

EU/Morocco Agreement concerning reciprocal liberalisation measures on agricultural products and fishery products

European Parliament resolution of 16 February 2012 on the Agreement between the EU and Morocco concerning reciprocal liberalisation measures on agricultural products and fishery products (2012/2522(RSP))

The European Parliament,

- having regard to the Barcelona Declaration of 28 November 1995, which established a partnership between the European Union and the southern Mediterranean countries,
- having regard to the Euro-Mediterranean Agreement establishing an association between the European Union and its Member States, of the one part, and the Kingdom of Morocco, of the other part,
- having regard to the Council decision of 14 October 2005 authorising negotiations with Morocco on the reciprocal liberalisation of trade in agricultural products, processed agricultural products, fish and fishery products,
- having regard to the Council decision of 14 December 2011 authorising negotiations with Egypt, Jordan, Morocco and Tunisia with a view to establishing ‘deep and comprehensive’ free trade areas as part of the existing Euro-Mediterranean association agreements with those countries,
- having regard to the Joint Communication from the Commission to the European Council, the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 8 March 2011 on ‘A Partnership for Democracy and Shared Prosperity with the Southern Mediterranean’ (COM(2011)0200),
- having regard to the Joint Communication from the Commission to the European Council, the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 25 May 2011 on ‘A new response to a changing Neighbourhood’ (COM(2011)0303),
- having regard to its resolution of 25 November 2010 on corporate social responsibility in international trade agreements¹,
- having regard to the consent procedure pursuant to Article 207 (4) first subparagraph and Article 218(6), second subparagraph, point (a), of the Treaty on the Functioning of the European Union in relation to the draft Agreement in the form of an exchange of letters between the European Union and the Kingdom of Morocco concerning reciprocal liberalisation measures on agricultural products, processed agricultural products, fish and fishery products, the replacement of Protocols 1, 2 and 3 and their Annexes and amendments to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of

¹ Texts adopted, P7_TA(2010)0446.

Morocco, of the other part (hereinafter "the Agreement") (15974/2010),

- having regard to Rule 110(4) of its Rules of Procedure,
- A. whereas the evolving political landscape in the southern Mediterranean following the events of the Arab Spring has necessitated a strong, effective and rapid response from the EU;
- B. whereas the strengthening of trade relations and balanced and progressive trade liberalisation with the southern Mediterranean countries are important components of that response;
- C. whereas trade and investment are engines for growth and help to reduce poverty, bring peoples together, consolidate ties between nations and contribute to political stability;
- D. whereas Article 16 of the EU-Morocco Association Agreement, which has been in force since 1 March 2000, provides that the European Community and Morocco will gradually implement greater liberalisation of their reciprocal trade in agricultural products, processed agricultural products, fish and fishery products;
- E. whereas the EU runs a significant surplus in trade in goods with Morocco, which reached EUR 5,4 billion in 2010;
- F. whereas the EU has a substantial agricultural and fisheries trade surplus with the southern Mediterranean countries of over EUR 4 billion, but a bilateral agricultural, fisheries and processed food goods trade deficit with Morocco which amounted to EUR 871 million in 2010; whereas trade in agricultural and fisheries products accounts for around 18 % of Moroccan exports;
- G. whereas agriculture accounts for between 15 % and 20 % of Morocco's GDP, 12 % of Moroccan exports and 38 % of the Moroccan workforce, with peaks of 75 % in rural areas; whereas this demonstrates that the stability and expansion of this sector is extremely important for the country's political stability;
- H. whereas the proposed agreement liberalises with immediate effect 55 % of tariffs on Morocco's agricultural and fisheries products (rising from 33 %) and 70 % of tariffs on the EU's agricultural and fisheries products within 10 years (rising from 1 %);
- I. whereas the monitoring of sensitive products and the strict application of quotas are fundamental to the balanced functioning of the agreement;
- J. whereas all agricultural goods from all third countries imported into the EU must comply with the Union's sanitary and phytosanitary (SPS) rules;
- K. whereas Morocco is one of the four southern Mediterranean countries for which the Council has approved negotiating directives for a Deep and Comprehensive Free Trade Agreement (DCFTA); whereas trade in agricultural products will form part of those negotiations;

General considerations

1. Believes that the opening-up of markets and progressive integration into the EU's internal market can be powerful instruments for the development of the southern Mediterranean countries and help alleviate the widespread poverty and unemployment which are at the root

of economic, migratory and security problems in the region; considers that, if this potential is to be realised, the EU must be prepared to make sufficient trade concessions;

2. Recalls the commitment given by the EU following the Arab Spring to assist the southern Mediterranean countries with their transition to democracy by using trade and economic instruments to create greater freedom and economic opportunities; considers that Morocco has taken significant steps to consolidate democracy by reforming its constitution and conducting fair elections; in that connection, welcomes the agreement as a positive step in supporting political stabilisation and mutual sustainable economic development;
3. Considers it essential that trade and investment initiatives should seek to benefit all sections of society and be targeted more specifically at SMEs and small farmers; in that connection, notes that over 80 % of Morocco's farmers hold less than five hectares of land, and therefore welcomes the support of the Confédération marocaine de l'agriculture et du développement rural (Comader - Moroccan Federation for Agriculture and Rural Development) for the agreement; recalls that food security has social, environmental and cultural dimensions, in addition to its economic aspects;

The agreement

4. Stresses that, given the importance and influence of the agricultural sector in Morocco, particularly in providing employment, the agreement will play a key role in the country's economic development and its political stabilisation, since it offers new opportunities for exports to the EU, which is the major market for Moroccan products; considers that it will also provide opportunities for the EU's agricultural industry, particularly in the area of processed foods; points out that EU exporters will eventually benefit from the removal of Moroccan import tariffs for 70 % of agricultural and fisheries product lines, a measure which will save an estimated EUR 100 million per year in customs duties once fully implemented;
5. Welcomes the additional non-tariff measures included in the agreement, such as future negotiations to provide extra protection for European GIs, enhanced safeguard mechanisms and SPS measures; recalls, further, that the EU and Morocco have agreed a dispute-settlement mechanism which enables either party to gain redress if the other fails to respect the terms of the agreement;
6. Highlights the concerns expressed by certain EU sectors at increased duty-free quotas for sensitive fruit and vegetable imports; calls, therefore, on the Commission to present an assessment of the impact on European producers, and particularly on farmers' incomes, and to keep Parliament regularly informed;
7. Is concerned at the constant complaints from European industry groups alleging fraud in the entry-price system, and asks for guarantees that the increased tariff quotas under the agreement will be properly regulated by the EU and that there will be no misinterpretation of the rules governing the implementation of the entry-price mechanism; emphasises that European operators have made complaints to OLAF and to Parliament's Committee on Petitions and that that committee has asked the Commission to change the entry-price system in order to put a stop to fraud; in that connection, notes the proposals to bring the rules governing implementation of the entry-price system into line with the Community Customs Code as part of the latest reform of the common agricultural policy; considers that this must be accompanied by changes to the implementing regulation on the common

organisation of agricultural markets to introduce effective control measures;

8. Considers that the agreement lays down specific institutional arrangements and mechanisms, such as cooperation to prevent market disruption, expert groups established by the Commission with third countries, including Morocco, the Subcommittee on Agricultural Trade set up in the context of the management of the Association Agreement, exchanges of information on policies and production, and the safeguard clause under Article 7 of the Protocol; calls on the Commission to make use of the mechanisms when appropriate;

Broader trade and economic issues

9. Emphasises that access to the EU's internal market should be contingent on compliance with sanitary, phytosanitary and environmental standards and welcomes the positive Food and Veterinary Office report issued in 2011; welcomes the emphasis in the agreement on SPS measures, and calls for technical assistance to be central to the negotiations on a DCFTA; asks the Commission to promote equivalency of measures and controls between Morocco and the European Union in the area of environmental and food safety standards, in order to guarantee fair competition between the two markets;
10. Welcomes the reforms in the Moroccan agriculture sector, namely the 'Plan Vert' ('Green Plan') designed specifically to support small farmers by giving them access to modern technology and investment; calls for continued EU support for the improvement of production methods, through the sharing of best practice, and for Morocco's efforts in the area of water conservation;
11. Recognises that Morocco has ratified most of the relevant International Labour Organisation (ILO) conventions and recently adopted legislation to outlaw child labour; emphasises, nevertheless, that there is still room for improvement regarding freedom of association and child labour; considers that the provisions of the DCFTAs should include assistance with the implementation of ILO conventions and the ratification of unsigned core ILO conventions, e.g. No 87 on Freedom of Association and Protection of the Right to Organise, and initiatives on corporate social responsibility as part of the sustainable development chapter;
12. Calls on the Commission to ensure that the agreement is fully consistent with international law and benefits all the local population groups affected;

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13. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission/High Representative of the Union for Foreign Affairs and Security Policy, its Delegation for relations with the Maghreb Countries, the Bureau of the Parliamentary Assembly of the Union for the Mediterranean and the Government and Parliament of Morocco.