

Morocco-US Business and Economic Partnership

- Morocco and the United States consult closely on trade and investment issues and sustainable economic development, in both Morocco and the broader region. The economic and business benefits of the Morocco-US relationship are grounded on three key factors:
 1. Morocco's geostrategic relationship at the juncture of Europe, Africa, and the Mediterranean;
 2. The historic commercial relations between the two countries – from the protection offered by the Sultan of Morocco (1777) against pirates who were attacking American ships at the time, to the first multilateral treaty signed by the US with other countries to build the lighthouse at Tangier, and the first US Treaty of Peace and Friendship (1787), which promoted trade between the two countries; and
 3. Morocco's continually expanding trade and investment infrastructure serving as a world-class business destination and hub for Africa.
- As the [German Marshall Fund](#) notes, the US and Morocco have a “geo-economic relationship in the sense that Morocco's strategic significance for the United States has been shaped not just by bilateral trade and investment – relatively modest in global terms – but by Morocco's proximity to areas of vital U.S. economic interest and its position between the Mediterranean, Africa, and the Atlantic.”
- The importance of the Morocco-US economic alliance is exemplified by the [Free Trade Agreement](#) signed on June 15, 2004 and entered into force on January 1, 2006. The US-Morocco FTA supports the significant economic reforms underway in Morocco and improves commercial opportunities for US exports to and investments in Morocco by reducing and eliminating trade barriers and providing full protection for US investors. Morocco was the first African nation and the second Arab nation to have an FTA with the US. Morocco remains the only country in Africa that has an FTA with the US.
 - While both Morocco and the US have experienced [a large boost in export value](#) since the FTA came into force, the jump in US exports has been particularly high. US exports to Morocco have increased in value by 328% since before the FTA, while Morocco's exports to the US have increased in value by 167%. Currently, the US is Morocco's [4th largest source](#) for imported goods.
 - Compared to average exports before the FTA came into effect, 33 states (and DC) have [more than doubled their exports to Morocco](#) in ten years. The [top ten US exporters to Morocco in 2015](#) were Texas, Washington, Louisiana, Virginia, California, Georgia, DC, Florida, Michigan, and North Carolina—together they averaged a [728% boost in export value](#) since the FTA was adopted.
- In August 2007, the Millennium Challenge Corporation (MCC) signed its [first compact with the Kingdom of Morocco](#), committing \$697.5 million to reduce poverty and stimulate economic growth. These strategic investments aimed to increase productivity and improve employment in high-potential sectors such as fruit tree productivity, small-scale fisheries, and artisan crafts. Small business creation and economic growth were also supported by investments in financial services and enterprise support. The compact was successfully completed in 2013.
- Following the success of the previous compact, Morocco and the MCC entered into a second in April 2016, called the "[Employability and Land Compact](#)." MCC is committing \$450 million “to overcome constraints to economic growth and investment in Morocco by investing in high-quality education and land productivity.” These programs will boost employability by promoting skills required for private

sector jobs in secondary schools and other workforce development programs, and they will improve land markets “to create opportunities for investment by landholders and business owners.”

- In a [Joint Statement issued by the United States and Morocco](#) following the historic visit between King Mohammed VI and President Obama in November 2013, the two leaders emphasized that the US and Morocco are dedicated to working together to promote human and economic development. The statement acknowledged the successful conclusion of the MCC compact in September 2013 and highlighted its positive impact on job creation, economic growth, and human development throughout Morocco.
- During the King’s 2013 visit, Morocco and the US signed a [Customs Mutual Assistance Agreement](#) allowing the two governments to exchange customs information to help detect, investigate, and prosecute crimes such as terrorism, narcotics smuggling, weapons smuggling, money laundering, trafficking in persons, and other financial crime.
- The two countries also signed a [Trade Facilitation Agreement](#) that furthers the US-Morocco FTA and represents, “a forward-leaning, 21st century agreement on customs reform and modernization.” The agreement includes provisions covering internet publication, transit, transparency with respect to penalties, and other issues that will further boost Morocco’s competitiveness and benefit its trade environment. Morocco is the [first country in the region](#) to conclude such an agreement with the US.
- Morocco was also the first Middle East partner to endorse [Joint Principles for International Investment and Information and Communication Technology Services Trade](#) with the United States.
- As the [Joint Statement](#) notes, “these initiatives reflect our common commitment to building stronger economic ties with and among the region.” The US-Morocco economic alliance is particularly important in this regard as Morocco is an important trade and investment platform for North Africa and Sub-Saharan Africa.
- Some major American companies operating in Morocco include:

3M	Deloitte	IBM
AT&T	Delphi	Jacobs Engineering
Boeing	Dow	Kraft
Cargill	Eli Lilly	Nike
Cisco	FedEx	Oracle
Citigroup	Ford	Pfizer
Coca-Cola	General Electric	Pratt & Whitney
Dell	HP	PWC

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