

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

## Electronics and Instrumentation

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### Trade and Tariffs

The Uruguay Round sectoral initiatives on medical and scientific equipment and the Information Technology Agreement (ITA) define the electronics and instrumentation sector. Electronics and instrumentations accounted for 15 percent of total U.S. non-textile industrial exports to Morocco, averaging \$55 million<sup>1</sup>. Modems, computers, and transceivers dominate U.S. exports in this sector

Moroccan tariffs on electronics and instrumentation range from 2.5 to 50 percent, averaging 10.8 percent. The highest tariffs are generally applied to satellite parts, cables, and conductors.

Moroccan exports to the United States in this sector average over \$127 million<sup>2</sup>, or about 43.6 percent of Morocco's total non-textile industrial exports to the United States.

U.S. tariffs in the sector range from 0 to 16 percent. The highest tariffs apply to televisions, video monitors and optics parts.

### Tariff Elimination

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

Overall, 95 percent of U.S. electronics and instrumentation exports will receive duty-free treatment immediately upon implementation of the agreement. Duties on the remaining 5 percent of U.S. exports will be eliminated over nine years.

The United States will eliminate all duties on Moroccan exports of electronic and instrumentation immediately.

### Subsectors:

As a signatory to the WTO Information and Technology Agreement, the United States applies duty-free treatment to IT products. In conjunction with this agreement, Morocco joined the WTO Information Technology Agreement and as a result, Morocco will eliminate 100 percent of its duties on IT products on an MFN basis.

91 percent of scientific equipment exports to Morocco will be duty-free immediately upon implementation of the agreement. An additional 1 percent will be phased-out over five years with the remaining duties eliminated by year nine.

88 percent of U.S. medical equipment exports to Morocco will receive duty-free treatment immediately upon implementation of the agreement. An additional 3 percent of U.S. medical equipment exports will be phased out in five years, with tariffs on the remaining exports eliminated in nine years.

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

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