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MOROCCO

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REVIEW OF THE IMPLEMENTATION OF THE AGREEMENTS RESULTING FROM THE URUGUAY ROUND

Three years following the entry into force of the Agreements of the Uruguay Round concluded at Marrakesh in April 1994, it is a useful exercise for the WTO to take stock of the implementation of the commitments assumed by Member States under these Agreements.

In this regard, Morocco has always reaffirmed its commitment to the full and strict implementation of these Agreements, which are the outcome of several years of arduous negotiations that culminated in a consensus acceptable to all the contracting parties. We believe that strict observance of assumed commitments is an indication of both the nature and strength of a country's commitment to the multilateral trading system.

Today, Morocco can say that it has fully respected its undertakings vis-à-vis the WTO. In this connection, I should like to recall briefly the principal steps taken by Morocco to comply with the provisions of the Agreements of the Uruguay Round.

1. Agricultural products

Morocco has implemented the tariff rollback envisaged under the Agreements (2.4 per cent per annum). Our country has also amended its foreign trade legislation to bring it into line with the provisions of the Agreement on Agriculture and has deregulated domestic trade in farm produce. We have also fostered the process of analysis and sharing of information and statistics preparatory to the 1999 negotiations, a process in which we are active participants and which we believe to be progressing satisfactorily.

2. Textiles and clothing

Morocco has already completed the different stages of the integration process of bringing the trade in textiles and clothing gradually under WTO rules and disciplines.

3. Customs Valuation Agreement

Morocco will apply this Agreement as of 1 July 1998, upon expiry of the transition period allowed it as part of the special and differential treatment accorded to developing countries.

4. Rules of origin

Morocco has taken an active part in the work done in this regard, both within the WTO and the World Customs Organization (WCO). In this regard, Morocco has adopted measures that demonstrate our full commitment to the strict and complete implementation of all the decisions taken at Marrakesh and Singapore.

5. Trade-Related Aspects of Intellectual Property Rights (TRIPS)

Under this Agreement, Morocco has been allowed until the year 2000 to implement it. Nevertheless, we have already taken significant steps in that direction, in particular, by enacting a new law on the protection of industrial property.

6. Basic telecommunications

Morocco is a signatory to the Agreement concluded in February 1998 and has introduced major reforms with a view to liberalizing this sector.

7. Financial services

Morocco has made a very liberal offer in the banking and insurance sector. A new banking law was passed in 1993 and a draft law on a new insurance code is now in the process of adoption. Furthermore, the financial system has already been considerably opened up and made more dynamic for some years now.

8. Initiative for LDCs

At the High-Level Meeting held in October 1997, Morocco undertook to grant preferential conditions to the LDCs in Africa. Today we are happy to report that these preferences will come on stream in the weeks ahead. Details of this will shortly be notified to the WTO.

9. Notifications

Morocco has submitted the notifications stemming from its commitments under the Uruguay Round Agreements in several fields.

Yet much remains to be done if the strategic objectives envisaged under the Marrakesh Agreements are to be fully attained. We believe that all WTO Member States should display the same level of attachment to their assumed commitments, in particular, concerning special and differential treatment for developing countries.

Indeed, the developing countries, and Morocco among them, must be given an unequivocal sign through the WTO that efforts at liberalization and observance of commitments are balanced, and this should take the form of the effective opening of developed country markets. The international community should provide developing countries with solid support in putting their development strategies into effect.

At this stage we would like to underscore the importance of this special and differential treatment. It is imperative, however, that we jointly consider a new approach that would translate the positive impacts of these measures into reality. The fact is that the implementation of some of these measures has been prevented by the problems entailed in making them operational.

Allow me to bear this out with three examples:

- The rules of origin are of paramount importance to the further liberalization of the world economy. Morocco is deeply involved in the process under way in the WTO/WCO. It has become clear, however, that this process is posing many problems by reason of the frequency of meetings and the scope of the deliberations, which call for a considerable outlay of human, technical and material resources. We therefore need to take account of these factors so that the process can yield optimum results.
- Agricultural products: expectations of positive spin-offs from the liberalization of agricultural trade for the advancement of Morocco's farming sector have been largely thwarted by the persistence of protectionist measures in the major importing countries (*inter alia*, market access and sanitary and phytosanitary measures), and by the level of support given to farmers in most developed countries.
- Technical assistance: the implementation of our commitments under the Marrakesh Agreements has brought to the fore the substantial needs of developing countries such as Morocco for technical assistance in effecting the appropriate support measures such as those concerning anti-dumping, safeguard clauses, application of the Agreement on Customs Valuation, rules of origin, and technical, sanitary and phytosanitary standards. A substantial increase in technical assistance to developing countries is a prerequisite for the rapid implementation of the undertakings made and hence for the consolidation of an open and predictable multilateral trading system.

The efficiency of this system, specifically for developing countries, will thus be contingent on the extent to which all Member States of our Organization can work together for greater transparency and equitable and balanced liberalization.

To that end, and in the light of recent major changes in the world economy, it would today seem necessary to give renewed impetus to the idea, put forward in April 1994 at Marrakesh by His Majesty King Hassan II, for greater coherence of policies among the IMF, the World Bank and the WTO, as the main underpinnings of the world economy. The complexities of international trade would dictate that we incorporate this dimension into the strategy of the WTO.

Morocco therefore believes that the review of the implementation of the Marrakesh Agreements should be guided by two major considerations:

- Respect for commitments assumed by Member States;
- drawing up a new global and dynamic approach that takes account of the changed international trading environment, especially as it affects developing countries.

FUTURE WORK OF THE WTO

The evolution of world trade is now at a crucial juncture. The WTO should therefore take account of this by providing all present or future Member States with conditions favouring sustainable development that will generate employment and well-being for all. With the entry into force of the Marrakesh Agreements in 1995, the WTO became a forum for discussion and negotiation on the range of international trade-related matters. Therefore, at the first Ministerial Conference at Singapore in 1996, WTO Member States agreed to set up working groups on the topics of competition, interrelationships between trade and investment, simplification of procedures, and transparency in government procurement. These working groups come in addition to the timetable already contained in the Built-in Agenda under the Marrakesh Agreements. Some Member States are now proposing that new topics should be included in the future work of the WTO.

In this connection, Morocco believes that the WTO work programme should take account of the following elements:

1. The implementation of the commitments contracted under the Marrakesh Agreements must remain a basic priority. It will no doubt be desirable to ensure that any approach taken should be responsive to the changed international trading environment and specifically to the "development" dimension of developing countries.
2. The new topics discussed or negotiated in the WTO should form part of a global approach with a dual objective:
 - To ensure that the overall "package" is balanced and that it caters to the legitimate and strategic interests of all Member States;
 - to avoid overloading the WTO work programme, so that developing countries will be able to follow up regularly and effectively all the matters dealt with.
3. The WTO has a natural vocation to become a universal forum for discussion and negotiation open to all countries. We must therefore ensure that its work takes place in a transparent manner.

On the basis of these principles and with the hindsight gained from an evaluation of three years of compliance with the Marrakesh Agreements, the WTO should be able to embark on a new phase of promoting a multilateral trading system based on fairness and predictability.

Morocco is firmly resolved to commit itself to this and to do its part to help ensure that the future work programme of the WTO will be the result of a broad consensus and reflect the interests of all.

Indeed, the credibility of the future work of our Organization will depend on its ability to cater to the sensibilities of all Member countries and further the quest for consensus, dialogue and the balanced distribution of the benefits of growth.

We would like to advance the following proposals in this connection:

1. Bringing the implementation of the commitments assumed at Marrakesh into line with the changed international trading environment, in particular, by paying attention to the practical difficulties facing all Members (e.g. rules of origin, agricultural products, technical assistance, among other things).
2. Studying the progress made on the matters emerging from the first Ministerial Conference at Singapore, so as to determine the corresponding follow-up in the future WTO work programme.
3. The examination of any newly proposed items for the WTO agenda must be predicated upon the observance of the rule of consensus and of the interests of all Member countries.

We therefore endorse the idea that as of September 1998, the General Council should discuss these options and report to the third Ministerial Conference of the WTO in 1999, at which a decision should be taken on them.

Morocco intends to participate fully in these deliberations, not least by tabling specific proposals on items to be included in a positive agenda that is responsive to the interests of and approved by all.
