional jobs and improve the living conditions of farmers. Morocco's last notification on agricultural domestic support measures dates back to 2012.

16. The phosphates and derivatives sector remains one of the pillars of the Moroccan economy. Morocco is the world's leading exporter of phosphates and one of the top exporters of phosphorous fertilizers. The sector's exports have grown at a remarkable rate, mainly as a result of higher fertilizer prices. In 2022, they accounted for about 27% of the country's total exports. The sector remains dominated by the state-owned enterprise, OCP S.A., which has a monopoly over reconnaissance and mining activities.

17. Fossil fuels are still the main source of primary energy. Although Morocco has made great strides in the development of renewable energy, it remains highly dependent on supplies of energy products from abroad. During the review period, it undertook reforms of the electricity sector, including the creation of a national regulatory authority and the reorganization of electricity distribution. Several initiatives are under way to develop the natural gas sector.

18. The manufacturing sector plays a key role in the Moroccan economy, accounting for close to 15% GDP over the period 2015-22. The country's industrial and trade policies are largely correlated. Since 2015, Morocco has put in place Industrial Acceleration and Industrial Recovery Plans, which seek to promote innovation, the development of clusters and import substitution, and to step up the country's integration into international value chains. The development of the aeronautical and automotive industries reflects the country's greater participation in these value chains. In line with its industrial policy, Morocco increased its MFN tariffs on non-agricultural products in 2020. It continues to offer various support measures to the industrial sector, which have not been notified to the WTO.

19. Accounting for around 54% of GDP, the services sector is Morocco's main provider of employment. The financial and telecommunications services sectors have seen significant growth in recent years. The transport and storage sector was ranked second in service exports in 2022. During the review period, Morocco continued to invest heavily in transport infrastructure. The country is one of the main maritime hubs in the Mediterranean.

20. Tourism is the top service export. Severely affected by the pandemic, the sector recovered in 2022. During the period under review, Morocco initiated a comprehensive reform of the sector's regulatory framework. It has introduced nationality (or residency, as the case may be) requirements for tourist guides and travel agents.

1 ECONOMIC ENVIRONMENT

1.1 Main features of the economy

1.1. According to the World Bank classification, Morocco is a lower-middle-income country. With a population of around 37 million in 2023, it has made considerable progress in terms of liberalization of the economy, basic infrastructure and access to social services. It falls in the medium human development country category, being ranked 123rd out of 190 countries in the human development index of the United Nations Development Programme (UNDP).[1] The literacy rate is 98.4% among young people and 76.4% among adults.[2] Life expectancy at birth is 76.8 years.[3] The Moroccan population is mostly urban (around 65%) and is growing at an average rate of 1.0% per year. The unemployment rate generally remains high, between 9% and 12%, particularly among young people (32.7% for those aged between 15 and 24). The rate of extreme poverty fell to 1.7% in 2020, compared to 4.8% in 2014 and 8.9% in 2007.[4]

1.2. The agricultural sector accounts for between 10% and 12% of the gross domestic product (GDP). Agriculture is a major source of rural employment, particularly for unskilled labour. The volatility of economic growth has decreased substantially in recent years as the agricultural sector has become less vulnerable to climate hazards. Morocco continues to have one of the most dynamic industrial sectors on the continent and has emerged, over the years, as one of the leading producers of automobiles, motor vehicle accessories and aeronautical components. The services sector continues to be the main driver of the country's economy. Tourism remains a pillar of the Moroccan economy, accounting for around 7% of GDP. It plays a crucial role in creating jobs and continues to be the country's principal source of foreign exchange.

1.3. Morocco's official monetary unit is the Moroccan dirham (MAD). The main objective of the monetary policy conducted by the central bank (Bank Al-Maghrib) is to ensure price stability. However, without prejudice to this objective, Bank Al-Maghrib may use its instruments to support growth or contribute to the achievement of other economic objectives. The dirham is tied to a basket of currencies reflecting the structure of national trade with the rest of the world. Since 2015, it has been pegged to the euro at 60% and to the US dollar at 40%. The fluctuation band of the dirham was subsequently widened from ±0.3% to ±2.5% in January 2018, and to ±5% in March 2020.

1.4. There is a free foreign exchange regime, with no restrictions on payments and transfers related to current international transactions and foreign investment in Morocco. Nonetheless, exporting companies are required to repatriate all their export earnings. They may freely hold bank accounts in convertible dirhams or foreign exchange so as to be able to deposit up to 70% of their export earnings and pay their expenses in foreign currency. This rate may be increased to 85% for aeronautical and space companies registered with the Foreign Exchange Board.[5]

1.2 Recent economic developments

1.5. Between 2015 and 2022, Morocco was able to increase its GDP per capita from USD 3,236 to USD 3,570. However, the economy suffered a major recession in 2020 (-7.2%) owing to the effects of the COVID-19 pandemic, including disruptions to supply chains of goods and services and, in particular, the negative shock in the tourism sector (Table 1.1). A strong post-COVID-19 rebound in 2022 enabled the Moroccan economy to return to its pre-pandemic level very quickly. Subsequently, the growing pressure of supply shocks, the war in Ukraine and a prolonged drought, coupled with the surge in raw material prices, drove inflation up to 9.1% in the first quarter of 2023, before it slowed to 4.9% in the third quarter of 2023. To mitigate the impact of the rise in prices, Morocco has adopted a series of measures, including the provision of untargeted subsidies for certain

[1] United Nations Development Programme (UNDP) (2022), *Human Development Report 2021/2022*. Viewed at: https://hdr.undp.org/system/files/documents/global-report-document/hdr2021-22pdf_1.pdf.

[2] This adult literacy rate masks substantial inequality. In 2022, 32.6% of women were still illiterate, compared to 6.1% of men. African Development Bank Group Data Portal. Viewed at: https://dataportal.opendataforafrica.org/nbyenxf/afdb-socio-economic-database-1960-2022.

[3] High Commission for Planning (2023), *Les indicateurs sociaux du Maroc*. Viewed at: https://www.hcp.ma/Les-Indicateurs-sociaux-du-Maroc-Edition-2023_a3729.html.

[4] High Commission for Planning, *Taux de pauvreté absolue*. Viewed at: Taux de pauvreté absolue (hcp.ma).

[5] Article 66 of the General Instruction for Foreign Exchange Operations of 3 January 2022.

essential products and the maintenance of pre-existing regulated prices.[6] In the face of inflationary pressures, Bank Al-Maghrib has also raised its policy rate three times, but monetary policy has generally remained accommodative.

Table 1.1 Basic economic indicators, 2015-23 (Q3)

	2015	2016	2017	2018	2019	2020	2021	2022	2023 (Q3)
Nominal GDP (MAD million)	1,078,119	1,094,249	1,148,895	1,195,237	1,239,836	1,152,477	1,274,727	1,330,158	1,059,032
Nominal GDP (USD million)	110,414	111,573	118,541	127,341	128,920	121,354	141,818	130,913	106,262
GDP per capita (USD)	3,236	3,235	3,401	3,616	3,623	3,375	3,905	3,570	..
Real GDP growth rate (%)	4.3	0.5	5.1	3.1	2.9	-7.2	8.0	1.3	2.9
Inflation (CPI, annual change, %)	1.6	1.6	0.7	1.6	0.2	0.7	1.4	6.6	4.9
6-month deposit rate (%)	3.6	3.1	2.8	2.8	2.7	2.6	2.3	2.1	2.4
12-month deposit rate (%)	3.8	3.5	3.1	3.1	3.0	2.9	2.6	2.5	2.8
Unemployment rate (%)	9.7	9.9	10.2	9.5	9.2	11.9	12.3	11.8	12.4
Population (thousands)	34,125	34,487	34,852	35,220	35,587	35,952	36,313	36,670	..
Current account (% of GDP)	-2.0	-3.8	-3.2	-4.9	-3.4	-1.2	-2.3	-3.5	-0.6
Net international reserves (% of GDP)	22.8	25.1	26.2	24.4	26.4	36.0	35.6	31.8	..
in months of goods and services imports	6.1	6.4	5.6	5.4	6.9	7.1	5.3	5.5	..
	Value added by category (% of GDP at current prices)								
Primary sector	11.8	10.3	11.2	11.3	10.8	10.7	12.0	10.3	12.0
Agriculture and forestry	11.3	9.6	10.5	10.6	10.3	10.2	11.3	9.8	11.4
Fishing and aquaculture	0.5	0.7	0.7	0.7	0.5	0.5	0.7	0.5	0.6
Secondary sector	25.6	25.7	25.4	25.2	25.2	26.0	25.8	25.5	23.3
Mining and quarrying	2.3	1.8	1.8	1.7	1.6	1.4	1.9	2.9	2.1
Processing industries	15.0	14.8	14.6	14.9	14.8	15.2	15.1	15.0	14.1
Electricity, gas and water	2.8	3.2	3.1	3.1	3.5	3.8	3.6	2.1	2.0
Construction	5.6	5.9	5.9	5.5	5.4	5.6	5.3	5.5	5.1
Tertiary sector	52.2	53.4	53.1	53.1	53.5	53.2	51.9	54.5	54.5
Commerce	10.1	10.2	10.3	10.0	9.9	9.7	10.2	11.4	11.3
Transport and storage	3.5	3.6	3.9	3.2	3.5	2.9	2.9	2.8	2.6
Accommodation and food services	3.3	3.5	3.9	4.0	4.1	2.0	2.1	3.1	3.8
Information and communication	2.8	2.8	2.6	2.5	2.5	2.8	2.5	2.5	2.4
Financial activities	4.2	4.2	4.2	4.4	4.2	4.5	4.4	4.5	4.5
Real estate activities	6.8	7.0	6.9	6.9	7.0	7.5	7.1	7.0	6.8
R&D and business services	4.0	4.3	4.4	4.6	4.8	4.5	4.5	4.8	4.7
Public administration, social security and defence	8.7	8.9	8.8	8.9	9.1	10.3	9.9	9.9	9.7
Education, health and social welfare	7.3	7.3	7.0	7.1	7.0	7.6	7.2	7.3	7.2
Other services	1.5	1.6	1.5	1.5	1.5	1.2	1.2	1.2	1.1
Value added at current prices	89.6	89.4	89.7	89.6	89.6	89.9	89.7	90.3	89.3
Taxes net of subsidies	10.4	10.6	10.3	10.4	10.4	10.1	10.3	9.7	10.7

[6] World Bank (2023), *Morocco Economic Monitor: Responding to Supply Shocks*. Viewed at: https://documents1.worldbank.org/curated/en/099332002132325417/pdf/IDU0e3742c55010a3044730a80a0ad6062acd9db.pdf.

	2015	2016	2017	2018	2019	2020	2021	2022	2023 (Q3)
	Breakdown of GDP (% of current GDP)								
Final consumption expenditure	77.1	77.7	77.3	77.5	77.2	78.5	78.7	81.2	80.0
of households	58.3	58.7	58.6	58.7	58.3	58.4	59.0	61.2	60.3
of general government	18.2	18.4	18.0	18.0	18.2	19.4	19.0	19.2	18.8
of non-profit institutions	0.6	0.6	0.7	0.7	0.7	0.7	0.8	0.8	0.8
Gross capital formation	30.2	32.0	31.7	32.1	30.6	28.8	30.5	30.3	25.7
Exports of goods and services	30.0	30.7	32.6	33.8	34.1	30.8	33.2	44.8	44.3
Imports of goods and services	37.3	40.4	41.6	43.4	41.9	38.0	42.4	56.3	51.8
	Public finances (% of GDP)								
Current revenue	19.6	20.0	20.1	19.6	20.4	19.9	..	..	..
Current expenditure	18.6	18.5	18.0	17.9	18.1	20.1	..	..	..
	Treasury revenue and expenditure status (excluding VAT of regional authorities) (% of GDP)								
Current revenue	19.6	20.0	20.1	19.5	20.4	19.9	20.1	22.9	21.9
Tax revenue	16.9	17.3	17.5	17.1	17.2	16.8	18.9	18.9	19.8
Direct taxes	7.5	7.8	8.1	8.0	7.8	8.0	7.1	8.5	9.3
Indirect taxes	7.2	7.2	7.3	7.4	7.4	7.2	7.5	8.0	7.8
Customs duties	0.7	0.8	0.7	0.8	0.8	0.8	0.9	1.0	1.1
Current expenditure	18.6	18.6	18.0	17.8	18.1	20.1	19.8	21.7	21.4
Current balance	1.0	1.4	2.1	1.7	2.3	-0.3	0.3	1.2	0.5
Investment	5.4	5.8	5.8	5.5	5.8	7.5	6.1	7.1	6.4
Overall deficit/surplus	-3.8	-4.0	-3.2	-3.5	-3.3	-7.1	-5.5	-5.2	-4.0
Variation in outstanding payments	-0.5	0.5	-0.1	0.0	-0.4	1.3	-0.4	-0.1	-1.5
Financing requirements/surplus	-4.3	-3.5	-3.3	-3.5	-3.7	-5.9	-5.9	-5.3	-5.5
	Public debt								
Outstanding external public debt (USD million)	30,385	30,950	35,682	34,193	35,600	42,359	40,919	40,446	..
Exchange rate (MAD/USD, annual average)	9.76	9.81	9.69	9.39	9.62	9.50	8.99	10.16	9.97

.. Not available.

Source: Ministry of the Economy and Finance; Bank Al-Maghrib; General Treasury of the Kingdom; High Commission for Planning; and International Monetary Fund (IMF), International Financial Statistics.

1.6. Morocco's public finances steadily deteriorated between 2015 and 2020. During this period, the government deficit rose from 3.8% to 7.1%. This increase was due to the rise in current expenditure and spending to combat the negative effects of COVID-19 on the one hand, and the fall in revenues on the other. From 2021, the budget deficit began to fall again, from 5.5% in 2021 to 5.2% in 2022, and 4.0% in 2023. As a direct consequence of the years of public deficit, the Treasury's debt rose from 58.4% of GDP in 2015 to 69.8% in 2022, driven mainly by the rapid increase in external debt; 77% of the Moroccan Treasury debt is held by domestic economic operators (Table 1.1). The pursuit of prudent macroeconomic policies, together with structural reforms, will therefore remain key to the resilience of the Moroccan economy.

1.7. On 8 September 2023, a powerful earthquake killed 3,000 and injured 6,000 people. The tremors caused major damage and the collapse of numerous buildings. However, critical infrastructure was unaffected, and most industrial activities were spared. A restructuring action plan has been established by the Government, with a budget of MAD 120 billion.

1.8. To help the Moroccan economy recover, in September 2023 the IMF approved an arrangement under the Resilience and Sustainability Facility in the amount of USD 1.32 billion. This funding will support the implementation of Morocco's strategies to bolster its resilience against climate change.

1.9. Morocco's current and financial account balances are persistently in deficit (Table 1.2). The current account balance deficit is mainly due to the deficit in the balance of goods, despite strong growth in goods exports. Services exports are equivalent to roughly 60% of goods exports in value terms.

Table 1.2 Balance of payments, 2015-23 (Q3)

(USD million)

	2015	2016	2017	2018	2019	2020	2021	2022	2023 (Q3)
Current account (net)	**-2,165**	**-4,185**	**-3,750**	**-6,219**	**-4,411**	**-1,415**	**-3,330**	**-4,622**	**-653**
Goods and services	-7,931	-10,740	-10,576	-12,140	-10,052	-8,829	-13,105	-15,092	-8,895
Goods	-14,693	-17,623	-18,045	-20,261	-19,774	-15,527	-19,952	-26,489	-19,251
Exports of goods	18,617	19,060	21,499	24,609	24,691	23,595	31,710	36,503	27,012
Imports of goods	33,310	36,683	39,544	44,869	44,465	39,122	51,662	62,991	46,263
Services	6,762	6,883	7,469	8,121	9,722	6,698	6,847	11,396	10,356
Exports of services	14,679	15,331	17,266	18,636	19,355	13,826	15,428	22,159	19,525
Imports of services	7,917	8,448	9,797	10,515	9,633	7,128	8,581	10,762	9,169
Primary income	-1,887	-1,646	-1,940	-2,083	-2,035	-1,211	-2,036	-1,863	-1,644
Credits	522	740	828	722	629	772	922	796	707
Investment income	471	677	753	699	542	686	854	719	675
Debits	2,410	2,386	2,768	2,805	2,664	1,983	2,959	2,659	2,351
Investment income	2,406	2,382	2,764	2,801	2,660	1,979	2,955	2,656	2,349
Secondary income	7,652	8,202	8,765	8,004	7,677	8,626	11,812	12,333	9,886
Public	463	950	1,215	399	260	497	152	111	132
Private	7,190	7,252	7,550	7,606	7,417	8,129	11,660	12,223	9,754
Financial account	**-1,475**	**-3,614**	**-2,909**	**-4,926**	**-3,332**	**305**	**-2,397**	**-2,509**	**624**
Direct investment	-2,602	-1,577	-1,665	-2,777	-827	-961	-1,622	-1,526	-330
Portfolio investment	-1,321	331	126	785	-1,189	-2,234	294	1,092	-2,431
Financial derivatives	-55	-8	-1	-31	19	65	-32	43	7
Other investment	-1,838	-5,124	-439	-1,890	-3,281	-3,906	-2,558	-1,952	1,335
Reserve assets	4,340	2,764	-929	-1,013	1,945	7,340	1,521	-166	2,043

Source: Foreign Exchange Board, Data Series; and IMF (2010), *Balance of Payments and International Investment Position Manual* (BPM6).

1.10. Remittances from Moroccans living abroad have considerably increased Morocco's foreign exchange reserves in a difficult economic environment. A record amount of MAD 110.7 billion is estimated to have been repatriated by the Moroccan diaspora in 2022. These funds primarily come from France (32.2% in 2022), Spain (13.4%) and Italy (11.5%).[7] The upward trend in remittances was sustained in the first half of 2023, with the repatriation of MAD 55.3 billion, an increase of 13.9% on the same period in 2022.

1.3 Developments in trade and investment

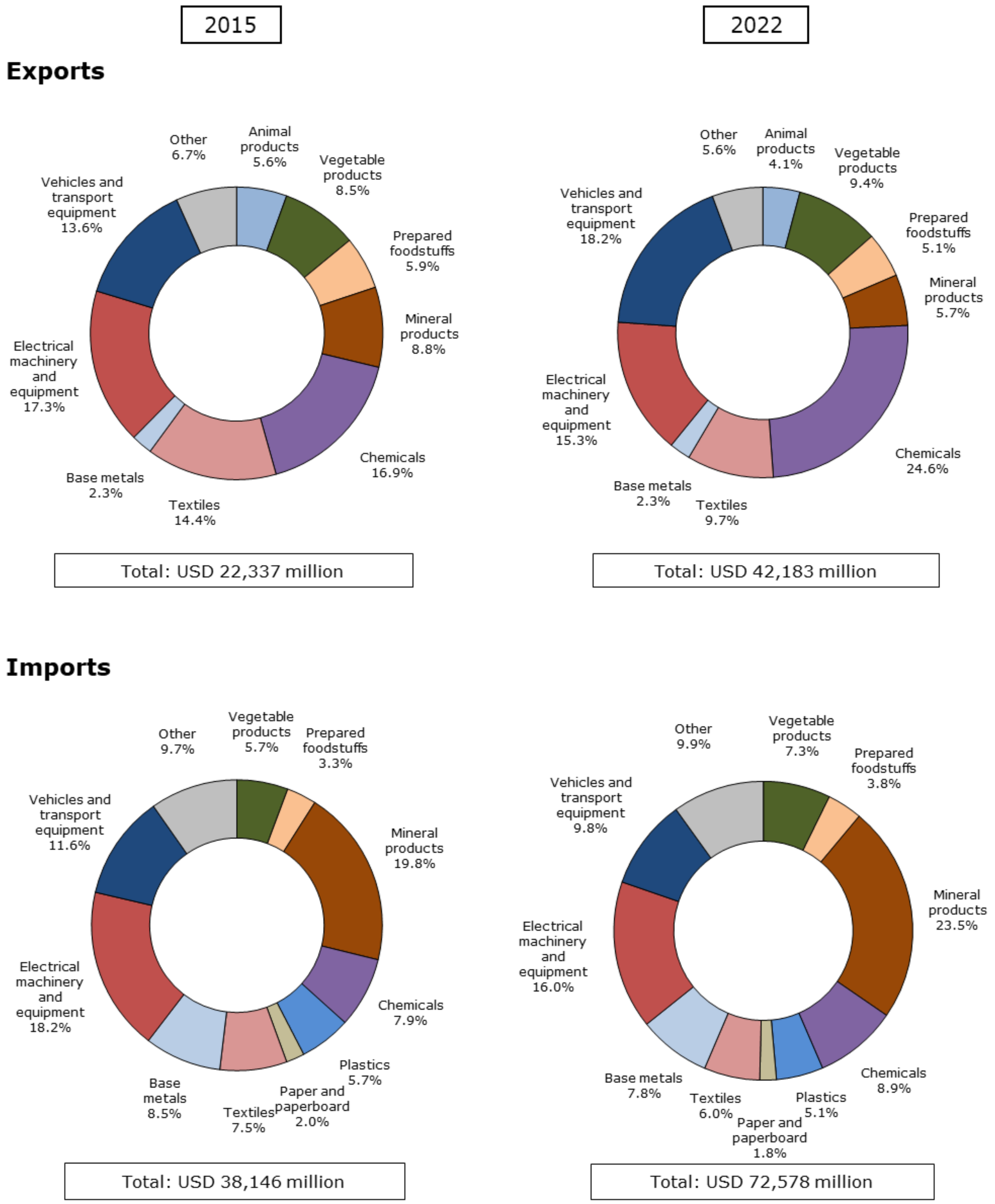
1.3.1 Trends and patterns in merchandise and services trade

1.11. Morocco's international trade in goods grew considerably between 2015 and 2022. Goods imports and exports mainly consist of manufactures (Chart 1.1, Table A1.1 and Table A1.2). The country's exports remain relatively diversified. In 2022, they mostly comprised chemicals, vehicles and transport equipment, electrical machinery and equipment, textiles, vegetable products and mineral products. The substantial rise in non-agricultural exports is mainly due to sustained growth in exports of phosphate fertilizer, motor vehicles, and electronic and electrical products. Despite the recent discovery of natural gas, Morocco imports the bulk of its energy requirements.

1.12. In 2022, the European Union (EU) was still Morocco's main trading partner, for both imports (roughly 45% of the total, compared to 51% in 2015) and exports (57% of the total, compared to 61% in 2015). Other Moroccan imports come mostly from China, the United States and Türkiye (Chart 1.2, Table A1.3 and Table A1.4). Apart from the EU, Morocco also exports goods to India, Brazil and the United States. Exports to African countries account for less than 10% of total exports, while imports from these countries account for less than 5% of total imports.

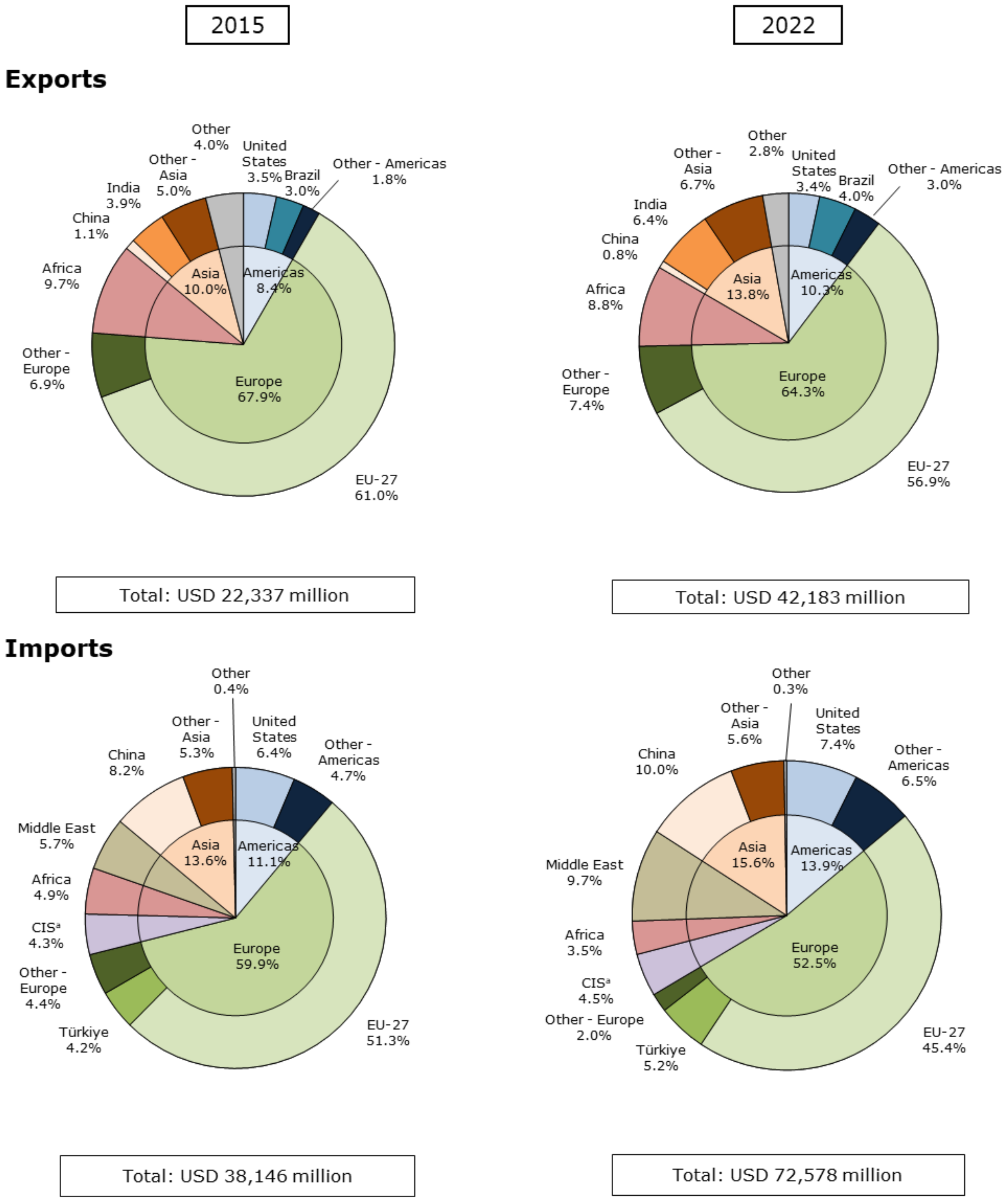
[7] Foreign Exchange Board (2023), *Rapport annuel - Balance des paiements et position extérieure globale du Maroc 2022*. Viewed at: https://www.oc.gov.ma/sites/default/files/2023-08/Rapport%20Annuel%20BP%20%26%20PEG%202022.pdf.

Chart 1.1 Trade in goods by HS section and main products, 2015 and 2022



Source: WTO Secretariat calculations, based on the Comtrade database.

Chart 1.2 Trade in goods by trading partners, 2015 and 2022



a Commonwealth of Independent States, including certain associate and former member States.

Source: WTO Secretariat calculations, based on the Comtrade database.

1.13. The volume of international trade in services exceeded its pre-pandemic level only in 2022. Historically, Morocco has run a services balance surplus, which amounted to more than USD 11 billion in 2022, largely because of the strong rebound in tourism that year (Table 1.3). The increase in other categories of services exports (transport, telecommunications and business services) also contributed to this surplus.

Table 1.3 Trade in services, 2015-23 (Q2)

(USD million)

	2015	2016	2017	2018	2019	2020	2021	2022	2023 (Q2)
Services (balance)	**6,762**	**6,883**	**7,469**	**8,121**	**9,722**	**6,698**	**6,847**	**11,396**	**10,356**
Exports of services	**14,679**	**15,331**	**17,266**	**18,636**	**19,355**	**13,826**	**15,428**	**22,159**	**19,525**
Manufacturing services	1,256	1,374	1,437	1,687	1,639	1,303	1,630	1,877	1,607
Maintenance and repair services	237	243	235	322	341	239	279	313	350
Transport	2,724	2,568	3,123	3,525	3,587	2,386	2,877	3,526	3,130
Maritime transport	816	829	1,087	1,157	1,200	1,188	1,556	1,891	1,568
Air transport	1,500	1,387	1,596	1,832	1,840	731	819	1,299	1,350
Other transport	402	345	430	531	533	457	488	324	203
Postal services	7	8	10	6	14	10	14	13	9
Travel	6,263	6,549	7,442	7,780	8,188	3,838	3,847	9,216	8,060
Business travel	282	295	335	350	368	173	173	415	363
Personal travel	5,981	6,254	7,107	7,430	7,820	3,665	3,673	8,801	7,697
Telecommunications services	1,437	1,441	1,492	1,665	1,587	1,827	1,962	2,102	1,749
Other business services	1,387	1,690	1,787	2,217	2,615	3,032	3,620	4,075	3,813
Personal services	71	69	99	138	115	71	91	129	83
Government services	572	698	737	641	626	589	567	422	338
Imports of services	**7,917**	**8,448**	**9,797**	**10,515**	**9,633**	**7,128**	**8,581**	**10,762**	**9,169**
Manufacturing services	5	5	4	3	3	2	3	2	2
Maintenance services	85	130	90	106	82	56	148	109	158
Transport	3,023	3,176	4,043	4,444	3,826	2,870	3,695	5,271	4,089
Maritime transport	2,069	2,025	2,587	2,832	2,398	1,979	2,647	3,969	2,812
Air transport	733	904	1,050	1,154	1,029	508	617	815	954
Other transport	205	236	406	458	361	347	369	428	282
Postal and courier services	16	11	1	1	38	35	61	59	42
Travel	1,403	1,458	1,789	1,978	2,177	1,110	1,207	1,895	1,864
Business travel	119	138	159	181	185	89	102	120	88
Personal travel	1,283	1,320	1,630	1,797	1,991	1,021	1,104	1,775	1,776
Telecommunications services	190	214	232	281	355	434	635	570	481
Other business services	1,337	1,394	1,389	1,579	1,301	929	1,117	1,271	1,093
Personal services	33	25	24	35	32	32	45	73	43
Government services	930	1,203	1,105	1,254	994	957	952	852	868

Source: Foreign Exchange Board, Statistical Series.

1.14. One analysis of the relationship between trade flows and the Moroccan labour market showed that increased trade has reduced not only informality but also female labour force participation. Trade liberalization seems to have induced a shift from female labour-intensive industries, such as apparel, to capital-intensive sectors that are predominantly male-intensive. The firm-level analysis confirms these results by showing that the increase in employment due to exports has occurred mainly in male, capital-intensive sectors.[8]

1.3.2 Trends and patterns in FDI

1.15. Given its economic diversity, economic environment and business climate, Morocco remains highly attractive to foreign investors, although the pandemic dampened its dynamism after 2019. Between 2015 and 2021, the stock of foreign direct investment (FDI) increased from USD 49.7 billion to USD 73.0 billion (Table 1.4). FDI comes predominantly from France (30.8%), Middle Eastern countries (the United Arab Emirates, 20.3%, and the Kingdom of Saudi Arabia, 3.3%), Spain (8.0%), Switzerland (5.2%) and the United States (5.0%) (Table 1.5). It is mainly directed to the industrial sector, real estate, telecommunications, tourism, and banking and insurance (Table 1.4 and Table 1.6).

Table 1.4 Stocks of foreign investment in Morocco by activity sector, 2015-21

(USD million)

Activity sector	2015	2016	2017	2018	2019	2020	2021
Industry	12,316	13,628	15,472	15,454	15,799	17,075	17,262
Real estate	8,945	9,727	11,477	11,736	12,253	13,685	13,690
Telecommunications	7,038	8,322	8,624	8,769	9,098	9,467	8,847
Tourism	5,571	5,560	6,077	6,134	6,304	6,817	6,769
Energy and mining	2,753	3,175	3,961	4,098	4,242	4,445	4,624
Banks	2,619	2,916	3,491	3,279	3,755	3,765	4,086

[8] J.A. Roche Rodríguez, et al. (2023), *Exports to Jobs: Morocco's Trade Patterns and Local Labor Market Outcomes*, World Bank Policy Research Working Paper 10595. Viewed at: https://openknowledge.worldbank.org/server/api/core/bitstreams/a32a5daf-b70e-4eba-8a3f-f49ee8564d0a/content.

Activity sector	2015	2016	2017	2018	2019	2020	2021
Commerce	1,152	1,837	3,038	2,520	2,771	3,261	3,744
Insurance	451	438	825	1,790	1,569	1,662	1,653
Major public works	1,537	1,737	1,673	1,560	1,609	1,566	2,137
Transport	580	610	841	1,212	1,349	1,502	1,494
Holding companies	1,092	1,078	1,183	1,234	1,330	1,481	1,501
Agriculture	155	185	219	236	271	334	435
Fishing	106	107	110	105	106	117	117
Other services	2,065	2,203	2,649	2,541	2,586	2,897	2,915
Miscellaneous sectors	3,207	3,178	3,479	3,307	3,316	3,684	3,507
Total	**49,671**	**54,784**	**63,205**	**64,135**	**66,551**	**71,975**	**72,994**

Note: As the activities and sectors for flows and stocks do not match, it is difficult to make an accurate comparison.

Source: Data provided by the authorities.

Table 1.5 Stocks of foreign direct investment in Morocco by origin, 2015-21

(USD million)

Origin	2015	2016	2017	2018	2019	2020	2021
France	17,398	19,199	22,205	20,125	20,454	21,833	22,504
United Arab Emirates	9,806	12,081	13,455	13,432	14,047	14,866	14,809
Spain	4,938	4,827	5,362	5,398	5,469	5,963	5,861
Switzerland	1,818	1,871	2,096	3,544	3,631	3,754	4,127
United States	2,640	2,720	3,196	3,343	3,426	3,740	3,663
United Kingdom	1,565	1,994	2,328	2,016	2,050	2,322	2,528
Saudi Arabia, Kingdom of	1,797	1,877	2,202	2,199	2,294	2,482	2,397
Belgium-Luxembourg Economic Union (BLEU)	1,585	1,275	1,567	1,810	2,031	2,174	2,241
Germany	1,254	1,300	1,434	1,445	1,522	1,701	1,668
Ireland	15	25	398	1,389	1,456	1,579	1,538
Netherlands	848	1,004	1,225	1,228	1,229	1,319	1,419
Kuwait, the State of	1,207	1,169	1,252	1,227	1,231	1,313	1,246
Total	**49,671**	**54,784**	**63,205**	**64,135**	**66,551**	**71,975**	**72,994**

Source: Data provided by the authorities.

Table 1.6 Flows of foreign investment into Morocco by activity sector, 2015-21

(USD million)

Activity sector	2015	2016	2017	2018	2019	2020	2021
Banks and financial activities	1,024	1,155	1,576	1,547	2,015	2,176	2,373
Real estate	1,028	993	1,084	1,055	1,262	1,395	1,318
Industry	253	293	342	353	382	502	607
Cement works	149	373	360	353	401	538	518
Telecommunications	593	540	599	528	465	386	400
Insurance	367	240	334	329	397	368	317
Holding companies	414	140	165	312	317	357	311
Energy and mining	387	116	148	223	225	372	300
Commerce	19	26	57	57	86	186	193
Transport	8	17	17	27	6	36	29
Computer services	18	13	1	1	1	2	25
Construction and civil engineering	0	0	0	0	-5	-5	-4
Other services	27	45	49	44	165	224	184
Miscellaneous sectors	356	558	603	589	729	787	755
Total	**4,645**	**4,509**	**5,336**	**5,418**	**6,447**	**7,323**	**7,326**

Source: Data provided by the authorities.

1.16. Morocco's direct investment abroad has increased in recent years; the total stock amounted to USD 7.3 billion in 2021. Geographically, these investments are relatively diversified, the main destinations being Côte d'Ivoire, Luxembourg and France (Table 1.7).

Table 1.7 Stock of Moroccan investment abroad, by destination, 2015-21

(USD million)

Destination	2015	2016	2017	2018	2019	2020	2021
Côte d'Ivoire	489	667	708	745	924	884	1,170
Luxembourg	60	303	366	492	612	641	589
France	610	309	329	324	346	451	434

Destination	2015	2016	2017	2018	2019	2020	2021
Mauritius	108	74	318	236	229	325	390
Egypt	149	35	188	187	199	242	250
Cameroon	19	100	105	147	218	291	224
Gabon	142	136	151	166	152	194	203
Switzerland	94	103	141	165	180	188	175
United Arab Emirates	15	17	29	55	58	216	168
India	43	27	24	24	25	126	144
United Kingdom	156	159	174	172	178	191	141
Mali	423	110	106	136	146	179	138
Burkina Faso	44	67	103	101	102	132	128
Spain	8	6	6	19	18	20	120
Netherlands	82	106	100	93	93	115	116
Other	2,203	2,291	2,489	2,356	2,965	3,129	2,936
Total	**4,645**	**4,509**	**5,336**	**5,418**	**6,447**	**7,323**	**7,326**

Source: Data provided by the authorities.

2 TRADE AND INVESTMENT REGIMES

2.1 Overview

2.1. The 2011 Constitution remains the basic law of the Kingdom of Morocco. Under the Constitution, the King is the Head of State, and he appoints the Head of Government. The King is also empowered to dissolve both or one of the chambers of parliament.[1] The Government exercises executive power. Legislative power rests with the bicameral parliament, which comprises the House of Representatives and the House of Councillors. Parliament adopts laws (including finance and budgetary control laws)[2], monitors government action, and assesses public policies.

2.2. Draft and proposed laws are adopted by a majority vote of the members of the two chambers. The King enacts any law within the 30 days following the transmission of the definitively adopted law to the Government. He also signs and ratifies treaties.

2.3. In accordance with the Constitution, international legal instruments duly ratified by Morocco, including the WTO Agreements, take precedence over domestic law once they have been published. When an international commitment contains a provision contrary to the Constitution, it may only be ratified after amending the constitution. At the national level, the hierarchy of norms is as follows: the Constitution, laws, decrees, orders, and internal measures (such as circulars or notes). A *dahir* (royal decree) is a formal instrument that serves, *inter alia*, to enact laws; it is not part of the strict hierarchy of norms.[3]

2.4. The Constitutional Council is responsible for determining the constitutionality of all laws and regulations, for guaranteeing the division of legislative powers between parliament and the Government, and for monitoring the fairness referendums and parliamentary elections.[4] The Council is composed of 12 members (six, including the Chair, are appointed by the King; three are appointed by the President of the House of Representatives; and three by the President of the House of Councillors, following consultation with the parliamentary groups) appointed for a non-renewable term of nine years.

2.5. The Court of Accounts is responsible for overseeing the implementation of finance laws and the management of entities under its control. There are a dozen regional courts of accounts that oversee the management of local authorities.[5]

2.2 Trade policy formulation and objectives

2.6. Since the early 1990s, Morocco has pursued government policies coordinated around and focused on a vision for foreign trade and the role of trade in development policy. The Moroccan Government is working to: (i) support economic openness while protecting domestic production from unfair trade practices, in accordance with international commitments; (ii) remove obstacles to productive investment and competitiveness, as part of a comprehensive vision that addresses the constraints on the cost of production inputs, logistics, exports, and the business climate; (iii) ensure the feasibility and sustainability of the balance of payments and managing risks linked to external shocks; (iv) strengthen Morocco's position in its traditional foreign markets, while promoting the development of a new range of exports for a variety of destinations; (v) streamline the work of bodies that support foreign trade and develop a comprehensive vision to establish complementarity between those bodies and diplomatic, economic and trade missions; and (vi) further harmonize the positions of the different players in bilateral, regional and multilateral

[1] Articles 96, 97 and 98 of the 2011 Constitution.

[2] The budgetary control laws provide an overview of annual financial performance, and make it possible to verify whether the budget has been implemented in accordance with the approval given and to see whether there are any discrepancies between the estimates and the final figures.

[3] A *dahir* is also used to appoint some senior government officials and representatives of certain professions.

[4] Constitutional Council. Viewed at: https://www.conseil-constitutionnel.fr/nouveaux-cahiers-du-conseil-constitutionnel/le-conseil-constitutionnel-du-royaume-du-maroc.

[5] Courts have been established in Tangiers, Oujda, Fez, Rabat, Béni Mellal, Casablanca, Marrakesh, Errachidia, Agadir, Guelmim, Laayoune and Dakhla.

trade negotiations.[6] The five development objectives included in Morocco's 2035 New Development Model (NMD) are: (i) prosperity; (ii) empowerment; (iii) inclusion; (iv) sustainability; and (v) regional leadership.[7] Morocco is seeking to become one of the most dynamic and attractive economic and knowledge centres in the region and on the continent. In order for Morocco to become a regional leader, the NMD sets out various "bets for the future": (i) to become a digitized nation; (ii) to become a regional hub for higher education, research and innovation; (iii) to become the regional champion of low-carbon energy; (iv) to acquire the status of a leading regional financial hub; and (v) to make "Made in Morocco" an indicator of quality, competitiveness and sustainability, accelerating integration into global and regional value chains.[8]

2.7. Furthermore, Morocco attaches great importance to preserving biodiversity and water resources, and combating pollution and climate change.[9]

2.8. In the early 1990s, the Moroccan Government resolved to open up its economy, by attracting foreign investment and promoting exports, while gradually liberalizing imports.[10] One of Morocco's stated aims is to participate in the regional integration and trade cooperation process, in particular with African and Arab countries.

2.9. The Minister of Foreign Affairs, African Cooperation and Moroccan Expatriates (MAEC) has the legal capacity to negotiate and sign treaties. The Minister of Foreign Affairs may vest full authority in other ministers to sign international agreements within their respective areas of competency or that are binding on the State or the Moroccan Government (for example, the Ministry of Industry and Trade (MIC) in the case of trade agreements).[11]

2.10. The MAEC conducts negotiations on treaties, conventions, agreements, protocols and other international legal instruments of a political or diplomatic nature. The MAEC also coordinates, at the political level, negotiations related to Morocco's external commitments in the economic, trade, financial, technical, social and cultural spheres.[12]

2.11. Like other ministries in their respective domains, the MIC prepares draft laws on industrial and trade policy, in cooperation with the other relevant ministries and government agencies.[13]

2.12. In accordance with the provisions of Decree No. 2-08-229[14], draft texts on the following topics remain online on the website of the General Secretariat of the Government(SGG), for a minimum of 15 days, except in urgent cases, to allow the public to submit comments: (i) trade in goods and services (including agricultural and textile products); (ii) any trade measure, including in relation to sanitary and phytosanitary measures, rules of origin, customs administration, technical barriers to trade, safeguard measures, standards and norms; and (iii) government procurement, investment, e-commerce, intellectual property rights, the environment, and labour law, having received a favourable opinion from the Commission.[15]

[6] L. Jaïdi (2022), *La politique du commerce extérieur: performances et dysfonctionnements institutionnels,* p. 15. Viewed at: https://www.policycenter.ma/sites/default/files/2022-09/Rapport%20-%20La%20politique%20du%20commerce%20exte%CC%81rieur%20%20.pdf.

[7] The Special Commission on the Development Model (CSMD) (2021), *Le nouveau modèle de développement*. Viewed at: https://www.csmd.ma/documents/Rapport_General.pdf.

[8] CSMD (2021), *Le nouveau modèle de développement*. Viewed at: https://www.csmd.ma/documents/Rapport_General.pdf.

[9] CSMD (2021), *Le nouveau modèle de développement*. Viewed at: https://www.csmd.ma/documents/Rapport_General.pdf.

[10] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 2.2.

[11] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 2.1.

[12] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 2.1.

[13] MIC, *Missions du ministère*. Viewed at: https://www.mcinet.gov.ma/fr/content/missions-du-ministere.

[14] Decree No. 2-08-229, of 21 May 2009, establishing a procedure for the publication of draft laws and regulations. Viewed at: http://www.sgg.gov.ma/Portals/0/dec_proj_fr.pdf.

[15] The Commission is chaired by a representative of the General Secretariat of the Government and includes the following members: a representative of the ministry responsible for foreign affairs and cooperation, a representative of the ministry responsible for foreign trade, a representative of the ministry responsible for finance, and a representative of each department concerned by the draft text. It meets in the offices of the General Secretariat of the Government, at the invitation of its Chair.

2.13. Since its last TPR in 2016, Morocco has revised or amended much of its legislation on trade or international investment. The main changes are set out in Table 2.1.

Table 2.1 Trade-related laws and regulations published since 2016

Field	Instrument/text
Investment regime	• Framework Law No. 03-22 enacting the Investment Charter (9 December 2022). • Decree No. 2-23-1 on the implementation of the main investment support and the specific support scheme for strategic investment projects (16 February 2023). • Law No. 55-19 on the simplification of administrative procedures and formalities (6 March 2020).
Establishment of the Moroccan Investment and Export Development Agency (AMDIE)	*Dahir* No. 1-09-22 enacting Law No. 41-08 establishing the Moroccan Agency for Investment and Export Development.
RTA United Kingdom – Morocco	WTO document WT/REG429/N/1 of 7 January 2021.
Competition and pricing policy	• Law No. 104-12 on free pricing and competition, as amended by Law No. 40-21. • Law No. 20-13 on the Competition Council, as amended and supplemented by Law No. 41-21.
Tariffs	• Finance Law No. 55-23 for the financial year 2024. • Finance Law No. 50-22 for the financial year 2023. • Finance Law No. 76-21 for the financial year 2022. • Decree No. 2-23-47 (27 January 2023) amending Decree No. 2-22-18 (19 October 2022) suspending import duties on cattle. • Decrees Nos. 2-20-297 to 2-20-300 (27 March 2020) suspending customs duties on lentils, chickpeas, broad beans and beans, respectively. • Successive decrees amending or suspending the import duty on wheat (2016-21). • Circulars No. 6281/221 (3 January 2022) and No. 6417/211 (9 February 2023) on the list of products from selected African countries exempt from import duty.
Variable customs duties	Successive decrees amending or suspending the import duty on soft wheat
Public-Private Partnerships	Law No. 86-12 on public-private partnership contracts, as amended by Law No. 46-18 promulgated by *Dahir* No. 1-20-04 (6 March 2020) and published in the Official Bulletin of 19 March 2020.
Taxation	Law No. 69-19 on tax reform (26 July 2021).
Electricity	• Law No. 40-19 (10 February 2023), amending Law No. 13-09 (11 February 2010), lifting the capacity ceiling on renewable energy facilities. • Law No. 88-21 (27 February 2023) on self-production of electrical energy.
Government Procurement	Decree No. 2-22-431 (8 March 2023) on government procurement.
Foreign trade	Law No. 91-14 (7 April 2016) on foreign trade, repealing and replacing Law No. 18-39.
Trade facilitation	Decree No. 2-17-594 (5 March 2018) establishing the National Coordinating Committee for the Facilitation of Foreign Trade Procedures.
Dual-use products	• Law No. 42-18 (7 April 2016) on export and import controls of dual-use items and related services. • Decree No. 2-21-346 (21 July 2022) implementing Law No. 42-18. • MIC Order No. 1105-23 (26 April 2023) approving the rules of procedure for the Commission for Dual-use Items.
Finance	Law No. 15-18 on collaborative financing.
Digital transformation	• Law No. 5-20 on cybersecurity. • Law No. 55-19 on the simplification of administrative procedures and establishing the Digital Development Agency. • Law No. 43-20 on trust services for electronic transactions. • Law No. 53-05 on the electronic exchange of legal data.
Environment	• Law No. 49-17 on environmental assessments. • Decree No. 2-20-716 (25 March 2021) on the minimum energy performance and energy labelling of appliances and equipment powered by electricity, natural gas, liquid or gaseous petroleum products, coal, and renewable energies.
Setting up businesses electronically	• Law No. 88-17 on setting up and providing support to businesses electronically.

Field	Instrument/text
Commercial Code	• Law No. 89-17 amending and supplementing Law No. 15-95 enacting the Commercial Code (Electronic business register/Domiciliation). • Law No. 69-21 amending and supplementing Law No. 15-95 enacting the Commercial Code and enacting specific provisions relating to payment deadlines.

Source: Information provided by the authorities.

2.3 Trade agreements and arrangements

2.3.1 WTO

2.14. Morocco is a founding Member of the WTO. It grants MFN treatment as a minimum to all its trading partners. It signed the Information Technology Agreement (ITA) on 14 November 2003, but has not yet submitted its final modifications and rectifications to its ITA Schedule of Commitments.[16] According to the authorities, consultations are under way with the various technical departments to establish the schedules.

2.15. Morocco is neither a party nor an observer to any other WTO plurilateral agreements. It ratified the Trade Facilitation Agreement (TFA) on 14 May 2019.[17]

2.16. In the period between the last review in 2016 and December 2023, Morocco was directly involved in three new trade disputes as the respondent.[18] It has never invoked the dispute settlement provisions of the WTO as a complainant.

2.17. Morocco has continued to participate actively at the WTO. It is part of the African Group, the G90 and the "W52" authors. During the period under review, Morocco has participated in the WTO Joint Statement Initiative on Investment Facilitation for Development. Morocco is also a participant in environment initiatives, including on plastics pollution and an environmentally sustainable plastics trade.[19]

2.18. Morocco is a signatory of the joint statement made on 31 January 2022 in support of MC12, which defines the priority areas for action as the WTO response to pandemics, fisheries subsidies and the multilateral agriculture negotiations, as well as the reform of the Organization's negotiating function, dispute settlement function, and monitoring and deliberative function.[20] Morocco's trade policy has been reviewed five times, and the last review took place on 2 and 4 February 2016.

2.19. Since its last Review, Morocco has submitted numerous notifications to the WTO (Table A2.2). However, as of December 2023, certain notifications, including those concerning agricultural domestic support and import licensing, were still pending (Table 2.2). The authorities indicated that the pending notifications on domestic support under the Agreement on Agriculture were being prepared and would be submitted, like Morocco's market access and export subsidy notifications, through the Agriculture Information Management System (Ag-IMS).

Table 2.2 Pending notifications, December 2023

Agreement on Agriculture	
Article 18.2	Domestic support: calendar years 2008-22
Agreement on Trade-Related Investment Measures	
Article 6.2	
Market Access: Agreement on Import Licensing Procedures	
Article 7.3	Replies to the questionnaire on import licensing procedures, 2021 and 2022

[16] WTO document G/IT/M/77 of 15 December 2022.
[17] WTO, TFAF. Viewed at: https://www.tfafacility.org/country/morocco
[18] The disputes are: (i) *Morocco - Anti-Dumping Measures on Certain Hot-Rolled Steel from Turkey* (DS513); (ii) *Morocco - Provisional Anti-Dumping Measures on School Exercise Books from Tunisia* (DS555); and (iii) *Morocco - Definitive Anti-Dumping Measures on School Exercise Books from Tunisia* (DS578).
[19] WTO, *Plastics pollution and environmentally sustainable plastics trade*. Viewed at: https://www.wto.org/english/tratop_e/ppesp_e/ppesp_e.htm.
[20] WTO document WT/GC/W/841 of 31 January 2022.

Agreement on Agriculture	
Market Access: Preshipment Inspection	
Article 5	First notification
Market Access: Customs Valuation	
G/VAL/5, A.3	Treatment of interest charges
G/VAL/5, A.4	Valuation of carrier media
Agreement on Subsidies and Countervailing Measures	
Article 25.1	Subsidies
Article XVII:4 (a)	State Trading Enterprises(2020-21)

Source: WTO Central Registry of Notifications.

2.20. Between 2016 and 2023, Morocco benefited from WTO trade-related assistance by participating in a number of training activities, including on the Information Technology Agreement, intellectual property rights, services/GATS, dispute settlement, regional trade agreements (RTAs), import licensing, trade remedies, SPS and TBT measures, and agriculture.

2.3.2 Regional and preferential agreements

2.21. Morocco is a party to several RTAs that are currently in force (Table 2.3). During the period under review, it signed a new RTA with the United Kingdom. It has also signed RTAs with the following trade partners: the European Union; the Pan-Arab Free Trade Area (PAFTA); the European Free Trade Association (EFTA); the United Arab Emirates; Türkiye; Egypt, Jordan, Tunisia, the signatories of the Agadir Agreement; and the United States.

Table 2.3 RTAs in force

Main details of the RTAs in force	
RTAs that entered into force during the review period (2016-23)	
United Kingdom and Morocco	
Date of signature	26 October 2019
Entry into force	1 January 2021
Scope	Goods
WTO documents	WT/REG429/N/1
RTAs that entered into force before 2015	
European Union - Morocco	
Date of signature	26 February 1996
Entry into force	1 March 2000
Scope	Goods
WTO documents	WT/REG112
Pan-Arab Free Trade Area (PAFTA)[a]	
Date of signature	19 February 1997
Entry into force	1 January 1998
Scope	Goods
WTO documents	WT/REG223
European Free Trade Association (EFTA) (Iceland, Liechtenstein, Norway, Switzerland) - Morocco	
Date of signature	19 June 1997
Entry into force	1 March 2000
Scope	Goods
WTO documents	WT/REG91
Morocco - Egypt	
Date of signature	25 July 1998
Entry into force	29 April 1999 (agreement not notified)
Scope	Goods
Morocco - Tunisia	
Date of signature	16 March 1999
Entry into force	16 March 1999 (agreement not notified)
Scope	Goods
Morocco - Jordan	
Date of signature	16 June 1998
Entry into force	21 October 1999 (agreement not notified)
Scope	Goods

Main details of the RTAs in force	
Morocco - United Arab Emirates	
Date of signature	25 June 2001
Entry into force	9 July 2003
Date of notification	19 June 2019 (agreement not notified during the last TPR)
Scope	Goods
WTO documents	WT/COMTD/RTA1/N/1
Türkiye - Morocco	
Date of signature	7 April 2004
Entry into force	1 January 2006
Scope	Goods
WTO documents	WT/REG209
Agadir Agreement (Egypt, Jordan, Morocco, Tunisia)	
Date of signature	25 February 2004
Entry into force	27 March 2007
Date of notification	22 February 2016 (agreement not notified during the last TPR)
Scope	Goods
WTO documents	WT/COMTD/N/48
United States - Morocco	
Date of signature	15 June 2004
Entry into force	1 January 2006
Scope	Goods
WTO documents	WT/REG208/N/1

a Kingdom of Bahrain, Egypt, Iraq, Jordan, State of Kuwait, Lebanon Republic, Libya, Morocco, Oman, Qatar, Syrian Arab Republic, Kingdom of Saudi Arabia, Sudan, Tunisia, United Arab Emirates, and Yemen.

Source: WTO Regional Trade Agreements Database. Viewed at: https://rtais.wto.org/UI/PublicMaintainRTAHome.aspx.

2.22. On 26 October 2019, the United Kingdom and Morocco signed an Association Agreement[21], which entered into force on 1 January 2021. This Agreement establishes a free trade area for trade in goods, and contains provisions on rules of origin, preferential tariffs and quotas. It is based on the provisions of the EU-Morocco Association Agreement and the EU-Morocco Dispute Settlement Mechanism Agreement (Section 3.1.3).

2.23. During the review period, Morocco notified two RTAs that are in force, namely the Agadir Agreement, on 22 February 2016, and the RTA between Morocco and the United Arab Emirates, on 19 June 2019. Negotiations on a free trade agreement (FTA) with Qatar are under way.

African Union

2.24. Morocco is a member State of the African Union (AU). The Agreement Establishing the African Continental Free Trade Area (AfCFTA) was signed in March 2018 by 44 African economies, including Morocco. The Agreement entered into force in May 2019 for those parties that had ratified it. Morocco ratified it on 24 February 2022, and deposited its ratification instrument with the AU on 18 April 2022.[22] As of November 2023, the AfCFTA Agreement had 54 signatories and 47 States Parties.

2.25. The negotiations on tariff concessions, rules of origin for goods, and the Schedules of Specific Commitments on Trade in Services are still ongoing.[23] According to the authorities, the Protocols on Investment, Competition and Intellectual Property Rights (Phase II) were approved by the African Heads of State and Government on 18 and 19 February 2023 at the 36th Ordinary Session of the AU.[24] Negotiations are continuing on digital trade and on women and youth in trade (Phase III).

[21] WTO document WT/REG429/N/1 of 7 January 2021.
[22] African Continental Free Trade Area (AfCFTA). Viewed at: https://au-afcfta.org/.
[23] AfCFTA. Viewed at: https://au-afcfta.org/.
[24] AfCFTA (2023), *La ZLECAf: une nouvelle ère pour le commerce*. Viewed at: https://au-afcfta.org/wp-content/uploads/2023/11/FRENCH-FACTSHEET-BOOKLET-.pdf.

2.26. With regard to trade in goods, AU members agreed to liberalize 97% of tariff lines[25] over a transition period that varies according to their level of development. Non-LDC members have 15 years, starting from 1 January 2021, to phase out tariffs, with 90% of tariff lines being freed of duty in the first five years.[26] LDCs have 23 years to eliminate their tariffs, with 90% of tariff lines being liberalized in the first 10 years.

2.27. The free trade area for goods was set up in January 2021, but it is not fully operational. In October 2022, the AfCFTA Secretariat launched the Guided Trade Initiative (GTI), in which eight members have participated.[27] The main objectives of the GTI are: (i) to test the operational, institutional, legal and trade policy environment; (ii) to allow commercially meaningful trading; and (iii) to send an important positive message to African economic operators about the AfCFTA.

2.28. The products traded during the pilot stage include pharmaceuticals, ceramic tiles, batteries, horticulture products and flowers, avocados, palm oil, tea, rubber and components for air conditioners. A Committee was established to coordinate and operationalize trade transactions.[28] Other AfCFTA States Parties, whose Provisional Schedules of Tariff Concessions have been adopted by the Council of Ministers, may join the initiative. According to the authorities, 31 members have expressed interest in the GTI. As a result of these commitments, products to be marketed as part of the 2023 initiative were able to be identified.[29]

2.29. The Protocol on Services entered into force on 30 May 2019. Article 22 of the Protocol states that each State Party shall establish schedules of specific commitments. For initial offers, five priority service sectors were identified, namely transport services, communication services, tourism services, financial services and business services. Morocco and 45 other members have submitted their specific commitments for these five sectors.[30] The Committee on Trade in Services is currently reviewing new offers and specific commitments, including those of Morocco.

2.3.3 Other agreements and arrangements

2.30. Morocco currently grants preferential access to certain products originating in and coming directly from 33 African LDCs.[31] The list of products that are fully exempt from import duty was amended in March 2023, and includes: fish; shrimp; coconut; edible fruit; coffee; tea; spices; prepared or preserved fish; cocoa; tobacco; ores; natural rubber; hides; wood; wool, not carded or combed; cotton; diamonds; gold; cobalt mattes; seeds; gum Arabic; and shea butter.[32]

2.31. Morocco is a beneficiary of the generalized system of preferences (GSP) of Armenia (since 2016), Australia, Canada, Japan, Kazakhstan (since 2016), the Kyrgyz Republic (since 2016), New Zealand, and the Russian Federation. Moroccan exports of products covered by these GSPs are therefore totally or partially exempt from customs duties.

2.32. Morocco continues to participate in the Global System of Trade Preferences among Developing Countries (GSTP) of 1998. Eleven countries out of the 43 GSTP participants have accepted measures adopted during the third round of negotiations.

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[25] The remaining 3% of tariff lines (not exceeding 10% of the value of trade) may be excluded from liberalization.

[26] AfCFTA. Viewed at: https://au-afcfta.org/.

[27] The eight members are Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda, Tanzania and Tunisia.

[28] TRALAC (2023), *La Zone de libre-échange continentale africaine: Un guide de tralac*, 10th ed. Viewed at: https://www.tralac.org/documents/resources/booklets/4849-afcfta-a-tralac-guide-10th-edition-fr-version/file.html.

[29] The products to be marketed include mushrooms; flowers; biological pesticides; powdered milk; fish oil; essential oils; frozen tuna; mineral or chemical fertilizers; honey; nut butters; jams; tea; coffee; beverages; maize flour and meal; pasta; and fabrics.

[30] AfCFTA. Viewed at: https://au-afcfta.org/trade-areas/trade-in-services/.

[31] Finance Laws No. 55-00 and No. 45-02 for the fiscal years 2001 and 2003, respectively; Order No. 2754.22 of the Ministry of the Economy and Finance; Customs and Indirect Taxes Administration Circulars No. 4666/20, No. 6281/221, No. 6417/211; and WTO document G/C/6 of 9 May 2001.

[32] Customs and Indirect Taxes Administration Circular No. 6431/221, 8 March 2023. Viewed at: https://www.douane.gov.ma/dms/loadDocument?documentId=91698&application=circulaire.

2.4 Investment regime

2.33. Morocco's general policy is to attract foreign direct investment (FDI) by offering companies a favourable environment. National treatment is usually extended to foreign investors, with a few exceptions. These include certain monopolies (phosphate mining) and specific provisions on foreign interests in natural resources.[33] Generally speaking, funds in foreign currency linked to most current and capital account transactions can be repatriated freely.

2.34. Since Morocco's last TPR, major changes have been made to the legislative framework of the investment regime, including the adoption of a new Investment Charter, in order to revitalize private investment in accordance with the New Development Model. Framework Law No. 03-22 enacting the Investment Charter entered into force on 12 December 2022.[34] It "sets out the fundamental objectives of state development and investment promotion activities, with a view to making Morocco an attractive continental and international hub for investments".[35] The Framework Law institutes various investment support schemes, sets out the principles for their governance, and regulates the reform projects to be undertaken to facilitate the investment process.[36]

2.35. Framework Law No. 03-22 repealed Framework Law No. 18-95 of 1995, which was already considered obsolete during the previous TPR.[37] Its fundamental objectives (Table 2.4) include: (i) channelling investments towards priority sectors; (ii) improving the business climate and facilitating the investment process; (iii) enhancing Morocco's attractiveness for FDI; (iv) promoting exports and helping Moroccan companies to expand internationally; and (v) encouraging the substitution of imports with local production.[38] Broadly speaking, the new investment framework is characterized by a high degree of complexity.

Table 2.4 Law No. 03-22, main features

Topic/Article	Main features
Fundamental objectives (Article 1)	• Creation of stable jobs. • Reduction of territorial disparities. • Channelling of investment towards priority sectors. • Enhancing Morocco's attractiveness. • Promoting exports. • Encouraging the substitution of imports with local production. • Improving the business climate. • Increasing the share of private investment. • Achieving sustainable development.
Principles (Article 2)	Equal treatment of investors regardless of their nationality, legal certainty, free enterprise, free competition and transparency, and good governance.
Coverage (Article 7)	• All sectors; investment projects in the agricultural sector are excluded. • Real estate and the commercial sector are excluded from the "main support mechanism".
Investment support mechanisms (Article 8)	• The main mechanism includes common premiums; territorial premiums; sectoral premiums; and other premiums. • Specific mechanisms.
Main support mechanism	
Eligibility criteria for investment projects	• Total amount exceeds or is equal to MAD 50 million + 50 stable jobs to be created; or • More than 150 stable jobs to be created.
Allocation of premiums	
Common premiums (Article 11)	Premium for creating stable jobs[a]: • Stable jobs ratio: 1 and ≤ 1.5 = 5% of the investment amount that qualifies for the premium • Stable jobs ratio: >1.5 and≤ 3 = 7% of the investment amount that qualifies for the premium • Stable jobs ratio: >3 = 10% of the investment amount that qualifies for the premium

[33] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 2.4.

[34] Official Journal of 15 December 2022. Viewed at: http://www.sgg.gov.ma/BO/FR/2873/2022/BO_7152_Fr.pdf.

[35] Official Journal of 15 December 2022, Preamble to Framework Law No. 03-22. Viewed at: http://www.sgg.gov.ma/BO/FR/2873/2022/BO_7152_Fr.pdf.

[36] AMDIE, *La Charte de l'investissement: Un cadre transparent et lisible pour encourager l'acte d'investir*. Viewed at: https://www.moroccnow.com/wp-content/uploads/2023/07/Charte-FR-06072023.pdf.

[37] World Trade Organization (WTO) document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 2.4.1.

[38] Framework Law No. 03-22, Article 1. Viewed at: http://www.sgg.gov.ma/BO/FR/2873/2022/BO_7152_Fr.pdf.

Topic/Article	Main features
Territorial premium (Article 13)	In order to reduce territorial disparities, investment projects benefit from a territorial premium, <u>in addition to</u> common premiums. A premium of 10% of the investment amount that qualifies for the premium is available for investments made in Category A regions, and a 15% premium of the investment amount that qualifies for the premium for those made in Category B regions.
Sectoral premium (Article 14)	In order to promote investment in <u>priority sectors</u>, investment projects benefit from a sectoral premium of 5% in addition to the common premiums. Priority sectors are industry; the cultural industry; renewable energy; logistics and transport; aquaculture; tourism and leisure; the digital sector; the processing and recovery of waste; and outsourcing.
Ceiling	The total amount of premiums is limited to 30% of the eligible investment amount. There is a ceiling of MAD 30 million on renewable energy generation projects.
Specific support mechanisms	
Specific mechanisms (Articles 17-21)	For strategic investment projects; for investment projects for micro-, small and medium-sized enterprises; and for investment projects to help Moroccan companies to expand internationally.
Eligibility criteria for strategic investment projects	Any project in the defence industry sector, or a project with a budget of at least MAD 2 billion, which meets at least one of the following criteria: • Contributes effectively to ensuring water, energy, food or health security. • Has a significant impact on the number of jobs to be created directly or indirectly. • Has a considerable impact on the economic influence and strategic positioning of Morocco at the regional, continental or international level. • Has spillover effects on the development of sectoral ecosystems or sectoral activities. • Contributes meaningfully to the development and appropriation of cutting-edge technologies.
Other premiums (3%)	
See Table A2. 1 - Other premiums	• Gender ratio ≥ 30%.[b] • Employment/capital expenditure (CAPEX) ratio. • Professions of the future and upgrading of industries. • Sustainable investment projects. • Local inclusion projects.
Investor protections (Articles 31 and 32)	Establishment of a convertibility regime that guarantees complete freedom to: • Transfer profits net of taxes, without any restrictions on the amount or time limit. • Transfer the proceeds of the disposal or the total or partial liquidation of the investment, including capital gains. • Protect intellectual property rights.

a The number of stable jobs created divided by the total investment amount in millions of dirhams.
b The wage bill of women divided by the total wage bill.

Source: Framework Law No. 03-22 enacting the Investment Charter, and Decree No. 2-23-1.

2.36. The new Investment Charter sets out seven priority areas for improving the business climate: (i) streamlining procedures and decentralizing administrative functions; (ii) facilitating access to land; (iii) strengthening logistical competitiveness; (iv) facilitating access to green energy; (v) providing customized training opportunities; (vi) promoting R&D activities and access to new technologies; and (vii) offering alternative financing methods.

2.37. Investments in all sectors are covered by Framework Law No. 03-22, except those in the agriculture sector, which continue to be governed by legislation and regulations. *Dahir* No. 1-69-25 of 1969 enacting the Agriculture Investment Code and its implementing regulations are still in force (Section 4.1).[39]

2.38. The new Investment Charter establishes a comprehensive investment support system. It provides for a main mechanism and three specific support mechanisms. The main mechanism includes: (i) common premiums; (ii) a territorial premium; (iii) a sectoral premium; and (iv) other premiums. Meanwhile the specific support mechanisms are intended for: (i) strategic investment projects; (ii) micro-, small and medium-sized enterprises; and (iii) helping Moroccan companies to expand internationally.

2.39. Decree No. 2-23-1 of 16 February 2023 sets out the procedures for the implementation of the main investment support mechanism and the specific support scheme for strategic investment projects. The main mechanism aims to support investment projects that meet defined criteria, to

[39] Ministry of Agriculture, Maritime Fisheries, Rural Development, Water and Forests, Legal and regulatory framework.

reduce disparities between the provinces and prefectures in terms of attracting investment (sectoral premium), and to promote investment in priority sectors (Table A2.1).[40]

2.40. The Framework Law and its implementing decree[41] provide for common premiums of 5%, 7% or 10% of the eligible investment amount[42] for investment projects that promote the creation of stable jobs (Table 2.4). In addition to the common premiums, the Law grants a "territorial premium" of 10% or 15% of the eligible investment amount to improve territorial equity[43], and a sectoral premium of 5% of the eligible investment amount to boost priority sectors (Table A2.2).[44]

2.41. The Investment Charter provides for the possibility of other premiums for investment projects seeking improvement in five areas: (i) employment/CAPEX ratio; (ii) gender ratio; (iii) professions of the future and upgrading of industries; (iv) sustainable investment; and (v) local inclusion Table A2.1).

2.42. The implementing regulations for the specific support mechanisms to help Moroccan companies to expand internationally, and for small and medium-sized enterprises, are in the process of being drafted.

2.43. Framework Law No. 03-22 stipulates that, in order for investments to be carried out, an investment agreement must be concluded with the State defining, in particular, the reciprocal commitments between the State and the investor, and the terms for their implementation. Any investment project must be carried out within a period not exceeding five years from the date the investment agreement was signed (unless otherwise stipulated in the agreement). Approved investment agreements are signed by the investor; by the government authorities responsible for domestic affairs, finance, investment, and the budget; and by the government authorities concerned by the nature of the project that is the subject of the investment agreement.[45]

2.44. Investors must submit their file via the Regional Investment Centre Platform (CRI-Invest).[46] The investment project is then examined by the Unified Regional Investment Commission (CRUI), the decision-making and coordination body. If the CRUI reaches a favourable decision on the investment project, it is submitted to the Technical Preparation and Monitoring Committee (CTPS). The CTPS makes a recommendation to the National Investment Commission (CNI).

2.45. Morocco has identified sectors in which market access restrictions and national treatment for FDI remain in force. It caps foreign equity ownership in air and maritime transport companies, as well as marine fishing companies, at 49% (Section 4.1.5.2). In the banking sector, Morocco has reserved a discretionary right under certain international agreements to limit all foreign majority stakes in the capital of large national banks.[47]

2.46. At the institutional level, Morocco created a new ministry, the Ministry of Investment, Convergence and Evaluation of Public Policies (MICEPP), on 9 February 2022.[48] A new 2023-26 road map to improve the business climate was adopted in March 2023. It builds on four pillars: (i) facilitating investment and entrepreneurship; (ii) improving competitiveness; (iii) promoting entrepreneurship and innovation; and (iv) a cross-cutting pillar to bolster ethics and integrity, and to prevent corruption.[49]

2.47. The new National Investment Commission (CNI) was established pursuant to Article 34 of Framework Law No. 03-22. The CNI is chaired by the Head of Government, and the Moroccan

[40] Official Journal of 2 March 2023. Viewed at: http://www.sgg.gov.ma/BO/FR/2873/2023/BO_7174_Fr.pdf.
[41] Decree No. 2-23-1 of 16 February 2023.
[42] The price of public land is excluded from the eligible investment amount. The share of private land costs in the eligible investment amount is capped at 20% of the total investment amount.
[43] The provinces and prefectures of Morocco are grouped into categories A and B.
[44] These sectors are industry; the cultural industry; renewable energy; logistics and transport; aquaculture; tourism and leisure; the digital sector; the processing and recovery of waste; and outsourcing.
[45] Article 9 of the Framework Law No. 03-22.
[46] Regional Investment Centre Platform, CRI-Invest. Viewed at: https://www.cri-invest.ma/.
[47] World Trade Organization (WTO) document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 4.1.1.
[48] Decree No. 2-21-922 setting out its responsibilities and organization was adopted on 9 February 2022.
[49] AMDIE, *La Charte de l'investissement: Un cadre transparent et lisible pour encourager l'acte d'investir*. Viewed at: https://www.morocconow.com/wp-content/uploads/2023/07/Charte-FR-06072023.pdf.

Investment and Export Development Agency (AMDIE) serves as the secretariat.[50] AMDIE was set up in December 2017, following the decision to merge the Moroccan Investment Development Agency, the Moroccan Export Promotion Centre and the Office of Fairs and Exhibitions in Casablanca. The Agency is overseen by a board of directors (which meets at least twice a year) and is managed by a general director.[51]

2.48. AMDIE is responsible for implementing Morocco's strategy to develop, incentivize and promote domestic and foreign investment, as well as exports of goods and services.[52]

2.49. Regional Investment Centres (CRI) operate as one-stop shops for investors within the limits of their local jurisdiction.[53] Unified Regional Investment Commissions (CRUI) were set up in 2019 in each of the regions of Morocco, in order to ensure that investment dossiers are treated in an integrated and harmonized manner. These Commissions are the bodies responsible for making decisions and coordinating the actions of the competent investment authorities.[54]

2.50. Morocco endorsed the OECD Declaration on International Investment and Multinational Enterprises on 23 November 2009.[55] It has also acceded to the Arab Investment Agreement, the AfCFTA Investment Protocol, and the Agreement on Promotion, Protection and Guarantee of Investments among Member States of the Organisation of the Islamic Conference.

2.51. As of December 2023, Morocco had bilateral investment agreements with 79 trading partners, of which 53 were in force (Table 2.5).[56]

Table 2.5 Bilateral investment agreement in force, December 2023

Partner	Date of signature	Entry into force
Argentina	13 June 1996	19 February 2000
Austria	2 November 1992	1 July 1995
Bahrain, Kingdom of	7 April 2000	9 April 2001
Bulgaria	22 May 1996	19 February 2000
Burkina Faso	8 February 2007	5 March 2016
China	27 March 1995	28 November 1999
Czech Republic	11 June 2001	30 January 2003
Denmark	23 May 2003	18 April 2013
Dominican Republic	23 May 2002	4 January 2007
Egypt	14 May 1997	1 July 1998
El Salvador	21 April 1999	12 April 2002
Estonia	25 September 2009	4 November 2011
Finland	1 October 2001	6 April 2003
France	13 January 1996	1 April 1999
Gabon	21 June 2004	24 July 2009
Gambia	20 February 2006	12 October 2011
Germany	6 August 2001	12 April 2008
Greece	16 February 1994	28 June 2000
Hungary	12 December 1991	3 February 2000
Indonesia	14 March 1997	21 March 2002

[50] Law No. 60-16 creating the Moroccan Agency for Investment and Export Development, of 30 August 2017. Viewed at: http://www.sgg.gov.ma/Portals/0/lois/Loi_60-16.pdf.

[51] The board of directors is composed of representatives of the Government; the Chair of the Association of the Presidents of the Regions or his representative; the Chair of the Federation of Chambers of Commerce, Industry and Services, or his representative; a representative of the exporters' associations; a representative of the most representative professional organization of employers; a representative of credit institutions and similar organizations; and four experts appointed by Decree on the basis of their investment and export competencies.

[52] The agriculture, maritime fisheries, handicrafts and tourism sectors are not covered.

[53] Law No. 47.18 on CRI reform and the creation of Unified Regional Investment Commissions, 13 February 2019. Viewed at: https://fesmeknesinvest.ma/wp-content/uploads/2021/09/Loi47.18-FR.pdf.

[54] Articles 28, 29 and 30 of Law No. 47.18.

[55] OECD, OECD Declaration and Decisions on International Investment and Multinational Enterprises. Viewed at: https://www.oecd.org/fr/investissement/politiques-investissement/ladeclarationdelocdeetlesdecisions.htm.

[56] Agreements signed but not ratified with the following partners: Benin (2004); Brazil (2019); Cabo Verde (2023); Cameroon (2007); Central African Republic (2006); Chad (1997); Comoros (2022); Congo (2018); Côte d'Ivoire (2013); Croatia (2004); Djibouti (2022); Equatorial Guinea (2005); Ethiopia (2016); Guinea (2002); Guinea-Bissau (2015); Liberia (2019); Nigeria (2016); Pakistan (2001); Russian Federation (2016); Sao Tome and Principe (2016); Senegal (2006); Serbia (2013); Sierra Leone (2023); South Sudan (2017); Viet Nam (2012); and Yemen (1997).

Partner	Date of signature	Entry into force
Islamic Republic of Iran	21 January 2001	31 March 2003
Italy	18 July 1990	26 April 2000
Japan	8 January 2020	23 April 2022
Jordan	16 June 1998	7 February 2000
Kuwait, the State of	16 February 1999	7 May 2001
Lebanon	3 July 1997	25 February 2000
Libya	2 November 2000	20 October 2001
North Macedonia	11 May 2010	15 October 2012
Malaysia	16 April 2002	23 April 2009
Mali	21 February 2014	2 March 2016
Mauritania	13 June 2000	20 October 2003
Netherlands	23 December 1971	27 July 1978
Oman	8 May 2001	25 February 2003
Poland	24 October 1994	3 July 1999
Portugal	17 April 2007	8 June 2011
Qatar	20 February 1999	21 May 2001
Republic of Korea	27 January 1999	8 May 2001
Romania	28 January 1994	3 February 2000
Rwanda	19 October 2016	19 November 2019
Slovak Republic	14 June 2007	11 May 2014
Spain	11 December 1997	13 April 2005
Sudan	23 February 1999	4 July 2002
Sweden	26 September 1990	16 June 2008
Switzerland	17 December 1985	12 April 1991
Syria	1 October 2001	29 March 2003
Tunisia	28 January 1994	1 April 1999
Türkiye	8 April 1997	30 May 2004
Ukraine	24 December 2001	25 April 2009
United Arab Emirates	9 February 1999	1 April 2002
United Kingdom	30 October 1990	14 February 2002
United States	22 July 1985	30 May 1991
Zambia	20 February 2017	8 March 2021
Belgium-Luxembourg Economic Union	13 April 1999	29 May 2002

Source: Information provided by the authorities.

2.52. In the event of an investment dispute, foreign investors enjoy the same protection as domestic investors. Morocco is a member of International Centre for Settlement of Investment Disputes (ICSID) and the Multilateral Investment Guarantee Agency (MIGA).

2.53. Morocco has ratified a number of international arbitration conventions (Box 2.1).

Box 2.1 International arbitration conventions

International conventions:

- The Hague Convention of 1 March 1954.
- New York Convention of 9 June 1958 on the Recognition and Enforcement of Foreign Arbitral Awards.

Arab conventions:

- Kuwait Convention, establishing the Arab Investment and Export Credit Guarantee Corporation of 27 May 1971 (the First Protocol to which sets out the mediation and arbitration procedure).
- Amman Convention of 14 April 1987 on Commercial Arbitration.
- Bilateral conventions with Egypt (1989), the Lebanese Republic (1997), the State of Kuwait (1999), and the Kingdom of Bahrain (2000).

Free trade agreements (FTAs):

- FTA with the United States.
- Agreement with the European Union establishing a Dispute Settlement Mechanism.
- Association Agreement with the United Kingdom.

Source: Association of Supreme Courts of Cassation of French-speaking Countries (AHJUCAF). Viewed at: http://v1.ahjucaf.org/Maroc,7314.html.

2.54. The National Anti-Corruption Strategy (SNAC) was adopted in December 2015, which provides the overarching framework for managing and implementing public policies on raising awareness of, preventing and combating corruption.[57] It is underpinned by two strategic objectives, which provide a comprehensive vision for building integrity and significantly reducing corruption by 2025. The SNAC objectives are: (i) to reverse the trend and to build trust; and (ii) to improve business integrity and Morocco's international position. An action plan has been established, comprising 10 specific programmes to be implemented in a phased manner.[58] According to the authorities, the Strategy seeks to halve corruption levels by 2025. It is structured around five pillars, namely: (i) governance; (ii) prevention; (iii) enforcement; (iv) communication and awareness-raising; and (v) training and education.

2.55. Law No. 46-19 on the National Authority for Probity, Prevention and the Fight Against Corruption (INPPLC) entered into force on 13 May 2021. According to the authorities[59], the INPPLC is responsible for initiating, coordinating, overseeing and monitoring the implementation of policies to prevent and combat corruption; for collecting and disseminating information on this issue; for boosting moral integrity in public life; and for strengthening the principles of good governance, a public service culture, and the values of responsible citizenship.[60] The INPPLC carries out its activities as part of joint action and institutional and functional complementarity with relevant authorities, institutions and other bodies, with a view to disseminating the values of probity, and of preventing and combating corruption. According to the authorities, Law No. 46-19 has expanded the scope and powers of the INPPLC substantially, to enable it to carry out its work in an optimal manner and to fully assume its responsibilities. The INPPLC continues to evolve as it is in a period of transition, as its legal framework has yet to be activated.

2.56. The transparency and access to information portal, "Chafafiya.ma", was launched in March 2020, to enhance transparency, participatory democracy, and government openness.[61] In addition, the national portal for administrative procedures and formalities, "Idarati.ma", was set up in April 2021.[62] Idarati.ma is a unified, integrated and multi-area interface that makes administrative information available to users. According to the authorities, the information section of this portal will serve as an official national reference for users, allowing them to look up administrative procedures and formalities to be completed with institutions, public enterprises, local authorities and all legal entities subject to public law.

2.57. The authorities have indicated that digitalizing administrative procedures to simplify them provides leverage to improve the business climate. A legal and regulatory framework has been put in place to: (i) build trust; (ii) enhance transparency; (iii) simplify administrative formalities and procedures; (iv) reduce costs; (v) improve the quality of public services; and (vi) strengthen the decentralization of and the rationale for government decisions for users.[63]

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[57] National Authority for Probity, Prevention and the Fight against Corruption (INPPLC), *Stratégie nationale anti-corruption, pour une nouvelle dynamique d'ensemble*. Viewed at: https://www.inpplc.ma/sites/default/files/PUBLICATIONS/RT_SNAC_Fr.pdf.

[58] The 10 thematic programmes are: (i) improving services for citizens; (ii) e-government; (iii) transparency and access to information; (iv) codes of ethics and conduct; (v) monitoring and reporting; (vi) stepping up prosecutions and enforcement; (vii) public order; (viii) business integrity; (ix) communication and awareness-raising; and (x) education and training.

[59] INPPLC, *Rapport annuel 2021*, Executive Summary. Viewed at: https://www.inpplc.ma/fr/publications?field_categorie_publication_target_id=49.

[60] INPPLC, *Les missions et attributions de l'Instance Nationale de la Probité de la Prévention et de la Lutte contre la Corruption*. Viewed at: https://inpplc.ma/fr/Pages/245-les-missions-et-attributions-de-linstance-nationale-de-la-probite-de-la-prevention-et-de.

[61] Ministry for the Digital Transition and Reform of the Administration, Transparency and Access to Information Portal (Chafafiya). Viewed at: https://www.mmsp.gov.ma/fr/nos-services/portail-de-transparence-et-acc%C3%A8s-%C3%A0-l%E2%80%99information-chafafiya.

[62] Ministry for the Digital Transition and Reform of the Administration, Idarati National Portal. Viewed at: https://www.mmsp.gov.ma/fr/nos-services/portail-national-idarati.

[63] Law No. 53-05 on the electronic exchange of legal data, Law No. 43-20 on trust services for electronic transactions, and Law No. 55-19 on the simplification of administrative procedures and formalities.

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.1 Measures directly affecting imports

3.1.1 Customs procedures, valuation and requirements

3.1. Morocco's legal and institutional frameworks for customs procedures are mainly governed by Law No. 1-77-339 of 1977 (and amendments thereto) and Decree No. 2-77-862 implementing the Customs Code.[1] The Customs and Excise Administration (ADII), attached to the Ministry of the Economy and Finance, is still the tax and customs authority and, as such, it is responsible for implementing customs legislation and facilitating and monitoring all customs operations.[2]

3.2. The obligation to register importers has not seen any changes since the previous review of Morocco's trade policy. Natural or legal persons wishing to engage in international trade activities must be registered in the Commercial Register and have a common company identifier (ICE).[3]

3.3. By ratifying the Agreement on Trade Facilitation, which entered into force in May 2019, Morocco has undertaken to introduce a series of measures to cut red tape at the border, with the aim of reducing transaction costs and spurring growth in trade. New measures streamlining customs procedures have been introduced with a view to speeding up and computerizing customs clearance, notably by putting in place the BADR (computerized online customs database), which has been in operation since January 2009.

3.4. The purpose of the BADR is to make the customs clearance procedure for both imports and exports totally paperless from the time goods come under customs control until they are released or definitively shipped. Through the BADR, operators have online access to all relevant data informing them how their customs procedures are progressing, and also have online support available.[4]

3.5. A detailed declaration called the Single Declaration of Goods (DUM) is required for commercial imports, placing them under a customs regime. The DUM must be registered electronically, using the BADR. Since 2012, advance customs clearance has been encouraged.[5] The cost of using the BADR is MAD 500 per summary declaration, MAD 150 per DUM for imports and MAD 50 per DUM for exports.

3.6. Manifests are accepted in the original language (Arabic, French, English and Spanish) and since 2010 have been recorded electronically, without any need for a hard copy.

3.7. According to the authorities, the customs clearance process has been paperless since 1 January 2019 and is only conducted electronically.

3.8. Morocco limits the allocation of foreign currencies (per calendar year) for online purchases. This allocation amounts to the equivalent of MAD 15,000 for natural persons and MAD 1 million for companies active in new technologies.[6] Since July 2022, products purchased online are also subject to customs duties, regardless of their value. Previously, only consignments with a value exceeding MAD 1,250 were subject to this requirement.[7]

3.9. As part of the move to simplify customs regimes (REDs) (Section 3.2.6), a new approach was introduced on 9 February 2021 focusing on a rationale of trust and accountability of the tenderer, and a bond based on the principle of prior authorization.[8] Under this approach, the submission of a

[1] The legal framework is supplemented by Law No. 1-77-340.
[2] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 3.1.1.
[3] To register, an economic operator must provide the name of the company and its address/headquarters, email address and telephone number.
[4] The helpdesk is called the DAAM (support and assistance system for the use of IT tools).
[5] Article 3 of Finance Law No. 22-12 for the 2012 financial year.
[6] Foreign Exchange Board, Frequently asked questions. Viewed at: https://www.oc.gov.ma/fr/faq.
[7] Decree No. 2-22-438 of 16 June 2022.
[8] Customs and Excise Administration (ADII), Circular No. 6164/313: RED - Simplification of procedures (9 February 2021). Viewed at: https://www.douane.gov.ma/web/guest/circulaires# https://www.douane.gov.ma/circulaires/recherche.jsf.

detailed declaration under the RED constitutes a request for coverage by the regime concerned, and the granting of release constitutes administrative approval. Authorization to operate under the RED is no longer required. All regimes are available automatically on the BADR following the entry of operators' data. Since February 2021, certain processes are no longer subject to prior administrative authorization (Box 3.1).

Box 3.1 Processes under the RED for which prior authorization is no longer required

Temporary admission for inward processing (ATPA) of agricultural products
ATPA: (i) operators who do not have the necessary equipment for the intended manufacturing, processing or further working, and assume full responsibility for delivery to manufacturers for subcontracting; (ii) craftworkers; (iii) goods reimported for alteration; and (iv) simultaneous transfers of goods between specialized and industrial traders.
Transfer for export under the ATPA for the benefit of operators who do not have the necessary equipment for the intended manufacturing, processing or further working.
Transfer in their current state of products initially imported (raw materials, or semi-finished or finished products) under the ATPA.
Prior export.
Admission of imported goods by way of compensation for prior export: • Compensation in the form of similar goods; • Regularization with an office other than that of export.
Temporary export for outward processing (ETPP) of (i) machinery, materials, equipment and tools; and (ii) products or goods, except for machinery, materials, equipment and tools.
Re-import following temporary export/ETPP by an office other than that of export.
Processing under customs control (TSD).
Temporary admission (AT): (i) of goods and equipment needed for the implementation of programmes that locate, research and exploit hydrocarbon deposits; (ii) of equipment that remains foreign property subject to the payment of quarterly fees; (iii) of equipment for type approval by the National Telecommunications Regulatory Authority, with exemption from quarterly fees; (iv) for triangular trade transactions; (v) of goods to be used for demonstrations, tests, trials, festivities, conventions or rallies, without payment and with exemption from quarterly fees; (vi) of samples imported by export production units; (vii) of cinematographic equipment and accessories; (viii) of photographic equipment and clothing to be used to produce features for fashion magazines; (ix) of equipment brought into Morocco by journalists working for foreign television channels; (x) of flexible intermediate bulk containers, jute bags and bags woven by commercial firms; and (xi) of minor equipment, tools and items imported into Morocco in the luggage of non-residents.
Export: (i) temporary; (ii) of goods in the state in which they were imported; and (iii) following processing under customs control.
Entry for consumption (MAC): (i) following the private warehouse (EPP) procedure for up to 15% of the goods imported under the programme; and (ii) under the RED (ATPA, AT, industrial free warehouse (EIF)).
Bond waiver granted to cover the AT operations for goods, products and materials imported for seminars, exhibitions and other events sponsored by public institutions.

Source: ADII, Annex II to Circular No. 6164/313: RED - Simplification of procedures; and Annex I to Circular No. 6348/313: *RED* - Simplification of procedures.

3.10. Nevertheless, certain operations under the RED are still subject to prior authorization (Table 3.1).

Table 3.1 Operations under the RED subject to prior authorization

Type of authorization	Entrusted parties
Industrial free warehouse (EIF)	Central administration
Normal private warehouse (EPB)	
Regularization of ATPA, AT and EIF accounts, for the destruction of goods or their abandonment to the State, without payment of duties and taxes	
Regularization of ATPA and EIF accounts by release for consumption, without payment of duties and taxes, of end-of-line stock and production scrap given to the State, local authorities, public institutions and charitable organizations	
Extension beyond the statutory period of the validity term of RED accounts	
Energy drawback textiles-clothing: domiciliation of refund dossiers	
EPP and special private warehouse (EPPS)	Regional managers

Type of authorization	Entrusted parties
Temporary export for outward processing (ETPP) using standard exchange	Provincial, inter-provincial, prefectural and inter-prefectural managers, managers of customs clearance warehouses and bays (MEADs), imports, and exports
AT of materials remaining in foreign ownership needed to produce goods more than 75% of which will be exported, with exemption from quarterly fees (one-time or annual authorization)	
Untimely export under the ATPA, AT, EIF and EPP	
Import of investment equipment in instalments	
Decision to extend the period from three to 12 months for split import consignments and investment equipment imported unassembled	
Transfer of materials and accessories for the packaging of fruit and vegetables and seafood for export	
Charging at a later date of valid or due RED accounts	
Import by export companies of samples and specimens up to a value of MAD 5,000 under a simplified ATPA declaration with a bond waiver	Authorizing officers

Source: ADII, Annex II to Circular No. 6348/313: RED - Simplification of procedures.

3.11. The virtual single window for foreign trade, "PortNet", was launched in 2010.[9] PortNet is a common computer tool that operates and manages the hub for the exchange of computerized data and information systems between the various stakeholders and port and foreign trade operators. As a result of the gradual digitalization of import and export formalities, and the electronic exchange of data among different stakeholders, it was expanded in 2016 from a single window for port-related procedures to a single window for foreign trade-related procedures. The BADR and PortNet are connected by the exchange of electronic data to enable operators to complete and monitor import- and export-related formalities.

3.12. All imports of goods with payment remain contingent upon the signing of an import indenture domiciled with an approved Moroccan bank. Since 1 June 2015, this indenture and its debit have been processed electronically through PortNet.[10] The import or export, with or without payment, of goods subject to quantitative restrictions is subject to the issuance of an import or export licence, via the same channel.

3.13. The imported goods may be withdrawn after payment or the posting of security for the duties and taxes, and, where applicable, after the completion of other formalities required under special regulations (sanitary or veterinary controls and industrial standards). It is also possible to use clearance credits or to pay by secured bond, the two procedures enabling payment to be deferred for up to 180 days.[11]

3.14. To facilitate customs clearance, economic operators may set up MEADs within or outside customs zones in ports or airports. MEADs are open to all and allow goods in bond to be stored provisionally in these approved premises upon import or export, pending the assignment of a definitive customs regime.[12] As at November 2023, 82 MEADs were in operation (compared with 67 in May 2015).

3.15. A simplified procedure for the temporary entry and export of containers has been in place since 2012. It provides for the free movement of containers without the filing of a customs declaration or a guarantee. According to the authorities, as at June 2023, 53 operators had been authorized to benefit from this procedure, covering more than 99% of container traffic. In the event of recurring non-compliance with this procedure, the Customs Administration may withdraw the authorization of failing operators and require them to deposit a bond note secured by an accredited guarantee.

3.16. On 16 February 2016, the Customs Administration introduced a programme for the approval of economic operators. An approved economic operator (AEO) may be given the status of

[9] PortNet is managed by the public company PortNet SA, created by Decree No. 2-10-46 of 26 April 2010.

[10] Order of the Minister responsible for foreign trade No. 1675-15 of 19 May 2015 determining the conditions for issuing import documents and export licences.

[11] A new form of security has been introduced to cover transit operations between "industrial acceleration zones" (ZAIs), and between these and entry and exit bureaux.

[12] Pursuant to the 2014 Finance Law, MEADs may now only be set up by legal persons whose main activity is logistics or international transport, in order to place the activity on a more professional footing. It makes the operation of MEADs subject to compliance with specifications laid down by the administration, defining the obligations and conditions to be met to engage in this activity.

AEO-Customs Simplifications Category "A" or "B". In addition, "AEO-Security and Safety" status is granted to Category "A" AEO-Customs Simplifications that comply with the appropriate standards concerning security and safety.[13] As at November 2023, 647 operators had "AEO-Customs Simplifications" status, of which 315 were classified in Category "A", 315 in Category "B" and 17 had "AEO-Security and Safety" status.

3.17. The framework agreement between the ADII and the Directorate-General of Taxation (DGI) gives AEOs under the common classification programme, launched in 2015, the same fiscal benefits, as well as the advantages of exchanging information electronically and coordinating control to prevent multi-invoicing.

3.18. There is a forum for ongoing dialogue in the form of framework agreements signed between the Customs Administration and professional associations representing various sectors of activity, and institutional partners. These framework agreements provide for regular meetings with professional circles to identify ways of improving customs procedures. The identified areas for improvement are set out in a road map and progress is evaluated regularly. As at November 2023, 12 framework agreements had been signed with professional associations, and 16 with institutional partners.

3.19. Since 2021, the risk assessment system in effect automatically places imports and exports into one of three categories ("green", "orange" or "red").[14] The red channel provides for physical and documentary inspection, the orange channel for documentary inspection only and the green channel for immediate release. According to the ADII, 11% of imports are processed through the green channel, 74% go through the orange channel and 12% through the red channel.[15] On average, clearance times are 8.12 hours for imports and 1.23 hours for exports.

3.20. In the event of a dispute, an operator may appeal to the ADII, then to regional commissions, the National Commission and the World Customs Organization (WCO). According to the authorities, the most frequent disputes concern the classification of goods and customs valuation.

3.1.2 Customs valuation

3.21. Morocco has been applying the WTO Customs Valuation Agreement since 5 October 1998.[16] If there is any doubt concerning value, the Customs Administration has to invite the importer or the declarant, in writing, to present the additional supporting documents proving the declared value within a period of one month.[17] If no reply is received within this period or if the supporting documents do not suffice, the Customs Administration rejects the declared value and adjusts it using the methods prescribed in the WTO Customs Valuation Agreement.

3.22. A list of "sensitive" products that could give rise to trade fraud was drawn up in 2004. Among the products listed are products for which it has been found that the declared values either do not correspond to production costs or have been substantially reduced; products that present various risks of unfair competition with identical imports; and products for which the import statistics show significant decreases in the unit price. This list is updated regularly and includes food products, certain electronic products, clothing and footwear. The products thus identified are subject systematically to comprehensive value control by the competent authority. According to the authorities, the transaction value is used for most imports.[18]

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[13] "AEO" status is attributed by means of the provisions of Article 73 *bis* of the Customs and Excise Code and its implementing texts.

[14] Ministry of the Economy and Finance, ADII, "La douane vous propose des solutions diversifiées", in *Prospectus/Mesures de simplification mises en place par la douane au profit des entreprises*. Viewed at: http://www.douane.gov.ma/web/guest/nos-publications.

[15] Furthermore, 3% of declarations are reassigned from the orange to the red channel, owing to doubts arising from document checks. ADII, *Rapport d'activité 2022*. Viewed at: https://www.douane.gov.ma/c/journal/view_article_content?groupId=16&articleId=55037&version=1.0&iframe=true&width=640&height=400.

[16] Customs Code, as amended by Finance Law No. 12-98 for the 1998-99 fiscal year, and WTO document G/VAL/N/1/MAR/2 of 17 February 2003.

[17] ADII, Note No. 21487/231 of 23 November 2001.

[18] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 3.1.2.

3.1.3 Rules of origin

3.23. Morocco applies two types of rules of origin: preferential and non-preferential. Pursuant to the relevant domestic legislation[19], goods are deemed to originate in a particular country if they have been wholly obtained there, or obtained there using products and raw materials of foreign origin (within the meaning of Article 16 of the Customs and Excise Code), after undergoing full-scale processing, thereby losing their original characteristics.[20] Full-scale processing means working or processing leading to local upgrading of at least 50%. Special rules apply to textile goods, articles of clothing and sugar.[21]

3.24. Preferential rules of origin are defined in bilateral or regional agreements or arrangements (Table 2.3 and Section 2.3.2). Since its previous TPR, Morocco has signed a new regional trade agreement (RTA) with the United Kingdom, which includes preferential rules of origin based on the provisions of the EU-Morocco Association Agreement (EU rules).

3.25. For goods imported from EU and European Free Trade Association (EFTA) countries, the United Kingdom, Türkiye or countries belonging to the Agadir Agreement[22], a EUR1 or EURMED certificate for the movement of goods, or a declaration on the invoice or on the EURMED invoice, is required. The status of "approved exporter" gives the beneficiary company the possibility of certifying the origin of goods itself. For other imports, a standard certificate of origin is required.

3.26. Pan-European cumulation of origin has been extended to several Mediterranean countries, including Morocco. The extended system (pan-Euro-Mediterranean cumulation of origin)[23] now includes EU and EFTA member countries, Türkiye, the Faroe Islands and the signatories to the Barcelona Convention.[24] It is based on a network of preferential agreements and allows diagonal cumulation if the agreements provide for identical rules of origin. Currently, for Morocco, pan-Euro-Mediterranean cumulation applies to its relations with the EU and EFTA member countries, signatories to the Agadir Agreement and Türkiye. However, it does not apply to its relations with the United Kingdom.

3.27. The ADII, which issues certificates of origin, highlights the problem of managing and controlling origin because of the following: (i) the profusion of rules and model certificates of origin for the same product; (ii) the numerous preferential regimes for the same product under the various agreements signed with the same country; (iii) the complex rules, which lead to differences of interpretation; and (iv) the cost of managing the rules.[25]

3.28. According to the authorities, since the previous TPR, the ADII has taken various steps to facilitate the management of origin-related procedures through digitalization and support for operators. The following measures have been taken: (i) digitalization of the issuance of certificates of origin under the preferential framework; (ii) automation of the management of the subsequent verification of evidence of origin for imports and exports; (iii) granting of AEO status to several companies, allowing them to self-certify the origin of products exported in the pan-Euro-Mediterranean area; and (iv) organization of training for customs agents, professional associations and operators, in particular those requesting approved exporter status.

3.1.4 Customs levies

3.29. Imported goods are subject to customs duty, the parafiscal tax on imports, value added tax (VAT), internal consumption tax (TIC) and various other duties and taxes (Section 3.1.5.1). The revenue earned from these various duties and taxes levied at customs rose considerably between

[19] Customs and Excise Code, amended by *Dahir* No. 1-00-2022 of 5 June 2000.

[20] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 3.1.4.

[21] Weaving, printing and making up, as well as sugar refining, are deemed to be full-scale processing that confers origin (Decree No. 2-98-387 of 5 January 1999, and Order of the Ministry of the Economy and Finance No. 2807-21 of 28 October 2021).

[22] Tunisia, Egypt and Jordan.

[23] *Règles d'origine préférentielles pan euro-méditerranéen*. Viewed at: https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=LEGISSUM:rx0014.

[24] The 1995 Barcelona Declaration established a Euro-Mediterranean partnership. The signatories are: Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority, the Syrian Arab Republic and Tunisia.

[25] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 3.1.4.

2016 and 2022 (Table 3.2) as a result of higher VAT and TIC. The increased revenue from VAT, occupying first place in total fiscal revenue, is attributable to the increase in the value of taxable imports caused by inflationary pressures and the soaring prices of energy products. The increase in TIC revenues stems from higher tax pressure on the products concerned, including manufactured tobacco and alcoholic and non-alcoholic beverages. It is also due to the increase in imports of manufactured tobacco.

Table 3.2 Revenue from duties and taxes levied on imports, 2016-22

(MAD million)

Duties and taxes	2016	2017	2018	2019	2020	2021	2022
Import duty[a]	9.1	8.6	9.5	9.6	9.3	11.7	13.7
Internal consumption tax (TIC) including:	26.1	27.4	28.3	29.9	27.4	31.3	31.6
TIC on energy products	15.2	15.7	15.7	16.6	14.4	16.4	16.2
TIC on manufactured tobacco |	9.3	9.9	10.8	11.3	11.0	12.2	12.7
TIC on other products	1.6	1.7	1.8	1.9	2.0	2.4	2.7
VAT including:	47.9	51.4	54.7	56.1	49.0	61.1	78.2
VAT on energy products	7.1	8.5	9.9	9.8	7.3	10.4	18.1
Other	40.8	42.9	44.8	46.3	41.7	50.7	60.1
Gas pipeline levy[b]	1.0	1.0	1.5	1.0	0.5	0.8	0.0
Revenue allocated to special Treasury accounts	5.3	5.3	5.6	5.9	5.2	6.1	6.8
Revenue transferred to other agencies	0.6	0.6	0.7	0.7	0.7	0.8	1.2
Total	90.2	94.8	100.8	103.7	92.5	111.9	132.0

a Import duty comprises the tariff, stamp duty, administrative fees and the tax on private transport.
b The Maghreb-Europe Gas Pipeline agreement was not renewed in 2022.

Source: ADII, *Rapport d'activité 2022*. Viewed at: https://www.douane.gov.ma/web/guest/nos-publications; and information provided by the authorities.

3.1.4.1 Applied most-favoured-nation (MFN) tariff

3.30. Morocco currently uses the 2022 version of the Harmonized Commodity Description and Coding System (HS). Since 2000, the nomenclature has comprised 10 digits, and the number of tariff lines has decreased significantly, falling from 17,784 in 2015 to 13,122 in 2023.[26] With the exception of 15 lines subject to variable customs duty (compared to 28 at the time of the previous report), all other lines are subject to *ad valorem* duty, levied on the c.i.f. value of the imports.

3.31. The applied tariff comprises 16 different rates for the lines subject to *ad valorem* duty. Since the previous review in 2015, the number of rates applicable to products fell from 18 to 16 in 2023. The applied rates are the following: 0%; 2.5%; 10%; 17.5%; 32.5%; 35%; 40%; 49%; 50%; 55%; 60%; 66%; 70%; 100%; 170%; and 200%. Products of HS Chapters 01 to 24 are subject to rates of up to 200%, as well as variable duty. The list of products subject to variable duty has reduced somewhat since 2015, falling to 15 HS lines at the 10-digit level. The tariff structure is generally characterized by a high degree of complexity.

3.32. Since Morocco's previous TPR, the simple average of MFN customs duties increased from 12.5% in 2015 to 16.6% in 2023 (Table 3.3). The average duty on agricultural products (WTO definition) rose from 30% in 2015 to 32.2% in 2023. For non-agricultural products, the simple average increased from 9.5% in 2015 to 13.7% in 2023. If the ISIC (Rev.2) definition is used, agriculture is still the most highly protected sector (with an average tariff of 19.3%), followed by manufacturing (16.6%) and mining (6.2%) (Table 3.4).

3.33. Customs duty rates were revised in 2020. According to the authorities, the increase was decided during the economic crisis caused by the COVID-19 pandemic. Customs duty rates applied for finished and semi-finished goods rose from 25% to 30% and then to 40% in 2020. The tariff rise was necessary in order to: (i) raise additional revenue to compensate for the tax shortfall caused by the drop in economic activity; (ii) provide financial resources to cover the many unforeseen expenses arising from the COVID-19 pandemic; (iii) bolster the protection of domestic production in an economic climate marked by the dislocation of global value chains; and (iv) ensure economic sovereignty.

[26] Number of tariff lines: 17,735 in 2009.

3.34. Some customs duty rates were revised in 2022.[27] According to the authorities, rates for imported and non-locally produced medicines and pharmaceutical products were reduced to 2.5%. Furthermore, intermediate rates (10% or 17%) were applied to products and medicines which are both imported and produced domestically, while the rate for imported medicines and those not produced locally was increased to 40%. Customs duty rates for the preparation of chicken meat in the shape of patties (HS 1602.32.10) increased from 10% to 40%, while the rate applied to filament lamps (HS 85.39) rose from 2.5% to 17.5%.[28]

Table 3.3 MFN tariff structure, 2015 and 2023

	2015	2023	Bound tariff rates[a]
1. Bound tariff lines (% of all tariff lines)	100	100	100
2. Simple average of applied MFN rates	12.5	16.6	42.2
Agricultural products (WTO definition)	30.0	32.2	58.0
Non-agricultural products (WTO definition)	9.5	13.7	39.6
Agriculture, hunting, forestry and fishing (ISIC)	16.5	19.3	41.5
Mining and quarrying (ISIC)	4.2	6.2	36.8
Manufacturing (ISIC)	12.3	16.6	42.3
3. Duty-free tariff lines (% of all tariff lines)	0.1	0.03	0.06
4. Simple average rate (dutiable lines)	12.5	16.6	42.3
5. Non-*ad valorem* tariffs (% of all tariff lines) [b]	0.16	0.11	0.0
6. Non-*ad valorem* tariffs with no *ad valorem* equivalents (AVEs) (% of all tariff lines)	0.16	0.11	0.0
7. Tariff quotas (% of all tariff lines)	1.5	2.0	1.7
8. Domestic tariff peaks (% of all tariff lines) [c]	6.2	1.8	1.8
9. International tariff peaks (% of all tariff lines) [d]	32.9	35.3	99.4
10. Overall standard deviation of applied rates	17.9	22.0	21.4
11. "Nuisance" applied rates (% of all tariff lines) [e]	0.0	0.0	0.0
12. Number of applicable rates	18 (0; 2.5; 10; 17.5; 25; 30; 32.5; 35; 40; 42; 47; 49; 50; 66; 70; 100; 170; 200)	16 (0; 2.5; 10; 17.5; 32,5; 35; 40; 49; 50; 55; 60; 66; 70; 100; 170; 200)	n.a.

a The final bound rates are based on the WTO Consolidated Tariff Schedules (CTS) database (HS 2002).
b The calculations are based on the out-of-quota rates on the domestic tariff line (10-digit) levels provided by the authorities.
c Domestic tariff peaks are defined as rates exceeding three times the overall simple average applied rate.
d International tariff peaks are defined as rates exceeding 15%.
e "Nuisance" rates are rates greater than zero, but less than or equal to 2%.

n.a. Not applicable.

Note: The 2023 tariff is composed of 13,122 tariff lines (at the 10-digit level, according to the HS 2022 nomenclature).
The 2015 tariff is composed of 17,784 tariff lines (at the 10-digit level, according to the HS 2012 nomenclature).

Source: WTO Secretariat calculations based on data provided by the authorities, and WTO Consolidated Tariff Schedules (CTS) database.

Table 3.4 Brief analysis of the MFN tariff, 2023

	Number of tariff lines	Simple average rate (%)	Range of rates (%)	CV [a]
Total	13,122	16.6	0-200	1.3
Harmonized system (HS)				
Chapters 01 to 24	2,332	30.7	2.5-200	1.2

[27] Finance Law No. 76-21 for the financial year 2022, enacted by *Dahir* No. 1-21-115 of 10 December 2021 published in the Official Journal (OJ) No. 7049 *bis*, 20 December 2021.
[28] ADII, *Rapport d'activité 2022*.

	Number of tariff lines	Simple average rate (%)	Range of rates (%)	CV [a]
Chapters 25 to 97	10,790	13.6	0-40	1.2
By WTO definition				
Live animals and animal products	786	42.0	2.5-200	1.3
Vegetable products	730	20.7	2.5-170	0.9
Animal or vegetable fats and oils	123	19.5	2.5-50	0.8
Prepared foodstuffs	693	30.5	2.5-60	0.5
Minerals	271	6.8	0-40	1.6
Chemicals	2,066	6.8	2.5-40	1.7
Plastics and rubber	658	13.1	2.5-40	0.9
Raw hides and skins, leather, furskins	236	13.0	2.5-40	1.3
Wood and timber products	480	20.1	2.5-40	0.8
Wood pulp and paper	320	18.7	2.5-40	0.8
Textiles and textile products	1,892	17.5	2.5-40	0.9
Footwear and headwear	142	30.2	2.5-40	0.5
Stone products	368	22.7	2.5-40	0.8
Precious stones and metals	91	2.5	2.5	0.0
Base metals	1,297	17.9	2.5-40	1.0
Machines and mechanical appliances	1,398	8.2	2.5-40	1.6
Transport equipment	738	16.8	2.5-40	1.0
Precision instruments	336	3.7	2.5-40	1.7
Arms and ammunition	72	2.5	2.5	0.0
Goods and various products	404	21.0	2.5-40	0.9
Works of art, collectors' pieces, and antiques	21	2.5	2.5	0.0
By ISIC sector[b]				
Agriculture, hunting, forestry, and fishing	807	19.3	2.5-200	1.7
Mining and quarrying	147	6.2	0-40	1.8
Manufacturing	12,167	16.6	2.5-200	1.3

a Coefficient of variation (CV).
b International Standard Industrial Classification (ISIC) (Rev.2), excluding electricity, gas, and water (one tariff line).

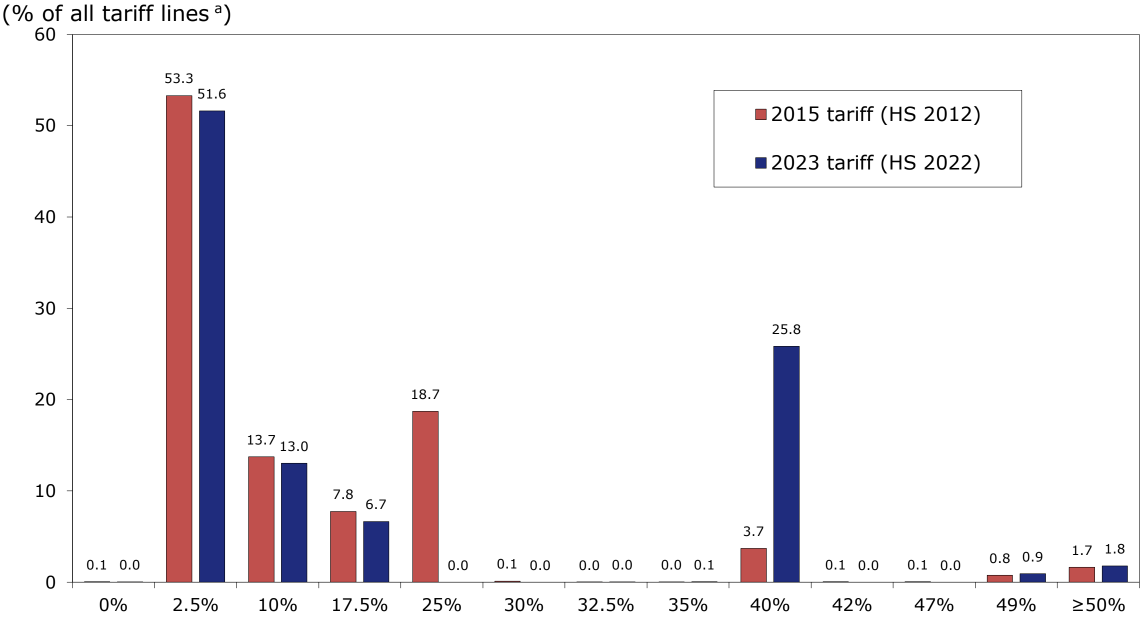
Source: WTO Secretariat calculations based on data provided by the authorities.

3.35. The modal (most common) rate is 2.5% and applies to 6,774 lines (52% of all tariff lines), followed by 40% for 3,390 lines (Chart 3.1).[29] Rates of 25%, 30%, 32.5% and 35% applied at the time of the previous TPR were mostly converted to the 40% rate.

3.36. The highest *ad valorem* customs duty (200%) applies to agricultural products (live sheep and goats and their meat). The zero rate applies to four lines, or 0.03% of all lines (sulphur), as opposed to 10 lines (0.06% of all lines) at the time of the previous TPR. A modal rate of 2.5% applies to more than half of the tariff lines, generating significant fiscal revenue.[30] The authorities indicated that such a rate did not impede trade but was a significant source of revenue.

[29] At the time of the previous TPR, the modal (most common) rate was 2.5% (9,479 lines, or 53% of all tariff lines), followed by the 25% rate, applied to 3,330 lines.
[30] The 2.5% rate generally applies to inputs not obtained locally and capital goods.

Chart 3.1 Breakdown of applied MFN tariff rates, 2015 and 2023



a The total number of tariff lines was 17,784 for 2015 and 13,122 for 2023.

Source: WTO Secretariat calculations based on data provided by the authorities.

3.37. As of 1 January 2024, some customs duty rates have been amended (Box 3.2).[31] Since the authorities have not yet provided the WTO Secretariat with the new tariff, the tariff review for 2024 cannot be carried out. The 40% customs duty rate has been reduced to 30% for the majority of products included in this rate (except tobacco). According to the authorities, this decrease is based on: (i) high inflation having a negative impact on the purchasing power of consumers; and (ii) a wider gap in protection between products benefiting from regional trade agreements (RTAs) and products from other origins, accentuating distortions in the tariff structure. Furthermore, the authorities have indicated that a lowering of the rate to 25% has been set for the fiscal year 2025.

Box 3.2 Main amendments to customs duty rates, 2024

Reduced customs duty rates:

- From 40% to 30% for all products subject to the 40% rate, excluding manufactured tobacco and manufactured tobacco substitutes (HS 24), and products subject to the 40% rate before the entry into force of Law No. 35-20 for the fiscal year 2020.
- From 32.5% to 30% for non-fermented green tea submitted in packages not exceeding 3 kg (HS 0902.10.0000).
- From 40% to 17.5% for tuna flakes (HS 1604.14.0092).
- From 10% to 2.5% for powdered milk substitutes for infant formula, put up for retail sale (HS 1901.10.1000).
- From 17.5% to 2.5% for certain rubber seals (HS 4016.93.0010; 8421.99.2120; 8421.99.9110), and lithium batteries (HS 8507.60.0700).
- From 40% to 2.5% for screws and springs for the manufacture of vehicle filters (HS 7318.15.3000; 7320.90.3000), and electric semi-trailer road tractors (HS 8701.24.9100; 8701.24.9900).

Increased customs duty rates:

- From 2.5% to 30% for green tea submitted in packages over 3 kg and under 20 kg (HS 0902.20.0010), and certain electrical appliances (electric razors, clippers, hair-dryers, irons, microwave ovens) (HS 85.09; 85.10).
- From 2.5% to 17.5% for dog and cat food, put up for retail sale (HS 2309.10.0000), and telephone sets, including smartphones (HS 85.17).
- From 2.5% to 40% for e-cigarettes (HS 2404.12.0000; 2404.19.0010).
- From 2.5%-10% to 17.5% for certain rolled metal sheets and plates (HS 72.08; 72.09; 72.10; 72.11; 72.12; 72.25; 72.26).
- From 2.5% to 10% for optical fibre cables (HS 8544.70.0010; 8544.70.0090).

Source: ADII Circular No. 6522/210 - Customs provisions of the Finance Law for the fiscal year 2024. Viewed at: https://www.douane.gov.ma/dms/loadDocument?documentId=93231&application=circulaire.

[31] ADII Circular No. 6522/210 - Customs provisions of the Finance Law for the fiscal year 2024.

3.38. According to the authorities, the decrease in custom duty rates from 40% to 30% should lead to a lowering of the simple average of MFN customs duty rates, as well as changes in the modal rate. Customs duty rates have risen to 17.5% for certain rolled metal sheets and plates, and to 30% for certain electrical appliances. The impact of the tariff reforms remains to be seen.

3.39. Variable duties also currently apply to certain cereals, sugar (cane and beet) and chemically pure sucrose. Two types of variable duty apply, one to sugar and sucrose and the other to certain cereals. For sugar and sucrose, one (lower) rate applies to the customs value and an additional (higher) rate to the difference between the fixed threshold and the declared value (if this is below the fixed threshold) (Table 3.5). In principle, as was the case in 2002, 2009 and 2015, for values declared below the fixed threshold, the *ad valorem* equivalent of the duty (inversely proportional to the import price) may range from the constant rate (minimum) to infinity. The authorities have indicated, however, that they ensure that the *ad valorem* equivalent of the variable duty stays below the WTO bound rate.

Table 3.5 Variable customs duties applied to sugar, 2023

HS Code	Rate applied to the customs value (%)	Threshold price (MAD/tonne)	Additional rate applied (%) [a]
HS 17.01 Cane or beet sugar			
Raw sugar	**35%**	3,500	123
1701.12.0000; 1701.13.0000; 1701.14.0010; 1701.14.0090			
Granulated sugar	**55%**	4,500	135
1701.91.1000; 1701.99.9110; 1701.99.9191; 1701.99.9199			
Sugar in lumps, loaves, or slabs	**60%**	5,000	150
1701.91.2000; 1701.99.9210; 1701.99.9290			

a The additional rate is applied to the difference between the threshold price and the declared value only if the declared value is below the threshold price.

Source: Tariff information for 2023 provided by the authorities.

3.40. Since Morocco's previous TPR, customs duties for granulated sugar increased from 42% to 55%, and the additional rate applied rose from 124% to 135%. For lump sugar, tariffs increased from 47% to 60%, and the additional rate rose from 129% to 150%. According to the authorities, these increases are in response to the adjusted tariff structure applied to imported sugar owing to the fall in international sugar prices.

3.41. For the cereals concerned (durum wheat, soft wheat and malting barley), Morocco's tariff provides for variable duty according to the import price (Table 3.6). There are two rates for each tariff line, namely a high rate for values declared below the fixed threshold and a lower rate for values above this threshold. The Moroccan authorities define this as "two-rate duty".

Table 3.6 Variable customs duties applied to cereals, 2023

HS Code	Product	Variable customs duties	
HS 10.01 Wheat and meslin			
1001.19.0010 [a]	Durum wheat	170% per tranche ≤ 1,000 MAD/tonne	2.5% per tranche ≤ 1,000 MAD/tonne
1001.99.0019	Soft wheat	35% per tranche ≤ 1,000 MAD/tonne	2.5% per tranche ≤ 1,000 MAD/tonne
1001.99.0090	Other	35% per tranche ≤ 1,000 MAD/tonne	2.5% per tranche ≤ 1,000 MAD/tonne
HS 10.03 Barley			
1003.90.0010	Malting barley	35% per tranche ≤ 800 MAD/tonne	2.5% per tranche ≤ 800 MAD/tonne

a The rates indicated for durum wheat are for the period 1 June to 31 July. An *ad valorem* duty applies for the remainder of the year.

Source: Tariff information for 2023 provided by the authorities.

3.42. In practice, customs duty on soft wheat is determined by decree according to the volume of the domestic harvest and global prices. Wheat imports have been exonerated since 1 November 2021.

3.43. The level of protection nevertheless increases sharply for some products when the other import duties and taxes (namely, the parafiscal tax on imports and other taxes) are taken into account (Section 3.1.5.1).

3.1.4.2 Tariff bindings

3.44. Morocco bound all its tariffs in the Uruguay Round, at exclusively *ad valorem* rates ranging from 0% to 289%. Duties on non-agricultural products were bound at 40%, except for those bound in 1987. The simple average bound rate is 42.2% (Table 3.3). As at the time of the previous TPR, the simple average bound rate is 58% for agricultural products and 39.6% for non-agricultural products. Other duties and taxes on the majority of products have been bound at 15%, except for those on certain goods bound at zero.[32]

3.45. Over 24% of the lines bound were bound at rates of 100% or more. The highest rate (289% since 2004 and originally 380%) is on certain live animals and meat. Morocco has reserved the right to invoke the special safeguard clause on 374 lines as provided for by Article 5 of the WTOAgreement on Agriculture. However, until September 2023, Morocco had never exercised this right.[33]

3.46. As was the case during the previous TPR, the tariff quotas in Morocco's schedule of commitments do not, in practice, apply to cereals, oilseed products, and sugar.[34] In fact, at the end of the reduction period (1995-2004) following the Uruguay Round, out-of-quota customs duties on these products became the same as or less than the duties applicable to quotas, making the quotas redundant. However, the quotas apply to animal products[35] and have been notified for sheep meat, white meat, and milk.

3.47. In all, for 774 tariff lines (compared to 792 in 2015 and 1,373 in 2009), the rate of customs duty applied remains above the bound rate (Table 3.7). Bound rates are mostly exceeded for chapters relating to the agricultural sector, corresponding to over 50% of tariff lines, namely: meat and edible meat offal (HS 02); vegetables and plants (HS 07); edible fruit (HS 08); preparations of fruits and vegetables (HS 20); and beverages (HS 22).

Table 3.7 Tariff lines for which the applied rate exceeds the bound rate, 2023

HS	Designation	Total number of tariff lines	Lines for which the applied rate exceeds the bound rate		
			Number of lines	(%)	Average variation (%)
01	Live animals	95	6	6.3	15.0
02	Meat and edible meat offal	176	113	64.2	54.9
04	Dairy produce; birds' eggs; natural honey; edible products of animal origin	130	51	39.2	11.2
06	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	46	1	2.2	6.0
07	Edible vegetables and certain roots and tubers	154	102	66.2	6.0
08	Edible fruit and nuts; peel of citrus fruit or melons	124	76	61.3	6.0
09	Coffee, tea, maté and spices	67	5	7.5	6.0
11	Products of the milling industry; malt; starches; inulin; wheat gluten	131	10	7.6	6.0
12	Oilseeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	126	4	3.2	6.0
15	Animal, vegetable and microbial fats and oils and their cleavage products; prepared edible fats; animal and vegetable waxes	123	3	2.4	23.3
16	Preparations of meat, of fish, or of crustaceans, molluscs or other aquatic invertebrates and insects	100	31	31.0	7.5
17	Sugars and sugar confectionery	75	13	17.3	6.0
18	Cocoa and cocoa preparations	31	13	41.9	6.0
19	Preparations of cereals, flour, starch or milk; pastry cooks' products	96	27	28.1	6.0
20	Preparations of vegetables, fruit or other parts of plants	149	115	77.2	6.0
21	Miscellaneous edible preparations	69	37	53.6	6.2
22	Beverages, spirits and vinegar	97	78	80.4	13.8
23	Residues and waste from the food industries; prepared animal fodder	55	6	10.9	9.0
24	Tobacco and tobacco substitutes; products, containing and not containing nicotine, intended for inhalation without combustion; other products containing nicotine intended for the absorption of nicotine into the human body	21	9	42.9	6.0
28	Inorganic chemicals; organic and inorganic compounds of precious metals, of radioactive elements, of rare-earth metals, or of isotopes	325	7	2.2	10.0

[32] Ten tariff lines under HS heading 25.03 (sulphur).
[33] WTO document G/AG/GEN/86/Rev.50 of 15 September 2023.
[34] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 3.1.3.4.
[35] WTO document G/AG/GEN/86/Rev.50 of 15 September 2023.

HS	Designation	Total number of tariff lines	Lines for which the applied rate exceeds the bound rate		
			Number of lines	(%)	Average variation (%)
33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	76	21	27.6	9.8
40	Rubber and products of rubber	175	9	5.1	5.0
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	250	5	2.0	7.8
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	869	16	1.8	7.8
85	Electrical machinery, appliances, hardware and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	529	3	0.6	10.0
87	Motor cars, tractors, cycles and other land vehicles, their parts and accessories	628	11	1.8	9.1
90	Optical, photographic, cinematographic, measuring, and quality- or precision-checking equipment; medical or surgical instruments and apparatus; parts and accessories thereof	240	2	0.8	10.0
Total		13,122	774	5.9	14.7

Note: As the bound tariff is taken from the HS 2002 nomenclature and the applied tariff from the HS 2022 nomenclature, the comparison of rates is made only for comparable tariff lines in both nomenclatures.

Source: WTO Secretariat calculations based on data provided by the Moroccan authorities, and the WTO Consolidated Tariff Schedules (CTS) database.

3.48. According to the authorities, the "other duties and taxes" (more specifically, the 15% fiscal levy) were amalgamated with customs duty in July 2000. They thus consider that applied and bound rates cannot be compared without taking this amalgamation into consideration. By this reasoning, a single tariff line (fresh or chilled foie gras, HS code 0207.60.0030) shows an applied customs duty (100%) in excess of the bound rate (49%).[36]

3.1.4.3 Tariff preferences

3.49. Morocco grants preferential treatment for imports from countries with which it has signed regional or bilateral trade agreements (Table 3.8). While the average applied MFN rate is 16.6%, the average applied preferential tariff is 0% for Algeria, Libya and Iraq, and 16.5% for the LDCs (Table 3.8). Since the previous TPR, the simple average of preferential rates has decreased on imports from the United States (from 1.6% to 0.7%) and the European Union (from 2.7% to 1.6%).

3.50. The authorities have indicated that the average applied preferential tariff is zero for: (i) all Arab countries under the Greater Arab Free Trade Area; (ii) member countries of the Agadir Agreement; and (iii) the United Arab Emirates.

3.51. Morocco grants duty-free treatment to: (i) all Arab countries under the Greater Arab Free Trade Area; (ii) member countries of the Agadir Agreement; and (iii) the United Arab Emirates.

3.52. Given the prevalence of RTAs entered into by Morocco with major trading partners, it would appear that there is a considerable amount of uncollected revenue, in the absence of revenue from import duties.

Table 3.8 Preferential rates, 2023

	Total			Agriculture by WTO definition			Non-agricultural products (WTO definition)		
	Simple average rate (%)	Range of rates (%)	Duty-free tariff lines (%)[a]	Simple average rate (%)	Range of rates (%)	Duty-free tariff lines (%)[a]	Simple average rate (%)	Range of rates (%)	Duty-free tariff lines (%)[a]
MFN	**16.6**	**0-200**	**0.0**	**32.2**	**2.5-200**	**0.0**	**13.7**	**0-50**	**0.0**
EFTA	4.8	0-200	84.8	27.5	0-200	17.3	0.6	0-40	97.3
Agadir	1.3	0-100	87.9	3.7	0-100	89.2	0.8	0-40	87.6
Algeria	0.0	0	100.0	0.0	0	100.0	0.0	0	100.0

[36] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 3.1.3.4.

	Total			Agriculture by WTO definition			Non-agricultural products (WTO definition)		
	Simple average rate (%)	Range of rates (%)	Duty-free tariff lines (%)[a]	Simple average rate (%)	Range of rates (%)	Duty-free tariff lines (%)[a]	Simple average rate (%)	Range of rates (%)	Duty-free tariff lines (%)[a]
Saudi Arabia, Kingdom of	8.2	0-200	39.0	21.9	0-200	31.7	5.7	0-50	40.3
Egypt	9.4	0-200	59.4	31.1	0-200	6.8	5.4	0-50	69.2
United Arab Emirates	1.4	0-100	87.5	4.4	0-100	87.6	0.8	0-40	87.5
United States of America	0.7	0-200	98.3	4.1	0-200	92.2	0.1	0-40	99.5
Greater Arab Free Trade Area	1.4	0-100	87.6	4.4	0-100	87.6	0.8	0-40	87.5
Guinea	16.3	0-200	2.1	31.0	0-200	5.9	13.6	0-50	1.4
Iraq	0.0	0	100.0	0.0	0	100.0	0.0	0	100.0
Jordan	9.4	0-200	59.4	31.1	0-200	6.8	5.4	0-50	69.2
Libya	0.0	0	100.0	0.0	0	100.0	0.0	0	100.0
Mauritania	13.9	0-200	19.8	24.5	0-200	25.2	12.0	0-50	18.8
United Kingdom	1.7	0-200	96.8	8.6	0-200	88.8	0.4	0-40	98.3
Senegal	16.0	0-200	0.0	31.8	2.5-200	0.0	13.1	0-50	0.0
Tunisia	6.3	0-200	75.7	26.5	0-200	23.8	2.5	0-50	85.4
Türkiye	7.2	0-200	77.4	30.4	0-200	11.4	2.8	0-50	89.7
European Union	1.6	0-200	97.0	8.2	0-200	90.1	0.4	0-40	98.3
LDCs[b]	16.5	0-200	1.4	31.5	0-200	5.5	13.7	0-50	0.7

a Percentage of total lines.

b 33 LDCs in Africa.

Source: WTO Secretariat calculations based on data provided by the authorities.

3.1.5 Other charges affecting imports

3.53. A 0.25% parafiscal tax is levied on imported goods, including those under preferential regimes, but not suspensive regimes or Industrial Acceleration Zones (ZAIs). It does not apply to imports under the customs regime (RED); capital goods, equipment and tools, together with their parts, spare parts and accessories needed to promote investment; and duty-free goods or those on which import duties and taxes have been totally suspended, or those benefiting from exemption from import duties and taxes under agreements, or conventions signed with certain countries.[37]

3.54. A number of other duties and taxes or levies apply to imports. These include the tax on imported wood, the tax for the control and stamping of imported handmade carpets (5%), the storage tax (4%-14% of the customs value if the goods stay more than three days in customs), the fixed computer tax (MAD 150) and the administrative fees for endorsing the manifest.[38]

3.1.5.1 Internal duties and taxes

3.1.5.1.1 Value added tax (VAT)

3.55. VAT applies to imported and domestically produced goods and services. For imports, it is levied on the customs value, plus any duties and taxes imposed, including internal consumption tax (TIC). For domestically produced goods, it is calculated on the selling price. The General Tax Code defines two different VAT regimes: a "domestic" regime and an import regime.

3.56. VAT is applied at four different rates: 7%, 10%, 14% and 20%. The list of goods and services subject to VAT is almost identical for both regimes, except where the incorporation of certain additional products under the VAT regime for imports is concerned, which is levied at a rate of 10%.

[37] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 3.1.3.3.

[38] MAD 0.50 or MAD 0.75 per deadweight tonnage - the lower fee applies to Moroccan ships - with a maximum of MAD 1,500 or MAD 3,000, respectively; MAD 0.20 or MAD 0.50 per tonne if the tonnage of the loaded goods is less than one quarter of the deadweight; and MAD 3.50 per passenger boarding Moroccan or foreign ships going to Morocco (with a maximum of MAD 1,500).

3.57. The General Tax Code provides for two separate lists of products that are VAT-exempt: one includes the products and services exempt "domestically"[39] and the other covers the exemptions for imports.[40] This profusion of rates and exemptions makes the VAT regime highly complex.[41]

3.58. VAT reform has been included in the 2024 Finance Law.[42] It will be phased in over a three-year period (2024-26) and it provides for there to be only two base rates (10% and 20%) by 2026. According to the authorities, this reform has three key objectives, namely to: (i) shore up purchasing power and mitigate the impact of inflation, by extending VAT exemption to commodities; (ii) ensure the neutrality of this tax, and mitigate the "barrier effect" on companies, which is caused by the rate differential upstream and downstream; and (iii) broaden the scope of VAT, ensure tax equity, assist in the integration of the informal sector, rationalize tax incentives and harmonize the provisions in force.

3.59. In 2023, straight feeding stuffs for poultry were exempt from import VAT.[43]

3.1.5.1.2 Internal consumption tax (TIC)

3.60. TIC applies at the same rates to some types of goods, whether imported or domestically produced, for example, non-alcoholic beverages (MAD 7 to MAD 45/hl); beer (MAD 1,150/hl)[44]; beverages with malt extracts (MAD 124.5/hl); energy drinks (MAD 600/hl); wine (MAD 850/hl); ethyl alcohol or other alcohol to be used to receive ethyl alcohol applications (MAD 200 to MAD 18,000/hl of pure alcohol); manufactured tobacco (Table 3.9); energy products and bitumen (Table 3.10); platinum and gold articles (MAD 600/hg) and silver articles (MAD 25/hg); cartridges and refills for e-cigarettes (MAD 0.5 to MAD 1/ml); products related to water-pipe tobacco (tobacco-free *muassel*) (MAD 675/kg); tyres, including rim-mounted pneumatic tyres (MAD 3/kg); electrical appliances and equipment[45] (MAD 0 to MAD 500/unit, depending on energy class); electronic devices[46] and vehicle batteries (MAD 0 to MAD 100/unit); and sugar-containing products (Table 3.11).

Table 3.9 TIC applied to manufactured tobacco, 2023

Product description	Specific rate (MAD)	*Ad valorem* rate of the selling price, excluding VAT and specific TIC	Minimum rate (MAD)
Cigarettes	175/1,000 cigarettes	66%	782.1/1,000 cigarettes
Cigars and cigarillos	750/1,000 cigarettes	35%	1,500/1,000 cigarettes
Other manufactured tobacco			
Fine-cut smoking tobacco intended for the rolling of cigarettes	750/kg	25%	950/kg
Tobacco for water pipes (*muassel*)	420/kg	25%	675/kg
Other	158/kg	25%	220/kg
Heated tobacco products			
Manufactured tobacco, intended to be heated	1,500/kg	..	..

.. Not available.

Source: ADII, Rapport d'activité 2022.

[39] General Tax Code 2023 (Section III - Article 91).
[40] General Tax Code 2023 (Article 123).
[41] The two regimes have not been merged because domestic exemptions (with and without right of deduction) must be listed separately in two different articles of the General Tax Code. As such, it is not possible to merge them with import exemptions.
[42] Law No. 55-23 for the fiscal year 2024, enacted by *Dahir* No. 1-23-91 of 4 December 2023 (OJ No. 7259 *bis* of 25 December 2023).
[43] Article 247 of the General Tax Code 2023. Viewed at: https://www.finances.gov.ma/Publication/dgi/2023/CGI2023FR.pdf.
[44] MAD 600/hl for non-alcoholic beer.
[45] Appliances such as: refrigerators, freezers, air-conditioning units, washing machines, tumble dryers, dishwashers, and filament lamps for a voltage exceeding 28 V.
[46] Devices such as: television sets, laptops, computer monitors, tablets, mobile phones and smartphones.

Table 3.10 TIC applied to energy products and bitumen

Product description	Unit of taxation	Rate (MAD)
Petroleum oils and oils obtained from bituminous minerals, crude		
Refinery input	100 kg net	0.00
Other	100 kg net	0.00
Special spirits		
White spirit	Hl	0.00
Other	Hl	0.00
Aviation spirits	Hl	33.50
Premium-grade petrol (whether or not leaded)	Hl	376.40
Other	Hl	357.20
Medium oils		
Kerosene	Hl	44.00
Jet fuel	Hl	0.00
Not specified	Hl	59.81
Heavy oils		
Diesel	Hl	242.20
Heavy fuel oils (FO No. 2) for the manufacture of paraffin, bitumen, lubricating oils, bituminous extracts and the like	100 kg	0.00
Light fuel oils (FO No. 7)	100 kg	101.78
Heavy fuel oils (FO No. 2) used by the bodies responsible for public electrical energy services or by concessionary companies for generating electrical energy	100 kg	0.00
Other heavy fuel oils (FO No. 2)	100 kg	18.24
Recovered fuel oils	100 kg	18.24
Other recovered fuel oils	100 kg	81.58
Lubricating and other oils		
For mixing (base or other oils)	100 kg	228.58
Spindle oils	100 kg	228.58
High-viscosity fuel (vacuum residue)	100 kg	35.00
Other	100 kg	228.00
Mineral lubricating oils	100 kg	1.66
Extracts derived from the treatment of lubricating oils with selective solvents	100 kg	16.60
Preparations not elsewhere specified or included, containing by weight more than 70% of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations	100 kg	228.00
Petroleum gases and other gaseous hydrocarbons		
Natural gas (liquefied state)	100 kg	0.00
Other (liquefied state)	100 kg	4.60
Natural gas (gaseous state)	1,000 m^3	0.00
Other (gaseous state)	1,000 m^3	2.00
Premium-grade NGP 27-07 petrol	1,000 m^3	341.40
Lubricant preparations containing, as basic constituents, less than 70% by weight of petroleum oils or of oils obtained from bituminous minerals	100 kg	228.00
Mixed alkylidene, such as tripropylene and tetrapropylene	100 kg	0.00
Bitumen, asphalt and bituminous mixtures	100 kg	45.00
Coal, briquettes, ovoids and similar solid fuels (HS 27.01)		
Used by the bodies responsible for public electrical energy services, or by concessionary companies for generating electrical energy	100 kg	0.00
Other	100 kg net	6.48
Lignite, whether or not agglomerated, excluding jet (HS 27.02)	100 kg net	6.48
Peat other than peat litter (HS ex 27.03)	100 kg net	6.48
Coke and semi-coke of coal, of lignite or of peat (HS ex 27.04)	100 kg net	6.48
Petroleum coke (HS ex 27.13)		
Used by the bodies responsible for public electrical energy services, or by concessionary companies for generating electrical energy	100 kg	0.00
Other	100 kg	8.35

Source: ADII, Rapport d'activité 2022.

Table 3.11 TIC applied to sugar-containing products

Product description	Added sugar content in g/100 g or g/100 ml	Unit of taxation	Rate (MAD)
Biscuits	More than 50	100 kg	70.0
Confectionery	More than 70	100 kg	300.0
Chocolate products			
Chocolate bars, chocolate slabs and chocolate powder	More than 50	100 kg	200.0
Other (filled chocolates and chocolate spread)	More than 60	100 kg	150.0
Dairy produce			
Yoghurt drinks	More than 10	100 kg	40.0
Dairy-based desserts	More than 20	100 kg	40.0
Concentrated milk	More than 50	100 kg	40.0
Jam and marmalade	More than 60	100 kg	50.0
Beverages based on water and fruit juice or on concentrated fruit juice containing 10% or more of fruit juice or its concentrated juice equivalent	More than 9	100 kg	12.5

Source: ADII, Rapport d'activité 2022.

3.61. A reform of cigarette taxes was introduced by the 2022 Finance Law. The law provides for a gradual increase in TIC over a five-year period (2022-26) (Table 3.12).[47] According to the authorities, this reform, which is in line with WHO recommendations, has been introduced with the objective of reducing cigarette consumption.

Table 3.12 TIC applied to cigarettes, 2022-26

As of 1 January	2022	2023	2024	2025	2026
Specific rate/1,000 cigarettes (MAD)	100	175	275	400	550
Ad valorem rate of the selling price, excluding VAT and specific TIC	67.0%	66.0%	64.0%	61.0%	56.5%
Minimum rate/1,000 cigarettes (MAD)	710.2	782.1	862.7	900.9	953.0

Source: ADII, Rapport d'activité 2022.

3.62. The 2024 Finance Law provides for certain amendments to the TIC on non-alcoholic beverages, alcoholic beverages, manufactured tobacco, tyres and certain sugar-containing products.[48]

3.1.5.1.3 Other internal taxes

3.63. Other taxes are levied on imports and domestic production: the special tax on cement (MAD 150/tonne); taxes on rebar (MAD 100/tonne) and sand (MAD 30/tonne); an environmental tax on wood and articles of local and imported wood (12% or 6%)[49]; and the tax on the sale of dried beet pulp (MAD 100/kg net weight). Since 1 January 2024, an environmental tax (1.8%) is applicable to plastics and articles thereof (HS 39).

3.1.6 Import prohibitions, quantitative restrictions and licensing

3.64. Morocco maintains prohibitions and restrictions on the import of certain goods, mainly for reasons of security and public order, of health and of the environment, to safeguard morality, protect the national historical, archaeological and artistic heritage, or maintain the country's external financial position.[50] Certain products are subject to formalities that require an import licence. Applications for import licences are submitted online via the PortNet single window and issued

[47] ADII, *Rapport d'activité 2022*, pp. 41-46. Viewed at: https://www.douane.gov.ma/c/journal/view_article_content?groupId=16&articleId=55037&version=1.0&iframe=true&width=640&height=400.

[48] Law No. 55-23 for the fiscal year 2024 (Article 5), enacted by *Dahir* No. 1-23-91 of 4 December 2023 (OJ No. 7259 *bis* of 25 December 2023).

[49] The reduced rate of 6% applies only to untreated rough Okoumé wood in logs, with a butt circumference of 60 cm or more.

[50] *Dahir* No. 1-91-261 of 9 November 1992 enacting Law No. 13-89 on foreign trade.

electronically by the Ministry responsible for foreign trade, subject to an opinion from the relevant technical department. Licences are free, with an average issuance time of four days (Table 3.13).

Table 3.13 Products whose import is restricted, December 2023

Product	Measure
Absinthe and like products	Import ban
Anis or star anis essence and extracts thereof	Import ban
Military weapons, bladed weapons, parts and ammunition	Import licence (authorization from the National Security services)
Explosives and substances that could be used to manufacture arms and ammunition	Import licence (authorization from the Department of Mines)
Drones	Import licence
Baby feeding bottles and their parts (teats and dummies)	Import licence (authorization from the Ministry of Health)
Wine- or alcohol-based aperitifs	(Import ban)
Flavoured spirit drinks	(Import ban)
Kief or Indian hemp	(Import ban)
Medicines and pharmaceuticals	Pharmaceutical establishments authorized by the General Secretariat of the Government
Pharmaceutical specialities for veterinary application (nitrofuranes, chloramphenicol and gentamicin)	Import licence (prior authorization from the Minister of Agriculture, Rural Development and Marine Fisheries, and the Ministry of Health)
Mineral water	Import licence (prior authorization from the local control authority, *Dahir* No. 1-58-378 as amended)
Industrial products subject to technical regulations	Import licence (conformity certificate from the Ministry responsible for industry)
Videograms	Import licence (permit from the Moroccan Cinematographic Centre)
Telecommunications equipment	Approval from the National Telecommunications Regulatory Agency
Undenatured sulphur and sodium nitrate	Import licence (local control authority)
Carrier pigeons	Import licence (authorization from the authority responsible for national defence)
Radioactive sources	Import licence (authorization from the Ministry of Health)
Poisonous substances	Import licence (Ministry of Health)
Toxic waste	Import licence (authority responsible for the environment)
Discs and phonographic recordings	Import licence (permit from MINCOM)
Refrigeration equipment using halogenated by-products	Import licence
Worn clothing	Import licence
Used or retreaded tyres	Import licence
Wheels equipped with retreaded or used tyres	Import licence
Used chassis	Import licence
Ferrous and non-ferrous metals	Import licence
Certain ozone-depleting gases	Import licence
Endangered species and their products/waste	CITES[a], Stockholm Convention[b] and Rotterdam Convention[c] – Environment (authorization from the competent authority or import ban)
Ferrous and non-ferrous waste	Basel Convention (import ban for list A; authorization from the department responsible for the environment for list B)
Nitrous oxide capsules (food additive)	Import licence granted by the Ministry responsible for foreign trade upon receipt of a technical opinion from the National Food Safety Board (ONSSA)
Liquid mercury and combined mercury thermometers	Import licence
Rigid and semi-rigid inflatable boats	Import licence
Outboard motors for the propulsion of boats and inflatable vessels	Import licence
Polyethylene	Import licence
Asbestos	Import licence
Nitrous oxide capsules	Import licence
Certain hazardous chemicals and pesticides	Rotterdam Convention[c]
Wood charcoal from Somalia	Import ban
Guarantee for materials and articles of platinum, gold and silver	Import licence

Product	Measure
Insecticides, fungicides, disinfectants, rodenticides, and similar products containing methyl bromide CH-3-Br	Import licence
Extinguishers containing halon gases	Import licence

a The Convention on International Trade in Endangered Species of Wild Fauna and Flora was incorporated into Morocco's legislation by means of *Dahir* No. 1-75-434 of 17 December 1976, and published in the OJ of 3 December 1980.
b The Stockholm Convention on Persistent Organic Pollutants was approved by Morocco by means of *Dahir* No. 01-04-4 of 21 April 2004.
c The Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade was incorporated into Morocco's legislation by means of *Dahir* No. 1-09-136 of 2 August 2011.

Source: Information provided by the authorities.

3.1.7 Anti-dumping, countervailing and safeguard measures

3.1.7.1 Anti-dumping and countervailing measures

3.65. Since Morocco's previous TPR, there have been no changes to the country's legislative framework governing trade defence measures. These measures are governed by Law No. 15-09, the provisions of which also apply, in the same way, to parties to free trade agreements.

3.66. An investigation is initiated and conducted following a request submitted in writing in order to determine whether there is dumping, a specific subsidy or a marked increase in imports of a product, material injury or threat of material injury and a causal link between the dumping, the subsidy or such an increase in imports and the injury or threat of injury. The request must be accompanied by objective and substantiated data. The applicant is notified of the acceptance or rejection of the request within 10 days and the competent authority may decide to open an investigation within 21 days, after hearing the views of the Import Monitoring Commission. Notice of the initiation of an investigation is published by the competent authority in at least two national newspapers. Any person interested has 30 days as of the date of publication of the notice in which to forward comments.

3.67. Morocco has regularly submitted semi-annual reports on its anti-dumping actions to the Committee on Anti-Dumping Practices. During the period 2016-23, 11 original investigations were initiated[51], 6 investigations resulted in final rulings with imposition of duties and 2 investigations were terminated. In addition, in 2019, three definitive anti-dumping measures were repealed.[52] At the end of June 2023, 10 definitive anti-dumping measures (including a price undertaking) were in force in the country.[53] One measure has been in place for more than 10 years.

3.68. Two original investigations were initiated by Morocco after the publication of its previous semi-annual report on anti-dumping actions, covering the period from 1 January to 30 June 2023: on 7 August 2023, an anti-dumping investigation on imports of preserved tomatoes (HS 2002.90; 2005.99) from Egypt; and on 30 August 2023, an anti-dumping investigation on imports of electric ovens (HS 8516.60) from Türkiye.[54]

3.69. As regards countervailing measures, Morocco has neither opened any investigation nor applied any such measures.

3.1.7.2 Safeguard measures

3.70. Any import may be subject to a safeguard measure following an investigation if it is found that there is a marked increase in imports of the product in question relative to domestic production

[51] The products are: refrigerators (China, Thailand and Türkiye), ceramic tiles (Spain), exercise books (Tunisia), machine-made carpets (China, Egypt and Jordan), galvanized wire (Türkiye), tomatoes (Egypt) and electric ovens (Türkiye).
[52] Termination of definitive anti-dumping measures for hot-rolled sheets of steel (European Union and Türkiye) and A4 paper (Portugal).
[53] WTO document G/ADP/N/384/MAR of 22 August 2023.
[54] Ministry of Industry and Trade. Viewed at: https://www.mcinet.gov.ma/fr/antidumping.

and that this increase causes or threatens to cause material injury to the domestic industry producing the like or competitive product.[55]

3.71. Since its previous TPR, Morocco has notified the WTO's Committee on Safeguards that it has opened five safeguard investigations on the following: coated wood board; hot-rolled sheets; welded tubes and pipes of iron or steel; lighting columns; and inner tubes for bicycles, mopeds, motorcycles and scooters.[56] Morocco has also imposed three new safeguard measures since then and four safeguard measures are in force (Table 3.14).

Table 3.14 Safeguard measures

Product	Measure	WTO document
Paper in rolls and in reams	Additional *ad valorem* duty of 25%, which will be progressively reduced to 15.5% in 2020. This duty will not apply to imports under the annual quota of 18,000 tonnes, which will be progressively increased to reached 22,500 tonnes in 2020.	G/SG/N/8/MAR/5/Suppl.1, 16 January 2017
Coated wood board	Tariff quota in excess of which an additional duty will have to be paid. The import quota not subject to the additional duty is set at 3,000,000 m² (the equivalent of 23,250 tonnes). The additional duty will take the form of a specific duty in the amount of MAD 1.6/kg.	G/SG/N/8/MAR/6, 11 July 2019
Hot-rolled sheets	Additional *ad valorem* duty of 25% applicable for a period of three years. The additional duty will be reduced by one percentage point each year.	G/SG/N/8/MAR/7/Suppl.1, 23 November 2020
Welded tubes and pipes of iron or steel	Additional *ad valorem* duty of 25%.	G/SG/N/8/MAR/8, 16 September 2020

Source: WTO Secretariat.

3.72. Two investigations were terminated without the imposition of measures: one on the import of lighting columns on 18 March 2022[57], and one on the import of inner tubes on 3 July 2022.[58] On 16 October 2023, the safeguard measure on imports of wire rods and reinforcing bars ceased.[59]

3.2 Measures directly affecting exports

3.2.1 Customs procedures and requirements

3.73. Natural or legal persons wishing to engage in export activities must be listed in the Commercial Register. Prospective traders must register at the court of first instance in the same jurisdiction as their principal place of business or corporate headquarters. The trader's registration number must be indicated on export documents. Additionally, craft industry producers must be listed in the national craft industry register to conduct export operations. Listing in this register is subject to application[60] to the Ministry responsible for the handicrafts industry or one of its delegations in the various regions of Morocco.

3.74. Exporters of food, agricultural and fisheries products, and all establishments manufacturing, processing or packaging food products for export, must obtain approval (renewable annually) from the autonomous export control and coordination agency, Morocco Foodex-EACCE.[61] Morocco Foodex carries out technical control checks to ensure that Moroccan agricultural and fisheries products for

[55] Article 52, Title III of Law No. 15-09.
[56] WTO documents G/SG/N/6/MAR/10 of 31 July 2018; G/SG/N/6/MAR/11 of 29 May 2019; G/SG/N/6/MAR/12 of 4 October 2019; G/SG/N/6/MAR/13 of 27 April 2021; and G/SG/N/6/MAR/14 of 17 October 2022.
[57] WTO document G/SG/N/7/MAR/6/Suppl.1 of 11 April 2022.
[58] WTO document G/SG/N/9/MAR/4 of 6 July 2023.
[59] WTO document G/SG/N/10/MAR/3/Suppl.6 of 30 November 2023.
[60] Applications submitted by trading companies must be supported by the manager's national identity card and a copy of the company's articles of association specifying that it engages in the export of craft products. Natural persons must provide copies of their commercial register listing and business tax registration and the craftworker's national identity card. Cooperatives and associations must provide a copy of their articles of association, the national identity card of the chairperson, and the minutes of the founding general meeting.
[61] The EACCE was founded in 1986 as a state body attached to the Ministry of Agriculture, Marine Fisheries and Rural Development. Viewed at: https://www.moroccofoodex.org.ma/en/morocco-foodex/presentation/.

export comply with the legislative and regulatory requirements applicable in the foreign markets of destination. A certificate is issued following these inspections.[62] The export of products subject to EACCE technical control is not subject to any inspection tax.

3.75. Morocco Foodex has digitalized its technical control procedures using the "Easy Food Export" information system to simplify inspections and enable exporters to be registered/approved by Morocco Foodex and to receive export documents, including the inspection certificate.

3.76. A Single Goods Declaration (DUM) is required for any goods to be exported and must be accompanied by an export licence for goods subject to quantitative restrictions (Section 3.2.3). Export licence requests can be submitted online via the PortNet single window and are issued by the Ministry of Foreign Trade on the same platform. Since 28 March 2014, the mandatory foreign exchange undertaking for freely exportable goods has no longer been required.

3.77. To benefit from the preferences accorded under bilateral or multilateral agreements and conventions, exporters must obtain the appropriate certificate of origin from the ADII.

3.2.2 Export taxes

3.78. Morocco does not apply any export taxes. The last export taxes were eliminated in 2008.

3.79. After goods have been exported or transferred under temporary admission arrangements for inward processing, the drawback procedure allows for the refund, at an average rate, of the import duties and, where applicable, internal consumption tax (ICT) imposed on the goods in question or on the products contained in the goods exported or consumed during their production. Only products designated by decree are eligible for this procedure.

3.2.3 Export prohibitions, licensing and control

3.80. Pursuant to current legislation, exports of goods and services may be subject to restrictions to safeguard public morals, security, public order and human health; to protect fauna and flora and the national historical, archaeological and artistic heritage; and to maintain the country's external financial position.[63]

3.81. According to the authorities, cereals are considered staple food products and require an export license for reasons of national food security. Sugar and soft-wheat flour licences are in place to ensure that domestic consumer subsidies for these products are refunded. Domestic prices for these essential and commonly consumed products are subsidized for social reasons. Export is only permitted if the subsidy for the domestic consumer price is refunded.

3.82. Products subject to authorization, quantitative restrictions and export licences include the following: saffron bulbs, almonds and argan nuts; chickpeas; dried legumes; cereals; olives; olive oil; preserved olives; flours from cereal grains (except rice); groats and meal of soft wheat; groats and meal of barley; crude algae and agar-agar; argan oil; sugar; asbestos; pesticides and other harmful chemical products; plastic waste; raw and wet-blue hides and skins (cattle, horses, sheep, goats); charcoal; used carpets, used wooden furniture, used mattresses and bedding, and household appliances (to prevent the spread of bed bugs); ferrous and non-ferrous waste; lead; gases that deplete the ozone layer; pharmaceutical products; antiseptic preparations; waste and scrap paper and cardboard; halon-gas fire extinguishers; collections and specimens for zoological, botanical, mineralogical and anatomical collections; collector's items of historical, archaeological, palaeontological, ethnographic and numismatic interest; and antiques that are over 100 years old. Export licences are issued electronically via PortNet and are valid for six months.[64] The applicant is notified of the decision to grant or refuse a licence within a maximum period of 30 days and the reasons for the rejection of any application must be given.

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[62] The EACCE is authorized by the European Union (EU) to inspect fresh fruit and vegetables exported to the EU. A conformity certificate is issued once the control procedure has been carried out.

[63] *Dahir* No. 1-91-261 of 9 November 1992 enacting Law No. 13-89 on foreign trade.

[64] Licences are issued free of charge and the average processing time is five days.

3.83. Under multilateral agreements such as CITES and the Basel Convention, some products, waste and/or species are subject to an export permit, certificate or ban. For example, endangered species of wild fauna and flora (Annexes I, II and III to the CITES) require an export permit or a re-export certificate. These permits and certificates are issued by the Department of Water Resources and Forestry. The export of waste in list A of the Basel Convention requires prior authorization from the Department responsible for the environment.

3.2.4 Export support and promotion

3.84. Morocco's latest notification pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures dates from 2019 but concerns only maritime fisheries sector programmes.[65] The previous notification dates from 2003[66] and no notification of export assistance has been presented to the WTO since then.

3.85. Morocco nevertheless offers a variety of incentives to enterprises whose activities are export-oriented. These include benefits under the industrial acceleration zones (ZAIs) regime, customs regimes (REDs) and exchange facilities (i.e. convertible MAD or foreign currency accounts, foreign currency mobilization of receivables from exports, and pre-financing of foreign contracts). Moreover, the new Investment Charter fosters exports and the development of Moroccan enterprises internationally.

3.86. According to the authorities, by joining the OECD's Inclusive Framework on Base Erosion and Profit Shifting (BEPS) in March 2019, Morocco is committed to complying with international tax rules and progressively normalizing procedures applied to exports and ZAIs. Consequently, the 2020 Finance Law increased corporation tax (IS) rates from 8.75% to 15% for businesses based in ZAIs. Moreover, the 2023 Finance Law capped the common tariff at 20% for ZAI-based businesses.

3.87. Special incentives are given to exporting mining enterprises (Section 4.3), as well as export subsidies for agricultural products, to reduce transport costs (Section 4.1).

3.2.5 Industrial Acceleration Zones

3.88. Since January 1995, and subject to prior authorization, domestic or foreign businesses wishing to set up in Morocco for export purposes have been able to operate under the export processing zone (ZFE) regime.[67] However, Finance Law No. 70-19 for the fiscal year 2020 has replaced the term "export processing zone" with "industrial acceleration zone" (ZAI).[68] According to the authorities, the new name aims to harmonize the legal framework for ZAIs with OECD standards and the EU Code of Conduct. All the activities authorized in ZAIs are industrial export activities (automobile industry, agro-industry, textiles and leather, metalworking, engineering and electrical equipment) and their related service activities.

3.89. Legal entities headquartered in Morocco and Moroccan citizens residing in Morocco wishing to set up businesses in ZAIs must obtain prior authorization from the Foreign Exchange Board, which is issued on a case-by-case basis.[69]

3.90. According to the authorities, the status of ZAIs underwent a tax reform in 2021 to ensure that businesses set up in ZAIs are treated the same as other companies liable for tax in the same territory.

3.91. Goods entering or leaving the ZAIs for export purposes and those obtained or remaining in these zones are exempt from all direct or indirect duties and taxes affecting imports, movement, consumption, production, or exports. Under this regime, businesses are also fully exempt from

[65] WTO document G/SCM/N/343/MAR of 14 February 2019.
[66] WTO document G/SCM/N/95/MAR of 23 July 2003.
[67] Law No. 19-94 enacted by *Dahir* No. 1-95-1 (26 January 1995).
[68] *Dahir* No. 1-19-125 (13 December 2019), p. 26. Viewed at: https://www.finances.gov.ma/Publication/db/2019/lf2020.pdf.
[69] Resident entities wishing to set up must submit an application to the Foreign Exchange Board with the following documents: investment programme, project interest, budget, articles of association, and certificate of registration in the Commercial Register.

corporation tax during the first five consecutive fiscal years. Beyond this five-year exemption period, businesses are subject to the common tariff rate set at 20%.

3.92. Natural persons are fully exempt from professional income tax during the first five consecutive fiscal years. Beyond this period, however, they are subject to the progressive income tax scale, as part of the harmonization of the tax system applicable to income tax.

3.93. There are no restrictions on foreign exchange transactions or on capital repatriation and currency convertibility. Eligibility for ZAI status requires businesses to export 75% of their output, and the percentage of their sales in Moroccan national territory is capped at 15% under the common rate and 30% under an agreement to be concluded with the State. Domestic sales, on the other hand, are deemed to be imports, and hence subject to the applicable duties and taxes. Businesses set up in ZAIs benefit from streamlined procedures, such as the PortNet single window.

3.2.6 Customs regimes

3.94. To boost the competitiveness of its businesses, Morocco has various customs regimes comprising a total of nine procedures permitting imports with the suspension of duties and taxes (Table 3.15), and a prior export procedure. These promote the storage, processing, use and movement of goods. With regard to temporary admission for inward processing (ATPA), businesses may sell compensating products on the local market up to a maximum of 15% of the quantities exported to settle an ATPA account. In the case of industrial free warehouses, beneficiary companies may sell compensating products on the domestic market up to 15% of the annual export turnover of the business for the previous year.

Table 3.15 Suspensive regimes, 2023

Title	Benefits	Beneficiaries
Customs or storage warehousing	Goods are placed for a fixed period in a warehouse controlled by the ADII	Natural or legal persons with premises or facilities approved by Customs as a storage warehouse
Temporary admission for inward processing (ATPA)	Suspension of duties and taxes on goods imported to be processed, worked or undergo further treatment, for the purpose of obtaining compensating products	Persons possessing or having available the equipment needed for the activity
Processing under customs control	Suspension of duties and taxes on goods imported for the purpose of undergoing operations that alter their type or state with a view to putting on sale the products resulting from these operations, referred to as processed products with full or partial duty-free treatment	Businesses possessing or having available the equipment needed for the activity
Temporary export for outward processing	Export of goods to be re-imported after having been processed or worked on	Any natural or legal person
Temporary export for outward processing using standard exchange	Export of defective goods for repair and import pursuant to a contractual or legal guarantee obligation; replacement goods are provided free of charge, with exemption from the duties and taxes payable	All companies under Moroccan law
Temporary admission	Suspension of duties and taxes on various goods and products imported for use in the tax-liable territory	Industrial enterprises; enterprises carrying out major works; organizers of fairs and exhibitions; exporters of packaging
Temporary export	Suspension of duties and taxes on the temporary export of goods intended to be used abroad	Persons in possession of the goods presented for export; industrial enterprises; enterprises carrying out works abroad; organizers of fairs and exhibitions abroad; individuals (painters, craftworkers, sports teams)

Title	Benefits	Beneficiaries
Industrial free warehousing	Suspension of duties and taxes on the import of materials, equipment, parts and spare parts, and goods intended for use in the export of the resulting compensating products	Enterprises which intend to invest either in a new establishment or an expansion for a minimum amount of MAD 50 million
Transit	Suspension of duties and taxes on freight transportation under customs control from one customs office/warehouse to another	Any transport company or operator

Source: Ministry of Finance and Privatization, Customs and Excise Administration (ADII). Viewed at: https://www.douane.gov.ma/web/guest/nos-publications.

3.95. Details of uncollected revenue from activities carried out under customs regimes (REDs) have not been communicated to the Secretariat. The authorities consider that, thanks to the impetus provided by these special regimes, production, including its capacity and performance, will continue to improve in the long term. Consequently, tax revenue from other sources and the overall standard of living are expected to increase. The importation of goods under REDs is not subject to payment of duties and taxes on account of their final destination, which is export. These duties and taxes are suspended under a guarantee approved by Customs pending the regularization of the operation.

3.2.7 Export financing, insurance and guarantees

3.96. Exporters have access to three guarantee and co-financing products set up by the Ministry of the Economy and Finance. Firstly, the "Mezzanine Export" product aims to promote export investment by co-financing up to 40% of the investment programme with banks at a 2% interest rate. Exporters also have access to a new guarantee product managed by TAMWILCOM[70], namely an export guarantee scheme for international development with a 70% quota for securities required by international and private donors, with an amount exceeding MAD 1 million. Lastly, export businesses benefit from additional advantages in terms of investment credits, operating lines and factoring services guaranteed by TAMWILCOM (increase in the credit limit and the guaranteed share).

3.97. In addition to commercial banks, Morocco's credit insurance sector comprises three large companies in the market. These are the Moroccan Export Insurance Company (SMAEX), Coface Maroc and Euler Hermes Acmar.

3.98. SMAEX, a parastatal company, of which the state holds nearly 35% of its capital, specializes exclusively in export credit insurance, and manages public export insurance on behalf of the State.[71]

3.99. Market survey insurance guarantees exporters seeking new outlets the reimbursement of up to 50% of the costs incurred if their action turns out to be unsuccessful or insufficient. There are two types of market survey insurance: normal market survey insurance (APN)[72] for established exporters seeking to consolidate their market shares and/or win others, and simplified market survey insurance (APS)[73] for new small and medium-sized industries (SME/SMIs) whose export turnover does not exceed MAD 1 million.[74]

3.100. Fairs insurance covers up to 50% of the costs committed in case of unsuccessful participation in an international trade event[75] and includes the following fees: (i) stand rental and set-up:

[70] Public financial institution governed by the Banking Law and the State's sole agent for providing public financing guarantees. Viewed at: https://www.tamwilcom.ma/fr/tamwilcom/qui-sommes-nous.

[71] This type of insurance covers the following: guarantee against political risks, disasters, and non-transfer; special commercial risks for companies that export capital goods, carry out public works, or provide services lasting over one year; and risks relating to market surveys and fairs.

[72] APN market survey insurance costs include a file opening fee and a risk premium of 3% of the guaranteed budget.

[73] APS market survey insurance costs include a file opening fee and a risk premium of 1.5% of the guaranteed budget.

[74] SMAEX. Viewed at: https://www.smaex.com/Assurance-Prospection.html.

[75] This guarantee requires a lump-sum premium of 3% of the approved budget, which is due when the contract is signed.

(ii) transport of exhibits; (iii) packaging of exhibits; (iv) company staff travel; (v) delegate accommodation; (vi) staff and exhibit insurance; and (vii) advertising.

3.2.7.1 Promotion

3.101. The Moroccan Investment and Export Development Agency (AMDIE)[76] is responsible for trade promotion, which includes promoting the export of certain products and services. AMDIE supports and assists export businesses, by ensuring participation in trade fairs and shows, developing international marketing strategies, establishing commercial information systems, providing technical assistance, and organizing training programmes. It is partially funded (45%) by revenue from the parafiscal tax on imported goods.

3.102. The Maison de l'Artisan (MDA) is responsible for promoting craft products in the domestic and foreign markets. Its responsibilities include: providing marketing support[77] and trade information[78]; organizing training seminars and participating in the training of business managers in the sector; and conducting research and providing incentives with a view to adapting craft products to consumer tastes while preserving the product's authentic and cultural identity.[79]

3.103. Morocco Foodex[80] is responsible for promoting exports of agri-food and fisheries products. Its responsibilities include: (i) enhancing the image and quality of agri-food and fisheries products in foreign markets; (ii) ensuring participation in promotional events in Morocco and abroad; (iii) organizing B2B meetings with international clients; and (iv) coordinating bespoke publicity campaigns in international markets. Morocco Foodex aims to enhance the value of Morocco's origin and develop exports of agri-food and fisheries products.

3.3 Measures affecting production and trade

3.3.1 Incentives

3.104. Morocco grants many incentives under the Investment Code (Section 2.4) to specific sectors. It has not notified of any incentive or subsidy schemes, except tax benefits for the marine fisheries sector.[81] The authorities have indicated that they would "promptly notify" of incentive schemes for other sectors. In terms of exports, the refund of import duties under the drawback procedure (Section 3.2.2), as well as export credit measures (Section 3.2.7), are offered to direct exporters for imported materials used in the production of exports.

3.105. In addition, specific tax incentives are offered to companies to promote regional development and reduce regional disparities. These incentives are included in Framework Law No. 03-22 enacting the Investment Charter. This Law classifies regions and prefectures into two categories: category A[82] and category B.[83] Grants corresponding to 10% and 15% of the invested amount are available for investments made in category A and category B regions, respectively. On 16 February 2023, Decree No. 2-23-31 entered into force to implement regional development incentives (Section 2.4).

[76] Public body under the supervision of the Ministry of Foreign Trade, established in 1976.

[77] Support through: (i) conducting studies; (ii) organizing and participating in trade fairs and professional events; (iii) organization of business to business (B2B) meetings; and (iv) assisting craft businesses in their marketing efforts.

[78] Information sources include economic data on the sector and domestic and external markets and also on market players, products, services and competition factors.

[79] Ministry of Tourism, Handicrafts, and the Social and Solidarity Economy (MDA). Viewed at: https://www.mda.gov.ma/en/about-us/presentation-and-missions/.

[80] Morocco Foodex-EACCE, an autonomous export control and coordination agency created in 1986, is a public body under the supervision of the Ministry of Agriculture, Maritime Fisheries, Rural Development, Water and Forests. Viewed at: https://www.moroccofoodex.org.ma/en/.

[81] WTO document G/SCM/N/343/MAR of 14 February 2019.

[82] From the following regions: Tanger-Tétouan-Al Hoceima, Oriental, Fès-Meknès, Rabat-Salé-Kénitra, Béni Mellal-Khénifra, Casablanca-Settat, Marrakech-Safi, Drâa-Tafilalet, Souss-Massa, Laâyoune-Sakia El Hamra and Dakhla-Oued Ed-Dahab.

[83] From the following regions: Tanger-Tétouan-Al Hoceima, Oriental, Fès-Meknès, Béni Mellal-Khénifra, Drâa-Tafilalet, Souss-Massa, Guelmim-Oued Noun, Laâyoune-Sakia El Hamra and Dakhla-Oued Ed-Dahab.

3.106. Since 2000, the Hassan II Fund for Economic and Social Development has promoted investment.[84] The Fund provides financial support in the form of: (i) financial holdings; (ii) refundable advances or loans; and (iii) non-refundable financial contributions.[85] From its foundation until 2022, the Hassan II Fund accumulated MAD 63.6 billion in financial resources, of which MAD 44 billion were contributed by the State and MAD 14 billion were in the form of financial products.[86]

3.107. In 2021, the Mohammed VI Fund was founded.[87] The tasks entrusted to the Fund concern contributions to the funding of large investment projects and priority projects led by companies in partnership with the private sector, direct contributions and equity investments, as well as the implementation of financing solutions for companies involved in priority projects and support for the financial structuring of the projects. According to the authorities, the Fund has implemented an action plan aligned with national priorities, including the promotion of private investment and the consolidation of national sovereignty in the energy, food and water sectors.[88] This action plan provides for the realization of an investment volume of MAD 1,200 billion over the period 2023-26.

3.108. In July 2020, the Central Guarantee Fund (CCG) was transformed into a joint stock company, under the name Société nationale de garantie et du financement de l'entreprise (SNGFE),[89] which bears the brand name TAMWILCOM. Since then, state financing mechanisms have been managed by TAMWILCOM.[90] TAMWILCOM's strategic fields of activity comprise "commercial" and "private" activities. For companies, these mechanisms cover: (i) finance guarantees; (ii) co-financing with banks; and (iii) inventory and innovation financing. For individuals, they cover housing loan guarantees and student loan guarantees.

3.109. TAMWILCOM is involved in the rollout of the Integrated Business Support and Financing Programme, "INTELAKA", launched in February 2020. INTELAKA's objectives are to facilitate access to finance for young project owners, individual businesses, micro-enterprises and the informal sector in both urban and rural areas, as well as companies exporting to Africa. To facilitate access to bank finance, TAMWILCOM shares the risk with banks by way of insurance, with coverage ranging from 50% to 80% of the amount of credit. The finance component of the INTELAKA programme offers two guarantee products and one finance product: Damane Intelak[91], Intelak Al Moustatmir Al Qarawi[92] and Start-TPE.[93] Regarding the achievements of INTELAKA, as at the end of June 2023, 41,086 credits had been granted under the programme (or 51,506 taking into account Start-TPE), amounting to MAD 9.3 billion, for the benefit of 31,512 companies, of which 81% were in urban areas and 19% in rural areas, and MAD 7.4 billion had been pledged.

3.110. In 2022, the SNGFE raised MAD 47.6 billion in credits for 83,300 transactions, of which 68,000 were for micro-, small and medium-sized enterprises (MSMEs) and 14,500 for individuals.[94] Overall, the SNGFE's activity is primarily oriented towards supporting companies, which account for

[84] Decree No. 2-00-129 (16 March 2000) establishing trust fund No. 3.1.04.04 called the "Hassan II Fund for Economic and Social Development"; *Dahir* No. 1-02-02 (29 January 2002) enacting Law No. 36-01 establishing the Hassan II Fund for Economic and Social Development; and its implementing Decree No. 2-02-93 (12 March 2002).

[85] The Fund provides financial support for: housing, highway infrastructure, irrigation, forest management, structures for industrial and tourism investment, construction of sports and cultural centres, creation of infrastructure for small fishing ports and for developing information technology programmes; activities to promote employment, particularly through micro-credit associations; and all projects helping to promote investment and employment.

[86] Draft finance law for 2024 , *Rapport sur les établissements et entreprises publics*. Viewed at: https://www.finances.gov.ma/Publication/db/2024/Rapport-etablissements-entreprises-publics_Fr.pdf.

[87] Law No. 76-20 establishing the Mohammed VI Fund for Investment.

[88] Draft finance law for 2024, *Rapport sur les établissements en entreprises publics*. Viewed at: https://www.finances.gov.ma/Publication/db/2024/Rapport-etablissements-entreprises-publics_Fr.pdf.

[89] Law No. 36.20 (July 2020).

[90] Ministry of the Economy and Finance, Finance guarantees. Viewed at: https://www.finances.gov.ma/fr/Nos-metiers/Pages/garantie-financements.aspx.

[91] Guarantees for operational and investment credits do not exceed MAD 1.2 million, granted to companies operating in an urban environment, with a fixed interest rate of 2%.

[92] Guarantees for investment credits and short-term credits are capped at MAD 1.2 million, for projects in rural areas, with an interest rate of 1.75%.

[93] Funding is capped at MAD 50,000 for early-stage companies, with an investment credit not exceeding MAD 300,000 guaranteed by INTELAKA products, to finance their working-capital needs.

[94] TAMWILCOM, *Rapport d'activité 2022*. Viewed at: https://www.tamwilcom.ma/fr/system/files_force/rapports_dactivite/rapport_d_activite_2022_fr.pdf.

94% of interventions. The commitments undertaken by virtue of this activity amounted to MAD 29 billion in 2022, enabling the mobilization of more than MAD 44 billion in credits. The main beneficiary sectors of the SNGFE's generic products are trade and distribution (31%), followed by industry (25%) and construction and public works (21%).

3.111. On 31 January 2022, the SNGFE set up, in consultation with the banks, the digital platform "Fin-Créa" to facilitate access to bank finance for micro-enterprises (TPEs). Fin-Créa operates free of charge as a 100% digital window exclusively for TPEs that have been operational for less than a year and are seeking up to MAD 2 million in credit.[95]

3.112. The "Generation Green 2020-30" strategy, launched in 2020, aims to consolidate the achievements of the Green Morocco Plan (Section 4.1.2). The support measures provided for are: (i) targeted assistance and incentives to provide income support for farmers; (ii) the extension of social security coverage; (iii) the reduction of the minimum wage gap between agriculture and other sectors; and (iv) the extension of agricultural insurance to 2.5 million hectares by 2030.

3.113. The Agricultural Development Agency (ADA) sees to the implementation of projects under the Generation Green 2020-30 strategy. It focuses its interventions on solidarity agriculture programmes and new generation agricultural aggregation, as well as on encouraging entrepreneurship among young people in rural areas and the economic development of collective land.[96] The ADA's investment budget for 2022 was MAD 95.28 million. For the period 2024-25, the ADA has an overall budget of MAD 424 million, of which MAD 219 million is for investment and MAD 205 million for operations.[97]

3.114. Since 2002, the main responsibilities of the National Agency for the Promotion of Small and Medium-Sized Enterprises (Maroc-PME) have been: (i) developing the competitiveness and growth of TPMEs by way of support actions, advice and technical assistance, and investment support; (ii) enhancing the entrepreneurial ecosystem; and (iii) developing and implementing partnerships to promote support programmes for the benefit of enterprises and to develop entrepreneurial initiative.[98]

3.115. In 2021, Maroc-PME mobilized MAD 3.9 billion in private investment, supported 2,531 projects and created 29,249 jobs (of which 15,342 were direct).[99]

3.116. Tourism investors are exempt from customs duties and VAT for three years for the goods needed to carry out their projects (Section 4.5).

3.3.2 Standards and other technical regulations

3.3.2.1 Standards and technical requirements

3.117. The Moroccan Standards Institute (IMANOR) is the only body authorized to develop national standards; it is also the enquiry point for WTO TBT matters. Moroccan standards are defined by technical standards commissions (CTNs)[100] in a process comprising seven steps: (i) proposal stage; (ii) enrolment in the annual standardization programme; (iii) drafting stage; (iv) commission stage; (v) investigation stage; (vi) approval stage; and (vii) publishing stage.[101]

3.118. According to the authorities, Moroccan standards and technical regulations are based on international standards, including those of the International Organization for

[95] TAMWILCOM (2022), *Lancement de "Fin-Créa", une plateforme digitale et gratuite dédiée à l'accès des créateurs d'entreprises au financement*, 31 January 2022. Viewed at: https://www.tamwilcom.ma/fr/espace-media/actualites/lancement-de-fin-crea-une-plateforme-digitale-et-gratuite-dediee-lacces-des-createurs-dentreprises-au-financement.

[96] Ministry of the Economy and Finance, *Rapport sur les établissements et entreprises publics, projet de loi de finances pour l'année budgétaire 2023*.

[97] Draft finance law for 2024, *Rapport sur les établissements en entreprises publics*. Viewed at: https://www.finances.gov.ma/Publication/db/2024/Rapport-etablissements-entreprises-publics_Fr.pdf.

[98] National Agency for the Promotion of SMEs. Viewed at: https://marocpme.gov.ma/missions-valeurs/.

[99] National Agency for the Promotion of SMEs. Viewed at: https://marocpme.gov.ma/#.

[100] CTNs are established by IMANOR in the ministries responsible for the products to be standardized or in other interested professional organizations.

[101] IMANOR, Drafting process. Viewed at: https://www.imanor.gov.ma/pe-normes/.

Standardization (ISO) (to which Morocco belongs) and the Codex Alimentarius, as well as on European standards. Morocco has some 17,400 approved standards. Compliance is mandatory in the clauses, criteria and specifications for procurement by the State, local authorities and public institutions, as well as companies holding concessions for public services or services subsidized by the State. Standards may be converted into technical regulations by means of ministerial orders, including for reasons such as health and safety. Any approved Moroccan standard can be made mandatory if such a measure is deemed necessary.[102]

3.119. According to the Court of Auditors, as part of an overall assessment of national quality infrastructure, "the lack of statutory provisions requiring certification in certain areas, particularly for high-risk products and activities, government procurement and the skills of people working in specialized trades, does not favour the development of certification at the national level".[103] The authorities state that government procurement requires that products comply with Moroccan standards, but stops short of requiring, or at least promoting, certification as evidence of compliance. Certification produced in accordance with Moroccan standards is not requested as proof of compliance with the standards for the technical regulation of industrial products.[104]

3.120. However, as noted by independent experts, alignment with international standards provides Moroccan companies with better market access opportunities, even though it initially entails a high fixed cost. Furthermore, this enables companies to benefit from economies of scale and prevents the spread of sub-standard products in the local market.[105]

3.121. IMANOR is also in charge of preparing, at the request of interested parties, normative documents (DCNs) other than Moroccan standards, such as good manufacturing practices, usage and user guides, and fact sheets, as well as certification reference documents, including for services.[106] The preparation and technical validation of DCNs follows the same procedure prescribed for the preparation of Moroccan standards.[107] DCNs can be adapted from equivalent international or regional documents. Currently, 193 DCNs are in force.

3.122. Moroccan standards are periodically reviewed with a view to their confirmation, revision or revocation, at intervals not exceeding five years. Requests to amend, revise or revoke standards require the approval of the CTN concerned.[108] The annual rate of amendment/revision or of revocation is 62%.

3.123. The "NM" mark indicates the conformity of a product or service with the corresponding Moroccan standards. IMANOR owns this mark, as well as the certification body. To be eligible for an NM mark, an application must be made to the Institute, which examines the technical documents. After granting the right to use the NM mark, IMANOR monitors holders' compliance with the rules governing the mark. It manages the NM mark in accordance with international and European references that cover product certification bodies, particularly in terms of impartiality and competence.

3.3.2.2 Sanitary and phytosanitary requirements

3.124. Since 2010, the National Food Safety Board (ONSSA)[109] has performed all functions related to the protection of consumer health, the protection of animal and plant health, and the control of food and animal feed, and it has a number of responsibilities relating to environmental protection. It is also responsible for controlling and approving agricultural inputs (seeds, pesticides, fertilizer), as well as veterinary medicines. ONSSA is the SPS enquiry point in Morocco and the official authority

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[102] Industrial products are covered by around 1,119 mandatory standards.
[103] IMANOR, *Rapport d'activité 2022*, p.6.
[104] Cement is the only product subject to mandatory certification.
[105] Foundation for Studies and Research on International Development (FERDI), *Regulatory harmonization, profits, and productivity: Firm-level evidence from Morocco*, Working paper No. 162.
[106] A DCN is an informative document that provides rules, guidelines or characteristics for activities or their results.
[107] Nevertheless, neither the consensus of the Committee for Standards nor any public enquiry is required.
[108] The revision or amendment of standards follows the procedures applied for drafting or approving them.
[109] The Board was established under Law No. 25-08 and it comes under the Ministry responsible for agriculture.

responsible for SPS notifications to the WTO. The Board represents Morocco in the SPS/TBT committees in the context of the AfCFTA and the Greater Arab Free Trade Area (GAFTA).

3.125. ONSSA has the authority to conduct inquiries and investigations, including police investigations, to identify infringements related to food safety, animal and plant health and SPS border controls, and in relation to combating food fraud.

3.126. According to the authorities, the main role of the Board is to provide support for the strategic approaches set out in the Green Morocco Plan 2009-19, then by Generation Green 2020-30, with a view to transforming the agri-food system in terms of sustainability, eco-efficiency, resilience and quality to ensure food safety and thus contribute to the sustainability of the country's food security (Section 4.1).

3.127. During the 2016-23 period, ONSSA drew up approximately 860 regulatory texts, including 6 laws, 27 decrees and 829 orders.[110]

3.128. Morocco is a party to the International Plant Protection Convention (IPPC), and a member of the World Organisation for Animal Health (WOAH), the Codex Alimentarius Commission, the European and Mediterranean Plant Protection Organization (EPPO), the Near East Plant Protection Organization (NEPPO) and the International Union for the Protection of New Varieties of Plants (UPOV). ONSSA is the national contact point for these international organizations.

3.129. In February 2021, Morocco joined the African Organisation for Standardisation (ARSO), which is responsible for harmonizing African standards and conformity assessment procedures to reduce technical barriers to trade and promote intra-African trade.[111]

3.130. According to ONSSA, SPS and environmental import measures are primarily based on the standards, guidelines or recommendations produced by the Codex Alimentarius, the WOAH and the IPPC. These measures are regularly notified to the WTO SPS Committee and published on the ONSSA website.[112]

3.131. The Food Safety Law specifies that the importer must ensure that food products, including plants and plant products: (i) are from a country, zone or region not subject to any sanitary or phytosanitary restrictions; (ii) meet the hygiene and health requirements laid down by the regulations in effect; (iii) come from a facility or company that has an HACCP self-control or other equivalent system in place; and (iv) are accompanied by the documents or other certificates required by special regulations for the products being imported, issued by the authorities in the country of export and certifying in particular that the products comply with existing laws and entail no risk for human life or health.[113]

3.132. Since June 2022, Morocco has required a health document for the import of plants and plant products and food products that are not subject to mandatory veterinary certification.[114]

3.133. The import of animals, animal reproduction products, animal feed and marine and freshwater products, except those in international transit that are not unloaded, is subject to sanitary inspection at the expense of the importer, conducted by the ONSSA veterinary services at customs inspection posts through which imports are entered. Following this inspection, and when the outcome of inspection is favourable, a veterinary sanitary certificate, which is mandatory for customs clearance, is issued.[115] For live animals and animal reproduction products to be placed in quarantine, a sanitary

[110] ONSSA. Viewed at: https://www.onssa.gov.ma/reglementation/.
[111] ONSSA cooperates in ARSO work on African standards for the agri-food sector. It is involved in 23 technical harmonization and standards committees, mainly relating to the following products: meat; poultry; eggs and related products; packaging and labelling of foods; cereals, pulses and derived products; animal feed and animal food; milk and dairy products; horticulture; live animals; surface-active agents; organic and inorganic chemicals; fish, fisheries and aquaculture; leather, leather products and accessories; agriculture and biotechnology; apiculture and pollination services; and coffee, cocoa, tea and related products.
[112] ONSSA. Viewed at: www.onssa.gov.ma.
[113] WTO document G/SPS/N/MAR/56 of 10 October 2018.
[114] WTO document G/SPS/N/MAR/56/Add.3 of 14 June 2022.
[115] If one of the controls establishes non-compliance, a sanitary certificate of non-admission to the national territory is issued to reject the goods concerned. A copy is sent to the importer or the representative thereof.

permit is given. Sanitary inspection is systematic for all such imports, which must also be accompanied by sanitary documents issued by the country of origin and, where applicable, by the countries of transit. A sanitary certificate issued by the border post in the country of origin is also required for animals.[116]

3.134. Phytosanitary import measures are governed by Law No. 76-17 on plant protection, enacted by *Dahir* No. 1-21-66 of 14 July 2021, and various regulatory orders.[117] This legislation defines phytosanitary requirements and the phytosanitary inspection process for imports at cross-border posts. It also specifies quarantine pests and the management measures adopted to prevent their introduction into Morocco. The country is in the process of updating its phytosanitary legal framework to strengthen the national phytosanitary surveillance and control mechanism.[118]

3.135. The import of plants and plant products is subject to phytosanitary and technical inspection, conducted by the ONSSA plant protection services, and it must comply with the phytosanitary and technical regulations in force. The import and marketing of seeds and seedlings requires prior authorization from the Ministry responsible for agriculture. Order No. 966-93 of 20 April 1993 sets the conditions for the import and marketing of seeds for cultivation in Morocco (Box 3.3).

Box 3.3 Conditions for the import and marketing of seeds

Establishments that import and market seeds must be approved. However, for seeds imported under the temporary admission procedure, importers are exempt from approval. Seeds must not, under any circumstances, be sold on the domestic market or donated.
Seed varieties must be indicated in the official catalogues or on provisional lists.
Organically produced seeds must be accompanied by a certificate issued by a control and certification body recognized by the country of production of the seeds, and labelled in accordance with the regulations of that country.
Seeds, other than those produced organically and potato seeds, must be certified under either the OECD system or that of the Association of Official Seed Certifying Agencies (AOSCA), or, for vegetable seeds, fall under the "standard" category. Potato seeds must be certified under the UNECE standard in force.
Seeds, except potato seeds, must be accompanied by either an Orange International Certificate from the International Seed Testing Association (ISTA) or an analysis report from the Association of Official Seed Analysts (AOSA).

Source: ONSSA. Viewed at: www.onssa.gov.ma.

3.136. The export of seeds and plants is subject to the issuance of a phytosanitary export certificate by ONSSA that indicates the phytosanitary requirements of the country of destination.

3.137. The import of 10 product groups (agricultural and veterinary inputs) is subject to prior import authorization, or to approval on SPS grounds (Table 3.16).

Table 3.16 List of agricultural and veterinary inputs subject to prior import authorization, September 2023

Product	Measure
Live animals and animal reproduction products	Imports subject to veterinary control (veterinary sanitary inspection certificate from ONSSA)
Seeds and seedlings	Authorization from the Ministry responsible for agriculture - may only be sold by organizations approved by an order from the Ministry responsible for agriculture (prior import authorization from ONSSA)
Plants and plant products	Technical inspection by the competent services of the Ministry responsible for agriculture - must comply with the phytosanitary and technical regulations in force

[116] The sanitary certificate must conform to the model certificate jointly agreed prior to import by the Moroccan authorities and the competent authorities of the country of origin. Examples of certificates by country of origin and imported product may be viewed on the ONSSA website, at: https://www.onssa.gov.ma/controle-a-limportation-et-a-lexportation/importation-des-produits-alimentaires-2/produits-animaux/modeles-de-certificat-sanitaire/.

[117] WTO document G/SPS/N/MAR/47/Add.1 of 7 October 2021.

[118] ePing SPS&TBT Platform (https://epingalert.org/). Viewed at: https://epingalert.org/fr/TradeConcerns/Details?imsId=548&domainId=SPS.

Product	Measure
Ethyl alcohol (ethanol), methyl alcohol (methanol), propyl alcohol (propanol), isopropyl alcohol (isopropanol), anethole	ONSSA prior import authorization
Phytopharmaceutical products	ONSSA product approval
Fertilizers and growing media	ONSSA product import authorization
Veterinary medicine	ONSSA marketing authorization
Additives, premixes of additives and supplementary foodstuffs for animal feed	ONSSA notice of product inclusion in the positive list
Cleaning preparations and disinfectants (biocides) used in the livestock and agri-food sectors	ONSSA notice of product inclusion in the positive list

Source: ONSSA. Viewed at: www.onssa.gov.ma.

3.138. The import of veterinary medicines is governed by Law No. 21-80 and its implementing Decree No. 2-82-541 of 15 March 1983. Only veterinary medicines that have obtained prior authorization may be imported (prior marketing authorization), and exclusively by veterinary pharmaceutical establishments authorized beforehand.[119]

3.139. The import of additives, premixes of additives and supplementary foodstuffs for animal feed is subject to the provisions of Order No. 1490-13 of the Ministry responsible for agriculture. This Order establishes the list and maximum limits of substances considered undesirable in animal food, as well as the list and limits for the use of additives, premixes and supplementary foodstuffs for animal feed. The list indicates that animal food must not contain any additives, premixes, compound feed or supplementary foodstuffs for animals that are not listed in Annex II of the Order or that exceed the limits specified in this list.[120]

3.140. The import of cleaning preparations and disinfectants (biocides) used in the livestock and agri-food sectors is subject to the provisions of Order No. 2300-17.[121] This Order establishes the characteristics of cleaning preparations and disinfectants in terms of performance, toxicity and purity, and the conditions governing their use, as well as a list of the substances that can be used in these products.

3.141. As regards the control of phytopharmaceutical products, imported or locally manufactured products must be approved pursuant to Law No. 34-18,[122] to assess their effectiveness and safety for humans, animals and the environment prior to their marketing authorization. Any phytopharmaceutical product imported into, or made and used in, Morocco must be approved. Imported products are subject to a physical inspection and the systematic inspection of accompanying documents. Product sampling is carried out on the basis of a risk analysis taking into account objective elements such as the origin of the goods, the importer's record, the relevance of the accompanying documents and the state of the packaging. The same control methodology applies for phytopharmaceutical products in the distribution network.

3.142. ONSSA implements a reassessment programme for active substances used in the composition of phytopharmaceutical products. Following the reassessment process, ONSSA can revoke the marketing authorization for certain products, or restrict their applications, taking into account other products available on the market, and the risk control level. According to the authorities, between 2017 and 2023 ONSSA reassessed approximately 75 active materials in phytopharmaceutical products, of which 57 were withdrawn and 13 kept under strict conditions of use, and 19 are still being evaluated. More than 400 phytopharmaceutical products have been withdrawn.

[119] ONSSA, *Liste positive des médicaments vétérinaires*. Viewed at: https://www.onssa.gov.ma/wp-content/uploads/2023/12/Liste-positive-des-Medicaments-Veterinaires-06-Decembre-2023.pdf.
[120] ONSSA, *La liste et les limites d'utilisation des additifs, des prémélanges et des aliments complémentaires destinés à l'alimentation animale*. Viewed at: https://www.onssa.gov.ma/wp-content/uploads/2023/12/MAJ-LISTE-POSITIVE-ADDITIFS-Version-FR-du-11-12-2023.pdf.
[121] ONSSA, *Liste des produits répondant aux exigences de l'Arrêté conjoint du ministre de l'agriculture, de la pêche maritime, du développement rural et des eaux et forêts et du ministre de la santé.* Viewed at: https://www.onssa.gov.ma/wp-content/uploads/2023/04/LISTE-POSITIVE-PNPD-E-IAA-Version-11-04-2023-1.pdf.
[122] Law No. 34-18 of 14 July 2021 on phytopharmaceutical products.

3.143. As regards the control of fertilizers and growing media, imported products are subject to a risk assessment on the basis of a technical dossier to ensure their safety for humans, animals and the environment prior to their marketing authorization. Control of these products upon importation consists of a physical inspection and the systematic inspection of accompanying documents. Product sampling is carried out on the basis of a risk analysis taking into account objective elements such as the origin of the goods, the importer's record, the relevance of the accompanying documents and the state of the packaging. The same control methodology applies for phytopharmaceutical products in the distribution network.

3.144. During the period under review, Morocco submitted 81 notifications to the WTO, of which 28 were notifications of emergency measures and 60 were regular notifications. During the same period, Morocco was asked to respond to one new specific trade concern raised in the Committee on Sanitary and Phytosanitary Measures.[123]

3.145. Joint Order No. 156-14, issued by the Ministry of Agriculture and Marine Fisheries and the Ministry of Health, of 17 January 2014 lists the maximum residue limits (MRLs) for pesticides in animal food and animal feed.[124] Since 1 October 2019, MRLs have been established for imported teas.[125] This trade concern was discussed again during the November 2023 SPS Committee meeting.

3.146. Morocco does not have any legal provisions relating to genetically modified organisms.

3.3.3 State trading, state-owned enterprises and privatization

3.147. During the period under review, Morocco notified the WTO of its state trading enterprises within the meaning of Article XVII of the GATT[126], indicating that the Moroccan Phosphates Board is still the country's only state trading company.[127]

3.148. As at the end of September 2023, Morocco had 227 public institutions and 45 joint stock companies in which the Treasury held a direct share, with annual turnover amounting to MAD 332 billion and investment totalling MAD 77 billion in 2022. Some of these state-owned enterprises and public institutions had subsidiaries or holdings amounting to a total of 517 as at the end of September 2023. The sectoral distribution of state-owned enterprises and public institutions underlines the importance of the social, educational and health sectors, which account for 24% of the government portfolio, followed by 17% for housing, urban planning and territorial development, 15% for agriculture and fisheries, and 12% for water, energy and mining resources.

3.149. Table 3.17 lists the main companies in which the State has a holding.

Table 3.17 Main companies with a state holding operating in 2023

Company	Public share of capital[a] (%)	Activity
Agence de dé-densification et de réhabilitation de la médina de Fès	100.00	Construction of sites and execution of programmes related to activities for the safeguarding of Fez
Société nationale des autoroutes du Maroc	98.92	Construction, maintenance and operation of motorways
Asma Invest	50.00	Investment projects for development
Barid Al Maghrib	100.00	Post and savings
Société de productions biologiques et pharmaceutiques vétérinaires	100.00	Veterinary, pharmaceutical, chemical or biological medicines
Crédit agricole du Maroc	85.20	Banking
Société Casablanca transports SA	99.65	Urban transport in the city of Casablanca
Diyar Al Madina	99.71	Urban planning and housing construction
Fonds marocain de placements	100.00	Banks

[123] Morocco's import ban on ornamental plants. WTO documents G/SPS/R/107 of 26 September 2022 and G/SPS/N/MAR/67/Add.1 of 7 October 2021.
[124] WTO document G/SPS/N/MAR/30 of 15 July 2011.
[125] WTO document G/SPS/MAR/62/Add.1 of 2 July 2019.
[126] WTO document G/STR/N/16/MAR of 20 April 2016.
[127] The previous notification (WTO document G/STR/N/1/MAR), in 1996 concerned the Tobacco Board, the National Tea and Sugar Board and the National Electricity Board.

Company	Public share of capital[a] (%)	Activity
Société d'exploitation des ports (Marsa Maroc)	60.00	Port operations
Itissalat Al Maghrib	22.00	Telecommunications

a The public share includes holdings by the State, local communities and state-owned enterprises and public institutions.

Source: Information provided by the authorities.

3.150. With a view to correcting the structural malfunctions of state-owned enterprises and public institutions, ensuring optimum levels of complementarity and coherence between their respective missions and improving their economic and social efficiency, the Government has introduced substantive public sector reforms.[128] In July 2021, the National Agency for Strategic Management of State Holdings and Performance Monitoring of State-Owned Enterprises and Public Institutions was established.[129] Its task is to manage state holdings strategically and to monitor the performance of state-owned enterprises and public institutions.

3.151. The authorities consider that the state-owned enterprise and public institution sector suffers from many structural inefficiencies, which mainly relate to: (i) the size of the public sector; (ii) the proliferation of state-owned enterprises and public institutions; (iii) the duplication of the tasks or activities assigned to them; (iv) their mode of governance; (v) the dependence of some of them on the state budget; (vi) the lack of synergy, coordination and complementarity between them; (vii) the predominance of prior financial control focused on verification of correct day-to-day management; and (viii) the lack of a fully fledged state shareholder policy.[130]

3.152. The main objectives of this reform include: (i) strengthening the strategic role of state-owned enterprises and public institutions; (ii) downsizing the public sector and rationalizing public expenditure; (iii) improving governance; and (iv) improving the efficiency of state financial control.[131]

3.153. Framework Law No. 50-21 provides[132] for the conversion of state-owned enterprises engaged in market activities into joint stock companies, with a board of directors, based on the principle of the continuity of the legal person.[133] The Law prohibits the setting up of a state-owned enterprise to engage in market activities except out of urgent necessity as a matter of national concern.

3.154. Between 2016 and 2022, there was only one merger of state-owned enterprises, four dissolutions and one transformation into a joint stock company.

3.155. In Morocco, privatization is still governed by Law No. 39-98, as amended and supplemented by Law No. 34-98. The Law defines three methods of privatization: through the financial market (Casablanca stock exchange), bidding or direct sale.

3.3.4 Competition policy and price controls

3.156. Competition policy and pricing controls are governed by Law No. 104-12, as changed and amended by Law No. 40-21[134] on free pricing and competition, and Law No. 20-13, supplemented

[128] Framework Law No. 50-21 on the reform of state-owned enterprises and public institutions (preamble).

[129] *Dahir* No. 1-21-89 of 26 July 2021 enacting Framework Law No. 50-21 on the reform of state-owned enterprises. Official Journal, 5 August 2021. Viewed at: http://www.sgg.gov.ma/BO/bo_fr/2021/BO_7010_fr.pdf.

[130] Framework Law No. 50-21 on the reform of state-owned enterprises and public institutions (preamble).

[131] Framework Law No. 50-21 on the reform of state-owned enterprises and public institutions (Article 3).

[132] Framework Law No. 50-21 on the reform of state-owned enterprises and public institutions (Articles 16 to 18).

[133] Prior to a conversion, the State must ensure that it will: (i) substantially reduce the impact on the general budget of the transfers granted to it; (ii) strengthen its governance, improve the quality of its management and enhance performance and efficiency; and (iii) significantly improve the quality of service. Except out of urgent necessity as a matter of national concern, no state-owned enterprise may be set up to engage in market activity (Article 42).

[134] Official Journal,18 May 2023. Viewed at: http://www.sgg.gov.ma/BO/FR/2873/2023/BO_7196_Fr.pdf.

by Law No. 41-21[135] on the Competition Council.[136] All complaints of anti-competitive practices may be lodged with the Competition Council. Its decisions on anti-competitive practices and merger control are forwarded to the parties concerned and published on its website. Appeals may be made. On 17 November 2018, the Competition Council was elevated to a decision-making authority. There is also an Interministerial Pricing Commission, chaired by the government authority responsible for competition and prices, which is currently the Ministry of the Economy and Finance. This advisory body is responsible for examining price control issues submitted to it for an opinion.

3.157. Law No. 104-12, as amended and supplemented, lists three anti-competitive practices: understandings, abuse of a dominant position, and predatory pricing. It prohibits all concerted actions, agreements, understandings or collusions and abuses of a dominant position when the objective is to prevent, restrict or distort competition. Exceptions may apply to SMEs and agreements allowing farmers to market their products, or practices that make a sufficient contribution to "economic progress" to offset the restrictions and give users a fair share of the benefits.[137] "Agreements of minor importance" are excluded from the control of anti-competitive practices.

3.158. The Law applies to all natural or legal persons, whether or not they are headquartered or have branches in Morocco, whose activities affect competition on the Moroccan market; production, distribution and service activities (including those of government officials if they are acting as economic operators); and understandings among exporters that affect competition on the domestic market.

3.159. Law No. 104-12 lays down the principle of pricing freedom based on free competition, which is nonetheless restricted by the exceptions that give the State the right to administer prices under specific conditions, after consulting the Competition Council. There are two processes for price control. The first is to set, by legislation, a list of products and services to which price controls may be applied in specific cases, such as monopolization, ongoing supply problems and legislative or regulatory provisions. The second process enables the State to control prices temporarily in the event of large-scale disasters or abnormal market situations and excessive price increases. At the request of professional organizations or at the initiative of the Government, prices may be made subject to approval.

3.160. Free pricing does not apply to products and services that are on a list fixed in the regulations. The following prices continue to be controlled by the State and regulated by court decisions[138]: subsidized goods (Moroccan common wheat flour, sugar and butane gas), basic services (electricity, drinking water, sanitation, road and urban passenger transport, and school books), health products and services, and manufactured tobacco.

3.161. Some sectors have their own regulatory authorities responsible for competition. These include the National Telecommunications Regulatory Authority (ANRT), the la Bank Al-Maghrib (BAM) for the banking sector, the Moroccan Capital Market Authority (AMMC) for the stock exchange, the High Authority for Audiovisual Communication (HACA), the National Ports Agency (ANP), the Insurance and Social Security Supervisory Authority (ACAPS), and the National Electricity Regulatory Authority (ANRE). According to the authorities, the Competition Council has general competence for all sectors, except for the telecommunications sector, which falls within the exclusive competence of the ANRT.

3.162. In 2022, the Competition Council imposed sanctions for the first time, totalling MAD 72 million. These sanctions were applied for: (i) anti-competitive practices identified in the examination of a complaint received by the Competition Council; (ii) failure to notify mergers, examined *ex officio* in three cases; and (iii) failure to notify mergers, examined as part of 27 requests

[135] Law No. 104-12 sets out the substantive rules and legal principles on free pricing and competition, while Law No. 20-13 deals specifically with the Competition Council.

[136] Competition Council. Viewed at: https://conseil-concurrence.ma/qui-sommes-nous/textes-fondateurs/#1700842664498-891d46e7-65d5.

[137] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016, Section 3.3.3.

[138] Order No. 3086.14 of 29 December 2014 of the Minister attached to the Prime Minister's Office responsible for economic and general affairs, determining the list of price-controlled products and services.

for regularization.[139] The number of mergers notified to the Competition Council rose from 53 in 2019 to 142 in 2022.

3.3.5 Government procurement

3.163. Morocco is neither a party nor an observer to the WTO Plurilateral Agreement on Government Procurement.

3.164. Decree No. 2-22-431 is the main legislation on government procurement.[140] It lays down the requirements and methods for awarding contracts for works, supplies or services on behalf of the State, public institutions and regional authorities. It provides for the following methods for awarding contracts: call for bids (open or limited, and with pre-qualification)[141], abbreviated tendering, unsolicited proposals, competition, negotiated contracts, purchase orders, electronic reverse auctions and competitive dialogue.[142]

3.165. The negotiated contract method allows the contracting agency to negotiate the terms of the contract with one or more candidates. The competition method is used if special considerations so justify, such as for technical, financial or aesthetic reasons. Purchase orders may be used for particular services up to a maximum of MAD 500,000, including tax.

3.166. The Bids Commission is responsible for the public opening of the bids and for evaluating them. It is chaired by the contracting agency. For government contracts, it comprises, in addition to the chairperson, two other representatives of the contracting agency; a representative of the General Treasury of the Kingdom; and a representative of the Ministry responsible for finance if the estimated amount of the contract exceeds MAD 50 million, excluding tax. For contracts awarded by public institutions, the Bids Commission comprises, in addition to the chairperson, two representatives of the contracting agency designated by that agency, the representative of the Minister responsible for finance, the person responsible for the institution's procurement service and the person responsible for the institution's financial service.[143]

3.167. Abbreviated competitive bidding is provided for in Decree No. 2-22-431 if the estimated amount of the contract is not more than MAD 1 million, excluding tax.

3.168. A call for bids must be published on the government procurement website and in at least two national newspapers (one of which must be in Arabic). It may also be published simultaneously in the Official Journal, in specialized publications or by any other means of advertising, including electronically.

3.169. In respect of the threshold values for works contracts awarded on behalf of the State, regional authorities and public institutions, the minimum estimated amount is MAD 75,550 million, excluding tax, and MAD 1.964 million, excluding tax, for contracts for supplies and services. For contracts for goods and services awarded on behalf of local authorities, the estimated amount is MAD 5.364 million or more, excluding tax.[144]

3.170. Decree No.2-22-431 allows preference – limited to 15% - to be given to Moroccan businesses.[145] Article 148 of the Decree also contains measures in favour of micro-, small and medium-sized enterprises (MSMEs), cooperatives, unions of cooperatives and one-person businesses. The contracting agency is entitled to reserve 30% of the estimated amount of contracts each financial year for MSMEs.

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[139] Competition Council, *Rapport annuel 2022*. Viewed at: https://conseil-concurrence.ma/qui-sommes-nous/textes-fondateurs/#1700842664498-891d46e7-65d5.

[140] This Decree repeals Decree No. 2-12-349 on government procurement (20 March 2013).

[141] Invitations to tender are "open" if all candidates may submit bids, and "limited" where only those candidates that the contracting agency has decided to consult may submit bids. Competitive bidding "with pre-qualification" means that only candidates that have sufficient capacity, from the technical and financial point of view, are authorized to submit bids, after a pre-qualification commission has given its opinion.

[142] There are special conditions for awarding contracts for architectural services.

[143] Article 38 of Decree No. 2-22-431.

[144] These thresholds may be amended by an order from the Minister responsible for finance.

[145] Article 147 of Decree No. 2-22-431.

3.171. The reasons for rejecting bids must be communicated automatically to bidders. A system of appeals has been introduced that allows bidders to raise the matter with the contracting agency if there is a dispute. The latter must respond within five days following the receipt of the appeal. If the bidders are not satisfied, they may bring the matter to the attention of the minister or the chairperson of the Governing Board of the public institution concerned, who may, *inter alia*, order the irregularity to be remedied or cancel the procedure. All competitors may approach the National Government Procurement Commission directly, without involving either the contracting agency or the minister concerned, if they find that one of the government procurement rules of procedure has been breached or if the minister concerned fails to reply.

3.172. The General Treasury of the Kingdom has five main tasks: (i) the collection of public claims; (ii) the control and payment of public expenditure; (iii) local financial management; (iv) treasury management; and (v) the production of financial and accountancy data.[146] Contracts awarded by state-owned enterprises and public institutions (EEP) have to be approved by state comptrollers and paymasters-general.[147]

3.173. The Court of Auditors and the regional courts of auditors are also involved in monitoring government procurement. Since 1 January 2016, the National Government Procurement Commission[148] has the power, *inter alia*, to: (i) provide advice on draft legislation or regulations on government procurement; (ii) assist in legal matters; (iii) provide advice on any legal or procedural matter; (iv) prepare model documents and ensure they are kept up to date; and (v) publish directives and appropriate courses of action in order to improve and streamline the management of government procurement.[149]

3.174. Morocco has neither a central government procurement board nor a single authority responsible for awarding contracts. Ministries and state-owned enterprises award contracts themselves. Ministers are authorizing officers and have the authority to approve contracts.

3.3.6 Intellectual property rights

3.175. Morocco has been a member of the World Intellectual Property Organization (WIPO) since 1971. It is a signatory to various international agreements on intellectual property rights (IPRs) (Table 3.18). In December 2008, Morocco accepted the Protocol amending the TRIPS Agreement.[150]

Table 3.18 WIPO-administered treaties, 2023

Treaty	Entry into force
Madrid Agreement	30 July 1917
Hague Agreement	20 October 1930
Nice Agreement	1 October 1966
Locarno Agreement	22 July 2022
Madrid Protocol	8 October 1999
Nairobi Treaty	11 November 1993
Patent Cooperation Treaty	8 October 1999
Trademark Law Treaty	6 July 2009
Budapest Treaty	20 July 2011
Marrakesh Treaty	15 August 2019
Beijing Treaty (audiovisual performances)	22 July 2022
Singapore Treaty	22 July 2022
WIPO Copyright Treaty	20 July 2011
WIPO Performances and Phonograms Treaty	20 July 2011
Berne Convention	16 June 1917
Paris Convention	30 July 1917
WIPO Convention	27 July 1971
Brussels Convention	30 June 1983

[146] General Treasury of the Kingdom. Viewed at: https://www.tgr.gov.ma/wps/portal.
[147] Law No. 69-00 on state financial control of state-owned enterprises and other bodies.
[148] Decree No. 2-14-867 of 21 September 2015. This Commission replaces the Procurement Commission.
[149] Decree No. 2-14-867 of 21 September 2015 (Article 4).
[150] WTO document WT/Let/638 of 12 December 2008.

Treaty	Entry into force
UPOV Convention	8 October 2006
Geneva Act (1999) on the Hague Agreement on the International Registration of Industrial Designs	22 July 2022

Source: WIPO, Country Information: Morocco. Viewed at: https://www.wipo.int/members/fr/details.jsp?country_code=MA.

3.176. The institutional framework for the protection of intellectual property rights was amended during the period under review. For example, Law No. 66-19 amending and supplementing Law No. 2-00 on copyright and related rights came into force on 20 June 2022. The objectives of the new law are to ensure: (i) the protection of copyright and related rights in the digital environment; (ii) the protection of the digital exploitation of audio and audiovisual works; (iii) the protection of press releases; (iv) the right of appeal concerning the material rights of visual artists arising from the resale of their original works (in accordance with the provisions of the Berne Convention); (v) image reproduction rights for print authors; (vi) the right to facilitate access to published works for people who are blind, visually impaired, or otherwise print disabled (in accordance with the Marrakesh Treaty); and (vii) the inclusion of definitions compliant with new requirements.

3.177. Copyright and related rights are managed by the Moroccan Office of Copyright and Related Rights.[151] In 2022, the Office became a collective management body in the form of a legal person under public law with financial autonomy. The Office's administrative costs will be funded by a percentage taken on income received from the exploitation of copyright and related rights.[152] In 2022, a social security fund for copyright and related rights holders was created.

3.178. The protection of new plant varieties is administered by the Ministry responsible for agriculture.

3.179. At the time of the previous TPR, the most commonly encountered infringements of intellectual property rights in Morocco were the counterfeiting and pirating of audio and audiovisual media, trademarks and industrial designs.

3.180. Parallel imports are authorized, with the exception of patents.

[151] *Dahir* No. 1-22-52 of 11 August 2022 promulgating Law No. 25-19 on the Moroccan Office of Copyright and Related Rights.
[152] The rate on royalties is set by the Board of Directions and must not exceed 30% of the royalties.

4 TRADE POLICIES BY SECTOR

4.1 Agriculture and fisheries

4.1.1 Overview

4.1. Morocco is a major producer, importer and exporter of agri-food products.[1] For some products, its contribution to global production and exports is substantial. For example, in 2021, Morocco produced 78% of the world's mint, 7.8% of its olives, and 10.6% of the global production of figs (Table 4.1). While wheat and barley production did not increase between 2015 and 2020, rainfall was well distributed across the seasons and regions in 2021 leading to a larger harvest. Milk, egg and meat production has remained largely stable since 2015. The agricultural sector accounted for nearly 38% of total employment[2] and nearly 11% of GDP in the second quarter of 2023 (Table 1.1).

Table 4.1 Main agri-food products, 2015-22

	2015	2016	2017	2018	2019	2020	2021[a]	2022	World share 2021
Agricultural and processed crops, output (thousand tonnes)									**(%)**
Wheat	8,075	2,731	7,091	7,321	4,025	2,562	7,544	2,707	0.8
Barley	3,397	620	2,466	2,851	1,161	645	2,780	696	1.9
Sugar beet	3,876	4,219	3,741	3,711	3,693	3,632	2,574	1,898	0.9
Potatoes	1,924	1,744	1,925	1,869	1,957	1,707	1,642	1,768	0.3
Olives	1,144	1,416	1,039	1,561	1,912	1,409	1,591	1,968	7.8
Fresh tomatoes	1,412	1,231	1,294	1,409	1,347	1,399	1,311	1,388	0.5
Tangerines, mandarins	993	1,078	1,278	1,209	1,375	927	1,248	1,360	1.9
Oranges	869	909	1,037	1,019	1,182	806	1,039	1,248	1.2
Apples	674	406	821	697	810	779	890	923	0.6
Onions and shallots, dry	829	686	754	955	880	829	855	802	0.7
Watermelons	707	437	619	742	675	677	824	603	0.5
Sugar cane	395	427	553	616	519	792	613	571	0.0
Cantaloupes, melons	654	520	619	501	391	505	541	480	1.3
Carrots and turnips	414	394	436	480	412	403	388	405	0.6
Pumpkins, squash, etc.	201	189	180	180	199	154	329	292	1.1
Chillies and peppers, green	177	174	191	257	248	144	213	274	0.4
Plums and sloes	123	124	179	205	151	143	179	179	1.0
Almonds, in shell	98	113	117	117	102	134	169	176	4.2
Dates	100	125	130	112	102	143	150	137	1.5
Figs	150	60	138	128	153	144	144	110	10.6
Green beans	146	142	169	156	120	109	128	200	9.7
Apricots	104	71	113	102	110	93	78	72	2.1
Broad beans	157	117	106	142	86	99	72	70	3.8
Lupins	58	56	57	57	57	57	57	47	4.1
Quinces	48	32	46	59	40	58	55	51	6.8
Peppermint, spearmint	100	98	92	99	67	40	30	43	78.9
Poultry (million head)	200	209	214	219	222	226	230	232	0.8
Chickens (million head)	190	197	202	207	209	213	217	219.2	0.8
Turkeys (million head)	10	11	12	12	12	13	13	12.8	4.4
Sheep (thousand head)	18,510	19,870	19,863	19,880	21,591	22,089	22,726	21,800	1.8
Goats (thousand head)	6,231	5,600	5,205	5,731	5,993	5,961	6,207	6,045	0.6
Cattle (thousand head)	3,291	3,300	3,364	3,441	3,328	3,167	3,179	3,100	0.2
Asses (thousand head)	950	932	930	934	927	925	925	896	1.7
Mules (thousand head)	420	385	392	390	385	387	387	383	5.0
Horses (thousand head)	162	180	188	190	191	190	190	173	0.3
Camels (thousand head)	258	258	259	260	261	262	262	262	0.2
Pigs (thousand head)	8	8	8	8	8	8	8	8	0.0
Beehives (thousand)	380	382	382	386	390	393	396	396	0.4
Meat of sheep (in tonnes)	156,993	160,945	172,650	177,885	178,770	161,000	168,150	163,982	2.2
Meat of goats (in tonnes)	28,437	29,817	31,986	31,959	32,118	29,700	30,210	30,250	0.5

[1] Within the WTO, Morocco is considered a net food-importing developing country for the purposes of the 1994 Marrakesh Ministerial Decision. WTO document G/AG/5/Rev.12 of 29 March 2023.

[2] Directorate of Economic Studies and Financial Forecasts (DEPF) (2019), *Le secteur agricole marocain: Tendances structurelles, enjeux et perspectives de développement,* July 2019. Viewed at: https://www.finances.gov.ma/Publication/depf/2019/Le%20secteur%20agricole%20marocain.pdf.

	2015	2016	2017	2018	2019	2020	2021[a]	2022	World share 2021
Meat of cattle (in tonnes)	245,514	257,799	276,548	281,601	283,002	252,100	266,190	256,768	0.4
Eggs in shell (millions)	5,900	4,900	6,300	6,600	6,900	6,550	6,300	5,800	0.9
Milk (millions of litres)	2,450	2,500	2,550	2,550	2,550	2,550	2,250	2,000	0.8

a The main products are identified by volume of production in 2021.

Source: FAOSTAT, Production data, Crops, and livestock products. Viewed at: https://www.fao.org/faostat/fr/#data/QCL (October 2023); and data provided by the authorities.

4.2. Moroccan agricultural performance still largely depends on climatic conditions and access to irrigation. Herd sizes decreased slightly between 2015 and 2022, with the notable exception of sheep (Table 4.1).

4.3. Since the previous TPR, imports of agricultural products (WTO definition) have significantly increased in value (Table 4.2). In 2022, they accounted for nearly 14% of total imports, compared with just over 11% in 2015. However, the product-specific trends were mixed. For example, while imports of wheat and meslin saw strong growth (and, to a lesser extent, those of soya-bean oil, barley, nuts, bakers' wares and concentrated milk), rising from USD 20 billion to more than USD 25 billion in 2022, imports of other products have tended to stagnate or decline.

Table 4.2 Main imports of agricultural goods, 2015-22

(USD million and %)

	2015	2016	2017	2018	2019	2020	2021	2022
Total imports	38,114	41,877	45,179	51,308	51,053	44,510	58,789	72,536
Agriculture	4,392	5,360	5,341	5,866	5,875	6,791	7,939	10,055
% of total	11.5	12.8	11.8	11.4	11.5	15.3	13.5	13.9
Main products (% of agricultural imports)								
HS 10.01 Wheat and meslin	19.9	24.3	16.1	16.6	16.3	20.9	20.0	25.3
HS 15.07 Soya-bean oil and its fractions	7.6	6.6	7.6	6.9	6.5	6.1	8.1	7.9
HS 17.01 Cane or beet sugar	7.8	8.8	9.6	6.4	7.0	6.9	8.3	7.8
HS 10.05 Maize (corn)	9.7	7.4	8.5	8.4	9.3	8.4	8.5	7.6
HS 23.04 Oil-cake and other solid residues	4.1	3.6	3.5	4.1	3.6	3.2	3.6	3.4
HS 10.03 Barley	1.8	3.3	1.5	0.9	1.3	3.6	1.0	3.1
HS 09.02 Tea, whether or not flavoured	4.5	3.7	4.1	3.8	3.9	3.0	2.6	2.5
HS 08.04 Dates, figs, pineapples, avocados, etc.	2.7	2.1	2.5	3.3	3.2	2.5	2.8	2.3
HS 23.03 Residues of starch manufacture	1.8	2.5	2.5	2.4	2.7	2.4	1.8	1.7
HS 08.02 Other nuts	0.2	0.2	0.5	0.8	1.1	2.0	2.4	1.7
HS 09.01 Coffee, whether or not roasted	2.2	1.8	2.0	2.1	1.7	1.5	1.6	1.5
HS 04.06 Cheese and curd	1.5	1.2	1.6	1.9	1.7	1.7	1.7	1.4
HS 24.02 Cigars and cigarettes	2.2	2.5	2.6	2.5	2.8	1.6	1.5	1.3
HS 21.06 Food preparations not elsewhere specified or included	1.3	1.1	1.3	1.5	1.5	1.4	1.5	1.3
HS 19.05 Bakers' wares	0.6	0.6	0.8	1.3	1.3	1.6	1.6	1.3

Source: WTO Secretariat calculations, based on the Comtrade database, and data provided by the authorities.

4.4. Moroccan agricultural exports almost doubled between 2015 and 2022 (Table 4.3). Exports of market garden produce has seen strong growth since 2017, driven by fruits and vegetables, especially tomatoes. In general, Moroccan exports of processed agricultural products (except sugar and sugar preparations) grew by 50% in terms of volume. Only exports of citrus fruits fell by 4% in terms of volume in 2022 compared with 2017.[3]

4.5. In 2022, Morocco was Africa's fourth largest exporter of agri-food products and the world's leading exporter of capers, green beans and argan oil; the third largest exporter of preserved olives;

[3] Morocco Foodex data provided by the authorities.

and the world's fourth largest exporter of clementines and tomatoes, which are Morocco's main agricultural exports.

Table 4.3 Main exports of agricultural goods, 2015-22

(USD million and %)

	2015	2016	2017	2018	2019	2020	2021	2022
Total exports	22,326	23,015	25,663	29,354	29,584	27,693	36,637	42,159
Agriculture	4,698	5,109	5,613	6,225	6,456	6,591	7,779	8,198
% of total	21.0	22.2	21.9	21.2	21.8	23.8	21.2	19.4
Main products (% of agricultural exports)								
HS 07.02 Tomatoes, fresh or chilled	11.5	10.0	10.5	10.9	12.1	11.9	11.0	12.5
HS 08.10 Other fruit, fresh	3.2	3.5	4.6	5.6	7.8	7.9	8.8	8.5
HS 08.05 Citrus fruit, fresh or dried	8.3	7.1	6.9	7.3	7.9	8.0	6.9	6.6
HS 17.01 Cane or beet sugar	1.7	3.4	3.9	2.5	3.1	4.3	4.2	5.3
HS 07.09 Other vegetables, fresh or chilled	3.0	4.0	3.9	3.8	3.5	3.3	3.2	3.3
HS 08.07 Melons, watermelons, papaws (papayas)	1.6	1.4	2.5	3.1	2.5	3.4	3.7	3.3
HS 07.08 Leguminous vegetables, fresh or chilled	3.1	4.7	4.4	4.3	4.3	3.7	3.2	3.0
HS 08.11 Frozen fruit	1.6	1.6	1.5	1.8	1.8	1.9	1.9	2.4
HS 12.12 Sugar beet and cane	0.9	1.0	1.4	1.5	1.7	1.8	3.2	2.0
HS 20.05 Other prepared vegetables	2.6	2.7	2.6	2.6	2.6	2.2	2.1	1.9
HS 08.04 Dates, figs, pineapples, avocados, etc.	0.4	0.4	0.8	1.0	0.8	1.7	1.2	1.8

Source: WTO Secretariat calculations, based on the Comtrade database, and data provided by the authorities.

4.1.2 Agricultural policy

4.6. Since Morocco's previous trade policy review, the Ministry of Agriculture, Marine Fisheries, Rural Development, Water and Forests (MAPMDREF), has launched a new strategy, Generation Green 2020-30, as part of the ongoing development of the agricultural sector.[4] It follows the Green Morocco Plan (PMV), launched in 2008 to boost economic growth, reduce poverty, and ensure the long-term sustainability of natural resources. Generation Green 2020-30 also aims to consolidate the gains made under the PMV.[5] The Generation Green strategy aims to enhance the agricultural sector's performance by doubling agricultural GDP and the value of exports, creating more than 350,000 new jobs and improving the living conditions of farmers.

4.7. This new strategy has been in force since 2021 and is based on two main principles: (i) to prioritize the human element; and (ii) to continue to pursue agricultural development.[6]

4.8. The first principle is underpinned by four specific pillars that seek to help create: (i) a new generation of middle class farming households; (ii) a new generation of young entrepreneurs, including by mobilizing collective land; (iii) innovative agricultural organizations; and (iv) new support mechanisms.[7]

4.9. With a view to creating a new farming middle class, the Generation Green strategy sets out support measures to allow between 350,000 to 400,000 farming households to join the middle class, and to ensure that some 690,000 households remain in this category. To achieve this objective, the support measures include providing farmers with targeted income-support assistance and incentives; expanding farmers' social protection programmes; reducing the gap between the guaranteed minimum agricultural wage (SMAG) and the legal minimum wage (SMIG) by 2030; and extending farm insurance coverage to an additional 2.5 million hectares (ha) of agricultural land.

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[4] Ministry of Agriculture, Marine Fisheries, Rural Development, Water and Forests (MAPMDREF). Viewed at: https://www.agriculture.gov.ma/fr/ministere/generation-green-2020-2030.

[5] WTO document WT/TPR/S/329/Rev.1 of 15 July 2016

[6] Ministry of Agriculture, Marine Fisheries, Rural Development, Water and Forests. Viewed at: https://www.agriculture.gov.ma/fr/ministere/generation-green-2020-2030.

[7] Ministry of Agriculture, Marine Fisheries, Rural Development, Water and Forests. Viewed at: https://www.agriculture.gov.ma/fr/ministere/generation-green-2020-2030.

4.10. The mobilization of 1 million ha of collective land for investors, rights-holders, and young people — who may receive further training — is also planned. This concerns young people's access to agricultural land and will enable 45,000 of them to enjoy the use of agricultural plots. The creation of a series of new innovative agricultural organizations - primarily concerning agricultural aggregation, cooperatives, and new organizational models - is also envisaged under the first pillar of the Generation Green strategy. These should be structured in such a way that they bring together 25% of farmers and strengthen the independence of agricultural interprofessional bodies.

4.11. The Generation Green strategy also includes new support mechanisms in order to launch projects with a specific focus on 350,000-400,000 ha in vulnerable areas (oases, and mountain and arid regions); ensure the sustainability of solidarity agriculture projects; introduce new technologies and digital agricultural services to 2 million farmers; and strengthen the Agricultural Council, primarily by mobilizing approximately 5,000 agricultural advisors by 2030.

4.12. The second Generation Green principle of continuing to purse agricultural development[8] is supported by four pillars. The first pillar concerns the development and consolidation of agricultural sectors by ensuring a more targeted intervention upstream and a reallocation of efforts downstream. The aim is to double agricultural exports and GDP in the long term (to reach MAD 200-250 billion) through a new series of programme contracts in consultation with relevant interprofessional bodies. The support consists primarily of technical support for upstream production (planting, inputs, mechanization, laboratory analyses, etc.) and for downstream parts of the value chain (improving quality and innovation, conserving natural resources, and strengthening efforts in connection with the human element to improve the living conditions of farmers).

4.13. The other pillars of the second principle seek to improve the marketing conditions for agricultural products and distribution chains; promote quality, innovation and green technologies (green tech) to modernize Moroccan agriculture (through, *inter alia*, the certification of 120 modern slaughterhouses, improved research and sanitary control programmes, and the digitalization of the agricultural sector); and bolster the sector's resilience by improving water efficiency twofold and promoting soil conservation.

4.14. In July 2015, the Interministerial Standing Committee for the Development of Rural and Mountainous Areas approved the national strategy for the development of rural and mountainous areas, drafted by the MAPMDREF. The objective is to develop rural areas and reduce territorial disparities by making them less isolated, improving access to basic and social services, and developing the economic potential of these areas to facilitate job creation while conserving natural resources. The strategy covers all of Morocco's rural and mountainous areas, or more than 90% and 26% of the national territory, respectively.

4.15. Following the earthquake of September 2023, a three-pronged aid programme, implemented over five years, was announced by MAPMDREF in October 2023. With a total budget of MAD 10.3 billion, this programme adopts various approaches designed to open up the affected regions, in particular by: (i) protecting agricultural land against erosion, and developing and constructing water points; (ii) rehabilitating and equipping 33 weekly markets, 13 slaughterhouses, and 680 stables and animal shelters in rural areas; and (iii) reconstructing agricultural capital, with the distribution of 650,000 quintals of barley and compensation for losses of sheep, goats, and cattle. The programme's forestry component seeks to rehabilitate water basins and forests.

4.16. This aid programme will be implemented over a period of five years. The first emergency phase, with a budget of MAD 611 million, was launched in October 2023 to repair damage caused by the earthquake and enable agricultural activities to resume. In the second phase, projects will be implemented to support the regional plans of the Generation Green strategy.[9]

[8] Ministry of Agriculture, Marine Fisheries, Rural Development, Water and Forests, Generation Green 2020-30. Viewed at: https://www.agriculture.gov.ma/fr/ministere/generation-green-2020-2030.

[9] Kingdom of Morocco (2023), "Séisme d'Al Haouz/Agriculture: élaboration d'un nouveau programme d'une enveloppe de 10,3 MMDH", 24 October. Viewed at: https://www.maroc.ma/fr/actualites/seisme-dal-haouzagriculture-elaboration-dun-nouveau-programme-dune-enveloppe-de-103-mmdh.

4.1.3 Border measures

4.17. The simple average applied MFN tariff on agricultural products (WTO definition) stood at 32.2% in 2023, compared to 30% in 2015 (Table 3.3). The rate ranges between 2.5% and 200%, with the highest *ad valorem* duties (200%) applied to live sheep and goats and their meat. Some products are subject to two types of variable duties, namely some sugars (Table 3.5) and some cereals (Table 3.6).

4.18. Tariff protection rates remain high in the agricultural sector, exceeding 30% for 51.2% of the 2,053 tariff lines on agricultural products (WTO definition, Table 4.4). The maximum protection rate on these lines increased between 2015 and 2023, from 32.5% to 40% in 2023 for tea and coffee, and from 25% to 40% for several product groupings, including live plants, cocoa, essential oils, albuminoidal substances, and tobacco. The minimum rate for the latter category, however, has decreased from 17.5% to 2.5%.

4.19. Furthermore, the share of tariff lines with a protection rate above 30% increased for the following categories: dairy produce; vegetables; fruit; coffee and tea; animal or vegetable fats and oils; prepared foodstuffs; and tobacco. Other product categories that were not subject to customs tariffs above 30% in 2015 but were in 2023 included live plants; cocoa and cocoa preparations; tobacco; essential oils; and albuminoidal substances. The effect of these rates has been to greatly discourage imports of these products, to the detriment of consumers.

Table 4.4 Range of MFN agricultural tariffs and share of tariffs above 30%, 2015 and 2023

HS Chapter	2015			2023		
	Number of lines	Share of tariffs > 30% (%)	Range of rates (%)	Number of lines	Share of tariffs > 30% (%)	Range of rates (%)
01. Live animals	99	29.3	2.5-200	95	28.4	2.5-200
02. Meat and edible meat offal	206	87.4	2.5-200	176	86.4	2.5-200
04. Dairy produce	188	66.0	2.5-100	130	73.8	2.5-100
05. Products of animal origin, not elsewhere specified or included	42	0.0	2.5-10	20	0.0	2.5-10
06. Live plants	50	0.0	2.5-25	46	17.4	2.5-40
07. Edible vegetables and certain roots	181	60.8	2.5-40	154	82.5	2.5-40
08. Edible fruit	135	51.9	2.5-40	124	75.0	2.5-40
09. Coffee, tea, maté and spices	79	2.5	2.5-32.5	67	25.4	2.5-40
10. Cereals	53	17.0	2.5-170	49	18.4	2.5-50
11. Products of the milling industry; malt	144	33.3	2.5-70	131	36.6	2.5-70
12. Oil seeds and oleaginous fruits	134	3.0	2.5-50	126	4.8	2.5-50
13. Lac; gums, resins and other vegetable extracts	24	0.0	2.5-2.5	23	0.0	2.5-2.5
14. Vegetable plaiting materials and vegetable products not elsewhere specified or included	46	0.0	2.5-2.5	10	0.0	2.5-2.5
15. Animal and vegetable fats and oils	131	17.6	2.5-50	116	30.2	2.5-50
16. Preparations of meat, of fish or of crustaceans	35	97.1	10-49	34	88.2	10-49
17. Sugars and sugar confectionery	122	24.6	10-50	75	37.3	10-50
18. Cocoa and cocoa preparations	39	0.0	2.5-25	31	41.9	2.5-40
19. Preparations of cereal	117	28.2	2.5-50	96	34.4	2.5-50
20. Preparations of vegetables, and of fruit	258	84.5	2.5-40	149	91.3	2.5-40
21. Miscellaneous edible prepared	78	33.3	2.5-49	69	53.6	2.5-49
22. Beverages, spirits and vinegar	88	94.3	25-49	97	100.0	40-49
23. Residues from the food industries	60	3.3	2.5-49	54	11.1	2.5-49
24. Tobacco	15	0.0	17.5-25	18	72.2	2.5-40
29. Organic chemicals	4	0.0	2.5-2.5	3	0.0	2.5-2.5
33. Essential oils; perfumery preparations	44	0.0	2.5-25	44	79.5	2.5-40

HS Chapter	2015 Number of lines	2015 Share of tariffs > 30% (%)	2015 Range of rates (%)	2023 Number of lines	2023 Share of tariffs > 30% (%)	2023 Range of rates (%)
35. Albuminoidal substances	29	0.0	2.5-25	24	25.0	2.5-40
38. Miscellaneous chemical products	14	0.0	2.5-2.5	11	0.0	2.5-2.5
41. Raw hides and skins	88	0.0	2.5-2.5	48	0.0	2.5-2.5
43. Furskins and artificial fur	9	0.0	2.5-2.5	5	0.0	2.5-2.5
50. Silk	3	0.0	2.5-2.5	3	0.0	2.5-2.5
51. Wool, horsehair yarn and woven fabric	19	0.0	2.5-2.5	12	0.0	2.5-2.5
52. Cotton	11	0.0	2.5-2.5	7	0.0	2.5-2.5
53. Other vegetable textile fibres	11	0.0	2.5-2.5	6	0.0	2.5-2.5
Agriculture (WTO definition)	2,556	40.1	2.5-200	2,053	51.2	2.5-200

Note: Chapters 10 and 17 contain variable rates.
The 2015 tariff is based on HS 2012 nomenclature, while the 2023 tariff is based on HS 2022 nomenclature.

Source: WTO Secretariat calculations, based on data provided by the authorities.

4.20. Morocco's tariff quotas cover 13.5% of agri-food tariff lines (Table 4.5). The most recent notification provided covered 2021[10]; notifications have also been submitted for previous years.[11] For some products, the bound out-of-quota tariffs have become lower than the bound in-quota tariffs after the relevant reduction period (1995-04), as in-quota tariffs were not subject to the reduction requirement. Overall, quota fill rates are above 65%, with the exception of sheep meat, which has a negligible fill rate of 0.6%.

Table 4.5 Tariff quotas notified to the WTO, 2023

Type of product	HS Code	Description (number of 10-digit tariff lines)	Average applied tariff rate (%) 2023		Bound tariff rates [a] (%)		Bound quota volume (thousand tonnes)	2021-In-quota import volume (thousand tonnes)	Fill rate (%)
			In-quota	Out-of-quota	In-quota	Out-of-quota			
Animal products	02.01	Meat of bovine animals 15)	..	200.0	82.5	239.0	5.0	4.19	83.8
	02.02	Meat of bovine animals 10)	..	181.0	82.5	239.0			
	02.04	Meat of sheep (17)	..	200.0	82.5	289.0	3.3	0.20	0.6
	02.07	White meat (47)	..	92.3	62.5	95.8	6.4	4.63	72.3
	04.02	Milk (30)	..	82.0	96.0	87.0	38.6	38.60	100.0
Cereals	1001.91	Wheat, soft (4)	..	2.5	144.0	34.0	1555.3		*
	1001.99	Wheat, soft (3)	..	24.2	144.0	157.0			
	10.03	Barley (4)	..	10.6	113.0	66.0	2.8		*
	10.05	Maize (corn) (3)	..	2.5	122.0	53.3	204.4		*
	10.06	Rice (7)	..	36.4	177.0	147.9	7.2		*
	10.07	Sorghum (2)	..	2.5	165.0	99.5	9.2		*
	12.01	Soya beans (3)	..	2.5	111.0	80.3	17.7		*
Oil seeds	12.05	Rape or colza seeds (12)	..	2.5	146.0	112.7	4.4		*

[10] WTO document G/AG/N/MAR/64 of 7 December 2022.
[11] WTO documents G/AG/N/MAR/51 of 20 February 2020 for calendar years 2016 and 2017; G/AG/N/MAR/58 of 23 April 2021 for the calendar year 2018; and G/AG/N/MAR/59 of 28 April 2021 for the calendar year 2019.

Type of product	HS Code	Description (number of 10-digit tariff lines)	Average applied tariff rate (%) 2023		Bound tariff rates [a] (%)		Bound quota volume (thousand tonnes)	2021-In-quota import volume (thousand tonnes)	Fill rate (%)
			In-quota	Out-of-quota	In-quota	Out-of-quota			
Oils	15.07	Oil (2)	..	21.3	215.0	157.6	196.1		*
	15.08	Oil (2)	..	21.3	215.0	157.6			*
	15.09	Oil (14)	..	40.0	215.0	34.0			*
	15.10	Oil (4)	..	40.0	215.0	34.0			*
	15.12	Oil (4)	..	21.3	215.0	157.6			*
	15.13	Oil (4)	..	21.3	215.0	157.6			*
	15.14	Oil (4)	..	21.3	215.0	157.6			*
	15.15	Oil (15)	..	17.5	215.0	117.0			*
	15.16	Oil (21)	..	11.4	215.0	159.8			*
	15.17	Oil (8)	..	20.0	215.0	236.0			*
	15.18	Oil (3)	..	10.0	215.0	34.0			*
	17.01	Sugar (15)	..	47.3	168.0	168.0	274.3		*
Oil-cakes	2306.10	Oil-cake of cotton seeds (2)	..	2.5	55.0	55.0	1.6		*
	2306.30	Oil-cake of sunflower seeds(2)	..	2.5	62.0	62.0			*
	2306.41	Oil-cake of colza seeds (1)	..	2.5	72.0	72.0			*
	2306.49	Oil-cake of colza seeds (1)	..	2.5	72.0	72.0			*

* Applied MFN tariffs are lower than bound in-quota tariffs

.. Not available.

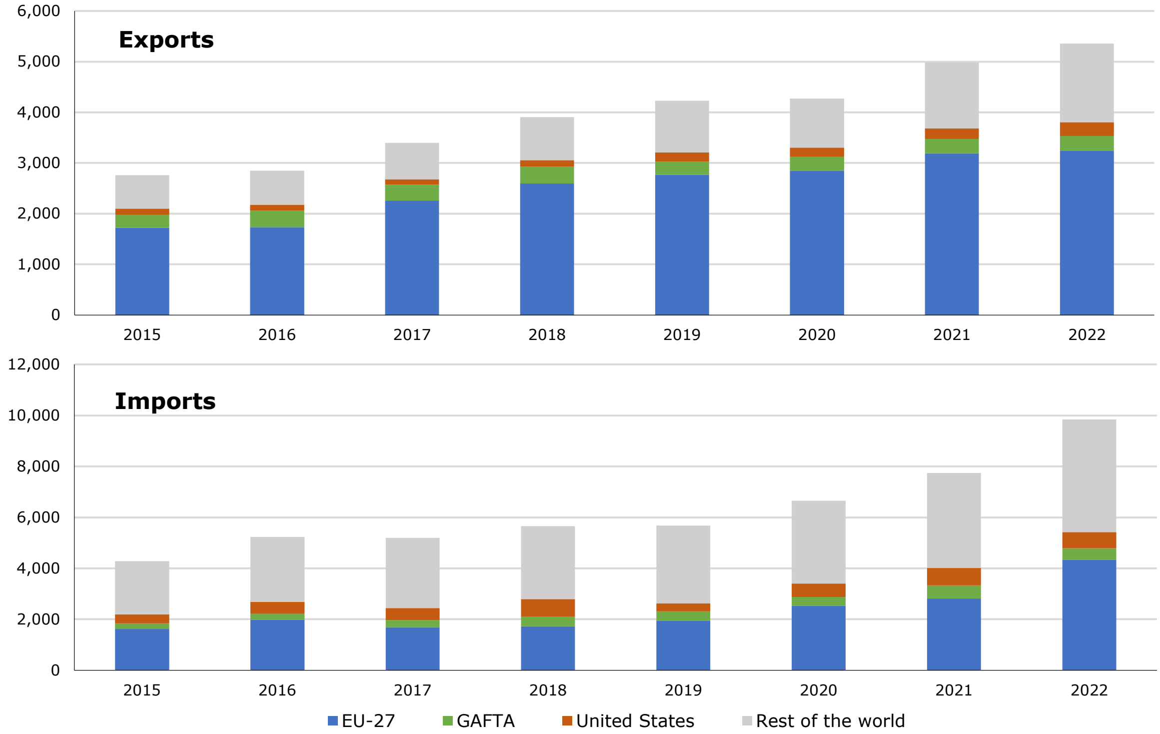
a WTO document G/AG/N/MAR/64, submitted on 7 December 2022, concerning imports under tariff quotas during the calendar year 2021.

Source: WTO Secretariat calculations, based on data provided by the authorities.

4.21. As shown in Section 3.1.5, Morocco grants tariff preferences to some of its trading partners, including duty-free access to 100% of agricultural products originating in member countries of the Greater Arab Free Trade Area (GAFTA) (Table 3.8), signatories to the Agadir Agreement, and the United Arab Emirates. Tariff preferences are applied to imports from the European Union (8.2% in 2023 compared with 16.3% in the period covered by the previous TPR) and the United States (4.1% in 2023 compared with 10% in the period covered by the previous TPR) under their respective agreements. Chart 4.1 sets out the changing agricultural trade patterns. Between 2015 and 2022, agri-food imports (after stagnating between 2017 and 2019) and exports increased with all groups of partners, with and without tariff preferences.

Chart 4.1 Trade in agricultural products (WTO definition), 2015-22

(USD million)



Source: WTO Secretariat estimates, based on the Comtrade database.

4.1.4 Production and export support

4.22. Since the last TPR, no new notifications on domestic support to agriculture have been submitted to the WTO. The last notification from 2012 covers the calendar years 2003-07 (Section 2.3 and Table 2.2).[12] According to the authorities, the measures notified for the calendar years 2003-07 under Annex 2 to and Article 6.2 of the Agreement on Agriculture, as well as the aggregate measurement of support (AMS) are still in force.

4.23. The Government of Morocco uses a variety of measures to encourage agricultural production and investment, such as subsidies (financial aid), or technical and material assistance provided free of charge by government agencies (Table 4.6). Such support is in addition to major investments in infrastructure.[13] The support is mainly for irrigation as a means of adapting to climate change and recurrent droughts.

Table 4.6 Overview of agricultural activities eligible for state financial aid, 2023

Product	Type of aid
New farm equipment and machinery.	Subsidy granted as a percentage of the purchase cost, with a cap depending on the nature of the equipment.
Hydro-agricultural infrastructure: well-digging, irrigation equipment.	Subsidy for the cost of the irrigation component, with a cap on the overall amount of the subsidy per hectare concerned.
Intensification of livestock production, genetic improvement of cattle, sheep, goat and camel herds.	Subsidy per head acquired or produced.
Production of selected queen bees.	Subsidy/beehive.
Construction and equipping of cooperative milk collection centres.	Cost subsidy, with a subsidy cap per component.
Anti-insect nets to protect market garden crops grown in greenhouses.	Subsidy for the purchase cost of the nets, with a cap per hectare covered.

[12] WTO document G/AG/N/MAR/37 of 27 March 2012.
[13] WTO document WT/TPR/S/329/Rev.1 of 15 June 2016.

Product	Type of aid
Seedlings of olive, date palm, fruit-bearing Rosaceae, argan and other fruit trees.	• For olive groves: amount of subsidy granted per hectare planted according to method. • For other fruit tree species: subsidy as a percentage of the purchase cost, with a cap per hectare planted.
Hail protection nets.	Subsidy as a percentage of the purchase cost of net components, with a cap per hectare covered.
Use and storage of certified cereal seed.	Subsidy per quintal.
Use of monogerm sugar beet seed.	Subsidy per quintal purchased.
Construction and equipping of cold storage units for agricultural products and seed storage units.	Aid granted on the basis of a subsidy rate for the investment cost, with a cap for each type of unit.
Laboratory analyses.	Subsidy as a percentage of the analysis cost, with caps by type of analysis.
Agricultural export promotion and diversification.	• Subsidy for the additional quantity (relative to a reference period) exported to certain destinations. • Flat-rate subsidy by type of aggregation project.

Source: Information provided by the Ministry of Agriculture, Marine Fisheries, Rural Development, Water and Forests (MAPMDREF).

4.24. Irrigation remains a major concern for the Government of Morocco due to the growing scarcity of water resources and successive droughts. Approximately half of the agricultural investment budget is spent on irrigation. Permanent irrigation systems covers an area of some 1.6 million hectares. Although irrigated agriculture covers only 18% of arable land, it accounts for almost 50% of agricultural value added in an average year, but it can be as much as 70% in years of drought. Irrigated areas produce 75% of the volume of agricultural exports and account for 40% of employment in rural areas.

4.25. The National Irrigation Water Saving Programme, which was part of the Green Morocco Plan (2008-20) and will be extended to 350,000 hectares under the Generation Green 2020-30 strategy, will introduce new, efficient irrigation technologies, primarily through localized irrigation systems, at the initiative of private farms or the State, to help producers adapt to the increasing scarcity of water resources and the effects of climate change (Table 4.6).

4.26. The Irrigation Expansion Programme will extend irrigation systems to about 130,000 hectares in order to optimize the use of water resources mobilized by existing and planned dams. In addition to equipping collective irrigation networks, the programme will encourage farmers and their organizations (such as irrigation associations and cooperatives) to adopt localized irrigation techniques. The three main approaches used by the State to support investment under the Programme are to provide: (i) equipment for collective irrigation networks; (ii) financial incentives for the adoption of water-saving irrigation technology; and (iii) capacity-building for irrigation associations, project management units and the Agricultural Council, on improving water productivity and adapting to water scarcity. Imports of irrigation equipment are exempt from VAT.[14] The number of beneficiaries of the Programme is estimated to be 5,491.[15]

4.27. By the end of June 2023, the total area covered by collective schemes to modernize and convert existing irrigation systems to localized irrigation was 175,000 hectares. Collective network upgrades have been completed on 122,800 hectares, and work is ongoing on 52,200 hectares.

4.28. The State also provides financial aid under the Agricultural Development Fund (FDA) through the bank, Crédit agricole du Maroc (CAM), in which the State holds a 75% stake. CAM provides loans, at an interest rate of around 6%, for crop years and for equipping and modernizing farms. In 2023, a total of MAD 4.2 billion was allocated to the FDA, while MAD 1.8 billion was spent on promoting and diversifying solidarity agricultural projects, and MAD 5 billion on irrigation and agricultural land development programmes.[16]

[14] Decree No. 2-83-605 of 29 July 1983.

[15] MAPMDREF, National Irrigation Water Saving Programme (PNEEI). Viewed at: https://www.agriculture.gov.ma/fr/projet/programme-national-deconomie-deau-en-irrigation-pneei.

[16] Agence marocaine de presse (2023), "*Agriculture: Les programmes prévus pour 2023 sont basés sur des systèmes agricoles adaptatifs et efficaces (ministre)*", 3 January. Viewed at:

4.29. Under the Green Morocco Plan, a new multi-risk climate insurance product was created in 2011, which covers cereal, leguminous and oil seed crops in the event of major climatic events, particularly drought. It replaces the "*Multirisque Climatique*" agricultural insurance mechanism, which had covered the agricultural sector against major climatic risks since 2011. The new insurance product covers the entire territory of Morocco and sought to insure 1.2 million hectares of farmland by 2022-23, which is almost 24% of the average area planted with cereal, leguminous and oil seed crops, or around 14% of the country's total agricultural land.[17]

4.30. To achieve these objectives, the State subsidizes farmers' premiums, especially the smallest farmers and those at greatest risk; this subsidy is currently around 90% of the premium. The maximum premium paid by small farmers is MAD 26 per hectare.[18] For higher levels of coverage, premiums range from MAD 199 to MAD 398 per hectare. This insurance product initially sought to cover an area of 300,000 hectares before being extended to cover a larger area, with a long-term goal of covering 2.2 million hectares.

4.31. As indicated in Section 3.1.5.1.1, sales of agricultural products are largely exempt from VAT, without a right of deduction. This exemption, which is in addition to the two VAT regimes ("domestic" and "import" regimes), may pose national treatment difficulties when applying VAT to foodstuffs. A number of agricultural products are, however, subject to the import VAT regime. A rate of 7% applies to refined sugar and preserved sardines. A rate of 10% applies to edible and vegetable oils, seeds, oleaginous fruits; oilcakes and feed materials; and manioc and grain sorghum. A rate of 14% applies to non-artisanal butter.[19]

4.32. The sector was also exempt from all taxes (both corporation and income tax) between 1984 and 2013. The Finance Law of 2015 introduced a progressive approach to income tax and corporation tax in 2014 for large agricultural enterprises (with a turnover of more than MAD 5 million), under the ordinary law regime.[20] Since January 2020, all agricultural enterprises with a turnover of more than MAD 5 million have been subject to income tax and corporation tax.

4.33. Morocco notified the WTO, under Article 9.4 of the Agreement on Agriculture, of export subsidies for fruits, vegetables, flowers and plants, olive oil, poultry and milk products, and spices (for 2019), which seek to reduce the export freight cost of these products. The two most recent notifications, submitted in 2022, cover 2020 and 2019.[21] According to these notifications, the Government paid, for example, more than MAD 146 million in export subsidies for fruits, vegetables, flowers and plants in 2020. The products and destinations eligible for these subsidies are communicated on an *ad hoc* basis by decree.

4.1.5 Developments in selected subsectors

4.1.5.1 Cereal crops and products thereof

4.34. Morocco is a major producer of cereals, which are grown on most farms. The main crops are soft wheat and barley, with the latter chosen for its adaptability to arid zones and its use in the

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https://www.mapnews.ma/fr/actualites/economie/agriculture-les-programmes-pr%C3%A9vus-pour-2023-sont-bas%C3%A9s-sur-des-syst%C3 per centA8mes.

[17] Agence Ecofin (2022), "*Le Maroc veut assurer 14% de sa surface agricole en prévision des risques climatiques en 2022/2023*", 2 December. Viewed at: https://www.agenceecofin.com/breves-agro/0212-103459-le-maroc-veut-assurer-14-de-sa-surface-agricole-en-prevision-des-risques-climatiques-en-2022/2023.

[18] Finances News (2023), "*Assurance agricole: la multirisque, un bouclier contre les aléas climatiques*", 2 May. Viewed at: https://fnh.ma/article/actualite-economique/Assurance%20agricole:%20la%20multirisque,%20un%20bouclier%20contre%20les%20al%C3%A9as%20climatiques.

[19] For a complete list of VAT-exempt goods, see Articles 91 and 123 of the General Tax Code of 2023 (VAT).

[20] For the first two years, only enterprises with a turnover of MAD 35 million or more were liable for corporation tax, followed by those with a turnover of MAD 20 million or more for the next two years. Thereafter, between 1 January 2018 and 31 December 2019, enterprises with a turnover of more than MAD 10 million became liable for corporation tax. Chbani & Associes Audit, *Fiscalité des personnes morales*. Viewed at: http://chbani.com/fiscalite-des-personnes-morales/.

[21] WTO documents G/AG/N/MAR/61 and G/AG/N/MAR/62 of 13 October 2022.

livestock sector. This cereal crop output, which accounted for around 9% of agricultural value added in 2020, constitutes 25% of household food expenditure and covers 30% of fodder requirements.

4.35. However, given that these are low-value-added products, the Green Morocco Plan and later the Generation Green strategy have sought to encourage a gradual shift away from cereal growing to higher value added crops, such as fruit trees.

4.36. According to the authorities, cereals are marketed exclusively by the private sector in Morocco. Storage agencies and flour mills are free to source their supplies either from the local market or through imports.[22] Under Law No. 12-94 on the National Intertrade Board for Cereals and Pulses (ONICL), cereal prices are determined by the market, and are not set or controlled by the Government. Neither the State nor the ONICL intervene directly in any way in the purchase, sale or storage of cereals. However, MFN tariffs are in force of up to 170%, which vary over time[23] and according to import prices (Table 3.6). The variable tariffs set according to the import price of the cereals concerned (wheat, meslin and malting barley) are revised periodically in the light of local supply and demand, and are generally set at their highest level during the harvest season. In addition, depending on the volume of the domestic harvest and global wheat prices, the State can increase, reduce or suspend tariffs in order to regulate the domestic market. As a result, Morocco exceptionally suspended import tariffs on common and durum wheat in November 2021 in order to maintain supplies to the local market and build up stocks. This suspension was due to expire in December 2023.

4.37. In addition to the suspension of import duties on wheat and because of adverse weather conditions, the ONICL decided to change the subsidy scheme for soft wheat importers from July 2023, with the aim of importing 25 million quintals of wheat between 1 July and 30 September 2023. Under the new calculation method, importers receive a flat-rate subsidy of MAD 270 per quintal. The periods during which imported soft wheat is eligible for the flat-rate subsidy and the methods for calculating it are determined by a joint decision of the Ministries of Finance and Agriculture, depending on changes in availability and prices on the national and global markets.

4.38. According to the authorities, the changes to the calculation method are intended to ensure a continuous flow of imports and a regular supply to the domestic market, taking into account, *inter alia*, geopolitical events and climatic conditions that continue to affect the world market.

4.39. In the absence of a reference price for Moroccan farmers, the Government of Morocco sets a benchmark price at the beginning of each marketing year. For 2023, as in 2022, the reference price was set at MAD 3,000 per tonne, which marks an increase on the reference price for 2017-21, which was MAD 2,800 per tonne. The authorities stress that this price is indicative and does not constitute a minimum price guaranteed by the Government. A storage subsidy is also granted to storage agencies that agree to store their wheat in approved facilities in order to bolster food security stocks. This subsidy is granted only to the storage agencies listed in the Law[24] and only for the current year's soft wheat.

4.40. The Government subsidizes the cost of a quota of soft wheat flour, which amounts to 0.63 million tonnes per year, for the most deprived communes. Storage agencies receive from or pay to the State a wheat price differential based on a predetermined price of MAD 258.8 per quintal. The State pays the mills the difference between the calculated cost price for wheat flour and the predetermined sale price. The State also bears the cost of transporting soft wheat through open tenders organized by the ONICL. During the 2016-22 period, the average annual total cost of support for domestic flour was MAD 1 billion.

4.41. Despite the unfavourable climatic context, including four consecutive years of drought in the last five years, and the poor geographical and seasonal distribution of rainfall, domestic production of the three main cereals was 55.1 million quintals for the 2022-23 crop year, compared to

[22] However, these operators must be registered with the National Intertrade Board for Cereals and Pulses (ONICL), which monitors the country's cereal supply trends.

[23] The rates indicated for durum wheat are for the period from 1 June to 31 July. An *ad valorem* duty applies for the rest of the year.

[24] Article 11 of Law No. 12-94 on the ONICL.

34 million quintals for the 2021-22 crop year (with a 2.8% increase in the area planted compared with the 2021-22 period).

4.1.5.2 Oilseed crops

4.42. The Government aims to increase the area under oilseed crops (mainly sunflower, rapeseed and soya-bean) to raise the rate of self-sufficiency in domestic production of edible oil from oilseeds from 2% currently to 15% by 2030. Customs duties on these products increased significantly between 2015 and 2023, except for tariffs on vegetable fats and oils, which remained unchanged (Table 4.7).

Table 4.7 Average customs duties on imports of oil, 2015 and 2023

HS code	Description	MFN 2015 (%)	MFN 2023 (%)
All		21.3	23.0
15.07	Soya-bean oil and its fractions	13.8	21.3
15.08	Ground-nut oil and its fractions	13.8	21.3
15.09	Olive oil and its fractions	40.0	40.0
15.11	Palm oil and its fractions	13.8	21.3
15.12	Sunflower-seed, safflower or cotton-seed oil and fractions thereof	13.8	21.3
15.13	Coconut (copra), palm kernel or babassu oil and fractions thereof	13.8	21.3
15.14	Rape, colza or mustard oil and fractions thereof	13.8	21.3
15.15	Other fixed vegetable or microbial fats and oils (including jojoba oil)	11.2	17.5
1516.20	Vegetable fats and oils and their fractions	12.5	12.5

Source: WTO Secretariat calculations, based on data provided by the authorities.

4.1.5.3 Sugar

4.43. Sugar mills and refineries receive a flat-rate subsidy in order to keep sales prices at an affordable level. This consumer subsidy is paid by the Compensation Fund and applies only to locally produced or refined white sugar. Since April 2023, the flat-rate subsidy for local sugar has been MAD 3,338/tonne, excluding tax. An additional subsidy is paid on imports of raw sugar if the import cost exceeds the target price of MAD 5,985 per tonne. The Compensation Fund has two refund schemes. First, when sugar that has been imported and refined locally is exported, the refund price is set quarterly by an interministerial committee. Secondly, when the sugar is used by beverage companies, the refund is set at a flat rate of MAD 1,000 per tonne.[25] The average annual cost of this subsidy stands at MAD 3.5 billion.

4.44. Since the last TPR, variable tariffs have still been levied on raw sugar, with the same basic rate of 35% applied to an administratively determined import value of MAD 3,500 per tonne. If the customs value is below this threshold, an additional duty of 123% is applied to the difference between this amount and the declared value. The same mechanism applies to granulated sugar and lump sugar; the basic rates for these two products have increased from 47% in 2015 to 55% and 60%, respectively, in 2023, as have the additional rates applied, increasing from 124% for granulated sugar and 129% for lump sugar in 2015 to 135% for both products in 2023 (Table 3.5). However, even with high customs duties, sugar remains one of the top three imported product categories, accounting for almost 8% of the total value of agricultural imports in 2022 — a share that has remained relatively stable since 2015 (Table 4.2).

4.45. Processed products are also subject to different domestic duties and taxes depending on their added sugar content (Table 3.11).

4.1.5.4 Carbonated beverages, wine and cider

4.46. The non-alcoholic beverage market is composed primarily of production and bottling plants. Customs duties for orange juices range from 2.5% to 40%, while for beverages and spirits, they range from 40% to 49%. However, there has been significant tariff liberalization for imports from

[25] Compensation Fund, sugar subsidy. Viewed at: https://www.cdc.gov.ma/2019/12/20/subvention-du-sucre/.

the United States and, especially since 2015, the European Union (Table 4.8). Industrial beverage producers are required to repay MAD 1,000 for each tonne of subsidized sugar used as an input.

4.47. MFN tariffs for alcoholic beverages have remained unchanged since the last TPR (Table 4.8 and Section 3.1.4). In contrast, imports from the United States and the European Union are duty-free, as are imports under trade agreements with other partners.

Table 4.8 Average tariffs on imports of beverages, by main suppliers, 2015 and 2023

(%)

HS heading	Description	2015			2023		
		MFN	United States tariff preference	EU tariff preference	MFN	United States tariff preference	EU tariff preference
20.09	Fruit juices	30.0	0.0	24.3	31.0	0.0	4.4
22.01	Mineral waters	25.0	0.0	0.0	40.0	0.0	0.0
22.02	Sweetened mineral waters	40.0	0.0	0.0	40.0	0.0	0.0
22.03	Beer made from malt	49.0	5.6	34.3	49.0	0.0	0.0
22.04	Wine of fresh grapes	49.0	0.0	39.0	49.0	0.0	0.0
22.05	Vermouth	49.0	0.0	0.0	49.0	0.0	0.0
22.06	Other fermented beverages	49.0	0.0	34.3	49.0	0.0	0.0
22.07	Ethyl alcohol ≥ 80% vol.	49.0	0.0	0.0	49.0	0.0	0.0
22.08	Ethyl alcohol < 80% vol.	49.0	0.0	0.0	49.0	0.0	0.0

Source: WTO Secretariat calculations, based on data provided by the authorities.

4.1.5.5 Livestock and livestock products

4.48. Imports of live animals, beef, and sheep and goat meat are subject to the highest *ad valorem* rates (200%), making commercial imports unprofitable. However, in 2023, imports of cattle (200,000 heads), sheep and dairy cows were exempted from customs duties and VAT. Imports of sheep and goat meat from the United States, like those from Arab countries, enjoy duty-free access (the preferential tariff applied to these imports at the time of the last TPR was 146%).

4.49. In October 2012, the European Union and Morocco reached an agreement on exports to Morocco of live animals, "high-quality" beef, poultry meat, and prepared meat products. These exports must meet all the specifications agreed by both parties. Imports from the United Kingdom are subject to the same specifications as EU imports, but have different quotas. A similar agreement is in place with the United States. These meat imports may only be sold to four- and five-star hotels and to graded restaurants, and may not be sold directly to the public.

4.50. Exports of animal products are minimal, with the exception of cheese and curd, milk, and guts, bladders and stomachs of animals. Improving the traceability and quality of domestic livestock is a government priority. State aid in this sector focuses on the genetic improvement of local breeds and support for breeders (Table 4.6).

4.51. In 2022, an action programme was implemented to mitigate the impact of the rainfall deficit on the sector's activities for the remainder of the 2021-22 crop year. The programme comprised measures on three main fronts. The first sought to manage water shortages and protect livestock thanks to a system allowing the delivery of subsidized barley to livestock farmers; the second concerned the distribution of subsidized compound feed to dairy farmers; and the third dealt with support for livestock watering by developing and equipping water points. According to the authorities, the programme led to a significant improvement in the livestock sector in 2023, which should help restore some stability.[26] In addition, feed materials for livestock and farmyard animals are subject to reduced import VAT rate of 10%. However, VAT on these products was suspended in 2023 in order to bring down the production costs of red meat and milk.

[26] Ministry of Agriculture, Marine Fisheries, Rural Development, Water and Forests. Viewed at: https://www.agriculture.gov.ma/fr/actualites/previsions-de-la-campagne-agricole-2022-2023.

4.52. On average, Moroccan production continued to meet close to 100% of domestic demand for poultry and eggs during the period 2016-22. Since 2016, production has been increasing at a rate of 3.5% per year, protected as it is from foreign competition by 100% tariffs.

4.53. Milk production in 2021 was estimated to be 2.25 billion litres, slightly lower than the 2016 figure of 2.5 billion litres (Table 4.1). This was sufficient to meet 96% of domestic demand for milk and milk products, with the remainder covered by imports, mainly of milk in powder, cheese and butter. The MFN tariff rates on milk range from 2.5% to 100%, with preferential rates ranging from duty free to 71%.

4.54. Morocco has set itself the target of increasing its milk production to 3.5 billion litres by 2030. To achieve this, the Government has signed a programme contract for 2021-30 with the dairy intertrade federation, Maroc Lait. In addition to specifying yield targets for different dairy breeds, the programme provides for state support to improve the genetics of the dairy herd and to bring milk collection centres into compliance with the relevant standards. Lastly, the programme contract establishes support measures for dairy farming unit projects that are eligible for subsidies from the Agricultural Development Fund. The overall cost of the programme contract is estimated to be close to MAD 12.13 billion, with Maroc Lait contributing MAD 8.82 billion.

4.55. The beekeeping sector has seen significant growth since 2009, with a 65% increase in the number of beekeepers and growth of 114% in production between 2009 and 2022 (up from 3,500 tonnes to 7,500 tonnes over the same period).

4.2 Fisheries and aquaculture

4.56. Although Morocco's fisheries and aquaculture sector accounted for less than 1% of its GDP in 2023 (0.6% in the second quarter of 2023 – Table 1.1), it remains an important source of employment, creating more than 250,000 direct jobs. The development strategy, Halieutis, which was launched in 2009 and ran through to 2020, sought to modernize the sector, improve its competitiveness, and ensure sustainability of the resource.

4.57. Morocco has still not deposited its instrument of acceptance of the WTO Agreement on Fisheries Subsidies.

4.2.1 Overview of the market and the regulations

4.58. Morocco has a 3,500 km-long coastline, bordering the Atlantic and the Mediterranean, and an exclusive economic zone (EEZ) of 1.1 million km^2. The annual potential exploitable yield from fish stocks is estimated by the authorities to be 1.5 million tonnes renewable.

4.59. Since the previous TPR, and despite the indirect effects of the pandemic, the Moroccan fisheries sector has proved resilient and provided a steady supply of seafood for the domestic and international market.

4.60. Fisheries production reached 1.56 million tonnes in 2022, valued at around MAD 15 billion. Seafood exports have increased by 20% compared with 2016. In contrast, aquaculture production remains at a low level, accounting for less than 1% of fisheries production in 2022.[27]

4.61. In 2022, the sector accounted for 9% of Morocco's total exports and 45% of its agri-food exports.[28] Small-scale coastal fishing accounted for 96% of the volume of fisheries production in 2022 (Table 4.9).

4.62. Exports were 916,000 tonnes in 2022, with a value of USD 2.7 billion (Table 4.9).

[27] Marine Fisheries Department, *La mer en chiffres 2022*, information provided by the authorities.
[28] Marine Fisheries Department, *Rapport d'activité 2021*, provided by the authorities.

4.63. Fishing in the Moroccan EEZ is intensive, raising questions about its sustainability. Morocco is one of Africa's largest fisheries producers and is ranked 15th globally, accounting for 2% of global production of marine capture fisheries in 2020.[29]

4.64. Morocco's marine fisheries sector is governed by scores of legislative (some 40 *Dahirs*) and regulatory texts (in the region of 100 decrees and 100 orders), some of which are sector specific (development and management of fisheries, standards for vessels, combating IUU fishing, etc.), while others are generic (wildlife protection, health standards, etc.).[30]

4.65. Decree No. 2-15-285 of 10 April 2015 breaks down fishery activities as follows:

- industrial fishing: carried out by commercial vessels that have a catch freezing system, or that have a gross tonnage (GT) of 150 GT or more and use refrigerated sea water (RSW) to preserve the catch;

- inshore fishing: carried out by (commercial fishing) vessels with a gross tonnage of between 3 GT and 150 GT, using refrigeration; and

- small-scale fishing: carried out by vessels with a gross tonnage of less than 3.

4.66. Production consists mainly of small pelagic fish, principally sardines, accounting for nearly 85% of the total volume produced in 2022, and benthic species. Fishery product processing industries account for about 45% of agri-food exports. Their activity is dominated by freezing (41%) and preserving (13%).[31] Between 2016 and 2022, the average annual growth rate of the value of fisheries exports was between 5.5% and 9.4% for frozen products, and 7.5% for products salted, dried, smoked or in brine (Table 4.9).

4.67. Morocco exports significant quantities of cephalopods and small pelagics, mainly to the European and Japanese markets.[32] There has not been a marked upward trend in exports (Table 4.9).

Table 4.9 Fishery production and trade, 2016-22

	2016	2017	2018	2019	2020	2021	2022
PRODUCTION							
Volume (thousand tonnes)							
Fisheries production	1,467	1,386	1,372	1,463	1,383	1,418	1,556
Inshore and small-scale[a]	1,358	1,286	1,297	1,378	1,274	1,312	1,499
High sea[b]	82	73	57	64	83	81	41
Other activities[c]	27	27	18	21	26	25	16
Value (USD million)							
Fisheries production	1,197	1,249	1,234	1,217	1,171	1,676	1,349
Inshore and small-scale[a]	689	742	777	757	699	1,005	951
High sea[b]	480	474	421	418	438	632	360
Other activities[c]	29	32	36	41	34	39	38
EXPORTS							
Volume (thousand tonnes)							
Total	692	717	723	773	841	818	916
Frozen	320	336	358	349	389	433	452
Preserved	153	164	175	185	187	161	166
Flour	139	139	117	156	164	138	202
Oil	35	35	31	36	46	30	46
Fresh or live	22	17	16	17	19	19	17
Semi-preserved	18	21	22	25	28	29	26
Value (USD million)							
Total	2,169	2,268	2,400	2,300	2,385	2,841	2,706

29 FAO, *La situation mondiale des pêches et de l'aquaculture 2022: Vers une transformation bleue*. Viewed at: https://www.fao.org/3/cc0461fr/cc0461fr.pdf.

30 Ministry of the Economy, Finance and Administration Reform, *Le secteur marocain des pêches et de l'aquaculture : Tendances structurelles, enjeux et leviers de développement*, December 2020. Viewed at: https://depf.finances.gov.ma/publications/peche/PecheAquaculture.pdf.

31 Marine Fisheries Department, *La mer en chiffres 2021*, information provided by the authorities.

32 FAO, *La situation mondiale des pêches et de l'aquaculture 2022: Vers une transformation bleue*. Viewed at: https://www.fao.org/documents/card/fr/c/cc0461fr.

	2016	2017	2018	2019	2020	2021	2022
Frozen	978	1,122	1,180	1,033	1,064	1,534	1,291
Preserved	516	551	630	654	663	631	642
Fresh or live	223	167	158	159	162	193	159
Flour	177	153	145	175	192	185	262
Semi-preserved	139	148	163	163	170	182	159
IMPORTS							
Volume (thousand tonnes)							
Total	66	71	100	99	79	100	104
Fresh or live	39	43	62	67	54	70	73
Frozen	19	19	21	24	15	18	18
Value (USD million)							
Total	170	177	248	238	198	284	297
Frozen	85	94	143	160	123	178	197
Fresh or live	58	54	48	49	32	49	51
Preserved	5	6	19	16	30	45	30

a Including landings by EU vessels in Moroccan ports.
b Including chartered RSW vessels.
c Other activities: almadraba tuna fishing, marine aquaculture, and fishing for marine algae (dry), coral and sea urchins.

Source: WTO Secretariat, based on information provided by the authorities.

4.68. Catches made in Moroccan territorial waters by foreign vessels are considered to be of Moroccan origin. If made outside territorial waters, they count as imports. Imports are subject to duties ranging from 2.5% to 40%. This duty barely changed during the period under review, except for imports from the European Union (Table 4.10).

Table 4.10 Tariffs on imported fishery products, 2015 and 2023

(%)

HS code	Description:	2015			2023		
		MFN	United States tariff preference	EU tariff preference	MFN	United States tariff preference	EU tariff preference
03.01	Live fish	10.0	0.0	2.2	10.0	0.0	0.0
03.02	Fish, fresh or chilled, excluding fish fillets and other fish meat of heading 03.04	10.0	0.0	3.5	10.0	0.0	0.6
03.03	Fish, frozen	10.0	0.0	4.3	10.0	0.0	0.5
03.04	Fish fillets and other fish meat	10.0	0.0	7.0	10.0	0.0	0.0
03.05	Fish, dried, salted or in brine; smoked fish	10.0	0.0	3.9	10.0	0.0	0.0
03.06	Crustaceans, whether in shell or not, live, fresh, chilled	19.8	0.0	13.6	20.5	0.0	0.0
03.07	Molluscs, whether in shell or not, live, fresh	16.8	0.0	9.5	18.9	0.0	0.3
03.08	Other aquatic invertebrates	18.6	0.0	10.0	22.9	0.0	0.0
05.08	Coral and similar materials	2.5	0.0	0.0	2.5	0.0	0.0
0511.91	Products of fish, crustaceans or molluscs unfit for human consumption	20.7	14.8	0.0	33.8	20.4	0.0
1504.10 - 1504.20	Fats and oils and their fractions, of fish	31.4	0.0	13.2	40.4	0.0	0.0
16.03	Extracts and juices of meat, fish or crustaceans	16.0	11.3	11.9	16.0	0.0	0.0
16.04	Prepared or preserved fish	40.0	0.0	35.0	39.3	0.0	0.0
16.05	Crustaceans, molluscs, prepared or preserved	40.0	0.0	35.0	40.0	0.0	0.0
2301.20	Flours, meals and pellets	25.0	..	17.5	40.0	0.0	0.0

.. Not available.

Source: WTO Secretariat calculations, based on data provided by the authorities.

4.69. The MAPMDREF, through its Marine Fisheries Department, is responsible for drafting and implementing the government marine fisheries and marine aquaculture policy.[33] Agencies under its authority are: the National Fisheries Board (ONP), the National Fisheries Research Institute (INRH), the National Agency for the Development of Aquaculture (ANDA) and the Chambers of Maritime Fisheries (CPM).[34]

4.70. The ONP is tasked with developing small-scale and inshore fishing, and organizing the first-sale markets for marine fishery products.[35] The INRH is responsible for carrying out research to assess and monitor the status of stocks.[36] To improve the competitiveness of the sector, industries that add value to fishery products have benefited from measures to facilitate the supply of raw materials.[37]

4.71. Since the previous TPR, a number of texts have been adopted to complement the regulatory framework to support strategic priorities such as conserving resources, strengthening the surveillance system for combating IUU fishing[38], and developing aquaculture. With regard to combating IUU fishing, implementing texts have been issued, including on the rules that foreign fishing vessels must obey to unload or tranship fishery products in Moroccan ports. Decree No. 2-18-104 of 10 December 2018 determines the conditions for the installation and use of a continuous positioning and tracking system on board ships. In 2022, Morocco acceded to the 2009 FAO Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing.

4.72. As part of the Halieutis strategy, a new legal framework was introduced in 2023 for marine aquaculture that provides for the establishment of a National Marine Aquaculture Council.[39] This Council must be consulted when developing any aquaculture project.

4.73. The Blue Economy Programme, implemented in partnership with the World Bank, is expected to create 14 new aquaculture farms.[40]

4.74. Several incentives are reserved to Moroccan-registered fishing companies. According to the Maritime Trade Code, vessels may be granted Moroccan nationality if they satisfy certain conditions and are at least three-quarters owned by Moroccan citizens.

4.75. Nationality conditions also apply to the crews of fishing vessels. Consequently, the proportion of the crew that must have Moroccan nationality on board Moroccan-flag ships is 100% in the case of fishing vessels operating in the EEZ, and 80% in the case of fishing vessels operating on the high seas.

4.76. The following tax incentives are reserved to domestic sea-fishing; foreign vessels that land their catches are not eligible:

- hydrocarbons used to fuel seagoing vessels are exempt from import VAT, as are sea-fishing vessels;
- fishing gear and nets are subject to the reduced rate of 10%;

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[33] Ministry of Agriculture, Maritime Fisheries, Rural Development, Water and Forests. Viewed at: http://www.mpm.gov.ma.

[34] *Dahir* No. 1-10-201 of 18 February 2011 enacting Law No. 52-09 creating ANDA (Official Journal No. 5922 of 3 March 2011) and its Implementing Decree No. 2-10-598 of 11 April 2011 (Official Journal No. 5940 of 5 May 2011), as supplemented by Decree No. 2-12-269 of 30 October 2012 (Official Journal No. 6100 of 15 November 2012).

[35] Law No. 49-95 amending and supplementing *Dahir* No. 1-69-45 on the ONP.

[36] Law No. 48-95 creating the INRH; and *Dahir* No. 1-10-201 of February 2011 enacting Law No. 52-09 creating ANDA.

[37] Marine Fisheries Department, *Rapport d'activité 2021*, provided by the authorities.

[38] Law No. 15-12 on the prevention and repression of illegal, unreported and unregulated (IUU) fishing (Official Journal No. 6262 of 5 June 2014).

[39] Law No. 84-12 on marine aquaculture promulgated on 13 December 2022.

[40] World Bank (2023), "La Banque mondiale appuie le développement de l'économie bleue au Maroc", 23 May. Viewed at: https://www.banquemondiale.org/fr/news/press-release/2022/05/23/world-bank-support-for-the-development-of-morocco-s-blue-economy.

- fishery products, fresh, frozen, whole or in pieces, are exempt from VAT (without right of deduction);

- fishing gear and nets for sea-fishing professionals are subject to the reduced domestic VAT rate of 10%, with right of deduction; and

- the sale, repair and conversion of seagoing vessels is exempt from domestic VAT, as are sales of goods intended for incorporation in the vessels.[41]

4.77. Moroccan fishing vessels must land all their catch in Morocco. In the case of exports, they must repatriate all their export earnings.

4.2.2 Fishing by foreign enterprises

4.78. Morocco has been a party to the United Nations Convention on the Law of the Sea since 2007. Fishing by foreign enterprises is only possible within the framework of an international fisheries agreement. At present, three fisheries agreements are in force. It has not been possible to view the content of these agreements on an official website.

4.2.2.1 Morocco-EU fisheries agreement

4.79. Morocco concluded a series of fisheries agreements with the European Union in 1988, 1992 and 1995. The latter agreement has been extended several times, in 2005 and 2013, and then in 2019 for four years. It provided for fishing opportunities for around 100 EU boats, without maximum catch volumes except for small pelagics. It is still in force.

4.2.2.2 Fisheries agreement with the Russian Federation

4.80. On 14 October 2020, Morocco and the Russian Federation signed an eighth cooperation agreement on marine fisheries, to be in effect for four years. It has not been possible to view a copy of the agreement. According to press reports, engaging in fishing activities is subject to the payment of fishing licence fees and other annual fees, and to the payment of financial compensation in the amount of some USD 22 million. It appears that a total of 10 Russian trawlers have been authorized to fish small pelagics in Moroccan waters.

4.81. In addition, the agreement requires the presence of a Moroccan scientific observer on board, and technical visits in Moroccan ports. The agreement also provides for the monitoring of the pelagic ecosystem in Moroccan waters. The Russian-Moroccan Joint Commission on Fisheries has established a global quota of 80,000 tonnes for small pelagics.[42]The Commission met in May 2023 to ensure continued cooperation within the framework of this Agreement, which will end in 2024.[43]

4.2.2.3 Fisheries agreement with Japan

4.82. The agreement with Japan, concluded in 1985, offers tuna fishing opportunities to a maximum of 15 tuna longliner boats. The authorized vessels pay fishing licence fees, other fees based on the catch (USD 28/tonne) and observer embarkation expenses.

[41] Decree No. 2-06-574 of 31 December 2006.

[42] Finances News (2020), "Maroc/Russie: Signature d'un nouvel accord de coopération en matière de pêche maritime", 27 November. Viewed at: https://fnh.ma/article/laquotidienne/maroc-russie-signature-d-un-nouvel-accord-de-cooperation-en-matiere-de-peche-maritime; and Hespress (2023), "Pêche : le Maroc et la Russie élaborent un plan de travail pour 2023", 20 May. Viewed at: https://fr.hespress.com/314846-peche-le-maroc-et-la-russie-elaborent-un-plan-de-travail-pour-2023.html.

[43] Hespress (2023), "Pêche : le Maroc et la Russie élaborent un plan de travail pour 2023", 20 May. Viewed at: https://fr.hespress.com/314846-peche-le-maroc-et-la-russie-elaborent-un-plan-de-travail-pour-2023.html.

4.3 Mining and Energy

4.3.1 Mining

4.83. Mining plays a key part in the country's economy. The sector is dominated by phosphate mining and, in 2022, it accounted for 2.9% of GDP (compared with 2.3% in 2015) (Table 1.1) and 7% of total exports (down from 9.2% in 2015) (Table A1.1).[44] However, its contribution is much greater if phosphate products – that is, phosphorous fertilizers and phosphoric acids – are included, rising to 8.7% of GDP (4.1% in 2015)[45] and 30.5% of total exports (25% in 2015). Morocco holds about 70% of the world's phosphate reserves and is the leading exporter of this mineral globally. It is also the second largest exporter of phosphorous fertilizers, after China, which means that it plays a strategic role in food security.[46]

4.84. During the period 2015-22, exports of phosphates and derivatives more than doubled in value, from USD 4,538 million to USD 11,228 million. This growth is primarily explained by the increase in the value of exports of fertilizers during the last two years of this period, due to their rising price as a result of the supply disruptions caused by the war in Ukraine.[47] In 2022, exports of phosphates and their derivatives alone accounted for about 27% of the country's total exports (Chart 4.2) and outpaced automotive exports for the first time since 2013.[48] The main markets for exports of phosphates and their derivatives (combined) are India, the European Union and Brazil. Apart from phosphates, Morocco produces and exports other mining resources, such as barium sulphate (barite), copper, lead and zinc; their contribution to exports remains negligible, accounting for about 1% of total exports in 2022.[49]

[44] WTO Secretariat estimates, based on the Comtrade database. Mining sector exports include metallic and non-metallic mining products, excluding energy products (HS Chapter 27).

[45] Information provided by the authorities.

[46] OCP Group (2022), *Rapport annuel 2021*; and FaoStat, Fertilizers by Nutrient. Viewed at: https://www.fao.org/faostat/en/#data/RFN/visualize.

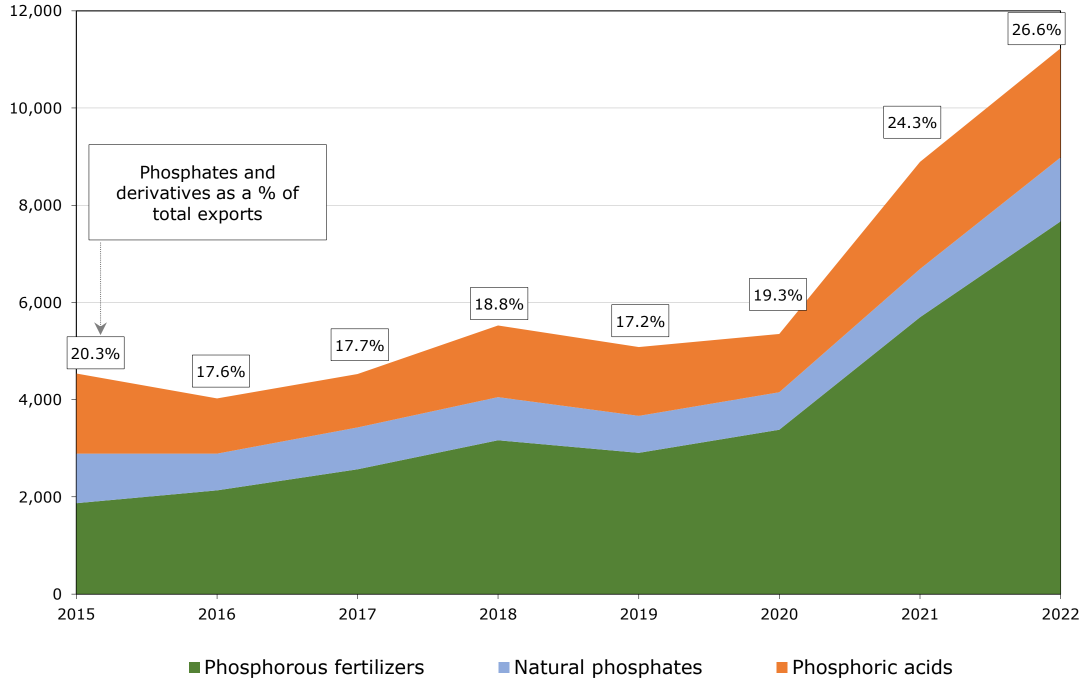
[47] Foreign Exchange Office (2023), *Balance des paiements et position extérieure globale du Maroc – Rapport annuel 2022*; and FAO (2022), *Marché mondial des engrais : bilan du resserrement actuel du marché*. Viewed at: https://www.fao.org/3/ni280fr/ni280fr.pdf.

[48] Foreign Exchange Office, *Commerce extérieur du Maroc 2022 – Rapport annuel*. Viewed at: https://www.mapnews.ma/fr/actualites/economie/agriculture-les-programmes-pr%C3%A9vus-pour-2023-sont-bas%C3%A9s-sur-des-syst%C3 per centA8mes.

[49] WTO Secretariat estimates, based on the Comtrade database.

Chart 4.2 Exports of phosphates and derivatives, 2015-22

(USD million)



Source: WTO Secretariat estimates, based on the Comtrade database.

4.85. In June 2021, the Government launched the Moroccan Mining Plan 2021-30, which updates the mining sector development strategy for the period 2013-25. The new strategy, focused on the non-phosphate mining sector, covers four key pillars: (i) develop a network of competitive players; (ii) reform the sector's institutional framework; (iii) reinforce the social impact and the responsible and sustainable nature of the mining sector; and (iv) adjust funding and legal and fiscal means to the sector's new ambitions.[50]

4.86. The Ministry of Energy Transition and Sustainable Development (MTEDD), through its Energy Transition Department, is the government entity responsible for drafting and implementing the country's energy, mining and geology policy. The MTEDD was established in 2021 and replaced the Ministry of Energy, Mining and the Environment.

4.87. The mining sector is regulated by Law No. 33-13 on mining, which was enacted in July 2015 and entered into force on 20 April 2016 through its implementing decree (Decree No. 2-15-807).[51] The Law, *inter alia*, covers all the country's mining resources, regulates the mining permit system and introduces the obligation to conduct environmental impact assessments.

4.88. The country's mines are part of the State's public domain. Private investors may undertake non-phosphate mining activities with a mining title issued by the MTEDD. Phosphate exploration and exploitation activities are reserved to the State and carried out through the state-owned company OCP S.A. (formerly known as the Office Chérifien des Phosphates). The OCP supervises all production chain activities related to phosphates and derivatives (phosphoric acid and phosphorous fertilizers) up to the marketing stage. It is the leading exporter of phosphate globally and one of the top exporters of phosphorous fertilizers. In 2021, it had revenues of MAD 84.3 billion and employed

[50] MTEDD, *Stratégie des secteurs de l'énergie, des mines et de la géologie*. Viewed at: http://www.mtedd.gov.ma/index.php?option=com_content&view=category&id=25&Itemid=295&lang=en.

[51] *Dahir* No. 1-15-76 of 1 July 2015 enacting Law No. 33-13 on mining, and Decree No. 2-15-807 of 20 April 2016 implementing the provisions on the procedure for granting mining titles of Law No. 33-13 on mining.

almost 18,000 people.[52] The OCP is the country's only state trading company according to Morocco's notifications to the WTO. The latest (biennial) notification in this regard was submitted in 2016.[53]

4.89. One of the main challenges facing the OCP is decarbonization, which is all the more pressing given the implementation of the Carbon Border Adjustment Mechanism (CBAM) by the European Union. Under the CBAM, Moroccan fertilizer exports entering the European Union will be subject to a carbon tax as of 2026. In 2022, the OCP set itself the goal of achieving carbon neutrality by 2040 thanks to an extensive investment programme. Since 2021, it has also sought to reorganize fertilizer production chains to improve efficiency, by decentralizing production to other African countries and thereby strengthening regional integration. By the end of 2022, the construction of several plants and blending units was under way in six African countries (Nigeria, Ethiopia, Ghana, Senegal, Côte d'Ivoire and Rwanda).[54]

4.90. For (non-phosphate) mining activities, the Law provides for three types of permit, all issued by the MTEDD: (i) exploration authorizations, (ii) reconnaissance permits and (iii) operating licences (Box 4.1). Only legal persons may apply for these permits; for operating licences, the applicant must be a legal person under Moroccan law.[55] In 2022. 3,650 reconnaissance permits and 1,152 operating licences were in force.[56]

Box 4.1 Type of permit required to undertake mining activities, 2023

Law No. 33-12, in force since 20 April 2016, provides for three types of mining permit:

- An **exploration authorization** is valid for two years, renewable only once for a period of one year. It is issued to carry out exploration work in a given area and covers all mining products. A single entity may have up to four authorizations at the same time.
- A **reconnaissance permit** for mining products is valid for three years, renewable only once for a period of four years. It grants the holder the exclusive right to apply for an operating licence, provided the application is made before the permit expires.
- An **operating licence** allows the holder to engage in extraction activities and/or add value to mining products. It is valid for a period of 10 years and may be renewed for 10-year periods until reserves are exhausted.

Source: WTO Secretariat, based on Law No. 33-13.

4.91. Exploration authorizations, reconnaissance permits and operating licences are subject to the payment of an administrative charge for services rendered.[57] Holders of operating licences must also pay an annual tax on the quantities extracted from mining operations (from MAD 1 to MAD 3 per tonne extracted).[58]

4.92. In 2016, Morocco opened mining reconnaissance and operation activities in the mining region of Tafilalet and Figuig to private investors (domestic and foreign), with the adoption of Law No. 74-15.[59] This Law allows private investors to undertake reconnaissance activities with a permit issued by tender. Only legal persons under Moroccan law, mining cooperatives and groups of artisanal miners may participate in these tenders. There is no ceiling on foreign capital participation. The first tender took place in February 2021. Previously, mining activities in this region were reserved to artisanal miners.

4.93. An reconnaissance permit is valid for three years, renewable for a further year, and during the period of its validity, the holder may apply for an operating licence. When a call for tenders concerns a zone exploited by artisanal miners, the latter enjoy a right of priority when a reconnaissance permit is granted, provided they meet the necessary conditions. Holders of

[52] OCP Group, *Rapport annuel 2021*.
[53] WTO document G/STR/N/16/MAR of 20 April 2016.
[54] OCP, *Sustainability Report 2022*; and OCP Africa, *Annual Reports*, 2021 and 2022.
[55] Law No. 33-13, Articles 21, 32 and 46.
[56] Information provided by the authorities.
[57] Decree No. 2-15-807, Article 24.
[58] *Dahir* 1-07-195 of 30 November 2007 enacting Law No. 47-06 on the taxation of local authorities, Articles 118 and 119.
[59] *Dahir* No. 1-16-131 of 25 August 2016 enacting Law No. 74-15 on the mining region of Tafilalet and Figuig. The Law entered into force in 2017, and in 2020, Morocco adopted its Implementing Decree No. 2.18.442.

reconnaissance permits must pay access fees. Artisanal mining activities are still permitted in the region remain for a further 15 years, non-renewable, from the date the law entered into force.

4.94. Law No. 74-15 also amends the functions of the Central Purchasing and Development Agency for the Tafilalet and Figuig Mining Region (CADETAF), a public institution responsible for the purchase and marketing of lead, zinc and barite mined in this region. The new functions of the CADETAF include supporting mining development in the region, implementing measures to promote mining activities and supervising artisanal mining.

4.95. Investors, regardless of nationality, are eligible for state financial support under the new Investment Charter of December 2022 and its implementing decree of January 2023 (Section 2.4).

4.96. Morocco embarked on a tax reform in 2023 to unify the corporate tax rate for all sectors and, since then, it no longer applies a reduced rate to companies in the mining sector.[60] At present, the (unified) corporate tax rate is 20% for mining companies with a profit of less than MAD 100 million, and 35% for those with a profit of MAD 100 million or more. However, companies with a profit of MAD 100 million or more that either export mining products or sell the products to export companies to promote them are subject to a transitional rate, which will increase gradually from 20% to 35% by 2027.

4.3.2 Energy

4.97. Morocco's energy mix remains denominated by fossil fuels (petroleum products and coal), for use primarily in the transport and electricity sectors. In 2021, petroleum products accounted for 51.4% of primary energy consumption, followed by coal (36.1%), wind energy (6.1%), natural gas (3.4%) and solar energy (2.2%).[61] Morocco is a net importer of energy, and remains heavily dependent on the supply of energy products from abroad. During the period under review, Morocco undertook reforms, primarily of the electricity sector with the creation of a national regulatory authority.

4.98. Morocco also continued to pursue its energy transition, launched in 2009, the most recent objective of which is to increase the share of renewable energy in installed electricity generation capacity to above 52% by 2030. It significantly increased the share of renewable energy sources in its installed capacity during the review period, particularly from 2017 onwards. By the end of 2022, renewables accounted for around 4.1 GW, or 38% of total installed capacity (33.4% in 2015, or 2.7 GW), and, in terms of production, 18.1% of all electricity was generated from renewable sources.[62] In order to accelerate the energy transition, Morocco also drew up road maps to develop the natural gas sector (2021) and green hydrogen (2021, with another being prepared), as well as programmes to promote decarbonization and the introduction of renewable energies into all sectors of the economy, for example electricity produced from renewable sources to supply industrial zones and water desalination plants.[63] In parallel, it has also developed a regulatory and institutional framework to support energy efficiency, and published a national strategy in 2020 in this area with a view to reducing national energy consumption by 20% by 2030.[64]

4.3.2.1 Electricity

4.99. Morocco generates the majority of the electricity it needs locally and imports the rest via the interconnection lines with Spain. Morocco generated 41.4 TWh of electricity in 2022, 38% more than in 2015. This increase is due in particular to the greater installed capacity for renewable energies, specifically wind and solar.[65] Nevertheless, coal remains the main source of electrical power, accounting for 70% of total electricity generation in 2022. During the review period, other important

[60] *Dahir* No. 1-22-75 of 13 December 2022 enacting Finance Law No 50-22 for the fiscal year 2023. Prior to this reform, the reduced rate was 17.5% (rather than 31%), and then 20% as of 2020.

[61] MTEDD, *Secteur de l'énergie: Chiffres clés* (2022 edition, provisional version).

[62] ANRE, *Rapport annuel 2022*; and ONEE, *Chiffres clés 2015*.

[63] Information provided by the authorities.

[64] Ministry of Energy, Mining and the Environment (2020), *Stratégie nationale de l'efficacité énergétique à l'Horizon 2030*.

[65] ONEE, *Chiffres clés 2022*; ANRE, *Rapport annuel 2022*; and MTEDD, *Secteur de l'énergie: Chiffres clés* (2022 edition, provisional version). Between 2015 and 2021, installed capacity for wind energy almost doubled, reaching 1,553 MW in 2022, while for solar power it was 831 MW in 2022, a fivefold increase over installed capacity in 2015.

energy sources were wind energy, natural gas and solar energy.[66] In 2022, use of fuel oil and diesel increased as a result of the unprecedented disruption to the supply of natural gas.[67]

4.100. Coal and natural gas are largely imported. In 2022, Morocco's main suppliers of coal were the Russian Federation, South Africa and the United States, while the United States was the main supplier of natural gas.[68] The customs tariff applied to coal and natural gas was 2.5% in 2023.

4.101. Between 2015 and 2022, Morocco was a net importer of electricity, except in 2019 and 2021. During that period, electricity imports fluctuated but trended downwards, particularly as of 2018. This trend can be explained by the growth in domestic electricity generation. In 2022, electricity imports from Spain accounted for 4.4% of the demand for electricity (compared with 14.3% in 2015).[69]

Regulatory and institutional framework

4.102. During the review period, Morocco carried out regulatory and institutional reforms in the electricity sector, including by adopting Law No. 48-15.[70] That Law entered into force in April 2021 and seeks to enhance the business climate, competition and transparency in the sector, and to better promote renewable energy and investment.[71] It provides, *inter alia*, for the creation of an independent regulator for the sector - the National Electricity Regulatory Authority (ANRE).

4.103. Law No. 48-15, together with Law No. 13-09 of 2010 on renewable energy (and the amendments thereto of 2016 and 2023)[72], are the main legislative texts governing the free market in electricity, i.e. the renewable energy electricity market. There are also specific laws on electricity generated for self-consumption, among other things.[73]

4.104. The ANRE, which began operating in 2020, is responsible for ensuring the smooth functioning of the free market in electricity, and guaranteeing equal access to the national grid and electricity distribution networks. It may also propose laws or regulations relating to the electricity sector.[74]

Functioning of the market

4.105. There is a strong state presence in all three segments of the electricity sector, namely generation, transmission and distribution. The public National Office of Electricity and Drinking Water (ONEE) is the main operator in all three areas and also oversees the national power grid.[75] However, Law No. 48-15 provides that the ONEE keep separate accounts for activities relating to transmission, pending the creation of separate management entity.[76]

4.106. Electricity transmission activities, as well as electricity generation from non-renewable energies, continue to be reserved to the State, and are carried out by the ONEE. The ONEE also has the exclusive right to purchase electricity produced abroad.

4.107. Electricity generation from renewable energy is open to private investors. Any person, natural or legal, may engage in these activities, provided they have an operating permit from the MTEDD. The head office of legal persons must be located in Morocco. There are no restrictions on

[66] ANRE, *Rapport annuel 2021*.
[67] Information provided by the authorities.
[68] WTO Secretariat, based on data from the Comtrade database for product codes 27.01 (coal) and 2711.21 (natural gas).
[69] Information provided by the authorities.
[70] Law No. 48-15 on the regulation of the electricity sector and creation of the National Electricity Regulatory Authority, 7 July 2016. This Law entered into force on 21 April 2021, with the exception of the articles related to the creation of the ANRE, which entered into force upon publication.
[71] Note introducing the draft law on the regulation of the electricity sector. Viewed at: http://www.sgg.gov.ma/portals/0/AvantProjet/129/Avp_loi_48.15_Fr.pdf.
[72] Law No. 13-09 was amended in 2016 by Law No. 13-19, published on 4 February 2016, and in 2023 by Law No. 40-19, published on 17 July 2023.
[73] Law No. 82-21 on the self-production of electricity in 2023.
[74] Law No. 48-15, Articles 14-19, and ANRE, *Rapport d'activité 2022*.
[75] As the managing entity, the ONEE is responsible for managing production and ensuring the balance between supply and demand, as well as the transmission of electricity in the country.
[76] Law No. 48-15, Articles 53-54.

the share of foreign capital. The permit is valid for a maximum of 25 years, renewable once for the same length of time.[77] Any surplus of electricity generated in Morocco from renewable sources may be exported, but requires the ONEE to issue a technical opinion beforehand.[78]

4.108. The state-owned Moroccan Agency for Sustainable Energy (MASEN) also operates in the area of electricity generation. In 2016, MASEN (formerly known as the Moroccan Agency for Solar Energy) took over the ONEE activities related to renewable energy and became responsible for carrying out projects related to renewable energy facilities.[79]

4.109. Electricity is distributed by public operators (ONEE, as well as seven distributors), and by private operators under delegated management contracts. These distributors have a local monopoly over the areas allocated to them by the communal authorities.[80] In July 2023, Morocco adopted a new law to reorganize distribution activities by creating companies at the regional level, which will be responsible for managing electricity and water distribution services in their region, and which will replace the current operators.[81] According to the authorities, the first company will be set up in 2024.

4.110. In 2022, the ONEE generated around 24% of the country's electricity (down from 34% in 2015).[82] The rest was generated by MASEN and private producers with operating permits. There are currently five private electricity companies. The ONEE was also dominant in the area of distribution, with 50% of the distribution market in 2022 (up from 47% in 2015).[83]

4.111. The Government fixes electricity prices for end users, to which VAT of 14% (instead of 20%) is added. Between 2014 and 2017, electricity prices rose annually pursuant to legislation and a programme contract between the State and the ONEE, signed in 2014. This contract sought, *inter alia*, to restore the ONEE's financial stability and to promote a tariff structure that reflects production costs. Under this contract, the State undertook to provide financial support in the amount of MAD 22 billion to the ONEE during that period.[84]

4.112. Since the last increase in 2017, electricity prices have remained unchanged. The State began paying subsidies to the ONEE again in 2019, in the form of cash transfers, to finance its operation costs and avoid an increase in electricity prices.

4.3.2.2 Hydrocarbons

4.113. Hydrocarbons, particularly petroleum products and coal, remain the main source of primary energy in Morocco. Together, they accounted for around 88% of primary energy consumption in 2021. The share of natural gas remained modest, at 3.4%, in 2021.[85] Morocco is a net importer of hydrocarbons. It does not produce oil and its only refinery (SAMIR) closed in 2015 after going into liquidation.

4.114. Energy products (HS Chapter 27) are the top Moroccan imports. During the period under review, the value of imports of these products increased considerably, particularly in the last two years, due primarily to higher international prices of oil and its derivatives. In 2022, the share of energy products in total imports was 20.6%, worth around USD 15.077 billion, more than twice the value imported in 2015 (USD 6.790 billion). The main imported energy products are refined petroleum products (e.g. diesel fuel and fuel oil/gasoline), with 13% of total imports in 2022, followed by butane gas (3.6%) and coal (3%).[86] The same year, the main suppliers of refined petroleum products were the European Union and the Kingdom of Saudi Arabia, with 39% and 35%

[77] Law No. 13-19, Article 13.
[78] Law No. 13-09, Articles 8-13, 19 and 27.
[79] Laws No. 37-16 (Article 2) and No. 38-16 of 6 October 2016.
[80] Information provided by the authorities.
[81] *Dahir* No. 1-23-53 of 12 July 2023, enacting Law No. 83-21 on regional multiservice companies.
[82] ONEE, *Chiffres clés* 2015 and 2022.
[83] ANRE, *Rapports d'activité* 2021 and 2022.
[84] Ministry of the Economy and Finance (MEF) (2014), "Signature du contrat-programme entre l'État et l'ONEE", 25 May, *Détail de l'actualité*. Viewed at: https://www.finances.gov.ma/fr/Pages/detail-actualite.aspx?fiche=1978.
[85] MTEDD, *Secteur de l'énergie: Chiffres clés* (2022 edition, provisional version).
[86] WTO Secretariat, based on data from the Comtrade database for refined petroleum products (HS code 27.10), butanes (HS 2711.13) and coal (HS 27.01).

of total imports of these products, respectively. Butane gas came primarily from the United States and the European Union, while coal was imported from the Russian Federation, South Africa and the United States. Coal is mainly used for electricity generation, fuels for transport, while butane gas is used by households and the agriculture sector.

Regulatory and institutional framework

4.115. The regulatory framework for the hydrocarbons sector has not undergone major changes during the review period, with the exception of the fuel price policy. The exploration and exploitation of hydrocarbon deposits (liquid, gaseous or solid) is governed by the 2003 Hydrocarbons Code.[87] In addition to that Code is Law No. 1-72-255 of 1973 (and amendments thereto) on the importation, exportation, refining, collection from refineries and filling facilities, storage and distribution of hydrocarbons. In April 2016, Law No. 67-15 amending Law No. 1-72-255 was promulgated but did not enter into force, as its implementing decree is still being prepared. Law No. 67-15 seeks to strengthen the obligations of various actors in the sector with regard to quality control of petroleum products and natural gas, and supply, in order to ensure the availability of these products on the domestic market.

4.116. The sale price of diesel and gasoline has been freely determined by the market since December 2015, and subsidies for these fuels were abolished in 2014. Currently, only the sale price of butane gas is still regulated and subsidized by the State. In 2022, the cost of that subsidy amounted to MAD 21.8 billion (compared to MAD 8.7 billion in 2015), equivalent to 1.6% of the country's GDP.[88] This measure has not been notified to the WTO. According to the authorities, these subsidies will be phased out and replaced with a more focused measure in the form of cash transfers to low-income households.

4.117. The MTEDD is responsible for formulating and implementing energy policy, as well as approving permits/concessions to operate in the sector. The MEF sets the butane price. The Compensation Fund, which is the government body responsible for administering the butane gas subsidies, has been part of the MEF since 2022. The state-owned enterprise in the sector, the National Office of Hydrocarbons and Mines (ONHYM), promotes the development of oil and mining research projects (excluding phosphates) and is involved in carrying them out. The ONHYM is also involved in the transport, storage and production of natural gas. In 2016, the SAMIR refinery, in which the State was a stakeholder, went into liquidation.

Functioning of the market

4.118. Hydrocarbon deposits are part of the public domain. Private companies (domestic or foreign) may operate in the sector on the basis of three types of permit granted by the MTEDD: (i) a reconnaissance licence (valid for an initial period of one year); (ii) an exploration permit (eight years); and (iii) an exploitation concession for deposits discovered by holders of an exploration permit (25 years). These three permits can be renewed under specific conditions. Upon expiry of a concession, the production facilities and site return to the State.[89]

4.119. The exploration permit and the exploitation concession can only be granted to legal persons. In addition, exploration permits are granted subject to the conclusion of a petroleum agreement with the State, under which the State, through the ONHYM, must hold a stake of up to 25% in the exploration permit and exploitation concession concerned.[90] At the end of December 2021, 13 companies were operating in the sector, and 3 reconnaissance licences, 53 exploration permits and 9 exploitation concessions were in effect.

4.120. The co-holders of an exploitation concession must pay an annual rent proportional to the surface area of the site, and an annual royalty on their share of the production of hydrocarbons. They are exempt from corporation tax for a period of 10 years. They are also entitled to exemptions

[87] The Hydrocarbons Code consolidates Law No. 21-90 of 1992, the amendments thereto (Law No. 27-99 of 2000) and its implementing decree, into one document. The definition of hydrocarbons does not cover oil shale.
[88] MEF (2024), *Projet de Loi de Finances pour l'année budgétaire 2024 – Rapport sur la compensation*.
[89] Law No. 21-90, Articles 6, 20, 24 and 29.
[90] Law No. 21-90, Article 4.

from customs duties and VAT on products required for their activities, as are holders of reconnaissance licences and exploration permits.[91]

4.121. Storage, importation, exportation and distribution activities are open to private companies (domestic and foreign), subject to a licence issued by the MTEDD. To distribute refined petroleum products, the licence applicant must have a network of at least 30 service stations. In 2022, Morocco had 25 importers of and 29 distribution companies for refined petroleum products.[92]

4.122. Since 2019, the Competition Council has issued two opinions (in 2019 and 2022) on the functioning of the fuel (diesel and gasoline) market. In its analysis, it identified, *inter alia*, the highly concentrated nature of the storage, importation and distribution markets. Meanwhile, in 2023, it reactivated and conducted an investigation into anti-competitive practices (including cartels) in the fuel market.[93] As a result of that investigation, the Council imposed a fine of some MAD 1.8 billion on nine companies in November 2023.[94]

4.123. The natural gas sector remains underdeveloped, with a strong state presence. Morocco has no legislation governing the downstream natural gas sector, but a draft law on market regulation and organization is being prepared. This initiative is part of the road map adopted in 2021 to develop the sector. With this strategy, Morocco seeks to diversify supply sources and to gradually replace coal and oil with natural gas in electricity generation. According to recent estimates, the country would have sufficient gas reserves for decades to come.[95]

4.124. Natural gas is produced, transported and marketed by the ONHYM in partnership with private companies. In 2021, production in the country accounted for around 14% of total supply, which was 772,000,000 m^3. The rest was imported from Algeria via the Maghreb-Europe Gas Pipeline (MEG), under an agreement that expired in October 2021.[96] Since June 2022, Morocco has imported natural gas exclusively from Spain via MEG.[97] The ONEE is the only importer of natural gas, which is used to generate electricity.

4.125. With regard to regional integration, studies have been carried out since 2016 on the possibility of building a gas pipeline linking Morocco and Nigeria.

4.4 Manufacturing sector

4.126. The manufacturing sector (or processing industries) plays a leading role in the Moroccan economy. During the period 2015–22, the sector accounted, on average, for close to 15% of the country's GDP (Table 1.1) and showed resilience during the pandemic (2020–21). Manufacturing is the most important sector in terms of Morocco's exports, driven primarily by the automotive, electronics and electricity industries. It is also the most attractive sector for foreign investment (in terms of FDI stock), ahead of real estate, telecommunications and tourism (Section 1). In 2022, it ranked 31st in terms of job creation and accounted for 12% of total employment.[98]

4.127. Morocco's manufacturing sector can be broken down into five main categories (Table 4.11), the largest being the chemical and parachemical industry (mainly fertilizer production), which accounted for 28% of the value of total manufacturing output in 2020. It was followed by the agri-food industry (26%) and the mechanical and metallurgical industry (26%). The automotive

[91] Law No. 21-90, Articles 42, 50 and 61.
[92] Competition Council, *Rapport d'activité 2022*.
[93] Competition Council, Competition Council Opinion No. A/3/22, 31 August 2022, Competition Council Opinion No. A/1/19, 14 February 2019, *Rapport d'activité 2022*, *Rapport d'activité 2020* and *Rapport d'activité 2019*.
[94] Competition Council, *Avis et décisions, Pratiques anticoncurrentielles, Décisions transactionnelles, Communiqué du Conseil de la concurrence du 23 Novembre 2023*. Viewed at: https://conseil-concurrence.ma/category/avis-decisions/pratiques-anticoncurrentielles/decisions-transactionnelles/.
[95] MTEDD (2021), *Feuille de route du gaz naturel au Maroc: Levier pour la transition énergétique, la compétitivité, l'efficacité et la décarbonisation de l'économie 2021-2050.*
[96] Competition Council, Competition Council Opinion No. A/4/21, 25 November 2021. Algeria supplied Morocco with natural gas under a contract with the ONEE and paid a transit fee to export Algerian gas to Spain.
[97] MTEDD, *Secteur de l'énergie: Chiffres clés* (2022 edition, provisional version). With regard to imports, Morocco purchases liquefied natural gas (LNG) on international markets, and regasifies it in Spain for delivery via the MEG.
[98] High Commission for Planning, *Activité, emploi et chômage: Résultats annuels 2022.*

industry, which is a key component of the mechanical and metallurgical industry, alone accounted for 18% of the value of total manufacturing output, or MAD 108.1 billion, in 2020, compared with MAD 35.6 billion in 2015 (or 9.6% of the total).[99]

Table 4.11 Manufacturing output by main sector of activity, 2015–20

Industry	2015	2016	2017	2018	2019	2020
Total output (MAD billion)	371.4	366.7	381.0	409.2	639.7	593.4
	Breakdown by category (%)					
Chemical and parachemical	36.0	32.0	31.0	33.0	30.0	28.0
Agri-food	28.0	29.0	28.0	26.0	24.0	26.0
Mechanical and metallurgical	21.0	23.0	24.0	24.0	28.0	26.0
Textiles and leather	6.0	7.0	7.0	6.0	9.0	12.0
Electrical and electronics	9.0	9.0	10.0	10.0	6.0	7.0
Other	0.0	0.0	0.4	0.4	3.0	1.0

Note: Latest data available to the public are for 2020.

Source: High Commission for Planning, *Annuaires Statistiques du Maroc* (2021 and 2022). Viewed at: https://www.hcp.ma/downloads/?tag=Annuaires+statistiques+du+Maroc.

4.128. As part of its industrial policy, Morocco stepped up its efforts to develop and modernize the manufacturing sector, and to attract investment during the period 2015–22. This policy was set out first in the Industrial Acceleration Plan 2014–20 (PAI 2014-20) and subsequently in the Industrial Recovery Plan 2021–23 (PRI 2021–23), published in 2020. The plans' aims included promoting the development of industrial clusters/ecosystems, fostering innovation, upgrading output and replacing imports with locally produced goods. The switch to local production was the main focus of the PRI 2021–23, which also sought to further integrate Moroccan manufacturers into international value chains and enhance the country's standing as a competitive, low-carbon industrial base.

4.129. Various initiatives, such as financial support for related projects, were introduced to implement the plans.[100] These initiatives were financed initially by the Industrial Development Fund, which had a budget of MAD 20 billion under the PAI 2014–20, and subsequently by the Industrial Development and Investment Fund (FDII), with a budget of MAD 34 billion under the PRI 2021–23. As of October 2023, a new industrial strategy was in the process of being developed. The Ministry of Industry and Trade is responsible for developing and implementing industrial policy.[101]

4.130. According to the authorities, these industrial strategies have enabled new branches to emerge and helped to create local value chains that are internationally integrated.

4.131. While Morocco remains a net importer of non-agricultural products (WTO definition), exports grew at a faster rate than imports in the review period (Section 1). In 2022, imports of non-agricultural products, excluding mineral products[102], amounted to USD 44,916 million (62% of the country's total imports), while exports amounted to USD 34,366 million (81% of the country's total exports), which was almost double the amount recorded in 2015 (USD 17,599 million).[103]

4.132. This increase in non-agricultural exports is mainly a result of the steady growth in exports of phosphorous fertilizers and other phosphate derivatives (Section 4.1), motor vehicles (HS chapter 87), and electronic and electrical products (HS chapter 85). After declining in previous years, exports from these sectors have rebounded considerably. In 2022, automotive exports totalled USD 6,348 million (more than double the 2015 figure) and exports of electronic and electrical products stood at USD 5,971 million. Taken together, these two product categories accounted for 29% of total exports.[104]

[99] High Commission for Planning, *Annuaires statistiques du Maroc* (2020 and 2022).
[100] Ministry of Industry and Trade, *Plan d'accélération industrielle 2014-2020*. Viewed at: https://www.mcinet.gov.ma/fr/content/plan-dacceleration-industrielle-2014-2020.
[101] The name of the Ministry changed several times during the review period. It has had its current name since 2021.
[102] WTO definition of non-agricultural products, excluding HS chapters 25–27 (mineral products).
[103] WTO Secretariat estimates, based on Comtrade database.
[104] Their share of exports was 35% based on Morocco's sector classification, which covers a broader range of products. Foreign Exchange Office (2023), *Rapport annuel de la balance des paiements et position extérieure globale du Maroc 2022*.

4.133. Other key export products include clothing and textiles (HS chapters 61–63), fish and fish products (WTO definition) and aeronautical products (HS chapter 88), which accounted for 9.7%, 6.8% and 3.2% of total exports in 2022, respectively. The aeronautics sector grew substantially during the review period, with exports more than tripling in value, from approximately USD 370 million in 2015 to USD 1,344 million in 2022.

4.134. The growth in the aeronautics and automotive sectors reflects Morocco's increased integration into these sectors' value chains. During the period 2015–22, the operations of companies supplying parts to international groups and of automotive manufacturers (Renault and Stellantis) helped to strengthen the country's position in these two sectors.[105] In 2022, Morocco was the second-largest car manufacturer (in terms of volume) in Africa[106] and, based on Morocco's sector classification[107], the automotive industry was its leading exporter (excluding phosphates and their derivatives).[108]

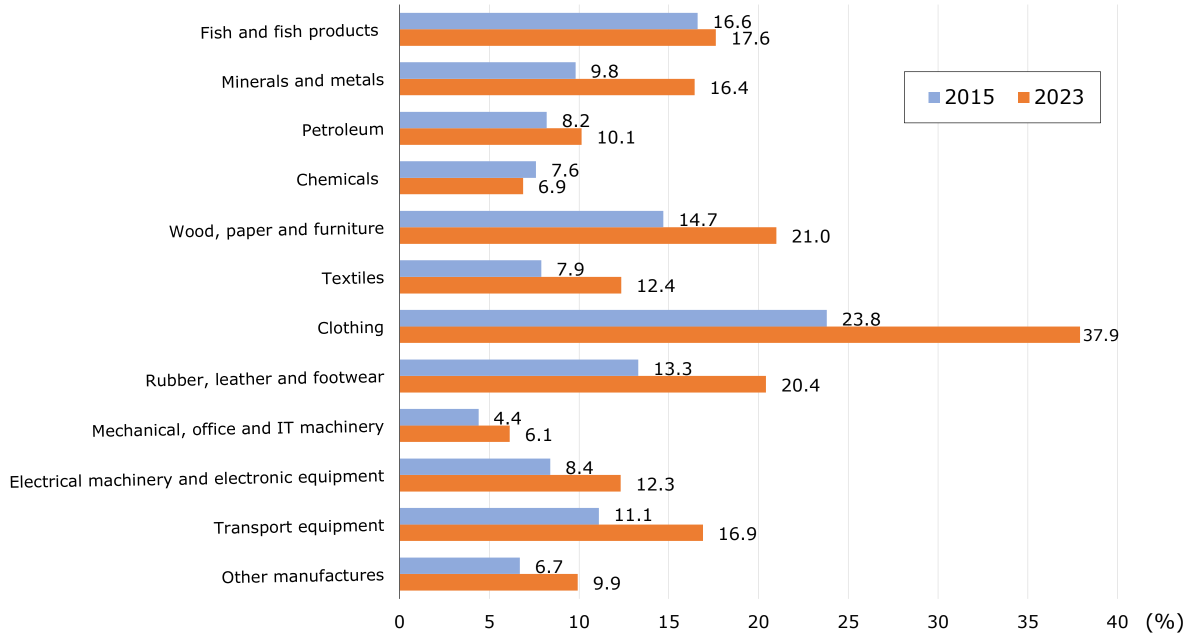
4.135. The largest category of manufacturing imports was electrical machinery and equipment (HS chapter 85), which accounted for 8.3% of total imports in 2022, ahead of machinery and mechanical appliances (HS chapter 84) and motor cars and parts and accessories thereof (HS chapter 87) (Table A1.2).

4.136. Morocco began increasing the MFN tariffs on non-agricultural products (WTO definition), most notably from 2020 onwards. In that year, it raised the MFN tariff on all dutiable products from 25% to 30% and then to 40%, in order to encourage local production, boost customs revenues and reduce the trade deficit. It raised the tariff further in 2021 and 2022.[109] The product categories (WTO definitions) most affected by the increase in MFN tariffs were: clothing, for which the average MFN tariff rose from 23.8% in 2015 to 37.9% in 2022, an increase of 14.1 percentage points; footwear, and leather and rubber products; minerals and metals; furniture, and wood and paper products; and transport equipment (Chart 4.3). In 2023, the average MFN tariff on non-agricultural products was 13.7%, compared with 9.5% in 2015.

4.137. However, by the end of 2023, the Government was planning to return to pre-COVID-19 tariffs; starting in January 2024, import duties will be gradually reduced from 40% to 30% for all products subject to the 40% rate, with some exceptions (Section 3.1.4 and Box 3.2).

[105] AMDIE, *Rapport d'Activité 2021*.
[106] Ministry of the Economy and Finance, Note introducing the draft finance law for the fiscal year 2023.
[107] Under Morocco's sector classification, automotive exports include exports of vehicles, cabling and automotive equipment.
[108] Foreign Exchange Office, *Commerce extérieur du Maroc 2022 – Rapport annuel*; and Customs and Excise Administration, *Rapport d'activité 2022*.
[109] Customs and Excise Administration, *Rapports d'activité* (2020, 2021 and 2022).

Chart 4.3 MFN tariff averages by WTO non-agricultural product group, 2015 and 2023



Source: WTO Secretariat calculations, based on data provided by the authorities.

4.138. During the period 2015–22, Morocco applied safeguard[110] and anti-dumping[111] measures under the relevant WTO Agreements in order to protect certain industries, including steel, textiles, paper and wood (Section 3.1.7). It also applied a preferential safeguard measure on imports of clothing and textile products from Türkiye under their free trade agreement.

4.139. Morocco has various incentives in place to support the manufacturing sector and attract investment; none of these measures has been notified to the WTO. These measures are managed by the Ministry of Industry and Trade, Moroccan Investment and Export Development Agency (AMDIE) and *Maroc-PME*. They include financial support for project development, and tax reductions and exemptions, particularly within industrial acceleration zones (Section 3.2.5).[112]

4.140. Financial support for project development is provided primarily through the FDII under the PRI 2021–23 (previously provided through the Industrial Investment Fund). The support, which can be as much as 30% of the investment amount, is capped at MAD 30 million[113] and is granted by the Ministry of Industry and Trade for projects that meet the objectives of the PRI 2021-23.

4.141. The Investment Promotion Fund (FPI), established under the previous Investment Charter, also provides financial support to co-fund land, infrastructure and training costs in certain industries. Under the new Investment Charter, the FPI will be replaced by the newly created Mohammed VI Fund. As of October 2023, the Mohammed VI Fund was not yet operational (Section 2). The Hassan II Fund for Economic and Social Development also provides support for specific industries, including the automotive, aeronautics and electronics sectors.[114]

[110] Safeguard measures were applied to imports of steel plate, wire rods and reinforcing bars, iron and steel tubes and pipes, paper in rolls, and coated wood board. Customs and Excise Administration, *Rapports d'activité* (2015–22). In 2023, the safeguard measure on imports of wire rods and reinforcing bars was lifted.

[111] Anti-dumping measures were applied to imports of carpets, exercise books, paper, polyvinyl chloride (PVC), refrigerators and wood products. As at October 2023, only the measures on refrigerators had been lifted. WTO, Trade Remedies Data Portal. Viewed at: https://trade-remedies.wto.org/en.

[112] AMDIE, *Guide des affaires au Maroc* (2022 edition).

[113] Ministry of Industry and Trade, *Banque de projets – Guide du porteur du projet*. Viewed at: https://banquedeprojets.mcinet.gov.ma/fr/guide-du-porteur-de-projet.

[114] Ministry of Industry and Trade, *Un accompagnement ciblé*. Viewed at: https://www.mcinet.gov.ma/fr/content/un-accompagnement-cible. According to the authorities, this fund has not been used to support the manufacturing sector since 2016.

4.142. In addition to the above measures, there are specific financial support programmes for MSMEs and SMEs, such as the ISTITMAR programme, as well as initiatives that offer lending on preferential terms, such as the FORSA programme.

4.143. In the period under review, Morocco eased the tax burden on the manufacturing sector by cutting the corporate tax rate from 31% to 28% in 2020 and then to 26% in 2022 for companies with a net income of between MAD 1 million and MAD 100 million.[115] As part of the reforms to harmonize tax rates across sectors, the tax rate is set to be lowered each year until it reaches 20% in 2026. The tax rate for companies with a net income of MAD 100 million or more will be 35% for the period up to 2026.

4.5 Services

4.5.1 Overview

4.144. The services sector accounts for around 54% of Morocco's GDP (Table 1.1). It is the country's main provider of employment and is made up primarily of wholesale and retail trade (10% of GDP), public administrative services (9.3%), social services (7.1%), and real estate activities (7%). Tourism accounts for around 500,000 jobs and is the country's main source of foreign currency.

4.145. Within the framework of the General Agreement on Trade in Services (GATS), Morocco has undertaken commitments on, among other things, professional services, certain business services, value-added telecommunications services, environmental services, and financial and tourism services. Measures affecting the presence of natural persons are unbound, with the exception of certain executive staff, experts and trade representatives.

4.5.2 Financial services

4.146. The financial sector accounts for between 4% and 4.5% of GDP. It is regulated by several institutions and laws aimed at ensuring the stability and transparency of the financial system. The central bank, Bank Al-Maghrib, is responsible for monetary regulation, financial institution supervision and financial stability. The Moroccan Capital Market Authority (AMMC) oversees and regulates capital markets and investment security. The Insurance and Social Security Supervisory Authority (ACAPS) is responsible for regulating and supervising the insurance sector.

4.147. Under the GATS, Morocco has reserved the right to limit foreign participation in the capital of large banking institutions. It has also undertaken not to impose any limitations on the setting up of lending institutions and the opening of branches, agencies, outlets and representative offices. However, these two commitments are subject to a reciprocity clause.

4.148. The number of lending institutions and entities subject to Bank Al-Maghrib oversight rose from 84 in 2015 to 93 in 2023. They can be broken down as follows: 24 banks (19 conventional and 5 participatory banks), 31 finance companies, 6 offshore banks, 11 microcredit associations, 19 payment institutions (fund transfers), the Deposit and Management Fund (CDG), and the Société nationale de garantie et du financement de l'entreprise (SNGFE). Among the 53 lending institutions, 6 banks and 6 finance companies are majority controlled by a foreign shareholder. A total of 12 lending institutions – 7 banks and 5 finance companies – are majority owned by the State. Morocco's 11 banking groups have 51 subsidiaries (45 in Africa and 6 in Europe) and 23 branch offices (4 in Africa, 17 in Europe and 4 in Asia); they have a presence in 36 countries (27 in Africa, 7 in Europe and 2 in Asia).

4.149. Morocco's banking sector has proven to be resilient, despite the COVID-19 pandemic, the conflict between Russia and Ukraine, inflationary pressures, and tighter monetary policies internationally and nationally. The overall balance sheet for the sector has remained positive in recent years. After falling sharply in 2020, net income improved, gradually returning to the pre-2020 trend (Table 4.12).

[115] Draft finance law for the fiscal year 2023, *Rapport économique et financier*.

Table 4.12 Activity and profitability indicators for the banking sector, 2015-23 (June)

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total assets (MAD billion)									
Banking groups	**1,359.00**	**1,432.00**	**1,597.00**	**1,673.00**	**1,793.00**	**1,884.00**	**1,985.00**	**2,150.00**	**2,197.00**
Banks	1,145.00	1,199.00	1,271.00	1,341.00	1,415.00	1,491.00	1,565.00	1,680.00	1,737.00
Finance companies	103.00	106.00	113.00	117.00	123.00	121.00	123.20	127.90	133.50
Microcredit associations	6.90	7.40	7.40	7.90	8.10	8.60	9.10	9.70	9.90
Offshore banks	41.00	48.10	42.70	40.40	42.30	38.20	42.50	51.10	47.60
Net income attributable to banking groups (MAD billion)									
Banking groups	**11.50**	**12.20**	**13.40**	**13.90**	**14.30**	**6.80**	**12.10**	**14.00**	
Banks	9.40	9.20	10.80	11.10	12.00	6.80	12.10	10.50	
Finance companies	1.50	1.60	1.70	1.40	1.50	0.20	1.40	1.40	
Microcredit associations	0.25	0.21	0.18	0.19	0.21	-0.24	-0.060	0.10	
Offshore banks	0.49	0.46	0.50	0.50	0.30	0.40	0.30	0.50	
Return on equity (%)									
Banking groups	**9.90**	**9.80**	**10.10**	**10.70**	**9.70**	**4.60**	**7.80**	**8.80**	
Outstanding receivables (%)									
Banking groups	**7.00**	**6.60**	**6.70**	**6.50**	**6.80**	**9.50**	**9.80**	**9.40**	
Loans disbursed to customers (MAD billion)									
Banking groups	**887.00**	**924.00**	**975.00**	**1,037.00**	**1,104.00**	**1,235.00**	**1,277.00**	**1,375.00**	

Source: Bank Al-Maghrib, *Rapports annuels sur la supervision bancaire* (2017, 2020 and 2022). Viewed at: https://www.bkam.ma/Supervision-bancaire/Publications/Rapport-annuel-sur-la-supervision-bancaire.

4.150. Al Barid Bank (ABB), a Moroccan postal bank created in 2010 following the transformation of Poste Maroc's financial services, has a network of close to 2,000 branches. Between 400,000 and 500,000 accounts are opened with ABB each year. The proportion of Moroccan adults with access to banking services thus increased from 34% in 2010 to 62% in 2017. ABB also rolled out a mobile payment system, available to both customers and non-customers, and has points of sale offering cash transfers.

4.151. By the end of 2022, there were a total of 33.9 million bank accounts open in Morocco. Bank account ownership was 53% in 2022.

4.152. The Insurance and Social Security Supervisory Authority, established under Law No. 64-12, which entered into force on 14 April 2016, grants and revokes insurance and reinsurance licences. The insurance sector is made up of 24 insurance and reinsurance companies, and a distribution network consisting mainly of representative offices, insurance brokers and bancassurance providers; eight insurance companies are majority owned by foreign shareholders. Under the 2002 Insurance Code, approval, by insurance category, is granted only to insurance and reinsurance companies that have a registered office in Morocco and whose capital is at least MAD 50 million. Companies must specialize in a certain area and are not allowed to provide both life and non-life insurance.

4.153. An anti-corruption cooperation agreement for the financial sector was signed on 28 November 2019. It has the following objectives: (i) to enhance the integrity of, and prevent and combat corruption within, the financial sector; (ii) to create synergies between and coordinate anti-corruption activities; and (iii) to contribute to national efforts to prevent and combat corruption. Cooperation work includes mutually reinforcing capacities and skills; providing support and sharing experiences and expertise; and carrying out sector-specific studies and analyses to deepen insight into the issue of corruption.[116]

4.5.3 Telecommunications and postal services

4.154. The telecommunications sector has grown rapidly in recent years. It is regulated and supervised by the National Telecommunications Regulatory Agency (ANRT), which also ensures compliance with competition rules. The ANRT manages the licensing and approval procedures for telecommunications equipment, and authorizations to operate independent networks. In September 2017, the Government set up the Digital Development Agency, which is responsible for implementing the digital development strategy and for promoting digital tools and their use.

4.155. Ensuring that everyone has access to communication tools remains a political priority. Morocco has seen steady growth in the use of communication tools, particularly fixed and mobile telephony and the Internet, thanks to the development of telecommunications infrastructure and to the reduction in prices prompted by the sector's liberalization. In September 2023, 81.3% of homes had a residential telephone contract, while the penetration rate for mobile telephones was estimated at 155%. There are no disparities in the use of mobile cellular telephones in rural and urban areas – the rate is around 100% in both. At the end of September 2023, the Internet penetration rate was estimated at 107%. As of the end of 2023, three global operators (Maroc Télécom (Itissalat Al-Maghrib), Médi Télécom and Wana Corporate) shared the fixed and mobile telephony and Internet market.

4.156. With regard to competition, the ANRT fined Maroc Télécom MAD 3.3 billion for anti-competitive practices. The penalty was equivalent to nearly 10% of the group's turnover in 2018.

4.157. The aim of Law No. 05.20 of 25 July 2020 on cybersecurity, which entered into force on 30 July 2020, is to step up the means to ensure the protection and resilience of digital infrastructure, and thus build digital trust and support the digitalization of the economy. It sets out technical and organizational requirements in areas such as data protection (data classification), risk management and business continuity. The National Cybersecurity Authority was also set up under the Law.

4.158. Most postal services are still subject to state monopoly. Only Poste Maroc (Barid Al Maghrib) is authorized to send shipments weighing 1 kg or less, including letters. However, international express courier services may also be provided by authorized operators. In 2023, there were eight private operators in this segment.

4.5.4 Transport

4.159. The transport and storage sector accounted for 2.8% of GDP in 2022 (Table 1.1) and was ranked second in service exports, behind tourism, with revenue of MAD 35.8 billion that year.[117] In particular, this sector was led by maritime freight transport service, followed by air passenger transport. The sector was gradually recovering after two bleak years following the pandemic. During the review period, Morocco continued to pursue a policy of considerable investment in transport infrastructure.[118]

4.160. All transport services are open to private investors, domestic or foreign (with or without limitations), except for rail transport, which is still wholly provided by the National Railways Office (ONCF), a public body. Nevertheless, the role of state-owned enterprises remains significant in other sectors, particularly with regard to the management and operation of infrastructure. Morocco has made certain commitments on air and road transports under the GATS, and its trade agreement

[116] National Authority for Probity, Prevention and the Fight against Corruption (INPPLC), *Guide anti-corruption* (2022). Viewed at: https://inpplc.ma/index.php/fr/node/506.

[117] Foreign Exchange Office, *Balance des paiements et position extérieure globale, Exportations de services par nature d'opération*. Viewed at: https://www.oc.gov.ma/fr/etudes-et-statistiques/series-statistiques; and *Rapport annuel 2022, Balance des paiements et position extérieure globale du Maroc*.

[118] The country's infrastructure investment strategy is being pursued under various sectoral plans adopted before 2015. For example, the National Strategy for the Development of Logistics Competitiveness by 2030 (adopted in 2010), the 2030 National Port Strategy (2012), the National Civil Aviation Strategy (AJWAE) (2012), the 2035 Road Plan (2013) and the 2040 Rail Strategy (2014).

with the United States is the only on that contains commitments, with limitations, on the four means of transport.

4.5.4.1 Air transport

4.161. Air transport is dominated by passenger traffic, especially to or from Europe. During the period under review, passenger traffic grew steadily thanks, in particular, to the development of the tourism sector and airport infrastructure, but this trend was interrupted in 2020 with the closure of borders and the suspension of flights as a result of the COVID-19 pandemic.[119] That year, passenger numbers fell to 7.1 million, compared to 25.1 million in 2019 (and 17.6 million in 2015). Passenger traffic had still not returned to pre-pandemic levels by 2022, with 20.6 million travellers. Air freight transport accounts for a small fraction of the country's trade flows.[120]

4.162. The air transport sector is governed by Law No. 40-13, which was adopted in 2016 and sets out a new Civil Aviation Code.[121] This Law consolidates existing provisions on air transport and navigation into a single instrument, but also introduces provisions designed to strengthen the protection of passengers' rights. In addition to this Law, there are many regulatory texts, most notably Decree No. 2-22-191 of 2023 on air navigation services.[122]

4.163. The main government agencies in this sector are: (i) the Directorate General of Civil Aviation (DGAC) of the Ministry of Transport and Logistics (MTL); and (ii) the National Airports Authority (ONDA). ONDA is responsible for airport and air traffic management. At the time of writing, a project was under way to turn ONDA into a public limited company (*société anonyme*).

4.164. International air transport service providers must obtain an operating authorization which, as a general rule, may be granted only to: (i) natural persons resident in Morocco; or (ii) companies incorporated under Moroccan law, majority-owned by Moroccans. These providers must also use aircraft registered in Morocco. Cabotage services are reserved to Moroccan air carriers. However, Morocco may authorize foreign operators to provide such services and allow them to use their aircraft under air agreements, or under special authorizations granted by DGAC, or under the principle of reciprocity.

4.165. According to the most recently published data, Morocco was a signatory to nearly 100 air transport agreements in 2019.[123] Under these agreements, the Parties grant rights up to the fifth freedom, most notably the agreements with the European Union (2006) and the United States (2001). More recently, Morocco signed the Memorandum of Implementation of the Single African Air Transport Market in 2022, which is an African Union initiative, the objective of which is to liberalize air transport services and create a common aviation area.[124]

4.166. Morocco has 25 airports, of which 19 are international airports. The main ones are those at Casablanca, Marrakesh and Agadir. They are owned by the State and ONDA is responsible for their management. However, the law allows the State to delegate the construction and management of airports to private companies, after they have obtained an authorization or concession, respectively. Authorizations are issued by the MTL upon request, while concessions are awarded following a call for tender. Ground handling services may be delegated to private companies through a tendering process.

4.167. The structure of the Moroccan market has not changed substantially since 2015. Royal Air Maroc, which is owned by the State, remains the main airline. It accounted for nearly one third of the international transport market in 2018. It is followed by Ryanair (18%) and Air Arabia Maroc

[119] Morocco suspended flights between March and June 2020.

[120] National Airports Authority, Communication and Public Relations Department, Press Release No. 01/2023 – *Aéroports du Maroc: Trafic aérien de l'année 2022*; and *Annuaires statistiques du Maroc, 2018*.

[121] *Dahir* No. 1-16-61 of 24 May 2016 enacting Law No. 40-13 establishing the Civil Aviation Code, issued on 7 September 2017.

[122] Decree No. 2-22-191 of 26 January 2023 on air navigation services, issued on 16 February 2023. This decree repeals certain provisions of Decree No. 2-61-161 of 1962.

[123] Ministry of Tourism, Air Transport, Handicrafts and the Social Economy, Air Transport Observatory, April 2019.

[124] African Union, *Projets phares de l'agenda 2063*. Viewed at: https://au.int/fr/agenda2063/projets-phares.

(8%). Overall, 10 airlines hold 80% of the market. Europe remains the main market, accounting for 87% of all passenger traffic in 2022.[125]

4.168. In the area of support, the ONDA system of tariff incentives remains in place, under which reductions are granted on airport fees to increase the frequency of services and to create new routes. The current incentives programme covers the period from April 2023 to March 2025, while the previous one ran from 2015 to 2018.

4.169. During the period under review, Morocco continued to develop its airport infrastructure as part of the national aviation strategy, launched in 2012.[126] Several airports were extended and new terminals were built. The Government also signed a new programme contract with Royal Air Maroc in 2023 to support implementation of the airline's development plan, which seeks, *inter alia*, to expand its fleet from 50 to 200 aircraft by 2037.[127] Under that programme contract, the State's stake in the company will also be increased.

4.170. Under the GATS, Morocco has made commitments on aircraft repair and maintenance, selling and marketing, and computer reservation services.

4.5.4.2 Maritime transport

4.171. Maritime transport plays a central role in the economic development of Morocco and in its participation in international trade. Practically all trade in goods is transported by sea (96% of the total volume exported and imported in 2021).[128] Morocco has 14 ports open to trade (13 in 2015) and a merchant fleet of 9 cargo ships. It also has 6 passenger ships, 7 pleasure ports and 22 fishing ports.

4.172. Morocco is one of the main maritime hubs in the Mediterranean. During the period 2015-22, the volume of cargo handled by Moroccan ports grew by 74%, to reach 195 million tonnes by 2022. This was mainly due to the increase in transhipment activities at the Tanger Med port. In 2022, transhipment was the main port activity in Morocco, accounting for 43.5% of total traffic volume, followed by import operations (33.8%) and export operations (17.8%). The Tanger Med port is the country's main port, handling 55% of maritime cargo traffic in 2022, ahead of the ports of Jorf Lasfar (17%) and Casablanca (13%).[129]

4.173. The maritime transport legal framework has not undergone major changes since 2015. Morocco has two port authorities: the National Ports Agency (ANP) and the Tanger Med Port Authority (TMPA). The TMPA is responsible for the Tanger Med port, while the ANP manages the country's 13 other trading ports. A new port, Safi Atlantique, began operating in 2020 and two other ports are under development as part of the 2030 National Port Strategy, launched in 2012.

4.174. Morocco pursues a liberal policy with regard to access to the maritime transport services market, except for cabotage and international passenger transport services, which are generally reserved to Moroccan-flagged vessels. Cargo can be transported by Moroccan or foreign vessels, without limitations. Foreign vessels dominate the market. In 2021, they transported 87.5% of the total traffic volume handled by Moroccan ports, with the rest being carried by the Moroccan fleet.[130]

4.175. With regard to port operations, the ANP and TMPA may entrust these to private companies under a concession or an operating permit.[131] As a rule, a concession is granted for a maximum period of 30 years, and is renewable, but the total period may not exceed 50 years. An operating permit is valid for a maximum of 20 years, but can be renewed indefinitely. Concession or permit

[125] ONDA, Statistics. Viewed at: https://www.onda.ma/Je-suis-Professionnel/Statistiques/Statistiques.
[126] The investment programme for the National Strategy (AJWAE) amounted to MAD 94 billion, and sought to develop airport infrastructure and expand the aircraft fleet by 2035.
[127] The previous programme contract had been designed for the period 2011-16.
[128] High Commission for Planning (2023), *Annuaires statistiques du Maroc, 2022*.
[129] Ministry of Infrastructure and Water, *Activités des ports du Maroc 2021*; and *L'activité des ports du Maroc au titre de l'année 2022*. Viewed at: https://www.equipement.gov.ma/Actualites/Pages/Actualites.aspx?IdNews=3831.
[130] High Commission for Planning (2023), *Annuaires statistiques du Maroc, 2022*.
[131] Law No. 15-02, (Articles 10, 12 and 17) and Decree-Law No. 2-02-644 of 10 September 2002 establishing the "Tanger-Méditerranée" special development zone, issued on 19 September 2002.

holders are free to set the fees for port services, within the limit of the maximum rates fixed by the ANP. Ports may also be used or operated under a temporary authorization to use the public domain (OTDP). This authorization may be granted for a maximum of 20 years.

4.176. By December 2022, the ANP had concluded 35 port concession agreements and issued 301 permits for port operations covering nearly all ports, with a few exceptions where the ANP provided the services (for example, Tangier City port).[132] Nearly 3,500 OTDP authorizations had also been issued. Most concessions are held by the TMPA and Marsa Maroc, a state-owned enterprise. Marsa Maroc operated 10 ports and the TMPA handled 146 million tonnes in 2022 (Marsa Maroc operations included) in Moroccan ports, or 75% of the total traffic volume.[133] Morocco has a national single window (PortNet) to facilitate all port procedures related to trade in goods.

4.5.4.3 Rail transport

4.177. Rail transport plays an important role in both passenger and goods traffic. Rail freight traffic totalled 20.8 million tonnes in 2022 (down from 31.7 million tonnes in 2015) and generated 44% of the network's revenue, while the rest came from passenger transport, with 45.8 million passengers in 2022 (up from 40.5 million in 2015).[134] Freight traffic continues to be dominated (in terms of revenue) by phosphates, followed by construction materials (limestone and cement), energy products (coal, fuel and diesel), chemicals (sulphur, fertilizers and phosphoric acid), and automobiles.[135]

4.178. During the review period, Morocco continued to implement an extensive investment programme, and to promote the integration of trains into the logistics chains of exportable goods.[136] Moreover, the first high-speed rail service, linking Casablanca and Tangier, was launched in 2008.

4.179. There have been no major changes to the rail transport legal framework since 2015. Rail transport is governed primarily by Law No. 52-03 on the organization, management and operation of the national rail network. The ONCF continues to manage the infrastructure and is still the only national railway operator. It may grant concessions or licenses to carry out related activities through calls for tender.

4.180. Under the law, the ONCF should become a public limited company and, having done so, be granted a 50-year concession for the management and operation of rail infrastructure. At the time of writing, the status of the ONCF was in the process of being changed.

4.5.4.4 Road transport

4.181. During the period under review, Morocco stepped up its investment efforts to expand and upgrade its road network. In 2022, the motorway network linked the country's 5 main trading ports and 8 of the 19 international airports.[137]

4.182. The regulatory framework for the road sector comprises numerous documents and has not undergone major changes since 2015. Domestic passenger and goods transport services are reserved to Moroccan nationals and companies legally established in Morocco.[138] In the case of international road transport of goods and passengers, foreign companies are permitted to provide these services, on the condition that they are based in a State with which Morocco has concluded

[132] ANP, *Rapport annuel 2022*.
[133] Tanger Med, *Rapport Annuel 2022*; and Marsa Maroc, *Rapport Annuel 2022*.
[134] High Commission for Planning, *Chiffres clés 2016*, and *Bulletin statistique (2023 T1)*.
[135] ONCF, *Rapport annuel 2021*.
[136] Morocco's 2040 Rail Strategy, launched in 2014, sets out a road map for the development of the sector by 2040, which seeks to link 12 ports (compared to 6 in 2020) and 43 cities (up from 23 in 2020).
[137] Ministry of Infrastructure, Transport and Logistics, *Grands chantiers et réformes, 2012-2016*; and information provided by the authorities.
[138] *Dahir* No. 1-63-260, of 12 November 1963, on transport by motor vehicles on roads, and amendments thereto.

an agreement in this area. Morocco has 16 international road transport agreements, notably with several European countries.[139]

4.183. In the freight transport market, the Société nationale des transports et de la logistique (SNTL), a state-owned enterprise, remains one of the main operators. In the area of support, Morocco granted subsidies to road haulage operators in 2022 and 2023.

4.184. Under the GATS, Morocco has made specific commitments on international road transport of passengers, freight transport and tourism transport. Its schedule of commitments includes establishment requirements for service suppliers.

4.5.5 Tourism

4.185. Tourism is an important sector for the Moroccan economy. It is ranked first in services exports.[140] It was severely hit by the COVID-19 pandemic, but recovered in 2022.

4.186. In 2019, the year before the pandemic, tourism accounted for 6.4% of Moroccan GDP (compared to 5.7% in 2015) and generated MAD 78.7 billion in revenue (up from MAD 61.1 billion in 2015) (Table 4.13). Nearly 13 million international tourists visited Morocco in that year (compared to 10.2 million in 2015), the majority of whom arrived by air (70.2%). After two years of sluggish performance due to the pandemic, the sector recovered as health restrictions were eased and air travel resumed. In 2022, there were 10.9 million international tourists and the sector's revenues amounted to MAD 93.6 billion, surpassing even the levels recorded in 2019.

Table 4.13 Tourism indicators in Morocco, 2015-22

	2015	2016	2017	2018	2019	2020	2021	2022
Arrivals of non-resident tourists at border posts (million)	10.2	10.3	11.3	12.3	12.9	2.8	3.7	10.9
- Moroccans resident abroad	5.0	5.2	5.5	5.6	5.9	1.4	2.4	5.8
- Foreign tourists	5.2	5.1	5.9	6.7	7.0	1.4	1.3	5.1
Share of non-resident tourists who arrived by air (%)	66.5	65.9	67.1	68.4	70.2	81.5	93.0	69.4
Sector revenue (MAD billion)	61.1	64.2	72.1	73.0	78.7	36.4	34.6	93.6
Share of tourism receipts in total services exports (%)	42.7	42.7	43.1	41.7	42.3	27.8	24.9	41.6
Share of tourism in GDP (%)	5.7	5.9	6.3	6.1	6.4	3.2	2.7	7.0

Source: WTO Secretariat, based on information provided by the authorities, and published by Foreign Exchange Office (*Séries statistiques-Balance des paiements et position extérieure globale*), the High Commission for Planning (*Compte satellite du tourisme 2016-2019*) and the Tourism Observatory (*Statistiques sur le tourisme au Maroc*, December 2022).

4.187. During the period 2015-22, the Ministry of Tourism was restructured and renamed the Ministry of Tourism, Handicrafts, and the Social and Solidarity Economy (MTAESS) in 2021.[141] The MTAESS is supported in its functions by the Moroccan National Tourist Office (ONMT) and by the Moroccan Tourism Engineering Company (SMIT), both of which fall under the authority of the Ministry. The ONMT is responsible for the country's tourism promotion activities, while the SMIT is charged with promoting investment in the sector and implementing the tourism products strategy. In addition to these two entities, there is the Tourism Observatory, a non-profit association between the public and private sectors, which publishes tourism statistical data.

4.188. The sector's regulatory framework consists of numerous laws, decrees and orders on, *inter alia*, the activities of tourism establishments (accommodation and food services), travel agencies and tourist guides. During the review period, Morocco launched a reform covering all these activities in order to improve the quality of services and the competitiveness of the sector.

[139] Customs and Excise Administration, *Accords bilatéraux en matière de transport*. Viewed at: https://www.douane.gov.ma/web/guest/accords-et-conventions#https://www.douane.gov.ma/accords/.

[140] In 2022, tourism was the fourth largest source of foreign exchange, behind the phosphate and phosphate derivatives sector, the automotive sector, and remittances. In 2015, it was the leading source.

[141] The Ministry of Tourism became the Ministry of Tourism, Air Transport and Handicrafts in 2016, and it changed again in 2021 to the Ministry of Tourism, Handicrafts, and the Social and Solidarity Economy.

4.189. The job of tourist guide is regulated by Law No. 05-12 of 2012. It is still reserved to Moroccan nationals[142] and is subject to authorization by the MTAESS. During the period under review, Law No. 05-12 was amended four times in order to professionalize the sector through training programmes, to strengthen the integration of tourist guides who work informally into the formal sector, and to set up a process to regularize them by recognizing their expertise.[143] In 2015, Morocco also issued Implementing Decree No. 2-14-553 and Law No. 05-12, which define the modalities and training requirements to work as a guide.[144]

4.190. With regard to the activities of travel agents, Morocco issued Law No. 11-16 in 2019 and its implementing decree in 2022, which amended the regulations on engaging in such activities.[145] The new law distinguishes between two types of licences in this area (previously there was only one type of licence): a tour operator-distributor licence, authorizing the organization and sale of trips or stays; and a distributor licence, which allows the sale of tourism products only. The tour operator-distributor licence is issued to legal persons only, while the distributor licence may be awarded to natural or legal persons. Legal persons must be legally established in Morocco as trading companies, and they must be managed or administered by a Moroccan national or someone who is resident in Morocco. For natural persons, the law now requires that they be Moroccan nationals or resident in Morocco. The new law also includes specific provisions on the online sale of tourism services.

4.191. Morocco also launched a reform of the regulatory framework for tourism accommodation and food services in 2015, with the adoption of Law No. 80-14.[146] This new law seeks, *inter alia*, to improve the quality of services provided by tourist establishments and to bring the country's tourism products into line with international standards. The law updates the hotel rating system and streamlines the administrative procedures to be given a rating. There are no restrictions on the participation of foreign capital.

4.192. Morocco continues to offer fiscal incentives and different types of programmes to support the sector and promote investment, in addition to horizontal support programmes (Section 2). These programmes include bank guarantees and subsidies for specific projects, such as those that seek to capitalize on the tourism potential of kasbahs, renovate accommodation and acquire land, and improve the competitiveness of micro-, small and medium-sized enterprises. These subsidies may be equivalent to a maximum of 50% of the amount invested, depending on the type of project.[147]

4.193. Hotel businesses (as well as certain types of companies) are eligible for a corporate tax exemption for five years. After that period, they are subject to a unified tax rate of 20%, or 35% when their profits are MAD 100 million or more, which is being implemented progressively as a result of the tax reform launched in 2023.[148] Prior to the reform, hotel businesses benefited from a reduced rate capped at 17.5% (instead of 31%), which was raised to 20% in 2020. Hotel businesses also enjoy a lower VAT rate of 10%. Tourism investors are exempt from customs duties and VAT for three years for the goods needed to carry out their projects.[149]

4.194. In August 2020, Morocco adopted a plan to support and revive the tourism sector to counter the economic effects of the COVID-19 pandemic. These measures included financial assistance for employees in the sector, tax exemptions and the deferral of social security contributions. They were extended in certain cases from December 2020 to December 2021. In January 2022, Morocco

[142] This requirement is reflected in Morocco's schedule of commitments under the GATS.
[143] Amendments to Law No. 05-12 were made by means of: (i) Law No. 133-13 of 31 July 2014; (ii) Law No. 93-18 of 27 February 2019; (iii) Law No. 67-21 of 26 July 2021; and (iv) Law No. 19-22 of 13 December 2022.
[144] Decree No. 2-14-553 adopted to implement Law No. 05-12 regulating the profession of tourist guide, issued on 16 July 2015. This Decree was amended in 2022 to modify the procedure for regularizing tourist guides.
[145] Law No. 11-16 regulating the profession of travel agent, issued on 2 February 2019, and Implementing Decree No. 2-21-80, issued on 1 September 2022.
[146] Law No. 80-14 on tourism establishments and other forms of tourist accommodation, issued on 15 October 2015. The Law shall enter into force only after the implementing decrees are issued. Since it was adopted, three implementing decrees have been issued.
[147] AMDIE, *Guide des affaires au Maroc*, 2022 edition; and SMIT, *Incitations financières*. Viewed at: https://smit.gov.ma/incitations-financieres/.
[148] Under this tax reform, the rate for hotel businesses with profits of MAD 100 million or more will increase progressively between 2023 and 2026, when it will be 35%.
[149] SMIT, *Incitations à l'investissement*. Viewed at: https://smit.gov.ma/incitations-a-linvestissement/.

adopted a new support plan with a budget of MAD 2 billion.[150] Support measures under this plan included continuing to pay allowances to tourism employees and carriers, and granting subsidies to tourist accommodation establishments to prepare them for the resumption of their activities. This subsidy was equivalent to 10% of the claimant's turnover (in 2019) and was capped at MAD 10 million.

4.195. In March 2023, Morocco updated its tourism development strategy, Vision 2020, by adopting a tourism strategic road map for 2023-26. In the framework of that road map, Morocco aims to attract 17.5 million foreign tourists by 2026 and 26 million by 2030, and to bring in revenue of MAD 120 billion by 2026.

4.196. Under the GATS, Morocco has made commitments on hotel and restaurant services, and other tourism services, and has scheduled nationality requirements for tourist guides and partnership requirements for travel agency service providers established abroad.

[150] MTAESS, *Contrat programme 2020-2022 pour le soutien et la relance du secteur touristique*. Viewed at: https://mtaess.gov.ma/fr/tourisme/strategie/.

5 APPENDIX TABLES

Table A1.1 Exports by HS section and main products, 2015-22

(USD million and %)

	2015	2016	2017	2018	2019	2020	2021	2022
Exports	**22,337**	**22,858**	**25,624**	**29,360**	**29,582**	**27,703**	**36,585**	**42,183**
	(% of exports)							
1 - Live animals; animal products	5.6	6.0	5.8	5.2	4.7	5.1	5.2	4.1
03. Fish and crustaceans, molluscs and other aquatic invertebrates	4.8	5.4	5.1	4.6	4.1	4.5	4.8	3.8
05. Products of animal origin, not elsewhere specified or included	0.2	0.2	0.3	0.2	0.3	0.4	0.2	0.2
04. Dairy produce; birds' eggs; natural honey; edible products of animal origin	0.5	0.5	0.3	0.2	0.2	0.2	0.1	0.1
2 – Vegetable products	8.5	8.2	9.1	9.6	10.5	11.5	10.2	9.4
08. Edible fruit and nuts; peel of citrus fruit or melons	3.3	3.2	3.6	4.1	4.6	5.5	4.8	4.4
07. Edible vegetables and certain roots and tubers	4.1	3.9	4.4	4.4	4.7	4.8	4.1	4.0
12. Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit	0.4	0.4	0.5	0.5	0.6	0.6	0.9	0.6
3 - Animal or vegetable fats and oils; prepared edible fats	1.1	1.0	0.9	0.8	0.8	0.8	0.7	0.9
4 - Prepared foodstuffs; alcoholic beverages, spirits; tobacco	5.9	6.4	6.1	5.7	5.9	6.3	5.0	5.1
16. Preparations of meat, of fish or of crustaceans	2.9	2.9	2.7	2.7	2.8	3.0	2.2	2.0
17. Sugars and sugar confectionery	0.5	0.9	1.0	0.6	0.8	1.1	1.0	1.1
23. Residues and waste from the food industries	0.7	0.8	0.6	0.5	0.6	0.7	0.5	0.6
5 – Mineral products	8.8	6.1	6.6	6.1	5.8	4.8	5.1	5.7
25. Salt; sulphur; earths and stone; plastering materials, lime and cement	5.9	4.1	4.2	3.8	3.4	3.4	3.4	3.8
27. Mineral fuels, mineral oils and products of their distillation	1.9	0.9	0.9	1.2	1.5	0.5	0.7	1.0
26. Ores, slag and ash	1.0	1.1	1.4	1.1	0.9	1.0	1.0	0.9
6 - Products of the chemical or allied industries	16.9	15.5	15.6	17.0	15.8	17.6	22.7	24.6
31. Fertilisers	8.4	9.3	10.0	10.8	9.9	12.2	15.6	18.2
28. Inorganic chemicals; organic or inorganic compounds of precious metals	7.5	5.1	4.4	5.1	4.8	4.4	6.1	5.6
30. Pharmaceutical products	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3
7 - Plastics and articles thereof; rubber and articles thereof	0.9	0.9	0.9	1.0	1.1	1.3	1.1	1.1
39. Plastics and articles thereof	0.6	0.7	0.7	0.7	0.8	1.0	0.9	0.8
8 - Raw hides and skins, leather, furskins; travel goods, handbags	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3
9 - Wood and articles of wood	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
10 - Pulp of wood or of other fibrous cellulosic materials; paper and paperboard	0.5	0.5	0.5	0.4	0.4	0.4	0.3	0.3
11 - Textiles and textile articles	14.4	15.3	14.3	13.1	12.3	10.9	10.4	9.7
62. Articles of apparel and clothing accessories, not knitted or crocheted	9.3	9.8	9.4	8.6	8.2	6.9	6.9	6.4
61. Articles of apparel and clothing accessories, knitted or crocheted	3.2	3.3	3.0	2.8	2.6	2.2	2.3	2.0
63. Other made up textile articles; sets; worn clothing and worn textile articles; rags	1.3	1.5	1.3	1.0	0.9	1.1	0.7	0.7
12 - Footwear, umbrellas; artificial flowers	1.4	1.4	1.2	1.2	1.0	1.0	0.9	0.9
64. Footwear, gaiters and the like; parts of such articles	1.4	1.3	1.2	1.1	1.0	0.9	0.8	0.8
13 - Articles of stone, plaster, cement; ceramic products; glass and glassware	0.5	0.5	0.5	0.6	0.6	0.8	0.8	0.5

	2015	2016	2017	2018	2019	2020	2021	2022
14 - Natural or cultured pearls; precious or semi-precious stones; precious metals	0.9	1.1	0.7	0.4	0.6	0.6	0.4	0.3
15 - Base metals and articles of base metal	2.3	2.3	2.6	2.5	2.2	2.3	2.9	2.3
76. Aluminium and articles thereof	0.5	0.6	0.6	0.5	0.4	0.4	0.6	0.6
73. Articles of iron or steel	0.6	0.5	0.5	0.5	0.6	0.7	0.7	0.5
74. Copper and articles thereof	0.6	0.5	0.6	0.5	0.5	0.4	0.6	0.5
16 - Machinery and mechanical appliances; electrical equipment; image and sound recorders	17.3	17.6	17.8	18.3	19.5	18.3	15.7	15.3
85. Electrical machinery and equipment; image and sound recorders	16.1	16.4	16.5	16.8	17.9	16.7	14.4	14.2
17 - Vehicles, aircraft, vessels and associated transport equipment	13.6	15.7	15.6	16.0	16.6	16.5	16.9	18.2
87. Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	11.8	13.7	13.3	13.2	12.9	13.0	13.8	15.0
88. Aircraft, spacecraft, and parts thereof	1.8	1.9	2.3	2.7	3.6	3.5	3.1	3.2
18 - Optical, photographic, precision or medical instruments; clocks and watches; musical instruments	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
19 - Arms and ammunition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20 - Miscellaneous manufactured articles	0.6	0.6	0.9	1.3	1.4	1.1	0.9	0.8
94. Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings	0.5	0.5	0.8	1.2	1.4	1.0	0.8	0.8
21 - Works of art, collectors' pieces and antiques	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.1	0.2	0.0	0.0	0.0	0.1

Source: WTO Secretariat calculations, based on the Comtrade database.

Table A1.2 Imports by HS section and main products, 2015-22

(USD million and %)

	2015	2016	2017	2018	2019	2020	2021	2022
Imports	**38,146**	**41,696**	**45,039**	**51,299**	**51,049**	**44,526**	**58,678**	**72,578**
	(% of imports)							
1 - Live animals; animal products	1.3	1.3	1.4	1.4	1.3	1.4	1.3	1.2
04. Dairy produce; birds' eggs; natural honey; edible products of animal origin	0.5	0.5	0.6	0.6	0.5	0.6	0.6	0.6
03. Fish and crustaceans, molluscs and other aquatic invertebrates	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
2 - Vegetable products	5.7	6.5	5.3	5.3	5.4	8.0	6.5	7.3
10. Cereals	3.6	4.5	3.1	3.0	3.2	5.1	4.1	5.1
09. Coffee, tea, maté and spices	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7
08. Edible fruit and nuts; peel of citrus fruit or melons	0.4	0.4	0.5	0.6	0.7	0.9	0.9	0.7
3 - Animal or vegetable fats and oils; prepared edible fats	1.2	1.3	1.4	1.2	1.1	1.3	1.5	1.5
4 - Prepared foodstuffs; alcoholic beverages, spirits; tobacco	3.3	3.8	3.7	3.4	3.7	4.5	4.2	3.8
17. Sugars and sugar confectionery	0.9	1.2	1.2	0.8	0.9	1.1	1.2	1.1
23. Residues and waste from the food industries	1.1	1.3	1.1	1.1	1.2	1.5	1.3	1.1
5 – Mineral products	19.8	14.5	17.2	19.0	17.2	13.2	16.4	23.5
27. Mineral fuels, mineral oils and products of their distillation	17.8	13.3	15.9	17.1	15.6	11.8	14.4	20.8
25. Salt; sulphur; earths and stone; plastering materials, lime and cement	2.0	1.2	1.3	1.8	1.5	1.3	2.0	2.7
6 - Products of the chemical or allied industries	7.9	7.2	7.7	7.1	7.1	8.2	9.0	8.9
28. Inorganic chemicals; organic or inorganic compounds of precious metals	1.5	1.4	1.7	1.4	1.4	1.5	2.1	3.7
30. Pharmaceutical products	1.4	1.3	1.3	1.2	1.3	1.7	2.4	1.1
38. Miscellaneous chemical products	1.2	1.1	1.2	1.1	1.1	1.4	1.1	1.0
29. Organic chemicals	1.1	0.9	1.0	1.0	0.9	0.9	0.8	0.8
31. Fertilisers	0.7	0.5	0.6	0.6	0.5	0.6	0.5	0.6
33. Essential oils and resinoids; perfumery or cosmetic preparations	0.7	0.7	0.7	0.7	0.7	0.8	0.7	0.6
7 - Plastics and articles thereof; rubber and articles thereof	5.7	5.2	5.4	5.3	5.5	5.8	5.6	5.1
39. Plastics and articles thereof	4.5	4.0	4.2	4.1	4.3	4.6	4.4	4.1
40. Rubber and articles thereof	1.2	1.2	1.2	1.2	1.1	1.2	1.2	1.0
8 - Raw hides and skins, leather, furskins; travel goods, handbags	0.5	0.5	0.5	0.6	0.5	0.4	0.3	0.3
9 - Wood and articles of wood	1.2	1.1	1.0	1.0	1.0	1.0	1.1	0.9
44. Wood and articles of wood; wood charcoal	1.2	1.1	1.0	1.0	1.0	1.0	1.1	0.9
10 - Pulp of wood or of other fibrous cellulosic materials; paper and paperboard	2.0	1.9	1.9	1.8	1.8	1.9	1.7	1.8
48. Paper and paperboard; articles of paper pulp, of paper or of paperboard	1.6	1.6	1.5	1.5	1.5	1.6	1.4	1.5
11 - Textiles and textile articles	7.5	7.5	7.4	7.2	7.3	7.0	7.3	6.0
55. Man-made staple fibres	1.7	1.6	1.6	1.6	1.6	1.4	1.6	1.5
60. Knitted or crocheted fabrics	1.0	1.0	1.0	1.1	1.2	1.2	1.3	1.0
52. Cotton	1.3	1.3	1.2	1.0	0.9	0.9	1.0	0.9
12 - Footwear, umbrellas; artificial flowers	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
13 - Articles of stone, plaster, cement; ceramic products; glass and glassware	1.5	1.7	1.6	1.4	1.5	1.5	1.5	1.3
70. Glass and glassware	0.5	0.6	0.5	0.5	0.5	0.5	0.5	0.5

	2015	2016	2017	2018	2019	2020	2021	2022
69. Ceramic products	0.6	0.6	0.6	0.5	0.6	0.6	0.6	0.4
68. Articles of stone, plaster, cement or similar materials	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4
14 - Natural or cultured pearls; precious or semi-precious stones; precious metals	0.3	0.3	0.2	0.2	0.2	0.1	0.2	0.1
15 - Base metals and articles of base metal	8.5	8.8	7.7	7.2	8.0	8.1	8.1	7.8
72. Iron and steel	3.5	3.1	2.8	2.6	3.0	2.9	2.8	2.7
73. Articles of iron or steel	2.1	2.8	1.9	1.6	1.8	2.0	1.7	1.7
76. Aluminium and articles thereof	1.1	1.0	1.0	1.0	1.1	1.2	1.4	1.5
74. Copper and articles thereof	1.1	1.0	1.1	1.2	1.2	1.2	1.3	1.2
83. Miscellaneous articles of base metal	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5
16 - Machinery and mechanical appliances; electrical equipment; image and sound recorders	18.2	21.0	20.7	19.8	20.7	21.6	18.9	16.0
85. Electrical machinery and equipment; image and sound recorders	9.4	10.0	10.2	9.6	9.6	10.4	9.5	8.3
84. Nuclear reactors, boilers, machinery and mechanical appliances	8.8	11.0	10.6	10.2	11.1	11.2	9.4	7.8
17 - Vehicles, aircraft, vessels and associated transport equipment	11.6	13.4	12.2	12.9	13.6	11.4	11.6	9.8
87. Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	9.2	10.7	10.2	10.0	10.0	9.0	9.4	7.5
88. Aircraft, spacecraft, and parts thereof	1.8	1.8	1.7	2.6	3.3	1.9	1.8	2.1
18 - Optical, photographic, precision or medical instruments; clocks and watches; musical instruments	1.2	1.3	1.3	1.2	1.4	1.6	1.4	1.2
90. Optical, photographic, measuring, precision or surgical instruments and apparatus	1.1	1.2	1.2	1.2	1.3	1.6	1.3	1.2
19 - Arms and ammunition	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
20 - Miscellaneous manufactured articles	1.8	1.8	1.8	1.7	1.8	1.8	1.8	1.7
94. Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings	1.0	1.0	1.1	1.0	1.1	1.1	1.0	1.0
21 - Works of art, collectors' pieces and antiques	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.2	0.4	1.0	1.4	0.4	0.4	1.0	1.1

Source: Foreign Exchange Board, statistical series.

Table A1.3 Exports by main trading partners, 2015-22

(USD million and %)

Main trading partner	2015	2016	2017	2018	2019	2020	2021	2022
Main trading partner	**22,337**	**22,858**	**25,624**	**29,360**	**29,582**	**27,703**	**36,585**	**42,183**
	(% of exports)							
Americas	8.4	8.0	8.9	10.0	9.4	10.4	11.2	10.3
United States	3.5	3.5	3.9	4.7	3.9	3.6	3.0	3.4
Other - Americas	4.8	4.6	5.0	5.3	5.5	6.8	8.2	7.0
Brazil	3.0	2.6	3.0	2.6	3.0	4.1	5.5	4.0
Argentina	0.0	0.5	0.4	0.4	0.6	0.8	0.8	1.0
Mexico	0.4	0.3	0.5	0.7	0.5	0.6	0.8	0.8
Canada	0.9	0.7	0.7	1.1	1.0	0.7	0.6	0.6
Peru	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.2
Uruguay	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Chile	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.1
Europe	67.9	69.2	70.3	69.1	70.2	69.4	66.2	64.3
EU-27	61.0	61.9	64.2	63.6	64.4	63.9	59.5	56.9
Spain	22.5	23.3	23.7	23.6	24.1	23.9	21.5	19.6
France	20.5	21.1	22.9	21.8	21.9	22.0	20.5	19.1
Italy	4.4	4.6	4.6	4.3	4.6	4.4	4.3	4.5
Germany	2.6	2.8	2.8	3.2	3.2	3.3	2.9	3.2
Netherlands	3.1	2.2	2.2	2.3	2.7	3.2	2.5	2.1
Belgium	1.7	1.5	1.5	1.6	1.6	1.4	1.5	1.9
Portugal	1.3	1.4	1.4	1.5	1.5	1.3	1.4	1.4
Poland	0.7	0.9	0.9	1.0	0.9	0.8	1.0	0.9
Romania	0.6	0.7	0.6	0.5	0.5	0.5	0.7	0.9
Czech Republic	0.3	0.3	0.4	0.4	0.4	0.3	0.4	0.5
Austria	0.8	0.7	0.7	0.7	0.7	0.6	0.5	0.5
European Free Trade Association (EFTA)	0.9	0.9	0.8	0.6	0.8	0.8	1.0	0.9
Switzerland	0.5	0.6	0.6	0.5	0.5	0.6	0.7	0.5
Norway	0.4	0.2	0.2	0.1	0.3	0.2	0.2	0.4
Other - Europe	6.0	6.4	5.3	5.0	5.0	4.7	5.8	6.6
United Kingdom	2.8	2.9	2.4	2.8	2.5	2.0	3.3	3.8
Türkiye	3.1	3.3	2.8	2.0	2.2	2.2	2.2	2.6
CIS[a]	0.9	0.8	0.8	1.1	1.0	0.8	0.7	0.2
Russian Federation	0.8	0.8	0.8	1.0	1.0	0.7	0.5	0.2
Africa	9.7	9.9	8.8	7.7	7.6	8.1	7.9	8.8
Djibouti	0.0	0.3	0.1	0.4	0.8	0.9	0.7	1.3
Côte d'Ivoire	0.9	0.6	0.6	0.7	0.6	0.9	1.0	0.7
Mauritania	0.7	0.8	0.7	0.6	0.7	0.7	0.7	0.7
Senegal	0.7	0.9	0.7	0.7	0.7	0.8	0.9	0.7
Nigeria	0.4	0.6	0.6	0.5	0.3	0.4	0.4	0.4
Benin	0.2	0.2	0.2	0.3	0.4	0.1	0.3	0.4
Kenya	0.0	0.2	0.1	0.0	0.0	0.1	0.1	0.4
Tanzania	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.4
Middle East	1.8	1.7	1.9	1.5	1.8	1.6	1.1	1.1
United Arab Emirates	0.2	0.4	0.4	0.2	0.3	0.3	0.4	0.3
Saudi Arabia, Kingdom of	0.5	0.4	0.5	0.5	0.3	0.3	0.2	0.2
Syrian Arab Republic	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2
Asia	10.0	9.3	8.0	9.0	8.1	8.9	11.6	13.8
China	1.1	1.0	1.2	0.9	1.0	0.9	1.0	0.8
Japan	0.7	0.8	0.8	0.7	0.9	0.6	0.5	0.7
Other – Asia	8.2	7.5	6.0	7.3	6.3	7.3	10.1	12.3
India	3.9	3.3	2.6	3.8	2.9	4.3	4.9	6.4
Bangladesh	0.6	0.6	0.4	0.4	0.5	0.4	1.6	2.1
Pakistan	1.2	1.0	0.9	1.2	1.2	1.1	1.5	1.9
Other	1.2	1.0	1.2	1.5	2.0	0.8	1.3	1.3
Memorandum:								
European Union (28)	63.8	64.9	66.5	66.4	66.9	65.9	62.8	60.7

a Commonwealth of Independent States, including certain associate and former member States.

Source: WTO Secretariat calculations, based on the Comtrade database.

Table A1.4 Imports by main trading partners, 2015-22

(USD million and %)

	2015	2016	2017	2018	2019	2020	2021	2022
Main trading partner	**38,146**	**41,696**	**45,039**	**51,299**	**51,049**	**44,526**	**58,678**	**72,578**
	(% of imports)							
Americas	11.1	11.0	12.0	11.7	11.9	11.6	11.4	13.9
United States	6.4	6.4	6.9	7.9	7.4	6.3	6.4	7.4
Other - Americas	4.7	4.6	5.2	3.7	4.5	5.3	5.0	6.5
Brazil	1.6	1.6	1.6	1.2	1.1	1.7	1.4	1.8
Argentina	1.1	1.1	1.3	0.8	1.4	1.4	1.4	1.7
Trinidad and Tobago	0.1	0.1	0.3	0.2	0.3	0.4	0.5	1.2
Canada	1.0	1.0	0.9	1.0	0.8	1.2	1.0	1.0
Colombia	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Mexico	0.2	0.2	0.4	0.3	0.5	0.2	0.3	0.2
Europe	59.9	61.9	63.1	60.7	60.0	59.6	57.8	52.5
EU-27	51.3	53.7	54.6	52.0	51.4	50.9	49.0	45.4
Spain	14.4	15.7	16.9	15.8	15.6	15.4	15.7	14.1
France	12.4	13.2	11.9	11.9	12.2	12.0	10.5	10.6
Italy	5.4	5.4	5.8	5.6	5.4	5.2	5.1	4.5
Germany	5.8	5.9	6.0	4.9	4.9	5.3	4.4	4.1
Portugal	2.9	2.9	3.1	2.6	2.8	2.6	2.8	1.8
Belgium	1.6	1.5	1.3	1.6	1.5	1.6	1.8	1.4
Romania	1.1	1.4	1.4	1.3	1.1	1.2	1.3	1.4
Netherlands	1.8	1.9	1.7	1.8	1.6	1.5	1.5	1.1
Poland	0.9	0.9	0.9	0.9	0.9	1.1	1.2	1.0
Czech Republic	0.6	0.6	0.7	0.8	0.7	0.7	0.9	0.8
European Free Trade Association (EFTA)	0.9	0.7	1.0	1.0	0.9	1.0	0.7	0.5
Switzerland	0.7	0.6	0.6	0.7	0.6	0.6	0.5	0.5
Norway	0.2	0.1	0.3	0.3	0.3	0.3	0.2	0.1
Other – Europe	7.8	7.5	7.6	7.7	7.7	7.8	8.1	6.6
Türkiye	4.2	4.4	4.4	4.5	5.2	5.5	5.8	5.2
United Kingdom	2.1	1.9	2.3	2.2	1.7	1.3	1.2	1.1
Ukraine	1.3	1.0	0.8	0.9	0.7	1.0	1.0	0.2
CIS[a]	4.3	2.5	2.4	3.9	2.9	3.9	4.1	4.5
Russian Federation	4.3	2.4	2.1	3.5	2.7	3.6	3.4	3.1
Kazakhstan	0.0	0.1	0.2	0.3	0.2	0.1	0.4	0.9
Turkmenistan	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.3
Africa	4.9	3.8	3.5	3.9	3.7	3.3	3.8	3.5
Egypt	1.0	1.0	1.0	1.1	1.3	1.3	1.4	1.4
South Africa	1.0	0.4	0.2	0.2	0.2	0.1	0.2	0.8
Tunisia	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4
Algeria	2.1	1.5	1.2	1.4	1.0	0.9	1.1	0.2
Middle East	5.7	4.0	3.6	4.5	4.7	3.8	5.6	9.7
Saudi Arabia, Kingdom of	2.6	1.9	1.9	2.3	2.4	2.0	3.1	6.5
United Arab Emirates	1.4	1.6	1.2	1.6	1.8	1.1	1.7	2.0
Bahrain, Kingdom of	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.4
Qatar	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.3
Asia	13.6	16.4	15.0	14.9	16.4	17.6	17.2	15.6
China	8.2	9.1	9.0	9.8	10.1	12.2	11.7	10.0
Japan	0.7	1.2	1.0	0.7	0.7	0.7	0.7	0.5
Other – Asia	4.6	6.0	5.0	4.4	5.6	4.7	4.8	5.0
India	1.0	1.5	1.4	1.4	2.3	1.5	1.8	1.9
Korea, Republic of	1.1	1.9	1.2	0.9	1.1	0.9	0.7	0.9
Viet Nam	0.5	0.6	0.5	0.5	0.5	0.6	0.6	0.4
Indonesia	0.4	0.4	0.3	0.2	0.2	0.2	0.2	0.4
Singapore	0.2	0.2	0.2	0.2	0.3	0.2	0.3	0.3
Thailand	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other	0.4	0.3	0.4	0.4	0.4	0.1	0.2	0.3
Memorandum:								
European Union (28)	53.4	55.6	56.9	54.2	53.1	52.2	50.3	46.6

a Commonwealth of Independent States, including certain associate and former member States.

Source: WTO Secretariat calculations, based on the Comtrade database.

Table A2. 1 Other premiums

Professions of the future by sector	
Digital technologies; pharmaceutical industry; renewable energy industry; shipbuilding; autonomous, electric, rail and maritime mobility; semiconductors (EMS) and related components, charging stations and related components, smart meters, power electronics, additive manufacturing (3D printing), technical and smart packaging manufacturing, robotics.	
Upgrading by sector	
Automotive industry; aeronautics industry; agro-industry; textile and leather industry; miscellaneous industries (manufacture of moulds, development of composite materials); shipbuilding industry; pharmaceutical industry; mining sector (value-enhancement of phosphate by-products); energy transition (manufacture of seawater desalination equipment).	
Sustainable investment projects	
Projects are required to meet one mandatory criterion and at least two supplementary criteria:	
Mandatory criteria	Use of unconventional water such as recycled water, treated waste water or desalinated water, and introduction of a water conservation system.
Supplementary criteria	• Renewable energy consumption • Introduction of energy efficiency mechanisms • Introduction of a waste treatment system • Introduction of social responsibility programmes
Local inclusion projects	
Minimum local inclusion rate[a]	• 20% for investment projects in the agri-food sector, pharmaceutical industry or medical device industry; or • 40% for investment projects concerning other manufacturing activities.[b]
Territorial premium	
Category A (10%) and Category B (15%)	
Sectoral premium	
Premium (5%)	To boost priority sectors: industry; the cultural industry; renewable energy; logistics and transport; aquaculture; tourism and leisure; the digital sector; the processing and recovery of waste; and outsourcing.
Specific support for strategic projects	

Eligibility criteria	• Any project in the defence industry sector, or
	• Any project with a budget of at least MAD 2 billion, which meets one of the following criteria:
	  ○ Contributes effectively to ensuring water, energy, food or health security.
	  ○ Has a significant impact on the number of jobs to be created directly or indirectly.
	  ○ Has a considerable impact on the economic influence and strategic positioning of Morocco at the regional, continental or international level.
	  ○ Has spillover effects on the development of sectoral ecosystems or sectoral activities.
	  ○ Contributes meaningfully to the development and appropriation of cutting-edge technologies.

International expansion of Moroccan enterprises	
Objective	Scheme designed to boost Morocco's economic influence at the international level, including by directly supporting Moroccan investment on the African continent (implementing text to be published six months after the publication of Framework Law No. 03-22 in the Official Journal).
Specific support for micro, small and medium-sized enterprises	
Objective	These enterprises will benefit from special support measures beyond the financial premium, particularly in terms of support for financing, training and project structuring (implementing text to be published 12 months after the publication of Framework Law No. 3-22 in the Official Journal).

a Local inclusion rate: the level of participation of suppliers located in Morocco in the production activity of the investor. The rate of inclusion is calculated according to the following formula: (local purchases + value added + gross margin)/turnover.

b Any activity that uses a manufacturing or processing method involving industrial equipment or apparatus.

Source: Framework Law No. 03-22 enacting the Investment Charter, and Decree No. 2-23-1.

Table A2. 2 Morocco's notifications to the WTO, 2016-23

Agreement/Decision	Document symbol and date of notification from the oldest to the most recent	Description of notification	Number of notifications
Agreement on Agriculture			
Article 18.2	G/AG/N/MAR/48 (19/12/2019) - G/AG/N/MAR/64 (07/12/2022)	Tariff quotas	11
Articles 10 and 18.2	G/AG/N/MAR/42 (20/06/2019) - G/AG/N/MAR/62 (13/10/2022)	Export subsidies	11
Articles 5.7 and 18.2	G/AG/N/MAR/41 (23/06/2017) - G/AG/N/MAR/60 (13/10/2022)	Special safeguard	6
Agreement on Import Licensing Procedures			
Article 5.1 to 5.4	G/LIC/N/2/MAR/2 (12/09/2019) - G/LIC/N/2/MAR/5/Corr.1 (06/03/2020)	Laws and regulations	7
Market access: Decision on Notification Procedures for Quantitative Restrictions			
	G/L/59/Rev.1 (03/07/2012)	Biennial period 2022-24	1
Regional trade agreements			
Article XXIV of the GATT 1994; Article XXIV:7(a) of the GATT 1994	WT/COMDT/RTA1/N/1, 11/07/2019 (United Arab Emirates); WT/REG429/N/1, 07/01/2021 (United Kingdom)	Laws and regulations	2
Anti-Dumping Agreement			
Article 16.4	G/ADP/N/389 (10/10/2023) - G/ADP/N/388/MAR (11/09/2023)	Laws and regulations	40
Agreement on the Application of Sanitary and Phytosanitary Measures			
Annex B, paragraph 7	G/SPS/N/MAR/43 (13/01/2016) - G/SPS/N/MAR/105 (19/12/2023)	Sanitary and phytosanitary measures	98
Agreement on Technical Barriers to Trade			
Articles 2.10, 2.9 and 5.6	G/TBT/N/MAR/27 (29/07/2019) - G/TBT/N/MAR/38/Add.1 (25/01/2022)	Technical barriers to trade	15
Agreement on Safeguards			
Repeal	G/SG/N/9/MAR/4 (06/07/2023)	Laws and regulations	1
Article 12.1(a)	G/SG/N/6/MAR/12/Suppl.1 (16/06/2023) - G/SG/N/6/MAR/8/Suppl.1; G/SG/N/14/MAR/2 (31/07/2018)	Laws and regulations	13
Article 12.1(b)	G/SG/N/8/MAR/7/Suppl.1; G/SG/N/10/MAR/7/Suppl.1; G/SG/N/11/MAR/7/Suppl.2 (23/11/2020) - G/SG/N/8/MAR/5; G/SG/N/10/MAR/5; G/SG/N/11/MAR/5 (16/06/2016)	Laws and regulations	10
Article 12.1(c)	G/SG/N/10/MAR/3/Suppl.6; G/SG/N/11/MAR/2/Suppl.6 (30/11/2023) - G/SG/N/10/MAR/3/Suppl.3/Corr.1; G/SG/N/11/MAR/2/Suppl.3/Corr.1; G/SG/N/14/MAR/1/Suppl.1/Corr.1 (19/04/2016)	Laws and regulations	18
Article 12.4	G/SG/N/7/MAR/6/Suppl.1; G/SG/N/11/MAR/9/Suppl.1 (11/04/2022) - G/SG/N/6/MAR/12; G/SG/N/7/MAR/5; G/SG/N/11/MAR/8 (04/10/2019)	Laws and regulations	4
Article 12.5	G/L/1327; G/SG/N/13/MAR/1 (04/10/2019)	Laws and regulations	1
Article 7.2	G/SG/N/6/MAR/10/Suppl.1; G/SG/N/14/MAR/3 (01/04/2022) - G/SG/N/10/MAR/3/Suppl.3/Corr.1; G/SG/N/11/MAR/2/Suppl.3/Corr.1; G/SG/N/14/MAR/1/Suppl.1/Corr.1 (19/04/2016)	Laws and regulations	7
Article 9.2	G/SG/N/10/MAR/3/Suppl.6; G/SG/N/11/MAR/2/Suppl.6 (30/11/2023) - G/SG/N/10/MAR/3/Suppl.3/Corr.1; G/SG/N/11/MAR/2/Suppl.3/Corr.1; G/SG/N/14/MAR/1/Suppl.1/Corr.1 (19/04/2016)	Laws and regulations	27

Agreement/Decision	Document symbol and date of notification from the oldest to the most recent	Description of notification	Number of notifications
Agreement on Subsidies and Countervailing Measures			
Article 25.1	G/SCM/N/343/MAR (14/02/2019)		1
Article 25.11	G/SCM/N/298/Add.1 (22/04/2016) - G/SCM/N/407/Add.1 (19/10/2023)		13
State trading enterprises			
Article XVII:4(a)	G/STR/N/16/MAR (20/04/2016)		1
General Agreement on Trade in Services			
Articles III:4 and IV:2 of the GATS	S/ENQ/78/Rev.16 (22/04/2016); S/ENQ/78/Rev.20 (25/03/2020)	Laws and regulations	2
Agreement on Trade Facilitation			
Articles 1.4, 10.4.3, 10.6.2 and 12.2.2	G/TFA/N/MAR/1 (19/04/2018); G/TFA/N/MAR/1/Add.1 (28/11/2019)	Notification of categories B and C	2
	G/TFA/N/MAR/2 (30/08/2019); G/TFA/N/MAR/2/Rev.1 (02/03/2021);		2
Article 22.3	G/TFA/N/MAR/3 (02/03/2021)		1

Source: WTO Central Registry of Notifications.