

HIGH REPRESENTATIVE OF THE EUROPEAN UNION FOR FOREIGN AFFAIRS AND SECURITY POLICY

Brussels, 17.4.2013 JOIN(2013) 6 final

2013/0107 (NLE)

Joint Proposal for a

COUNCIL DECISION

on the Union position

within the Association Council set up by the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part, with regard to the adoption of a recommendation on the implementation of the EU-Morocco Action Plan implementing the advanced status (2013-2017)

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EXPLANATORY MEMORANDUM

Morocco and the European Union are bound by a Euro-Mediterranean Association Agreement that came into force in March 2000. On the basis of that agreement, the EU-Morocco European Neighbourhood Policy (ENP) Action Plan was approved by both sides in July 2005 for a period of five years.

Within this framework, EU-Morocco relations have developed and matured substantially. The adoption of the joint document on advanced status in October 2008¹ gave a further impetus to these relations and marked a significant deepening in the areas of political relations, security, economics, trade and various sectors, and in people-to-people contacts.

When the current ENP Action Plan expired in July 2010, it was deemed appropriate to negotiate and conclude a new Action Plan, based on the objectives and ambitions of the joint document on advanced status. However, pending the conclusion of the new Action Plan, both sides agreed to continue to apply the 2005 Action Plan.

EU-Morocco relations are set against the background of a region where the overall political situation has been in a state of flux since early 2011.

The Joint Communication to the Parliament and the Council entitled 'A new response to a changing neighbourhood' outlined a new approach which aims at a higher level of differentiation, allowing each partner to develop its links with the EU based on its own aspirations, needs and capacities, but also on mutual accountability and the degree of commitment to the universal values of human rights, democracy and the rule of law, and the capacity to implement jointly agreed priorities. This new Action Plan clearly outlines the priority objectives of the EU-Morocco special partnership while taking full account of the advanced status and of the comprehensiveness of EU-Morocco relations.

The European External Action Service (EEAS), in close cooperation with the European Commission and EU Member States, has held exploratory talks with Morocco which have resulted in an agreement on the draft Action Plan, including the list of priority measures to be carried out under the Plan. At the last EU-Morocco Association Council on 23 April 2012 both sides noted that they were close to an agreement, which was then reached in November 2012. The finalisation of technical consultations on each side was notified through an exchange of letters on 28 November 2012 (EEAS) and 10 January 2013 (Morocco).

The new EU-Morocco Action Plan implementing the advanced status (2013-2017) will be an essential point of reference that will guide our bilateral relations with Morocco in the coming years and thus provide a road map for a deeper association between Morocco and the EU. The ENP will continue to act as a catalyst by providing a single policy framework, based *inter alia* on partnership, joint ownership, performance-driven differentiation and tailor-made assistance.

The European Commission and the High Representative of the Union for Foreign Affairs and Security Policy ('High Representative') attach hereto the text of a joint proposal for a Council Decision on the position to be taken by the European Union within the EU-Morocco Association Council on the adoption of a recommendation on the implementation of the Action Plan.

Adopted by the EU-Morocco Association Council on 13 October 2008.

The European Commission and the High Representative therefore request the Council to adopt the attached joint proposal for a Council Decision.

2013/0107 (NLE)

Joint Proposal for a

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within the Association Council set up by the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part, with regard to the adoption of a recommendation on the implementation of the EU-Morocco Action Plan implementing the advanced status (2013-2017)

THE COUNCIL OF THE EUROPEAN UNION.

Having regard to Council and Commission Decision 2000/204/EC, ECSC of 24 January 2000 on the conclusion of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part, and in particular Article 2 (1) thereof,

Having regard to the Treaty on European Union, in particular Article 29 thereof,

Having regard to the joint proposal of the High Representative of the Union for Foreign Affairs and Security Policy and of the European Commission,

Whereas:

- (1) The Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part was signed on 26 February 1996 and entered into force on 1 March 2000.
- (2) The Parties intend to approve the new EU-Morocco European Neighbourhood Policy (ENP) Action Plan implementing the advanced status (2013-2017), which reflects the EU-Morocco special partnership and will contribute to the implementation of the Euro-Mediterranean Agreement through the formulation and adoption of specific measures leading to the attainment of its objectives,

HAS ADOPTED THIS DECISION:

Article 1

The Union position within the Association Council set up by the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part, on the implementation of the EU-Morocco ENP Action Plan implementing the advanced status

(2013-2017) shall be based on the draft recommendation of the Association Council attached to this Decision.

Article 2

This Decision shall enter into force on the day of its adoption.

Done at Brussels,

For the Council The President

Draft

RECOMMENDATION

on the implementation of the EU-Morocco ENP Action Plan implementing the advanced status (2013-2017)

The EU-Morocco Association Council,

Having regard to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part, and in particular Article 80 thereof,

Whereas:

- (1) Article 80 of the Euro-Mediterranean Agreement gives the Association Council the power to make appropriate recommendations for the purposes of attaining the objectives of the Agreement.
- (2) Pursuant to Article 90 of the Euro-Mediterranean Agreement, the Parties shall take any general or specific measures required to fulfil their obligations under the Agreement and shall see to it that the objectives set out in the Agreement are attained.
- (3) The Parties to the Euro-Mediterranean Agreement have agreed on the text of the EU-Morocco European Neighbourhood Policy (ENP) Action Plan implementing the advanced status (2013-2017).
- (4) This EU-Morocco ENP Action Plan will support the implementation of the Agreement through the formulation and adoption, by agreement between the Parties, of specific measures which will provide practical guidance for such implementation.
- (5) The Action Plan serves the dual purpose of setting out specific measures for the fulfilment of the Parties' obligations set out in the Euro-Mediterranean Agreement, and of providing a broader framework for a further strengthening EU-Morocco relations to achieve a significant measure of economic integration and a deepening of political cooperation, in accordance with the overall objectives of the Euro-Mediterranean Agreement,
- (6) HAS ADOPTED THE FOLLOWING RECOMMENDATION:

Sole Article

The Association Council recommends that the Parties implement the EU-Morocco ENP Action Plan implementing the advanced status (2013-2017) annexed hereto, in so far as such implementation is directed towards attainment of the objectives of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part.

Done at [...]

For the Association Council

The President

ANNEX

EUROPEAN NEIGHBOURHOOD POLICY

DRAFT MOROCCO ACTION PLAN FOR IMPLEMENTATION OF THE ADVANCED STATUS (2013-2017)

I. Introduction

The European neighbourhood policy (ENP) sets ambitious goals based on shared responsibility and the acceptance of mutually recognised common values such as democracy, the rule of law, good governance, respect for human rights, market economics, free trade, sustainable development, poverty reduction and the implementation of political, economic and institutional reforms. The establishment of an area of peace and stability, including crisis management and the prevention and resolution of conflicts in the region, also form part of the ENP. Morocco shares these values and principles, which underlie the formulation of its national and international policies.

The EU-Morocco partnership, which started with the 1969 Trade Agreement, reached a turning-point with the Association Agreement signed in 1996, then with the ENP. They have helped to strengthen political, economic and trade ties and resulted in the sustained development of human and cultural exchanges. On the basis of the Association Agreement, relations between Morocco and the EU have gradually and steadily grown into a genuine EU-Morocco partnership, making Morocco one of the EU's leading partners.

The adoption in October 2008 of the joint document on reinforcing bilateral relations/advanced status marked the start of a new phase in bilateral relations. This document strengthens the key partnership between the EU and Morocco by setting ambitious new goals for deeper political, economic and human relations. The EU-Morocco summit in Granada in March 2010 confirmed these goals by underlining the special nature of the EU-Morocco partnership. Today, on the basis of the very advanced status of their relations, the two sides are seeking to further strengthen this exemplary and mutually beneficial partnership in order to confront shared political, economic and social challenges together and in a spirit of solidarity.

Progress towards good governance and political and socioeconomic reforms are common principles for implementing the advanced status. The partnership requires a stronger commitment to the introduction of the major reforms instigated by Morocco and to their extension both in the political sphere, principally in the areas of democracy, human rights and the rule of law, and in the economic and social spheres, in particular with a view to tangible progress on human development. The level of EU support will be adapted to Morocco's goals and progress on the reforms it has embarked on, and to the country's needs and capacities. The EU and Morocco will continue to work towards that end, which is in keeping with Morocco's new Constitution adopted on 1 July 2011 and with the new EU strategy developed in the context of the partnership for democracy and shared prosperity with the southern Mediterranean.

The EU recognises that, for Morocco, rapprochement with the EU represents a fundamental foreign policy choice. Its aim is to move as close as possible to the EU in order to underpin and support its drive towards political modernisation, an open economy and social cohesion. Morocco also sees this goal as the best way of promoting its alignment and coordination with the EU on strategic issues of common interest. Both sides consider that the benefits of such a process will be magnified by regional integration in the Maghreb and reiterate their desire to work together to give this movement fresh impetus. Moreover, in accordance with Article 8 of the EU Treaty and with Morocco's hopes of reaching a new agreement governing reciprocal relations, the two sides agree to further reflection on the possible nature and form of such an agreement.

The EU-Morocco ENP Action Plan has made for a more targeted implementation of the instruments provided for in the Association Agreement and supported Morocco's objective of bringing its economic and social structures more into line with those of the Union.

The new Action Plan for implementing the advanced status represents a key step in the ongoing process of strengthening relations between Morocco and the EU in which all the tools, mechanisms and instruments of the advanced status will be brought into action.

This instrument will encourage the development and implementation of policies and measures to promote the consolidation of the rule of law, democracy and human rights, economic growth, employment and social cohesion, poverty reduction and protection of the environment, thereby contributing in the long term to sustainable development. Implementation of the new instrument will take account of the necessary balance between speeding up the process of opening and modernising the Moroccan economy and the imperative of sustainable socioeconomic development.

Both sides will in addition continue implementation of economic integration by opening negotiations on a deep and comprehensive free trade agreement. These negotiations will further the sectoral negotiations that have already been completed or those that are still in progress, particularly on liberalising trade in services and establishment, and will examine ways of improving on a reciprocal basis the preferential concessions adopted under the free trade agreement on agricultural products, processed agricultural products and fishery products, in the light of the specific circumstances of each party.

The new instrument is an amalgam of the former Action Plan and the joint document on the advanced status. It includes the reforms agreed and the measures provided for in the Action Plan that have yet to be implemented, and the new features contained in the joint document. Also, in line with Morocco's reform programme, the new instrument reflects the principles of differentiation and ownership. By requiring the Moroccan government to introduce a strategy of regulatory alignment based on an evaluation of the existing differences, the establishment of priorities for convergence and an implementation timetable, the new document puts the advanced status roadmap on an operational footing. This strategy will be underpinned by the EU's support programmes.

The instrument provides, amongst other things, for a gradual, phased process for bringing Moroccan legislation into line with the Community acquis with a view to the Moroccan economy's gradual integration into the EU internal market and promotion of trade, investment and growth. Both parties accordingly undertake to begin a systematic analysis of the differences between Moroccan legislation and the European acquis based on the references indicated in the Action Plan. An evaluation of the priorities and means required to ensure

convergence will be carried out for each sector in the Action Plan. Regulatory approximation may consist of (i) the gradual full adoption of the acquis in certain sectors in the short or long term, (ii) the transposal of part of the acquis, or (iii) the adoption of the main principles of the acquis or of best practices in a given field. At the end of the first two years of the Action Plan, the Moroccan government will adopt a national programme of regulatory convergence with the EU designed to establish the priorities, the scope and the pace of such a process, as requested in the King's speech from the throne in 2010.

The new Action Plan will provide a framework for programming, implementing and monitoring EU aid, taking account of the needs expressed and intermediate results achieved. Resources will be made available by Morocco and the EU for the implementation of the priorities agreed. In the EU's case, the aid will mainly be provided through national indicative programmes agreed with Morocco, which will set out the aid priorities and the indicative financial package. This aid will be delivered in strict compliance with the relevant rules and procedures for the implementation of EU external aid.

A variety of instruments may be used to implement the EU's aid to Morocco, including those resulting from the discussions on the new strategy for ENP countries. These include exchanges of advice, technical assistance, best practice and know-how, support for capacity-and institution-building, support for sectoral reform, support for promoting integration and social and economic cohesion and lessening the development gap between regions, and support to civil society.

Loans from European financial institutions will also play a key role in the implementation of the new Action Plan. The Neighbourhood Investment Facility and the Facility for Euro-Mediterranean Investment and Partnership (FEMIP), financed by the EU, should provide substantial leverage in the implementation of loans for the construction of infrastructure, development and partnership with the private sector. This will enable, *inter alia*, the full mobilisation of the European Investment Bank funds guaranteed under FEMIP.

The parties have also agreed to examine together how best to use the new instruments for implementing financial cooperation, for instance those introduced in the light of the new strategy for ENP countries, and how to access adequate means of funding to support Morocco as it embarks on these reforms and its rapprochement with the EU. This is done with the aim of improving efficiency and enhancing the degree of integration that Morocco and the EU can achieve.

The implementation of the Action Plan covers a period of five years (2013-2017). Particular attention will be paid to the priority measures identified in the table which forms an integral part of the Action Plan (see Annex III). During implementation, the two parties may adjust the Plan to new priorities of the Moroccan government and/or of the EU without the need to adopt a new one.

The introduction of reforms in several key sectors will require the setting of clear targets to be set and the availability of adequate means. The Association Committee and the subcommittees set up under the Association Agreement will ensure regular monitoring of the implementation of the Action Plan, particularly in terms of the progress achieved and support provided. Either party may also prepare progress reports. Civil society should contribute actively to monitoring.

The Action Plan forms part of the process of implementing the advanced status and marks an important step in developing relations between the two parties into a special partnership.

The ad hoc Advanced Status Group will continue its deliberations on this basis with a view to formulating new perspectives for the new partnership and identifying its scope, instruments and purpose.

II. ACTION PLAN

A. TOWARDS AN AREA OF SHARED VALUES

1. POLITICAL AND POLICY DIALOGUE

1.1 Cooperation on foreign and security policy

Step up dialogue and cooperation on foreign and security policy with a view to ensuring regular consultations on international issues, consideration of the interests of both parties and increased security and stability, in particular in the Maghreb.

Develop **bilateral political dialogue**, in particular through:

- the organisation of Morocco-EU summits on an ad hoc basis;
- the organisation of meetings between Morocco's Foreign Minister and the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the Commission (HR-VP) on an ad hoc basis;
- the organisation of informal, ad hoc meetings between Morocco's Foreign Minister and European counterparts;
- the participation on an ad hoc basis of Morocco's line department ministers and their European counterparts at meetings taking place alongside the regular meetings of the EU Council of Ministers;
- the organisation of ad hoc meetings between senior Moroccan officials and members of committees and groups of the EU Council, e.g. the Political and Security Committee (PSC), the Maghreb/Mashreq Group (MAMA), the Africa Group (COAFR), the Working Party on Terrorism (COTER) and the Working Group on Human Rights (COHOM);
- Moroccan support on a case-by-case basis for statements and decisions of the EU Council in the context of the common foreign and security policy (CFSP), in accordance with procedures laid down by the EU.

Greater consultation in multilateral forums

- Organise meetings in New York between Morocco's Foreign Minister and the HR-VP to ensure better coordination of both partners' positions.
- Take joint initiatives in the United Nations Human Rights Council, the Third Committee of the UN General Assembly and in other international organisations on the basis of priorities established and agreed by both parties, and draw up a timetable of consultation meetings in Geneva and New York ahead of the meetings of the UN's human rights bodies.

- Establish informal consultation mechanisms to improve the implementation of multilateral agreements.
- Hold consultation and coordination meetings on initiatives for combating threats to international, regional and subregional security.
- Hold consultations between Morocco and the EU on action to tackle climate change.

Strengthen cooperation on conflict prevention and crisis management

- Strengthen cooperation and dialogue in the framework of the Common Security and Defence Policy (CSDP).
- Envisage the conclusion of a framework agreement on information security.
- Conclude a framework agreement on Moroccan participation in EU crisis-management operations (civil and military).
- Participate where appropriate in training activities related to conflict prevention and crisis management organised by the European Security and Defence College (ESDC).
- Explore ways of coordinating post-conflict and reconstruction efforts in the context of peace-building operations.
- Develop the partnership for peace and security in Africa with due consideration for the interests of both parties.
- Contribute to UN regional conflict resolution efforts.
- Participate actively in the regional chemical, biological, radiological and nuclear (CBRN) centres of excellence initiative designed to build institutional capacity for dealing with CBRN threats of criminal, accidental or natural origin (secretariat of the West Africa/Atlantic façade regional centre planned in Morocco).

Extend cooperation on the non-proliferation of weapons of mass destruction (WMDs) and export controls on arms and dual-use goods

- Contribute to implementation of the Final Document of the 2010 Non-Proliferation Treaty (NPT) Review Conference.
- Engage actively to the process of negotiating the Arms Trade Treaty.
- Organise seminars and exercises on implementing the principles of the Global Initiative to Combat Nuclear Terrorism (GICNT).
- Strengthen the dialogue on the non-proliferation of WMDs and their means of delivery so that it covers an examination of the specific threats posed by such weapons to regional security, in particular through:

- implementation at national level of existing international obligations, in particular UN Security Council resolutions 1540/04 and 1977/2011;
- accession to and national implementation of the international instruments concerned on the basis of increased cooperation with the relevant international organisations, e.g. the International Atomic Energy Agency (IAEA);
- increased cooperation on preventing and combating illicit trafficking in substances, equipment and know-how that may be involved in the manufacture of WMDs or of their means of delivery;
- promotion of the universalisation and implementation of The Hague Code of Conduct (HCOC) against Ballistic Missile Proliferation and the Comprehensive Nuclear-Test-Ban Treaty (CTBT).
- Introduce an effective national system of arms and dual-use goods export controls to allow monitoring of the export and transit of arms and goods that may be used in the manufacture of WMDs, in particular through:
 - the adoption of export control legislation covering the end use of arms and dual-use goods and effective and appropriate penalties for dealing with non-compliance;
 - the development of a partnership between the authorities and private operators to ensure the dissemination of and compliance with obligations in relation to export controls on arms and dual-use goods;
- Enhance dialogue on issues relating to export controls on small arms and light weapons, including controls on transhipment and transit, through the organisation, for example, of regional training and awareness-raising seminars.
- Cooperate in action to prevent and combat illicit trafficking in conventional weapons, including small arms and light weapons.

1.2 Cooperation on civil protection

- Pursue regional cooperation in the prevention of, preparation for and response to natural and man-made disasters.
- Establish operational arrangements between Moroccan bodies and European Commission departments for cooperation with the Monitoring and Information Centre (MIC) of the Community civil protection mechanism when the mechanism has been activated.
- Facilitate the strengthening and diversification of cooperation in the area of civil protection, including the prevention of and preparedness for natural and man-made disasters and post-crisis management, setting up a natural disaster early warning system, and appropriate training and specialisation measures.

1.3 Regional cooperation

Support implementation of regional integration initiatives and projects

- Engage actively in the optimum implementation of the Union for the Mediterranean to ensure its development as a global partnership based on solidarity.
- Engage in strengthening the subregional coordination and cooperation mechanisms in the 5+5 Dialogue and under the Arab Maghreb Union (AMU) EU framework: in particular through the development of variable geometry projects in common interest areas.
- Promote intra-regional integration, in particular within the AMU, in areas including the economy and trade.
- Promote the effective implementation of the Agadir Agreement so as to increase the economic integration of the Mediterranean Arab countries.
- Step up bilateral dialogue on the Africa-EU partnership.

2. DEMOCRACY, THE RULE OF LAW AND GOVERNANCE

The measures in the following chapter cover respect for democratic principles and human rights, and governance, particularly in the context of the implementation of the Moroccan Constitution adopted on 1 July 2011

2.1 Democracy, the rule of law and governance

Strengthen institutions that guarantee democracy and the rule of law and the separation and balance of powers

- Strengthen the roles of the Parliament and Government.
- Strengthen the role of political parties in the context of a multi-party democratic system, and improve contacts between political parties and parliamentary groups.
- Increase the contribution and strengthen the key role of the parliamentary opposition in the work of parliament and guarantee its rights.
- Consolidate the role of civil society, in particular by stepping up dialogue with civil society actors and stakeholders in the preparation of draft laws; set up consultation bodies for this purpose to encourage their involvement in the preparation, implementation and evaluation of public policies.
- Increase the participation of citizens in the management of public life, in particular by implementing the right of petition and to present legislative proposals.
- Step up measures to increase levels of electoral registration and participation in elections.
- Strengthen measures and consolidate the administrative bodies responsible for reinforcing respect for democracy and the rule of law, in particular through the establishment a Constitutional Court.
- Continue holding democratic elections in accordance with international standards.

- Continue implementing the law on the independent and neutral observation of elections, in particular through the involvement of the relevant civil society bodies.
- Continue the implementation of legislative measures designed to encourage equal access to electoral office and elective functions for women and men, and efforts to increase the participation of women in politics.
- Encourage the implementation by Morocco of measures to allow Moroccan citizens resident abroad to exercise their right to vote and to be elected.
- Build and strengthen the capacity for action and independence of the National Human Rights Council (CNDH) and the Ombudsman's Office.

Modernisation of public administration

- Guarantee equal access to public services, equitable national coverage and continuity
 of service, and compliance by public services with standards of quality, transparency,
 accountability and responsibility. Adopt and implement to that end a public service
 charter laying down a body of rules on good governance for the operation of public
 authorities.
- Strengthen reception, guidance and complaints handling structures in public administrations and devise training programmes for reception staff.
- Modernise the management of human resources in the public service.
- Simplify administrative procedures.
- Provide training on EU policies.
- Promote gender equality in the civil service, in particular access for women to decisionmaking positions.
- Cooperate in the evaluation of public policies.

2.2 Devolution, decentralisation and regionalisation

Consolidate the process of administrative and budgetary decentralisation and devolution

- Implement administrative devolution.
- Develop managerial and technical capacity and capacity in the training and management of human resources in local government.
- Implement the law on the finances of local government and local government groups.
- Simplify local taxation and improve taxation yields.
- Build the capacity of local authorities to assess and exploit their full tax potential.
- Foster partnership and cooperation initiatives between Moroccan and European local authorities.

- Implement the extended regionalisation process, specifically by adopting and implementing the organic law establishing the framework and procedures for the functioning of local authorities.
- Build capacity in the authorities supporting and managing the regionalisation project, particularly as regards the design of a finance and equalisation model, the appropriate administrative organisation and the development of partnership and contracting capacity.
- Make local services more professional and improve project management.
- Encourage cooperation initiatives between Moroccan local authorities and the EU's Committee of the Regions.

2.3 Reform of the justice system

Reform of the judiciary and strengthening its independence

- Underpin the independence of the judiciary and ensure its effective operation, and establish a Supreme Judicial Council.
- Implement the necessary reforms to guarantee the independence of judges, particularly as regards their appointment, promotion, retirement and discipline.
- Revise the status of the offices of judge and clerk, and the legal framework of the various legal professions.
- Improve universal access to justice and make free access more widely available for those without sufficient means where the law so allows.
- Guarantee the right to a fair trial, the principle of the presumption of innocence and the right to effective judicial remedy.
- Finalise the new Criminal Code and revise the Code of Criminal Procedure and the Civil Procedure Code in line with international standards.
- Set up a National Crime Observatory.
- Develop alternative methods of dispute resolution, e.g. mediation, arbitration and conciliation, and alternatives to imprisonment, including a system for monitoring defendants.
- Continue decentralisation of the courts, revise the judicial map and organisation of the judiciary.
- Simplify and improve judicial procedures, including shortening the length of procedures and trials so that judgments are delivered and enforced within a reasonable time limit.
- Improve legal assistance to detainees in accordance with the law.

- Ensure further training for judges and other legal staff in the following areas: human rights, international conventions, the rights of defendants, and business law.
- Reinforce family courts within the courts of first instance in order to support enforcement of the new family code.
- Build capacity among juvenile court judges and criminal investigation departments dealing with juveniles.
- Develop social support capacity and infrastructure, including social workers and bodies responsible for monitoring and the rehabilitation of juveniles.
- Ensure the application of international standards on juvenile justice, including the 1985 United Nations Standard Minimum Rules for the Administration of Juvenile Justice ('the Beijing Rules') and the 1990 Guidelines for the Prevention of Juvenile Delinquency ('the Riyadh Guidelines').

Improving detention conditions

- Guarantee full respect of the rights of detainees throughout their detention.
- Ensure institutional strengthening of the General Delegation for Prison Administration and Reintegration, with particular reference to training, safeguarding prisoners' rights (improving prison conditions), preventing prison overcrowding and prisoner rehabilitation.
- Guarantee the physical and moral integrity of the individual and step up the fight against impunity in cases of abuse, including in the context of obligations arising under the International Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment.
- Train managers and guards by developing their expertise in the areas of teaching and security, and in relation to human rights.
- Construct new teaching centres in prisons.
- Cooperate on improvements in prisoner rehabilitation.
- Improve prison conditions through a programme of prison construction and renovation to reduce overcrowding.
- Implement decentralisation by setting up nine regional directorates for decentralised, local prison management.

2.4 Promotion and protection of human rights and fundamental freedoms

Uphold, promote and protect human rights and fundamental freedoms in accordance with international standards

• Continue efforts to bring Moroccan legislation into line with international human rights standards.

- Accord duly ratified and published international conventions supremacy over domestic legislation and bring national law into line with these conventions (preamble to the Constitution).
- Complete the process of transposing and implementing the Optional Protocol to the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).
- Implement the recommendations passed by the Committee on the Elimination of Racial Discrimination (CERD) at its 77th session in Geneva in August 2010 following examination of the periodic report on Morocco.
- Deposit with the United Nations the instruments of Morocco's accession to Optional Protocol No 1 to the International Covenant on Civil and Political Rights (ICCPR) regarding the complaints procedure, the Option Protocol to CEDAW and the Optional Protocol to the Convention against Torture.
- Ratify the International Convention for the Protection of All Persons from Enforced Disappearance.
- Pursue the implementation by Morocco of the recommendations of the Universal Periodic Review of the UN Human Rights Council.
- Examine the advisability of Morocco's being given a standing invitation to UN special procedures.
- Continue the consultations on ratification of the Rome Statute of the International Criminal Court.
- Increase legal protection of the right to life, maintain the de facto moratorium on the death penalty and continue the dialogue on the revision of the Criminal Code with a view to abolition of the death penalty and on accession to Optical Protocol No 2 to the ICCPR.
- Continue implementation of the body of recommendations by the Justice and Reconciliation Commission, in particular by implementing a national strategy to combat impunity.
- Adopt and implement a national democracy and human rights action plan.
- Step up dialogue and cooperation on efforts to combat racism and xenophobia.
- Adopt and implement the organic law making Amazigh an official State language along with Arabic.
- Consolidate efforts to promote and preserve the cultural rights of Morocco's different ethnic components (in particular those under way in the audiovisual field) and protect the dialects spoken in Morocco; set up a National Council of Moroccan Languages and Culture to this end.
- Guarantee the freedom of religious worship.

Promote efforts to combat all forms of discrimination under Article 26 of the ICCPR.

2.5 Freedom of expression, in particular in the audiovisual field, and freedoms of association and assembly

Ensure the protection of fundamental freedoms in accordance with international standards

- Strengthen guarantees relating to freedom of expression in line with international standards.
- Adopt a new press code in line with international human rights standards and support
 the development and implementation of a code of ethics by journalists; consider
 reducing or abolishing measures involving deprivation of liberty for journalists and
 guaranteeing the protection of sources used by them in the performance of their
 duties.
- Implement effective press self-regulation by ensuring strict respect for democracy, ethics and codes of conduct in accordance with international standards.
- Complete the introduction of a National Press Council.
- Introduce reforms to encourage media pluralism and independence, in particular financial independence, including by means of market liberalisation in the media and advertising sectors.
- Strengthen the role of the High Authority of Audiovisual Communication in the liberalisation of the audiovisual sector, promoting pluralism in the media and encouraging the expression of a plurality of ideas and opinions.
- Consolidate pluralism in the audiovisual sector both externally (plurality of operators) and internally (plurality of content) with a view to ensuring the necessary resources for the production of diversified content, and in particular the establishment of a professional and effective audiovisual information system.
- Adopt and implement legislative measures on the right of access to information held by public administrations, elected institutions and bodies with a public-service mission.
- Introduce mechanisms for pre-trial mediation in relation to press offences.
- Apply the existing legislation on the right of association effectively and improve systems for appealing against the decisions or omissions of public authorities.
- Amend the law on street demonstrations and public gatherings so as to reconcile the interests of public order with the safeguarding of fundamental rights and freedoms.
- Adopt and implement the organic law on arrangements for exercising the right to strike in consultation with the social partners.

2.6 Promotion of women's rights

Promotion of the civil, political, social and economic rights of women and equality between men and women in all areas

- Implement the CEDAW and the principle of equal rights and freedoms in the civil, political, economic, social, cultural, educational and environmental fields.
- Work towards equality between men and women, the establishment of an Equality Authority and the combating of discrimination in all its forms.
- Implement the government's 2011-2015 gender equality agenda as a government action plan for mainstreaming gender equality in public policies.
- Implement the conclusions of the Euro-Mediterranean meeting on the role of women in society (Marrakesh, November 2009).
- Implement and strengthen mechanisms and structures to promote and protect women's rights.
- Pursue the introduction of mechanisms and means for enhanced implementation of the Family Code by all parties concerned, continue efforts to raise judges' awareness and train them in the principles and objectives of the Family Code, and strengthen the family courts by providing them with adequate human and material resources.
- Set up and operate a Family Solidarity Fund.
- Finalise the legislative framework for combating violence against women (through reform of the criminal law and adoption of an act on violence against women).
- Reinforce implementation of the equality measures in the Labour Code.

2.7 Promote the rights of children and the vulnerable, in particular people with disabilities

Ensure that the rights of children and people with disabilities are protected in line with international standards

- Strengthen the mechanisms for ensuring effective implementation of the Labour Code prohibition on the employment of children under the age of 15 in line with International Labour Organisation (ILO) Conventions 182 and 138.
- Adopt and implement the act on the working and employment conditions applicable to domestic employees.
- Extend application of the healthcare scheme (RAMED) for the disadvantaged.
- Adopt and implement the act on the rights of persons with disabilities.
- Set up a Family and Children's Advisory Council and a Youth and Community Action Advisory Council.

2.8 Cooperation between Morocco, the European Union and the Council of Europe

Develop cooperation between Morocco and the Council of Europe, in particular in the Council's areas of expertise, and identify synergies between the main themes of this cooperation and action in the context of the Morocco-EU partnership

- Initiate cooperation between Morocco's CNDH and the Council of Europe's Commissioner for Human Rights to promote human rights.
- Ensure Morocco's gradual accession to the relevant Council of Europe conventions on the protection of fundamental rights that are open to the participation of non-members of the Council of Europe in accordance with the Council's accession procedures, in particular the following:
 - the Convention on Cybercrime and the Additional Protocol thereto;
 - the Convention on Action against Trafficking in Human Beings;
 - the Convention on the Exercise of Children's Rights;
 - the Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse;
 - the Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism;
 - the Conventions on the Fight against Corruption, and the Additional Protocol thereto;
 - the Convention on the Prevention of Terrorism;
 - the Convention on Mutual Assistance in Criminal Matters, and the second Additional Protocol thereto;
 - the Convention for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment;
 - the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data;
 - the conventions in the field of audiovisual communication and support for Moroccan accession to the European Audiovisual Observatory.
- Implement the tripartite cooperation process.
- Pursue Partner for Democracy status with the Council of Europe Parliamentary Assembly.
- Foster cooperation initiatives between Moroccan local authorities and the Council of Europe's Congress of Local and Regional Authorities.
- Take advantage of the expertise of the Commission for Democracy through Law (Venice Commission), which Morocco joined in 2007.

 Align Morocco's legal framework on that of the Council of Europe in the field of human rights.

2.9 Fight against corruption

Cooperation in tackling corruption

- Implement the United Nations Convention and other relevant instruments in relation to preventing and combating corruption.
- Continue cooperation with the OECD on preventing and combating corruption.
- Continue updating and harmonising Moroccan legislation on preventing and combating corruption.
- Implement the action plan of the national strategy for preventing and combating corruption.
- Build public capacity for the objective assessment of policies on preventing and combating corruption.
- Map corruption risks following a dual approach from a regional and sectoral perspective.
- Increase the transparency, simplification and automation of procedures at public administration level and implement e-government objectives.
- Reinforce inspection, control, monitoring and accounting institutions with a view, *inter alia*, to ensuring transparency in their decisions and developing coordination between them.
- Strengthen the rules on integrity and transparency in public finance management, devolved management of public services and procurement.
- Establish and develop the role, independence and capacities of the National Agency on Probity and the Fight against Corruption.
- Increase civil society participation in the prevention of corruption.
- Support the establishment of anti-corruption legal assistance centres.
- Strengthen the financial courts, including the Court of Auditors.
- Implement the act on the protection of victims and witnesses of corruption.

To achieve all the objectives in the section headed 'Towards an area of shared values', Morocco will continue in its efforts to raise awareness among all parties and stakeholders concerned at national level of the importance of following the principles and values laid down by the Council of Europe's European Convention on Human Rights, the EU Charter of Fundamental Rights, the Partial Agreements of the Council of Europe, and the relevant EU directives. A list of the items of European legislation to be taken into consideration for the

purposes of this exercise is attached to this document for information (see Annex I). Efforts to raise awareness will also entail the national legislature taking these values and principles into account when formulating national legislation.

3. JUSTICE AND SECURITY COOPERATION

3.1 Judicial cooperation in civil and criminal matters

Adoption of legislation for judicial cooperation between States

- Implement the principal international conventions, e.g.:
 - the 1965 Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters;
 - the 1970 Hague Convention on Taking of Evidence Abroad in Civil or Commercial Matters;
 - the 1980 Hague Convention on the Civil Aspects of International Child Abduction;
 - the 1996 Hague Convention on Jurisdiction, Applicable Law, Recognition, Enforcement and Cooperation in Respect of Parental Responsibility and Measures for the Protection of Children:
- Step up the dialogue on the international protection of children and family law issues in the context of Morocco's participation in the Judicial Conference on Cross-Frontier Family Law Issues, the 'Malta Process' initiated by The Hague Conference on private international law.
- Devise practical solutions to anticipate, manage and resolve conflicts pertaining to parental responsibility, in particular child abduction.
- Conclude a cooperation agreement between Morocco and the European Judicial Cooperation Unit (EUROJUST), taking due account of the requirements for the protection of personal data.

3.2 Police cooperation

Continue the development of cooperation between the police authorities of Morocco and the Member States

- Promote police cooperation on best practices.
- Enter into a strategic cooperation agreement between the relevant Moroccan authorities and the European Police Office (EUROPOL).
- Conclude a cooperation agreement between Morocco and the European Police College (CEPOL), and Moroccan participation in CEPOL training initiatives.
- Set up a Higher Institute of Crime Prevention.

3.3 Cooperation in action to combat terrorism

Continue to develop and step up cooperation on preventing and combating terrorism

- Step up cooperation on preventing and combating terrorism, and on prevention, intelligence and judicial and police cooperation plans.
- Continue implementation of UN Security Council Resolutions 1988/11, 1989/11 and 1373/01, and ratify all relevant international conventions and protocols.
- Continue cooperation within COTER.
- Implement anti-terrorism legislation, including legislation on the prevention of and the fight against terrorism financing, whilst ensuring due respect for human rights.

3.4 Cooperation in tackling organised crime

Ratify and implement international instruments to combat organised crime

- Implement the United Nations Convention against transnational organised crime and the Additional Protocols thereto on the smuggling of migrants by land, air and sea, against the illicit manufacturing of and trafficking in firearms, their parts and components and ammunition, and on preventing, suppressing and punishing trafficking in persons, especially women and children.
- Formulate legislation in accordance with the relevant international standards and instruments.
- Formulate legislation on preventing and combating the trafficking of human beings in line with international standards and instruments.
- Step up initiatives aimed at the most vulnerable groups (women and children).
- Provide training on mechanisms to prevent and combat organised crime, and on the trafficking of human beings in particular, including the identification of, protection for and assistance to victims of trafficking.
- Improve instruments for analysing the nature of the crime, and trafficking and exploitation mechanisms.
- Exchange information and best practice on preventing and combating cybercrime.

Develop methods for combating human trafficking

- Strengthen the global strategy targeting the recruiters, transporters and exploiters of these people, other intermediaries, clients and beneficiaries.
- Introduce specialised training for judges, police and border officials.

3.5 Prevention measures and the fight against drugs and drug-trafficking

Step up efforts to combat drug-trafficking, including the transport and export of drugs, and drug addiction, in particular through prevention in the context of the implementation of the different components of the national anti-drugs strategy

- Strengthen the national strategy on prevention and the fight against drugs, including action to cut demand and supply, on prevention and on developing the regions.
- Continue dialogue on prevention measures and the fight against drugs.
- Initiate cooperation with the European Monitoring Centre for Drugs and Drug Addictions (EMCDDA), with a view to operations with the national monitoring centre for drugs and drug addictions.
- Introduce specialist training initiatives aimed at law enforcement agencies and staff (in particular the police), care and treatment.
- Build capacity at the National Narcotics Commission.
- Cooperate in the continued process of eradicating the cultivation of cannabis and introduce alternative development programmes.
- Develop programmes in Morocco for the prevention, treatment and rehabilitation of drug addicts, including programmes developed together with the competent Council of Europe bodies.
- Develop specific structures for the health and social care of persons affected by drug addiction.
- Cooperate in the drafting of laws on the diversion of chemical precursors and other substances used in the production of drugs.

3.6 Money laundering and economic and financial crime

Strengthen cooperation efforts to combat money laundering and the financing of terrorism

- Implement Article 61 of the Association Agreement.
- Exchange information on legislation, practices, European typologies and international instruments (in particular the recommendations of the Financial Action Task Force (FATF)) relating to the prevention of and fight against money laundering and the financing of terrorism.
- Continue development of the legal and regulatory framework for preventing and combating money laundering and the financing of terrorism in accordance with FATF recommendations.
- Strengthen national mechanisms for preventing and combating money laundering and the financing of terrorism.

- Strengthen the exchange of information between the European system of Financial Intelligence Units (FIUs) and the Moroccan system, in particular in the framework of the Egmont Group.
- Develop a training programme for judges, prosecutors, police forces and other authorities concerned.
- Build the capacity of Morocco's FIU and strengthen its role in prevention.
- Conduct campaigns to raise taxpayer awareness.
- Develop procedures for monitoring and overseeing taxpayers.

3.7 Border management, mobility of persons and migration policy, international protection and asylum

Pursue dialogue on migration, mobility and security with a view, *inter alia*, with a view to:

- better organised legal migration;
- maximising the positive impact of migration on development;
- effectively combating illegal migration and human trafficking, including cooperation in relation to readmission and better border controls;
- promoting international protection and strengthening asylum policy;
- promoting and respecting the rights of migrants, whether they are Moroccan nationals residing in the EU or third-country nationals in Morocco;
- promoting initiatives for the integration of Moroccan migrants legally entering the EU and the social and professional reintegration of Moroccans returning to their home country.

The objective of the dialogue is to conclude a Partnership for Mobility under which initiatives on migration, mobility and security will be agreed and implemented by both parties. The measures identified through the dialogue might include, for example, better access to legal migration channels, a relaxation of procedures for obtaining visas (drawing, for instance, on the EU Visa Code), readmission to the country of origin, and social and professional reintegration in cases of voluntary return.

The Partnership for Mobility is designed as a long-term cooperation framework in line with the Comprehensive Approach to migration and mobility issues and Moroccan policy on these matters and based on the policy dialogue and the cooperation that will develop over time out of the relationship between Morocco and the EU.

Development of international protection and asylum policy through:

• the strengthening of Morocco's legislative and institutional framework for the right of asylum in line with international standards and the Moroccan Constitution;

- the continued implementation of the principles of the 1951 Geneva Convention and the 1967 Protocol thereto, for example in relation to methods for identifying migrants requiring international protection, application of the principle of non-refoulement, the consequences of obtaining refugee status;
- the strengthening of public migration policies by taking account of the requirements of international protection and the need to offer refugees sustainable solutions which would also allow them to be integrated;
- continued cooperation with the United Nations High Commissariat for Refugees (UNHCR) in the framework of its work in Morocco and the development of national structures to deal with the whole of the asylum procedure.

3.8 Personal data protection

Ensure a high level of personal data protection in the development of information-society applications, public databases and electronic communication

- Step up cooperation between the National Commission for the Protection of Personal Data and similar bodies in Europe responsible for monitoring the processing of personal data.
- Ensure the protection of personal data in the context of the development of e-commerce (electronic signatures, domain name management, etc.).

4. PEOPLE-TO-PEOPLE LINKS

4.1 Parliamentary cooperation

- Strengthen the role of the EU-Morocco Joint Parliamentary Committee;
- Build the Parliament's technical, organisational and legislative capacities;
- Ensure cooperation between Morocco's Parliament and the European Parliament with a view to strengthening the partnership between Morocco and the EU, in particular through the implementation of this Action Plan.

4.2 Foster exchange and consultation networks between civil-society stakeholders and involve new stakeholders

- Build the organisational, managerial and advocacy capacity of community stakeholders in Morocco.
- Foster exchanges between Moroccan and European NGOs.
- Facilitate access to new information and communication technologies by civil society, in particular youth groups and clubs.
- Strengthen the role of regional development agencies in the implementation of cooperation programmes, exchanges of experience and building the capacities of civil society stakeholders.

• Establish stronger dialogue between the EU (including the Agency for Fundamental Rights) and Morocco's CNDH.

4.3 Develop a structure for relations between Moroccan local authorities and the EU and with the Committee of the Regions

- Step up exchanges between Moroccan and European local authorities in the framework of the Euro-Mediterranean Regional and Local Assembly (ARLEM).
- Promote the development of cooperation projects by local authorities, in particular through development agencies.
- Promote multi-level governance and cooperation at different institutional levels.
- Strengthen local government and set up modernisation and training programmes for local and regional authorities.

4.4 Cooperation between Morocco's Economic and Social Council and the European Economic and Social Committee

Strengthen ties and promote structured cooperation between Morocco's Economic and Social Council and the European Economic and Social Committee

- Establish structured cooperation and regular dialogue between the two institutions.
- Promote social dialogue between the social partners and civil society organisations in Morocco and EU organisations.
- Exchange information, publications and databases as a contribution to developing activities and enriching discussions in the two institutions.
- Arrange joint conferences on subjects of common interest.

4.5 Cooperation between the Ombudsman's office and the European Ombudsman

Establish structured cooperation and regular dialogue between the two bodies

- Enhance expertise in the field of mediation.
- Develop an action programme for the agreement under negotiation, covering the following:
 - mechanisms to strengthen the rights of citizens in dealings with public authorities;
 - mechanisms for raising ethical standards in the public sector;
 - mechanisms for spreading the culture of human rights and the principles of sound administration.
- Coordinate action by both institutions within international bodies.

4.6 Cultural cooperation

- Complete the procedure for ratifying and implementing the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions.
- Step up cultural cooperation with a view to promoting intercultural dialogue.
- Work in international forums, e.g. UNESCO, to promote and protect cultural diversity.
- Promote dialogue and cooperation on preserving and enhancing the historical heritage and the development of cultural industries.
- Step up Morocco's participation in cultural cooperation programmes in the Mediterranean region (EuroMed Heritage and EuroMed Audiovisual) by involving the relevant Moroccan bodies, e.g. the High Authority of Audiovisual Communication, the Royal Institute for the Amazigh Culture (IRCAM), the Council for the Moroccan Community Abroad (CCME), etc.
- Modernise and improve the management of the cultural sector (public and private).
- Develop Morocco's role in the promotion of intercultural dialogue by strengthening the cultural industries with a view to increasing the production and dissemination of audiovisual content reflecting, *inter alia*, values and aims shared with the EU.
- Cooperate with the Council of Europe's North-South Centre.
- Cooperate in the redrafting of the Moroccan National Plan for the Alliance of Civilisations.

B. TOWARDS A COMMON ECONOMIC AREA

5. ECONOMIC AND SOCIAL REFORM

5.1 Macroeconomic framework

Consolidate the progress achieved with a view to improving the macroeconomic performance and promoting growth, employment and development

- Further consolidate the stability of the macroeconomic framework, including promotion of a sustainable current account position and the development of foreign trade in the economy.
- Pursue a prudent budget policy with a view to medium-term budgetary consolidation to ensure the stability and viability of public finances.
- Continue the public-debt reduction policy.

- Build operational capacity in the Central Bank for implementing a policy on supervising the banking system and controlling inflation.
- Strengthen the financial management system, in particular through exchanges of expertise.
- Diversify the sources of economic growth.
- Continue public administration reform.
- Continue efforts to reform the system of subsidies for the prices of energy and certain foods so as to reduce the budgetary burden and ensure the viability of public finances through appropriate targeting, particularly for the benefit of low-income groups.

5.2 Taxation

Continue the development of a tax policy and tax administration in line with international and European standards

Secure the level of public revenues and improve the equity of the tax system

- Continue reforming derogation arrangements and limit the creation of new exemptions.
- Broaden the tax base.
- Continue VAT reform by simplifying and improving its economic neutrality.
- Continue income tax reforms.
- Develop taxpayer compliance and introduce gradual taxation of the informal sector.

Modernisation of the tax administration

- Continue computerisation of the services provided by the Directorate-General of Taxes (DGI).
- Continue simplification of the tax system, in particular the harmonisation of deadlines for returns, appeals and penalties.
- Improve the effectiveness and efficiency of tax inspection through new approaches, e.g. a risk-based approach combined with targeting, and by equipping the DGI with automatic audit programming facilities.
- Improve internal control systems: traceability of decisions; internal management procedures; management audit and inspection; performance-indicator monitoring instrument; scoreboard (tableau de bord); etc.
- Improve the quality of the service in general, and of client-handling in particular.

Tax cooperation and gradual convergence with the European corporation tax system

- Continue and extend dialogue on implementing the principles of good tax governance, including the EU code of conduct on business taxation.
- Implement the provisions on investment-friendly taxation of the Euro-Mediterranean Charter for Enterprise provisions.
- Train DGI managerial staff.

5.3 Management and control of public finances

Increase the transparency, effectiveness and efficiency of methods for programming, managing, implementing and controlling public spending

Continue development of sound management of public finances

- Adopt the new Organic Law on the Budget Act currently being drafted, which establishes the principles of:
 - multiannual programming,
 - performance-based management,
 - budgetary transparency through recasting of the budgetary structure to focus on the concept of programmes,
 - budgetary sustainability through the introduction of new rules,
 - a stronger and clearer role for Parliament in the budget process.

Continue the modernisation of public accounting, including a gradual switch to accrual systems

- Extend the public expenditure management information system.
- Build the capacity of administrations, particular decentralised administrations, and managers responsible for budget management.
- Modernise the local public finance management system.

Modernise the system of internal public expenditure controls

- Continue building the capacity of the administrations (Inspectorate General of Finance (IGF), Inspectorate General of Ministries (IGM) and Inspectorate General of Local Authorities (IGAT)) responsible for auditing and verifying the legality and performance of public spending.
- Continue gradual alignment on international standards and methodologies (International Federation of Accountants IFAC, Institute of Internal Auditors IIA, International Organisation of Supreme Audit Institutions INTOSAI) and EU best practices in the area of control and audit of public revenue and expenditure.

- Introduce legislation on the accountability of management (authorising officers), auditors and accountants in the public sector.
- Build capacity for more effective implementation of the legislation on State financial control of State-owned enterprises.
- Arrange exchanges of experience and expertise between Moroccan public-finance control and audit bodies and their European counterparts.

Strengthen the system of external oversight of public expenditure

- Strengthen the capacity of the National Audit Office.
- Arrange exchanges of experience between Morocco's National Audit Office and the external audit bodies of EU Member States.
- Underpin budgetary democracy by strengthening the Parliament's capacity and powers to scrutinise the adoption and implementation of the annual budget.

5.4 Structural reforms to make the Moroccan economy competitive

Structural reform and progress toward a functioning and competitive market economy

- Continue the reforms aimed at improving the business climate, including the ongoing
 work on the Investment Charter, and physical infrastructure with a view to sustaining
 investment, increasing competitiveness and creating employment.
- Set up an early warning and consultation mechanism for measures having an impact on trade and investment.
- Implement the outline plan for integrated industrial platforms and business areas under the National Pact for Industrial Emergence and the Rawaj Plan for trade and distribution.
- Improve the availability of industrial and commercial sites.
- Continue implementation of measures aimed at increasing productivity and training the labour force in growth sectors of the economy, in particular those mentioned in the National Pact for Industrial Emergence (aeronautical, automobile, electronic, offshore, agri-food and textile industries).
- Conduct strategic and commercial studies on the development of industrial sectors and new business niches.

5.5 Employment (including fundamental social rights and core labour standards) and social policy

Step up dialogue and cooperation on employment, social policy and gender equality

Promote gender equality

- Actively promote gender equality at all levels (employment, education, training, entrepreneurship and decision-making).
- Pursue policies on equal opportunities and combating gender stereotyping.
- Strengthen the protection for pregnant women in the workplace.

Strengthen fundamental social rights and core labour standards

- Establish conditions conducive to the ratification of ILO Convention 87 on Freedom of Association and Protection of the Right to Organise.
- Strengthen monitoring of the implementation and effective application of the legal provisions relating to ILO Conventions 29, 87, 98, 100, 105, 111, 138 and 182.
- Strengthen mechanisms for monitoring application of the provisions of labour legislation, including those on child labour.
- Continue negotiations with the economic and social partners on the adoption of the organic law on exercising the right to strike.
- Develop appropriate and independent social dialogue structures (bipartite and tripartite), including capacity-building of the social partners.
- Promote corporate social responsibility and the development of business practices complying with the United Nations Global Compact, the ILO Tripartite Declaration on Multinational Enterprises and Social Policy and the relevant OECD practices.
- Strengthen the system for promoting and monitoring health and safety in the workplace, including through related training measures, institution of the precautionary principle, the prevention of occupational risks relating to the handling of dangerous or toxic substances, and the exchange of best practices and analyses in this area with a view to reducing accidents and occupational diseases.
- Align national legislation on the general principles of the EU directives concerning the prevention of occupational risks, the protection of health and safety, the elimination of risk and accident factors, the informing, consultation, balanced participation in accordance with national laws and/or practices and training of workers and their representatives², and support its implementation by the National Institute for Working Life.
- Improve methods for registering accidents at work and for the transparent and coherent handling of all statistics on such accidents.

Implement policies on employment, employability and decent work with a view to generating employment and tackling unemployment. Promote access to decent productive employment in the official economy

• Develop the policy of employment, employability and decent work in Morocco taking account of the guidelines of the European strategy on employment and the

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Provided for in Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work, OJ L 183, 29.6.1989.

action framework agreed by the EuroMed Ministerial Conference on employment in Marrakesh in November 2008, in accordance with the principles of justice and social equity, and in particular:

- raise the participation rate in the formal productive sector and of women, and increase the proportion of the self-employed in the working population;
- develop training leading to qualifications (particularly apprenticeships and sandwich training), in particular for young people with a view to increasing their employability;
- ensure that qualifications are more adapted to labour market requirements, and in particular facilitate the integration of young people and women into productive, formal employment;
- implement a system for evaluating and monitoring job-creation measures in order to increase their effectiveness and tailor them more to labour market requirements; develop the capacity of the National Agency for Employment and Skills (ANAPEC);
- implement the integrated decent work programme after its adoption by Morocco and the ILO, and monitor its objectives and indicators.

Promote the adoption and implementation of a general social protection and inclusion policy scheme

- Adopt and implement a loss-of-job compensation scheme.
- Continue the drive for a sustained reduction in the numbers of people living in absolute or relative poverty or in a vulnerable situation.
- Continue the drive for a sustained reduction in the levels of social exclusion (e.g. percentage of the population living in shanty towns).
- Pursue cooperation with a view to achieving Morocco's target of poverty reduction and improving social cohesion.
- Guarantee active social inclusion for all by encouraging participation in the labour market, in particular for the most vulnerable groups.
- Introduce practical administrative and regulatory measures for the socio-occupational integration of people with a disability.
- Extend compulsory health insurance to all socio-occupational categories (in particular self-employed workers, professionals and students).
- Exchange best practices with a view to extending the coverage and increasing the level of social protection, in particular for the most disadvantaged sections of the population.
- Guarantee the financial sustainability of the social protection system.

Widen the system of medical insurance to provide good basic healthcare to the whole population (in particular the socially disadvantaged)

- Reduce the average direct expenditure of households ('out of pocket' expenditure), in particular for the most vulnerable sections of the population.
- Increase the numbers of people actually covered by a health insurance or medical care scheme.

<u>Convergence</u>: To implement the above reforms and for the purposes of regulatory convergence, Morocco must take account, with the EU's support, of the relevant European directives on health and safety at work (development of the new legislative and regulatory framework on the prevention of occupational risks), gender equality, protection against discrimination and labour law, and of the EU Charter of Fundamental Rights.

5.6 Regional and local development

- Consolidate the development process at local level:
 - strengthen the institutional and financial resources of municipalities, particularly rural municipalities ('Communes 2015');
 - ensure the general application of municipal development plans (preparation, adoption, periodic review);
 - promote cooperation between municipalities;
 - modernise municipal administration by introducing computerisation, automation and improving the quality of services to citizens;
 - strengthen partnership between local authorities, the private sector and non-governmental organisations with a view to the construction and management of local and regional infrastructure and facilities;
 - exploit the tax potential of local authorities.
- Ensure a faster reduction in disparities between regions and between rural and urban areas:
 - formulate and implement regional development policies and policies focusing on specific areas (e.g. mountain regions);
 - develop and implement regional development plans in the 16 regions;
 - reduce disparities in access to basic social and economic infrastructures;
 - build the capacities of regional and local development stakeholders;
 - at the next joint evaluations (Morocco, Commission) of the implementation of the Euro-Mediterranean Charter for Enterprise, subject to the availability of financing, assess whether the Charter is known and applied in the country as a

- whole, including outside economic development centres, and its impact in the various regions and for final beneficiaries;
- step up cooperation through the regional and crossborder programmes between Morocco and the EU with a view to reducing imbalances in the development of regions and increasing their prosperity.

5.7 Human and social development

- Seek greater efficiency in National Human Development Initiative (NHDI) projects.
- Step up monitoring and evaluation of NHDI projects.
- Promote micro-projects that create jobs and generate a steady income.
- Increase the participation of women, young people and people with special needs in the NHDI's governing bodies.

5.8 Sustainable development

- Implement the sustainable development elements of the National Charter for the Environment and Sustainable Development by finalising the framework act.
- Continue introducing structures and procedures for strategic planning in the sustainable development field and ensure coordination between stakeholders.

6 TRADE, MARKETS AND REGULATORY REFORM

6.1 Alignment of Morocco's legislative framework with that of the EU in these areas

- Create machinery for identifying differences between Moroccan legislation and the Community acquis with a view to facilitating the setting-up of a national convergence programme.
- Identify priority sectors for regulatory alignment, the national resources needed and the order of its roll-out.

6.2 Trade relations, including conclusion of a Deep and Comprehensive Free Trade Agreement

In accordance with the recommendations of the Euromed road map and the objectives set out in the joint document on advanced status, the two parties will seek first to conclude a Deep and Comprehensive Free Trade Agreement (DCFTA), leading to a common economic area in the fullness of time.

Implementation of the undertakings in the AA, Title II (Free movement of goods)

• Monitor issues concerned with the trade part of the EU-Morocco Association Agreement, in particular with a view to the reciprocal elimination of tariff and non-tariff restrictions on the import and export of goods.

- Pursue and step up liberalisation of trade in goods in line with sectoral policies.
- Implement and monitor the agreement on liberalisation of trade in agricultural products, processed agricultural products, fish and fishery products.
- Train staff and build administrative capacity in international trade.

Contribute to the creation of the Euro-Mediterranean free trade area

- Continue implementation of Free Trade Agreements with the Mediterranean partners at regional, intra-regional or bilateral levels.
- Implement and monitor the agreement on trade dispute settlement, including support for the training of a core group of Moroccan international trade arbitrators to participate in dispute settlement proceedings.
- Monitor implementation of the Agadir Agreement in all areas presently covered.
 Work to increase the number of areas covered, for example by including services and
 investment, and encourage extension of the Agadir Agreement to other countries of
 the region.
- Implement initiatives to strengthen the Euro-Mediterranean partnership, notably the setting-up of a Euro-Mediterranean mechanism to facilitate trade and investment that will include an early warning and rapid consultation system for measures that will have an impact on trade and investment.
- Strengthen cooperation and dialogue in the drafting and use of trade defence instruments.
- Continue the ongoing bilateral negotiations on liberalisation of the trade in services and right of establishment.

Conclusion of a DCFTA

- Start negotiations with the aim of concluding an EU-Morocco DCFTA that will help their markets to gradually integrate.
- The DCFTA negotiations will cover the following sectors (non-exhaustive list since account will be taken of the priority sectors selected for legislative alignment:
 - technical regulations on industrial products, standards and conformity assessment;
 - public procurement;
 - capital movements and payments;
 - protection of intellectual property rights;
 - health and plant health issues;
 - competition policy;

- customs and trade facilitation;
- dialogue on trade defence instruments;
- further liberalisation of trade in services and investment protection;
- trade and sustainable development;
- examination of the possibilities of improving the preferences granted under the free trade agreement on agricultural products, processed agricultural products and fishery products, taking into account agricultural policy and the sensitivity and characteristics of the products concerned on both sides.

6.3 FACILITATE MARKET ACCESS FOR INDUSTRIAL PRODUCTS

6.3.1 Free circulation of industrial products (EU harmonised areas)

Facilitate market access for industrial products. Bring Moroccan legislation on industrial products further into line with international and European rules and practices

- In the advanced status framework continue aligning relevant legislation with the EU acquis and implementing it through improved infrastructure.
- Continue alignment of legislation on standards, technical regulations and conformity assessment with a view to gradual harmonisation with the European legal framework horizontally and in priority sectors.
- Strengthen the institutions responsible for standardisation (IMANOR), accreditation (COMAC), and conformity assessment, metrology and market surveillance, including exchanges of information and expertise and their integration into European and international structures and organisations, including membership in the European Cooperation for Accreditation (EA).
- Negotiate an agreement on conformity assessment and the acceptance of industrial products (ACAA) in sectors of common interest where the legislation and standards are the same as in the European Union;

6.3.2 Elimination of restrictions (EU non-harmonised areas)

Facilitate the movement of goods and improve administrative cooperation

- Continue efforts to prevent discriminatory measures and ensure that the parties concerned have the opportunity to raise problems.
- Strengthen the central contact point and the information point established under the Agreement on Technical Barriers to Trade in order to facilitate the transmission of information and cooperation between the EU and Morocco and between traders.
- Screen Moroccan legislation on the composition, labelling, manufacture and description of products to bring it into line with the existing EU general rules.

• Identify and examine non-tariff barriers and promote their elimination through the Euromed trade facilitation mechanism.

6.4 Sanitary and phytosanitary issues

Improve animal and plant health, ensure food and animal feed safety and facilitate EU-Morocco trade

- Continue implementation of the WTO Agreement on the application of Sanitary and Phytosanitary (SPS) Measures and the international standards of the World Organisation for Animal Health (OIE), the International Plant Protection Convention (IPPC) and the Codex Alimentarius.
- Upgrade rules on animal and plant health, food safety, animal feed and animal welfare in order to align them on EU rules and levels of protection, including rules on hygiene, identification and traceability, live animals, food products, animal feed, fishery products, etc. In particular:
 - adoption of laws and regulations drawn up and validated within the EU-funded twinning project 2007-2009;
 - adoption of laws and regulations implementing Law No 28/07 on food safety.
- Encourage agri-food industries, including the fishing industry, to adopt hygiene and safety standards in accordance with Law No 28/07.
- Cooperate in the field of pesticide registration, control of residues and contaminants in food and feed and measures against to protect against the introduction of organisms harmful to plants or plant products.
- Cooperate with the National Office for Food Safety (ONSSA) in order to:
 - improve the prevention and eradication of contagious animal diseases;
 - implement the new food safety rules (Law No. 28/07);
 - ensure inspection posts at borders are in compliance;
 - upgrade laboratories in order to obtain their accreditation.
- Continue cooperation with the ONSSA to implement, in particular, a regionalised animal-health system to facilitate Morocco's exports under the EU-Morocco free trade agreement in goods.
- Continue cooperation on health alerts and the Rapid Alert System (RASFF) in accordance with EU procedures.
- Continued Moroccan participation in the Trade Control and Expert System (TRACES).
- Cooperation with the ONSSA with the aim of setting up a system of licensing agri-food establishments (food of animal origin). This system must:

- (a) protect consumer health in Morocco;
- (b) serve as a tool to increase transparency, predictability, and confidence in the controls and so facilitate trade;
- (c) (be based on an assessment of the effectiveness of exporting countries' official inspection and certification systems (rather than specific products or establishments), in accordance with the principles and guidelines set out in international standards, in particular Codex Alimentarius Standard CAC/GL 26-1997;
- (d) ensure that the ONSSA's resources are used efficiently and effectively.

<u>Convergence</u>: To achieve these objectives, Morocco will set priorities and adopt the necessary laws and regulations (e.g. regulations implementing Law No 28/07 on food safety and draft laws drawn up and validated within the EU funded twinning project 2007-2009. With EU support, Morocco will take into account the relevant EU legislation for regulatory convergence in the veterinary and phytosanitary fields.

6.5 Agriculture and fisheries

Agriculture

Modernisation and capacity-building in agriculture with a view to trade liberalisation, in accordance with the perspectives of the Green Morocco Plan (Plan Maroc Vert - PMV)

- Develop 'solidarity agriculture' (Pillar II of the PMV), in particular small-scale agriculture in fragile, difficult regions. The following types of priority actions are proposed to strengthen the partnership programmes:
 - development of Mediterranean arboriculture in mountainous areas to help reduce poverty;
 - development of traditional local products, targeting products of interest to both parties;
 - improving economic conditions in agriculture, particularly as regards mechanisation, marketing, services to small farmers, technological innovation, research to improve productivity and quality, etc.);
 - development of high quality products, including organic products;
 - cooperation on geographical indications;
 - conservation of natural resources and biodiversity.
- Promote high quality products and consolidate trade through product networks.
- Facilitate, strengthen and promote partnerships between Moroccan and European professional organisations of agricultural producers.

- Enter into negotiations on a bilateral agreement to protect geographical indications three months after the entry into force of the agreement on the liberalisation of agricultural, agri-industrial and fisheries trade.
- Assist Morocco to meet in the short term the conditions for participation in pilot rural development projects (ENPARD programme) and in the medium term engage in the multiannual development of the initiative.

Regulations and standards for non-sanitary conformity and codes of good practice for agricultural and fishery products.

- Align legislation on non-sanitary conformity standards and codes of good practice for agricultural and fishery products with a view to gradual harmonisation with European legal framework.
- Capacity building and support for institutions in charge of the above work on agricultural and fishery products (the EACCE (Autonomous Body for Export Control and Coordination), ONSSA and others), principally through exchanges of information and their integration into European and international structures.
- Upgrade skills of professionals dealing with non-sanitary conformity regulation and standards.

Facilitate trade by eliminating non-tariff barriers on agricultural and fishery products.

- Updating of Moroccan legislation on labelling, composition, manufacture and presentation of food products and descriptions of agricultural and fishery products.
- Alignment on general EU principles concerning labelling of products containing meat, fat content, etc.

Improve implementation of regulatory alignment under PMV in accordance with the aim of convergence.

- Build capacity in legal matters and in agricultural policy making: presentation of internal and external EU regulations, including the various mechanisms of the common agricultural market organisations and the CAP.
- Improve intelligence gathering about products and markets in support of the new policy to modernise agriculture.

Fisheries

Ensure implementation of a framework for fisheries governance in line with the content and objectives of the 'Halieutis Plan' (PH) and with the common fisheries policy on the conservation and sustainable exploitation of fishery resources and areas of common interest.

- Ensure sustainability of resources (Objective 1 of the PH):
 - step up scientific research;
 - extend the total authorised catch (TAC) fisheries management system;

- modernise the fleet and adapt the fishing effort;
- continue efforts to stamp out illegal, unreported and unregulated (IUU) fishing;
- stimulate development of aquaculture.
- Optimise production (Objective 2 of the PH):
 - modernise port infrastructure and landing sites dedicated to fishing;
 - ensure the effective management of port areas.
- Enhance the added value of fishery products and their marketing conditions (Objectives 2 and 3 PH):
 - facilitate manufacturers' access to quality raw materials;
 - stimulate diversification and direct industrial output to the most promising markets;
 - structure and revitalise the domestic market;
 - facilitate trade in fishery products to help establish the free trade area;
- Mainstream cross-cutting issues:
 - public governance: strengthening the consultative role of professional associations and encourage dialogue between different parts of the sector;
 - legal framework: consolidation, clarification and modernisation;
 - controls and surveillance: to be strengthened throughout the production chain;
 - quality and hygiene: implementation of means to ensure traceability throughout the chain (link with 5.4);
 - human resources and employment: creation of an employment observatory in the fisheries sector (working conditions, enhancing the status of women, measures for adaptation to the economic environment);
 - creation of competitive hubs.

<u>Convergence</u>: To achieve these objectives Morocco, with EU support, will take account of the Regulation on the conservation and sustainable exploitation of fisheries resources under the common fisheries policy (Regulation (EC) No 2371/2002 and related acts) and of specific provisions of the CFP in areas of common interest, namely:

- integration of the environmental dimension;
- controls, monitoring and surveillance;
- support for research.

Implementation of the Halieutis Plan in accordance with the objective of regulatory convergence, mainly focusing on the sustainability of fishery resources

- Continue adoption and implementation of an appropriate new legal framework integrating European rules to stamp out IUU fishing into Moroccan legislation, in particular Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing.
- Develop capacity for monitoring and checking fishing activities and the legal movement of fishery products along the supply chain. Such capacity entails:
 - human resources trained for this purpose;
 - means for the electronic management of data consistent with the standards of the EU, the main recipient of Moroccan fishery products;
 - satellite tracking of the position of fishing vessels.
- Continue the adoption and implementation of a legal framework for the preservation of the marine environment and prevention of pollution.
- Provide the National Fisheries Research Institute (INRH) responsible for monitoring the quality of the marine environment with appropriate equipment and research and monitoring resources.
- Developing the aquaculture industry and supporting the institution responsible (National Agency for the Development of Aquaculture) by the adoption of a legal framework that offers incentives and complies with international standards for the protection of the environment will encourage investment in this area.
- Continue modernisation of the fishing fleet without increasing fishing capacity.
- (a) Ensure the implementation of and full compliance with the standards adopted in the framework of international and regional fisheries management organisations, including the International Commission for the Conservation of Atlantic <u>Tunas</u> (ICCAT) and the General Fisheries Commission for the Mediterranean (GFCM).
- Help regulate the fishing effort to match the level of resource exploitation.
- Encourage the use of selective fishing gear.
- Help prevent pollution by vessels.
- Implement training and health standards and requirements for seafarers.
- Step up search and rescue at sea.

6.6 Freedom of establishment, company law, accounting and auditing

Establishment

Facilitate establishment and improve the business environment

- Promote an environment propitious for business by specifically addressing reform of the judicial system, simplification of procedures and reducing red tape.
- Implement measures to support the creation of online businesses.
- Strengthen the Moroccan Investment Development Agency and make it the focal point for foreign investment..
- Establish regular dialogue with representatives of foreign investors to improve the conditions of establishment.
- Strengthen cooperation with Euromed investment promotion agencies.

<u>Convergence</u>: to achieve these objectives, Morocco will focus on:

- simplification of administrative procedures (ensuring that the administrative procedures governing access to and exercise of service activities are transparent, proportionate and based on objective criteria in order to provide predictability and legal certainty to service providers);
- supporting service providers in fulfilling their administrative obligations (by improving the information available or setting up one-stop shops for service providers);
- the widespread introduction of the e-regulation system in all Morocco's Regional Investment Centres.

Company law

Harmonisation of company law to protect all parties and facilitate business activity

- Improve the protection of shareholders and other parties in accordance with European standards and practices in this area.
- Finalise the code of good governance for different types of enterprise and public entity in accordance with European and international standards and monitor implementation of all existing codes.
- Continue support for the Moroccan Institute of Directors (IMA) to raise awareness of, channel and disseminate the principles of good corporate governance (meetings, discussion forums, website, etc.) and to ensure intelligence gathering and research on corporate governance (publications, studies, observatory of corporate governance).
- Finalise the modernisation of the business register and the system of publication in the official bulletin to inform third parties.

<u>Convergence</u>: to achieve these objectives Morocco, with the support of the EU, will take into account European standards of company law for regulatory convergence.

Accounting and Auditing

Application of European and international accounting and auditing standards, in particular for listed companies

- Continue efforts to promote a high-quality audit profession.
- Continue measures undertaken to promote the adoption and implementation of European and international accounting and auditing standards for listed companies, in particular:
 - the Fourth Council Directive of 25 July 1978 based on Article 54(3)(g) of the Treaty on the annual accounts of certain types of companies (78/660/EEC);
 - the Seventh Council Directive of 13 June 1983 based on Article 54(3)(g) of the Treaty on consolidated accounts (83/349/EEC);
 - Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards;
 - Directive 2006/43/EC of the European Parliament and of the Council on statutory audit of annual accounts and consolidated accounts.

6.7 Services, financial services and postal services

Continue developing Morocco's service sectors

- Align Moroccan legislation with EU legislation on general or sectoral regulation with the aim of harmonising Moroccan legislation with that of the EU.
- Promote expansion of e-commerce.
- Build up evaluation capacity for traded services.
- On the basis of the framework provided for in the Protocol on trade in services and establishment, facilitate discussions on mutual recognition of professional qualifications to facilitate the mobility of service providers.

Convergence: to achieve these objectives, Morocco will take account of:

- Directive 2000/31/EC on e-commerce;
- Directive 2006/123 on services in the Internal Market (work on one-shop stops, systematic application of the principles of administrative simplification and electronic administrative procedures undertaken for the transposition of Directive 2006/123).

Financial services

Continue reform of regulation and supervision of financial services (banking, insurance and capital markets) by alignment on European standards (financial sector identified as a priority for convergence)

• Continue implementation of Basel II and amendments (Basel III).

- Maintain an adequate system of bank deposit protection.
- Continue strengthening the prudential regulatory framework for financial markets that are converging on that of the EU.
- Further strengthening of the powers, effectiveness and independence of the authorities supervising financial institutions, financial markets and insurance companies in accordance with international standards, and development of macro-prudential supervision.
- Strengthen the institutional and regulatory framework in order to develop insurance and securities markets
- Further strengthening of the effectiveness and credibility of financial supervision in accordance with the recommendations of the IMF's Financial Sector Assessment Programme (FSAP).

<u>Convergence</u>: To achieve these objectives Morocco will take account of the EU acquis (following analysis of the differences and an assessment of priorities on the basis of a cost/benefit analysis of convergence, and in view of the means necessary to ensure this convergence. See Annex II.)

Postal services

Continue development of Morocco's postal sector

- Exchange experience and expertise on postal regulation, also with a view to convergence with the EU's regulatory framework.
- Exchange of experiences with the aim of improving the quality of services.
- Exchange of experiences and expertise to enhance the capacity to evaluate postal markets and growth opportunities offered by e-commerce.
- Establish clear rules on authorisations granted to a service provider working in a postal segment open to competition
- Work towards the establishment of clear rules for the 'universal service': the permanent provision of a postal service of a specified quality at all points of the territory of a party at affordable prices for users, specifying the terms of its financing.
- Ensure that the decisions of the regulatory authority and the procedures it uses are impartial with respect to all market participants and prevent anticompetitive practices in all postal and courier markets.
- Work towards the establishment, as soon as possible, of a regulatory authority legally
 distinct from any provider of postal and courier services and not linked with any such
 supplier.

<u>Convergence</u>: Directive 97/67/EC of the European Parliament and of the Council of 15 December on common rules for the development of the internal market of Community

postal services and the improvement of quality of services, as amended by Directive 2002/39/EC and Directive 2008/06/EC.

6.8 Capital movements and current payments

Progress towards the gradual opening of the capital account

- Progress towards the gradual opening of the capital account.
- Exchange of best practices on the transition to a fully open capital account.
- Establishment of a mechanism to monitor the movement of capital.

6.9 Public procurement

Improve the transparency and effectiveness of procedures for the award of public contracts and concessions

- Continue alignment of Moroccan legislation on European standards to ensure openness, transparency, equal access to information and competition.
- Establish an effective and independent dispute-settlement system for procurement procedures.
- Continue modernisation of the procedures for administering managing and monitoring the performance of public contracts, in particular progress in implementing electronic procedures.
- Standardise the procurement procedures of public institutions and undertakings specifically designed to meet general-interest needs that are not of an industrial or commercial nature.
- Improve purchasing schemes for network operators in the water, energy, transport and postal sectors.
- Implement effective training for buyers/authorising officers of national and local governments, and of officials responsible for reviewing contract award and performance.

Convergence:

- For procedures for the award of public contracts and concessions, Directives 2004/17/EC and 2004/18/EC.
- For improving the effectiveness of review procedures for the award of public contracts and concessions, Directives 89/665/EEC and 92/13/EEC as amended by Directive 2007/66/EC.

6.10 Competition policy

Establish a modern framework for competition policy and build up the implementation capacity of the competition regulators

- Reform Law No 6/99 in order to strengthen the existing institutional competition machinery by giving a single institution (the Competition Council, a new constitutional body) full powers to apply competition policy, managerial autonomy, self-initiative powers with the possibility of carrying out investigations under judicial control and coercive decision-making powers, with the possibility of issuing binding rather than merely advisory opinions.
- Bolster administrative capacity for the implementation of competition law and identify possible cooperation measures (technical market analysis, conducting competition investigations, merger control, dispute settlement).
- Coordination and cooperation between the competition authority and sectoral regulators, while reserving the Competition Council's exclusive jurisdiction for dealing with anti-competitive practices and merger control.
- Ensure specialist training for judges dealing with competition cases and appeals.
- Promote the gradual implementation of the current Moroccan framework legislation, including respect for the principles of non-discrimination, transparency and procedural fairness.

6.10.1 State aid

Reach a common definition of state aid, exemptions, and the role of state aid in competition

- Regular updating of reports.
- Place emphasis on a better definition of and methodology for state-aid accounting.
- Step up exchanges of information on state aid and direct budget support and assess their impact on competition.
- Establish a common definition of state aid and its compatibility with competition principles.

6.11 Intellectual and industrial property

Ensure a gradual alignment of provisions to reach the level of protection provided by the EU and strengthen their effective implementation, taking into account the harmonisation of national legislation with the WTO agreement on the protection of intellectual property rights (TRIPS)

Specific objectives

- Alignment of Moroccan legislation on that of the EU³:
 - identify existing differences in the field of industrial property rights (patents, designs, trademarks, etc.);

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Gradual alignment on Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights and Regulation 1383/2003 concerning customs action.

- draw up and adopt legislation for legislative approximation, in particular covering patents, designs and trade marks (see ongoing cooperation with the European Patent Office (EPO));
- analyse existing differences in copyright and related rights and develop and implement legislation incorporating this necessary legislative alignment.
- Administrative and judicial capacity building:
 - step up the implementation of intellectual property rights, deterrence and effective law enforcement (justice, customs, etc.);
 - pursue and develop the objectives of the Moroccan Industrial and Commercial Property Office (OMPIC) in the period up to 2015;
 - identification of needs and training, analysis and improvement of IT systems and information gathering (OMPIC);
 - needs analysis and administrative capacity-building of the Moroccan Copyright Bureau (BMDA);
 - continue collaboration with the EPO and the EU's Trade Marks and Designs Registration Office(OHIM);
- Coordination, cooperation and awareness-raising in the fight against counterfeiting and piracy:
 - step up efforts to ensure effective implementation of intellectual property rights, including reinforced judicial monitoring;
 - continue efforts on the ground and increase resources to stamp out counterfeiting and piracy by endowing customs and the judiciary greater administrative capacity and powers;
 - analyse and evaluate the impact of counterfeiting and piracy on national creativity and innovation;
 - sensitise public opinion to the importance of intellectual property rights for the country's economic growth;
 - cooperation with the private sector and other relevant institutions and regular action against counterfeiting and piracy (Action Plan of the National Industrial Property and Anti-Counterfeiting Committee/CONPIAC), dialogue with associations, etc.).
- Cooperation and negotiations:
 - conclude negotiations on a validation agreement with the EPO;
 - continue and step up cooperation with agencies of the Member States and other countries and with OMPIC;

- cooperate in implementing the Anti-Counterfeiting Trade Agreement (ACTA)
 and in coordinating the fight against counterfeiting;
- continue alignment of Moroccan legislation on that of Europe, finalise accession to agreements provided for in Article 39 of the Association Agreement and implement principles of the Euro-Mediterranean Charter for Enterprise concerning innovation.

<u>Convergence:</u> to achieve these objectives, Morocco will take account of: the existing EU acquis; See Annex II.

6.12 Customs

Further capacity-building of customs administrations and harmonisation of customs legislation with international and EU standards and continued implementation of customs measures facilitating trade while also ensuring the security of the international supply chain

- Implement the procedure for mutual recognition of Authorised Economic Operators (AEO):
- analyse AEO procedure and status in Morocco;
- step up dialogue on the AEO system on the basis of the analysis of the AEO procedure and status in Morocco with a view to mutual recognition of AEOs.
- Continue work on coordinated management with other border stakeholders (one-stop shop).
- Conclude Regional Convention on pan-Euro-Mediterranean preferential rules of origin, followed by its implementation.
- Morocco's association and participation upstream in the revision of the pan-Euro-Mediterranean rules of origin contained in the Convention.
- Reform of the control chain:
 - improve ex ante controls through the organisation of workshops, visits to operational pilot units, access to business information and the creation of databases on the movements of means of transport and goods;
 - improve the ex post control system through the use of best practices and the provision of technical resources in the form of dedicated applications;
 - increase Moroccan Customs' use of computerised risk analysis and exchanges of computerised trade data (Globally Networked Customs);
- Develop public/private partnership, particularly in the framework of the Integrity Observatory to give this body an effective role on the basis of the principles of the Arusha Declaration of the World Customs Organisation (WCO).
- Apply and regularly adapt the Combined Nomenclature.

• Implement Morocco's participation in the Community 'Customs 2013' Programme and all future customs programmes open to third countries.

6.13 Enterprise policy

Morocco undertakes to implement the Euro-Mediterranean Charter for Enterprise, which has become a common reference document for the Mediterranean countries, including Morocco, with the aim of improving the investment climate, stimulating entrepreneurial spirit, and promoting investment and market access in the Euro-Mediterranean region.

Improve the climate and conditions for the development of competitive businesses and investment promotion

- Improve the business environment and continue implementation of the Euro-Mediterranean Charter for Enterprise, taking into account the findings of the joint assessment carried out in 2008 on the basis of 77 indicators concerning the ten dimensions of the Charter⁴. Strive to make progress in the following areas in particular:
 - regulatory reform and administrative simplification;
 - access to financing;
 - innovation policy;
 - human capital (learning entrepreneurship and developing skills).
- Encourage interministerial coordination and coordination of all actors in the public and private sectors involved in business development and the promotion of innovation.
- Encourage the work of the National Business Environment Committee (CNEA), which as a public-private partnership framework has helped to speed up the identification and implementation of reforms affecting the business environment, particularly simpler and more transparent administrative procedures, the modernisation of the legal environment for business, and improved commercial dispute-settlement arrangements.
- Establish regional business environment committees.
- Jointly assess progress in the country and the benefits for companies taking part in regional activities to evaluate and benchmark progress based on common indicators.
- Revise the Euro-Mediterranean Charter for Enterprise to better take into account the needs of small and medium enterprises (SMEs) taking inspiration from the Small Business Act for Europe. Pay special attention to gender equality, corporate social responsibility and environmental protection.

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Simple procedures for business, education and training in entrepreneurship, improved skills, easier access to finance and investment-friendly taxation, improved market access, innovation, strong professional associations, good quality systems and support services for businesses, Euro-Mediterranean partnerships and networks, and clear and targeted information for businesses;

- Improve welcome for investors and anchor local investment.
- Develop industrial, commercial and technology infrastructure, including innovation zones and promotion of clusters.
- Create an environment conducive to the development of research and innovation.
- Improve access to industrial land by facilitating property transactions and granting of building permits.
- Mobilise local businesses around foreign investment to stimulate innovation and domestic economic development.
- Encourage the setting-up and work of the Moroccan Centre for Innovation (CMI).
- Create the status of 'new innovative undertaking' and 'auto-entrepreneur'.
- Increase support for all small enterprises (VSEs) as part of a national strategy for this category of enterprise.
- Improve judicial remedies for enterprises (including SMEs) by developing alternative methods of dispute settlement (mediation and arbitration).
- Improve the quality and delivery time of judicial decisions issued by commercial courts.
- Strengthen cooperation with Mediterranean partners to fight against counterfeiting and piracy, including exchanges of information and experience in this field.
- Implementation and deployment by the National Agency for the promotion of small and medium-sized enterprises (ANPME) of the Morocco SME Observatory as a tool for analysis and monitoring of the business fabric.

6.14 Industrial cooperation

Make research capital more attractive

- Promote technology transfers and industrial partnership.
- Set up zones for business incubators and spin-off activities with R&D support in potential growth sectors for Morocco.
- Encourage twinning and partnerships with European clusters.
- Increase exchanges of experiences and best practices in research and development and industrial innovation, including aspects related to the establishment of clusters, technology platforms and technology parks on the lines of innovation zones.
- Develop partnership initiatives to support the emergence and development of industrial activities related to renewable energy a part of the national energy strategy.

Continue dialogue on the future of the textile/clothing industry

- Continue to step up exchanges of best practices among national authorities, industry associations, companies, research centres and other social partners involved in the Euro-Mediterranean region's textiles and clothing industry.
- Intensify discussions not only on the challenges facing the textiles and clothing sector but also on possible future options and concrete actions to modernise the industry and increase industrial competitiveness in textiles and clothing in the Euro-Mediterranean region.

Promote dialogue on industry

- Step up exchanges of good practices and discussions between national partners involved in industry, not only on the challenges faced by industry but also on possible future directions and concrete actions to modernise the national industrial fabric and increase Morocco's industrial competitiveness.
- Strengthen dialogue in several sectors and/or areas related to industrial policy such as SME policy, tourism, space, raw materials, standardisation and ACAA.

Promote the sustainable development of enterprises

 Promote the transfer of technologies and good management and restructuring practices and the sharing of expertise in order to support the development efforts of Moroccan companies.

Implement regional work programmes of Euro-Mediterranean industrial cooperation and monitor them with Morocco's participation

• Involvement in Euro-Mediterranean industrial cooperation at regional level.

6.15 Consumer protection

- Continue Morocco's legislative alignment on the EU acquis and finalise its legislative framework for consumer protection.
- Build administrative capacity for the effective and practical application of the consumer protection policy, including the High Consumer Council and the Moroccan Consumer Centre.
- Morocco's continued promotion of independent Moroccan consumer protection associations and setting-up of a fund to finance projects proposed by Moroccan consumer associations.
- Establishment of the Moroccan Consumer Centre.

6.16 Workers and social security coordination

Fully implement the commitments made under the Association Agreement concerning workers and social security coordination

• Implement social security coordination arrangements in accordance with the existing legislation.

- ensure that provisions on equal treatment at work, remuneration and dismissal are fully implemented, both for Moroccan workers and legally employed EU nationals.
- ensure full application of the clause on non-discrimination in the area of social security for workers and members of their families;

6.17 Statistics

Complete harmonisation of Moroccan standards with European and International standards

- Adopt and implement draft laws on statistics and continue implementation of the 2013-2017 action plan.
- Continue work to harmonise statistical data and methods to ensure the compatibility of statistics with EU best practice.
- Continue quantitative and qualitative improvement and development of the national statistics system.
- Establish an observatory on industry, trade and new technologies and an innovation observatory.
- Cooperation between the Moroccan Exchange Office and European institutions responsible for drawing up balance-of-payments statistics.

7. TRANSPORT, ENERGY, ENVIRONMENT, INFORMATION SOCIETY, RESEARCH AND DEVELOPMENT

7.1 Transport and infrastructure

7.1.1 Develop the infrastructure network (roads, motorways, airports, ports and links to Trans-European networks)

Implement the national transport and infrastructure policy by creating a good quality, efficient, competitive and sustainable transport system based on the following:

- Consolidate and enhance the policy to develop and maintain transport infrastructure and to link them with regional networks, including the Trans-European Transport Network (TEN-T), also encouraging private participation in the sector.
- Make the Moroccan economy logistically competitive, in particular by establishing logistic areas, developing stakeholders and human resources, and optimising the flow of goods.
- Promote mobility and sustainable transport by developing efficient transport systems that preserve the environment and ensure the safety of property and people.
- Promote the harmonisation of legislative and regulatory frameworks with European and international standards in the field of transport.

• Develop a national framework for the formulation and monitoring of sustainable urban development plans for users and freight in the major cities.

Regional aspect

- Continue participation in the planning exercise for transport infrastructure in the Mediterranean, in particular the future Trans-Mediterranean Transport Network and work on establishing the means for implementing it, plus improving links with the Trans-European Transport Network.
- Continue participation in the development of satellite augmentation systems, global navigation systems, and applications based on this technology in the Mediterranean region and in the new regional Euromed GNSS II satellite navigation project.
- Take the necessary facilitation measures, in accordance with Regional Transport Action Plan (RTAP), to improve the functioning of the transport network in order to improve traffic flows between Morocco, regional partners and the EU.

7.1.2 Road transport and road safety

Implement selected measures and reforms concerning road transport and road safety

- Explore the possibility of opening the 'Interbus' agreement to Morocco in order to harmonise its international road passenger transport practices and rules with European standards and promote their application between Morocco and EU countries.
- Develop an integrated intermodal public transport system.
- Promote European and international road safety standards.
- Implement a certification scheme for both passenger and goods transport in order to ensure equal treatment in the freight sector and stimulate public passenger transport.
- Strengthen the capacity of bodies to implement social-law standards and technical requirements in accordance with international and EU conventions on the transport of dangerous goods, the deployment of Intelligent Transport Systems and driving and rest times.

7.1.3 Rail transport

Implement selected measures and reforms in the rail transport sector

- Promote the interoperability of Moroccan and European rail networks.
- Cooperate on the deployment of the European Rail Traffic Monitoring System (ERTMS) in order to reach international standards and further improve the safety of rail traffic.

Regional aspect

- Explore the benefits of regional cooperation in order to improve the efficiency, safety, and interoperability of land transport services (road, rail and urban).
- Continue the harmonisation of legislative and regulatory frameworks with European and international standards at regional level.

7.1.4 Air transport

Implement selected measures and reforms in air transport

- Continue implementation of the existing national aviation policy and revise aviation regulation by adopting the draft civil aviation code.
- Ensure implementation of all parts of the 2006 Euro-Mediterranean Aviation Agreement, in particular as regards the process of regulatory convergence provided for in the Agreement.
- Cooperate closely in the field of aviation security, including implementation of a safety-equipment development programme to improve radar coverage and the performance of the automatic air-traffic control system.
- As part of the process of regulatory convergence under the 2006 Euro-Mediterranean Aviation Agreement, explore the possibility of Morocco's participation in the Single European Sky. To this end, Morocco's speedy participation in the 'Single Sky' committee will be discussed.
- Continue cooperation on air traffic management.
- Pursue Morocco's progressive participation in the EU Safety Assessment Of Foreign Aircraft (SAFA) programme following the working arrangement signed with the European Aviation Safety Agency (EASA) on 23 March 2011.
- Initiate dialogue with the EU to put in place arrangements to facilitate access to disabled aircraft removal equipment at Morocco's international airports.
- Initiate dialogue with the EU to find a process to bring aircraft rescue and firefighting (ARFF) staff up to international and/or European standards, especially in the choice and purchase of rescue and firefighting equipment and in staff training, qualifications and/or certification.

Regional aspect

- Continue the harmonisation of legislative and regulatory frameworks with European and international standards at regional level.
- Continue cooperation with the EU and Mediterranean partners through participation in the regional Euromed Aviation project.
- Continue cooperation and assistance on safety issues through the Mediterranean Aviation Safety Cell (MASC) within the EASA.

7.1.5 Maritime transport

Implement selected measures and reforms in the maritime sector

- Step up cooperation with the EU in order to align Moroccan maritime safety policy on that of the EU.
- Develop a dialogue on the development of port infrastructure, improvement of port services, harmonisation of port procedures, the management and planning of the maritime space, maritime and port security and safety, and improved shipping services between the EU and Morocco, including motorways of the sea.
- Apply effective maritime security measures by implementing Port State Control and Flag State systems and build institutional capacity in maritime administration to enable it to assume its responsibilities in the areas of security, safety and maritime pollution prevention and control.
- Implement IMO (International Maritime Organisation) international conventions and resolutions of the Marine Environment Protection Committee.
- For ports identified as ports of motorways of the sea, ensure fast, efficient and inexpensive administrative procedures (administrative procedures and coordination of inspections) and high standards of service (port infrastructure, port services, and maritime and intermodal services).
- Resume dialogue with the Commission on development of a cooperation plan, including capacity building, pollution prevention and control in the Mediterranean, with a view to Morocco's participation in the European Maritime Safety Agency (EMSA).

Regional aspect

- Continue participation in regional cooperation on maritime policy, ports and short sea shipping.
- Continue cooperation with the EU and Mediterranean partners within the International Maritime Organisation and continue participation in the Euromed regional projects on maritime safety and security (SAFEMED) and the Motorways of the Sea (MEDAMOS).

7.1.6 Supply chain

Implement selected measures and reforms in the logistics sector

- Continue implementation of the new national development strategy for logistic competitiveness.
- Establish a dialogue on the supply chain with the aim of involving Morocco in actions to improve the supply chain and its security launched by the EU in 2007.

7.1.7 Transport professions

• Initiate dialogue with the EU in order to establish mutual recognition of professional licenses for transport professions, including seafaring and flight crews.

<u>Convergence</u>: to achieve these objectives Morocco, with the support of the EU, will take into account European standards for road, rail, air, and maritime transport and the ports sector.

7.2 Energy

Step up dialogue and convergence of energy policies and institutional and legislative frameworks with a view to the progressive integration of Morocco's energy market in that of the EU, taking into account environmental issues in particular.

- Implement energy strategies that are increasingly aligned on EU strategies and based on the objectives of security of supply, competitiveness and sustainable energy.
- Continue formulating and implementing low CO2 emission development strategies.
- Implement Morocco's medium and long-term energy strategy (2020-2030) and the National Priority Action Plan.
- Step up the existing dialogue on energy under the Association Agreement.
- Develop and implement a 2020 vision to strengthen institutions, especially the Ministry of Energy and Mines, including its regional dimension.
- Strengthen the monitoring and intelligence system with a view to better energy forecasting and planning, including energy statistics, in particular through exchanges of information and expertise and capacity building with the aim of alignment on European standards.
- Exchanges of expertise and experience in order to intensify and accelerate policy convergence with the Community acquis, particularly as regards the gas and electricity sectors, practices and legislative, institutional, organisational, technical and regulatory frameworks for the sector energy.
- Energy diversification:
 - cooperation to establish the necessary conditions for developing the use of natural gas: legislative and regulatory framework, and technical and support services:
 - cooperation to develop alternative energy sources: technical research and development into oil shale and shale gas.
- Establish the national energy regulation scheme, in particular for electricity and natural gas, and gradually converge with the EU's electricity and gas Directives. To that end, adopt electricity and gas codes and their implementing rules.
- Continue reform of the electricity and gas markets in order to improve their performance and gradually liberalise them in line with the EU acquis.

Stepping up regional energy cooperation.

- Strengthen Morocco's role in regional energy cooperation, particularly with an eye to implementation of the Mediterranean Solar Plan, in line with the 2008-2013 Priority Action Plan of the Euro-Mediterranean Energy Partnership and with the objectives of the Union for the Mediterranean.
- Continue cooperation in regional initiatives and projects.
- Consolidate and strengthen existing interconnections and transit infrastructure in Morocco in order to connect the electricity and gas networks of the northern and southern Mediterranean.
- Gradually integrate the electricity markets of Morocco, Algeria and Tunisia.
- Build Moroccan capacity for regional storage of energy products.
- Facilitate the funding of energy infrastructure: gradual alignment of the Moroccan system on EU practices, in particular the storage of energy products.

Cooperation on nuclear safety

- Cooperation to establish the necessary conditions for developing a civil nuclear electricity programme: exchange of information and experiences, provisions on nuclear safety and radiological protection.
- Exchange of expertise and experience for the purpose of developing a regulatory framework aligned on EU rules and practices, and in particular ensuring the highest levels of nuclear safety and adequate protection against ionising radiation.
- Cooperation to set up in Morocco an independent national agency to monitor nuclear safety and radiation protection.

Promotion of energy efficiency

- Continue energy efficiency actions under the National Priority Action Programme, especially in industry, housing, public buildings, transport and tourism.
- Strengthen the institutional and organisational framework, including the Agency for the Development of Renewable Energies and Energy Efficiency.
- Implement regulatory measures converging towards EU rules and the necessary incentives, innovative financing mechanisms (third-party investor, CDM, etc.) and education, awareness and communication measures.
- Participation in the EU's Intelligent Energy Programme.

Development and use of renewable energy sources

• Achieve national renewable energy-development goals and implement the Moroccan Solar Plan and the Moroccan Wind Energy Project.

- Continue large-scale and small-scale actions to develop renewable energy (solar water heaters, on- and off-grid photovoltaics, biomass, etc.) and export of green electricity, including incentives and innovative financing mechanisms
- Strengthen the institutional and organisational framework, and draw up and implement action plans in these areas for convergence towards EU rules.
- Develop national biomass capacity.
- Cooperate on research, development and innovation for sustainable development.
- Establish centres and institutes conducting research and development into sustainable energy technologies, energy efficiency and renewable energy: decide on research topics; set up research units; improve skills.
- Strengthen the academic curriculum of training institutes under the responsibility of the Ministry of Energy in these areas.
- Implement platforms of excellence and technology parks bringing together innovative companies, research centres and training organisations, particularly in the fields of renewable energy, energy efficiency and desalination of sea water through the use of solar energy.
- Deploy nationwide technologies and materials that promote energy efficiency and renewable energy, including the development of industrial clusters and the implementation of research and development programmes.

Safeguarding and checking energy facilities

- Enhance the safety and security of energy installations and equipment and of the system of technical inspections and risk prevention for such installations.
- Exchanges of experience and expertise with a view to building technical capacity in the Ministry of Energy's energy laboratory, particularly with regard to hydrocarbon quality control.
- Exchanges of experiences and expertise concerning the certification of the Ministry of Energy's energy laboratory.
- Cooperate on the implementation of a risk prevention and control strategy in the energy and mining sectors and for explosives and pressure equipment.

7.3 Mining

Step up cooperation and partnerships for development of the mining sector

- Build capacity for mining regulation, development of small-scale mining, mining operations and exploration, management of mining and geological assets, development of the geological infrastructure and geographic information systems.
- Environmental protection and rehabilitation of mining sites and conversion of mining areas after mine closures.

- Set up and develop an information system on mining and oil assets and on mining statistics.
- Organise and develop the mineralogical specimens and fossils sector.

7.4 Environment and water

Promote good environmental governance, including greater convergence towards EU legislation and policies

Strengthen administrative structures and strategic planning

- Step up and complete the setting-up of Moroccan institutions responsible for environmental protection, pollution control and water management at central, regional and local levels, including greater coordination and consultation between the various stakeholders.
- Build strategic planning capacity, including for financial strategies, drawing on the experience of the EU.
- Create and render operational corps of inspectors to enforce compliance with environmental laws in Morocco.
- Apply market instruments (such as environmental taxes) and the 'polluter pays' principle, including the setting-up of an environmental liability system.

Environmental assessments

- Strengthen environmental impact assessment, including national and regional committees for impact studies and commissions of public inquiry, bringing it into line with EU legislation.
- Strengthen the strategic environmental assessment of plans and programmes.

Support for civil society actors and public participation

• Support civil society actors and increase public participation in environmental issues, drawing on the EU's experience and best practices.

Availability of and access to information

- Improve the system of collecting and processing environmental information in Morocco, drawing on the EU's experience and best practices.
- Enhance public access to environmental information and render effective the law on the public's right to access environmental information and decisions taken on the environment.

Communication and dissemination of information

• Develop and implement communication strategies on environmental matters.

• Draw up and publish regular reports on the state of the environment at national or regional levels.

Promote environmental sectors, including alignment and convergence towards EU legislation and policies in this area

Air quality

- Promote better management of air quality (limit values, alert thresholds, establishment and classification of areas and cities, the establishment of a system for monitoring and evaluating air quality) in order to improve public health and environmental quality, drawing on EU legislation.
- Develop and implement action plans to combat air pollution, including crossborder pollution.

Protection of the marine environment

- Promote protection of the marine environment, including conservation of marine ecosystems.
- Adopt legislation on integrated coastal zone management.

Waste management

- Implement a national waste-management strategy.
- Promote the establishment of an integrated network of waste-management facilities, including industrial waste treatment centres.
- Implement a system for licensing and registering waste treatment facilities and a system for inspection and supervision of these facilities based on the principles of EU legislation and professionalise the informal sector.

Nature protection

- Continue setting up a system of protected areas based on EU principles and best practices.
- Continue implementation of the strategy to protect and restore forest ecosystems, reduce deforestation and continue reforestation operations in accordance with the Reforestation Management Plan (PDR). Continue work under way on forest certification (Forest Stewardship Council/FSC).
- Improve scientific knowledge of the country's biodiversity (species, ecosystems, problems of taxonomy).
- Rehabilitate degraded ecosystems and adopt measures to promote the recovery of threatened species in partnership with the local population.

• Implement national legislation on trade in wildlife to meet obligations under the Convention on International Trade in Endangered Species of Wild Fauna and Flora threatened with extinction.

Pollution and industrial hazards

- Establish an integrated system of prevention and control of pollution from large industrial facilities, drawing on European best practices.
- Establish a system for control of hazards arising from major accidents involving dangerous substances, drawing on European standards and best practices.

Chemicals

- Adopt standards on the registration, evaluation and authorisation of chemical substances drawing on EU legislation and best practices.
- Adopt a strategy for the gradual replacement of chemicals that are most dangerous to human health and the environment.

Desertification, including soil protection measures

• Implement measures under the plan to combat desertification and protect the soil.

Capacity for licensing, monitoring and inspection

• Strengthen the administrative capacity of the Moroccan authorities responsible for environmental protection and water management to carry out licensing, monitoring and inspection.

Environmental mainstreaming

 Promote the mainstreaming of environmental considerations in other sectors such as water, forests, agriculture, education, energy, transport, fisheries, industry and research.

Strengthening regional and international environmental cooperation

International cooperation

• Step up implementation of environmental conventions and protocols to which Morocco is party and move towards ratification of additional environmental conventions and protocols that are part of the EU's legal system.

Regional cooperation

- Increase cooperation under the Convention on the Protection of the Marine Environment and the Coastal Region of the Mediterranean (Barcelona Convention) and its protocols.
- Continue cooperation in the framework of Horizon 2020.

• Increase cooperation in the context of the regional activities of the European Agency for the Environment, including systems of shared environmental information.

<u>Convergence</u>: To implement these reforms Morocco, with EU support, will gradually take into account the relevant European standards in the areas of environmental good governance, air quality, waste management, water management and protection of the marine environment, nature protection, industrial pollution and chemicals.

Climate change

- Step up and complete the establishment of Moroccan institutions responsible for climate issues.
- Implement the United Nations Framework Convention on Climate Change. Draw up and implement plans and strategies for climate-change mitigation and adaptation.
- Draw up inventories of greenhouse gas emissions.
- Cooperate in the development and implementation of a post-2012 climate change regime.
- Cooperate on climate-change mitigation and adaptation.
- Cooperate on implementation of the Cancun and Durban Agreements.
- Promote a low-emission development strategy (LED) as a contribution to the development of a green economy.
- Promote appropriate national mitigation actions (NAMAs), including sectoral credit mechanisms.
- Promote the mainstreaming of climate change in the decision-making process.
- Conduct initial preparations for a greenhouse gas emission trading scheme.
- Integrate climate-change priorities in agriculture: increase levels of fruit plantation; use improved seeds and varieties suited to the climate; spread water-collection techniques and optimise irrigation; make available the results of agricultural research to benefit agricultural development.

Water

Implement the national water strategy in order to consolidate assets and ensure integrated water-resource management

- Promote management of water demand and water efficiency by:
 - saving irrigation water through a wholesale changeover to drip irrigation and more efficient water use in agriculture;
 - implementing a wastewater treatment system for agricultural use based on the principles of EU legislation;

- saving water used as drinking water and in industry and tourism.
- Promote the preservation and protection of water resources, the natural environment and fragile areas by:
 - protecting the quality of water resources and combating pollution;
 - implementing a system to improve the quality of sewage discharged by municipalities and industry;
 - safeguarding groundwater and watersheds, oases and wetlands;
 - implementing a system to improve water quality, including bathing water, drawing on the principles of EU law.
- Reduce vulnerability to natural water-related hazards and adapt to climate change by:
 - improving flood protection for persons and property and combat the effects of drought through drought-management plans for river basins;
 - completing implementation of measures in the National Flood Prevention Plan;
 - improving prevention, in particular by developing flood-warning systems and emergency plans.
- Continue regulatory and institutional reforms by completing implementation of Law 10/95 and revising the law to embrace aspects not covered, i.e. water saving and the recycling of treated wastewater.
- Modernise information systems and build up capacity and skills by:
 - modernising the administration, revamping and strengthening water governance and water basin organisations;
 - strengthening and modernising the system for collecting and processing waterrelated information in Morocco by establishing a national water information system, drawing on the EU's experience and best practices;
 - building the administrative capacity of the Moroccan authorities responsible for water management in the field of water policy, issuing permits, monitoring and inspection, while converging towards European legislation in this field;
 - developing and implementing communication strategies and awareness-raising on water issues;
 - build strategic planning capacity, including financial strategies, drawing on the EU's experience.
- Water-resources management and development:

 Promote and develop non-conventional water resources, such as desalination of sea water, demineralisation of brackish water, recycling of treated wastewater and rainwater collection.

7.5 Information society

- Analyse the opportunities for better cooperation between the EU and Morocco on the information society, and more specifically development synergies between the 'Maroc Numéric' strategy and the Digital Agenda for Europe.
- Continue the development and effective implementation of a comprehensive regulatory framework for electronic communications, including the authorisation of, access to and interconnection of networks and services, universal service and users' rights, consumer protection, the processing of personal data and the protection of privacy in electronic communications, and the efficient management of the radio frequency spectrum.
- Continue to develop regulation in the following priority areas:
 - study the introduction of authorisation schemes for the provision of electronic communications services;
 - make progress in market analysis, for example by analysing the market for wholesale (physical) network infrastructure access (including shared or fully unbundled access) at a fixed location, and wholesale broadband access. The main aim is to ensure the effective and appropriate implementation of access obligations (carrier selection and pre-selection, bit-stream access, unbundled access, etc.) with respect to operators with significant power over the relevant markets;
 - facilitate fixed and mobile portability with better implementation of the process (time taken for number portability between operators, service disruption period for the consumer, maximum contract duration, penalties for abuse or anti-competitive behaviour, etc.);
 - ensure the effective implementation of measures regarding the confidentiality of electronic communications and unsolicited communications (spam).
- Formulate and implement arrangements for improving the security of information systems and protecting critical data and infrastructure; promote robust and stable networks and services in line with the principles of openness and interoperability.
- Strengthen the standards and architecture of e-government applications in order to create a general interoperability framework of public information systems based on the EIF (European Interoperability Framework).
- Establish specifications, norms and standards for SMEs/SMIs' Business to Business (B2B) electronic transactions in order to virtualise exchanges and streamline business transactions in consultation with the independent European bodies in these fields (e.g. CEN, CENELEC, ETSI, etc.).

- Promote cooperation and reciprocal exchanges of information on strategies relating to electronic communications and networks, use of the radio-electric spectrum, the system of licenses and intellectual property rights in the digital domain, the development of electronic transactions to promote B2B exchanges and the future development of the information society at national, regional and global levels.
- More specifically, press ahead with implementation of Morocco's new digital strategy 'Maroc Numéric' for dialogue and cooperation on information society technology (ICT):
 - open greater numbers of community access centres to expand the number of people with access to new technologies (high-speed internet and public services), particularly in remote and rural areas, with the aim of reducing the digital divide;
 - support national digital development for cultural and educational purposes,
 combining public and private initiatives and international partnerships;
 - study the opening-up of public data and licences for use and re-use for citizens and businesses;
 - encourage civil-society involvement in implementation of the 'Maroc Numeric' strategy among citizens in information technology and telecommunications;
 - promote a culture of entrepreneurship and ICT innovation in the private sector and in curricula and training courses and programmes;
 - exchange information and best practices in the field of certification of electronic signatures and of secure communications and electronic transactions;
 - support the development and rolling-out of a national programme to migrate to the IPv6 internet addressing system.
- Strengthen all forms of cooperation with the EU on standards for information technology and communications, especially for digital TV, digital mobile networks and the internet of the future, for the connectivity of high-speed networks in development (next phase of EUMEDCONNECT), and for the regulatory framework of technological developments in the information society.
 - encourage Moroccan participation, both public and private and in the form of
 joint projects, in the Information and Communication Technologies (ICT)
 components of European research and innovation programmes, particularly in
 areas concerning major societal challenges and the development of high-speed
 network infrastructure and data for research;
 - promote the strengthening of regional cooperation with the EU, national research with European partners, and links with or the launching of joint research networks and exchanges of researchers with the EU;
 - plan the launching a Euro-Mediterranean research programme more adapted to the environment and to the development of the Mediterranean region.

- Promote free access to the internet and cooperation with regulators in the southern Mediterranean.
- Cooperate with the Euromed Group of Electronic Communications Regulators (EMERG) and with regulatory authorities of EU Member States on issues of common interest.

7.6 Science and technology, research and innovation

Promote research and innovation capacity-building aimed at developing the economy and society and increase Morocco's involvement in the European Research Area

- Enhance the role of the national research system in Morocco's development:
 - improve the governance of the national research system;
 - develop the certification of laboratories and encourage researchers and research teams to group together;
 - set up structures to enhance value;
 - strengthen internal and external evaluation of research activities and establish mechanisms for better coordination between the different stakeholders in the national research system;
 - promote collaboration and partnership between universities and research organisations and the end users of research results;
 - continue implementation of innovation-related aspects of the Euro-Mediterranean Charter for Enterprise and jointly assess progress on the basis of indicators established at regional level;
 - promote scientific and technological partnerships in the Euro-Mediterranean area;
 - mobilise the skills of Moroccans living in Europe to consolidate exchanges and relations between Morocco and the EU in the fields of science, technology, research and innovation;
 - review the conditions for Morocco's accession to the EUREKA network.
- Morocco's involvement in the European Research Area:
 - explore the possibility of scientific cooperation, such as the twinning project (programme-level management), in shared priority themes of European research and innovation programmes;
 - improve the conditions of Morocco's participation in European research and innovation programmes;
 - build the research capacity of universities and research centres with a view to Morocco's future association in European research and innovation programmes

and greater participation in COST (European Cooperation in Science and Technology);

- strengthen Morocco's network of national thematic contact points for European research and innovation programmes and encourage exchanges with European counterparts;
- step up staff exchanges in research projects and promote the participation of Moroccan scientists in international scientific debates;
- establish the conditions for Morocco to join and participate in programmes of the European Institute of Technology (EIT).

<u>Convergence</u>: to achieve these objectives Morocco , with the support of the EU, will take into account the relevant European standards in science and technology and research and innovation, including the provisions of European research and innovation programmes designed to improve industrial competitiveness and the quality of life and promote sustainable development.

7.7 Audiovisual sector

- Promote an exchange of views, information and experiences concerning audiovisual policy, including regulatory aspects.
- Promote this sector in order to improve standards of governance, service quality and competitiveness and to enhance skills through training and technical assistance.
- Support the development of a transparent, effective and predictable regulatory system, including revision of the legal framework and implementation of the new constitutional prerogatives of the High Authority of Audiovisual Communication.

7.8 Integrated maritime policy

Develop a framework of relations to enable Morocco to participate in the EU's Integrated Maritime Policy

- Develop an integrated approach to all activities related to or having an impact on the sea and coastal areas, both nationally and regionally.
- Continue improvements in the governance of these maritime activities, particularly through the development of tools such as maritime spatial planning, integrated coastal zone management and efforts in the field of marine and maritime research.

7.9 Tourism

- Implement the tourism strategy 'Vision 2020'.
- Exchange information on policies, actions and projects concerning sustainable, high quality and responsible tourism.

8. EDUCATION, TRAINING AND HEALTH

8.1 Education

Consolidate the principle of equal opportunities

- Reduce the dropout rate, especially among girls in rural areas.
- Improve 'return to school' rates.
- Improve the grants system.
- Reduce violence in schools.

Provide universal access to basic education and combat illiteracy

- Reduce illiteracy rates, especially among young people and women in rural areas.
- Extend compulsory education (up to lower secondary).
- Increase rates of secondary education leading to qualifications, especially among girls.

Improve the quality of teaching in schools

- Extend pre-school provision.
- Reduce repeat rates.
- Improve mastery of the language of instruction and foreign-language learning.
- Improve teacher training.

Improve guidance and monitoring of students in difficulty

Continue implementation of the education-related aspects of the Euro-Mediterranean Charter for Enterprise

- Develop education for entrepreneurship as a key competence in primary and secondary education.
- Jointly assess progress on the basis of indicators established at regional level.

8.2 Training and vocational training

- Support the reform of vocational education.
- Pursue dialogue and exchanges on instruments such as the European Credit System for Vocational Education and Training (ECVET) and the European Quality Assurance Reference Framework for vocational education and training (EQARF VET).
- Prepare the institutional and operational conditions for implementation of a national certification framework.
- Reform the vocational training system and its governance (in conjunction with the social partners) and improve dialogue between skill supply and demand so as to better match labour-market needs.
- Carry out more evidence-based analysis of the labour market and conceptions of public policies.
- Help improve continuing training, in particular improve the management of funds for continuing training (reform of special contracts) and so increase access and quality.
- Continue implementation of the training aspects of the Euro-Mediterranean Charter for Enterprise, with a focus on training in entrepreneurship. Improve the gathering of information on training courses in enterprises. Jointly assess progress on the basis of indicators established at regional level.

8.3 Higher education

Support reform of Morocco's higher education system and its convergence with Bologna Process principles

- Establish a dialogue and exchanges on the principles and recommendations of the Bologna Process establishing the European Higher Education Area.
- Morocco's legislative and regulatory convergence with the objectives of the Bologna Process.
- Introduce tools to facilitate transparency, comparability and recognition of studies, such as the system of accumulation and transfer of credits (ECTS) and the Diploma Supplement (adoption and effective implementation of the credit system, disciplines and institutions involved).

- Continue implementation of the National Qualifications Framework (NQF).
- Step up the development of vocational training courses to enhance the employability of university graduates and develop active partnerships with professionals.
- Monitor graduates and improve their employment rates.
- Step up the process of devolution and decentralisation of educational services and the decentralisation of higher education with a view to supporting 'extended regionalisation'.

Improving access to higher education

- Improve social services for students (social grants, merit-based grants, capacity of university halls of residence, canteens, and basic medical coverage).
- Introduce support measures for students, especially in open-access university centres.
- Implement measures to reduce repetition and dropout rates (integrated measures for the teaching of languages, academic methodology modules, languages and communication modules, IT modules, tutoring systems, guidance for graduates and students and the development of core curricula and bridges between faculties to allow course changes, etc.).
- Establish an efficient information and guidance system.

Qualitative improvement of Morocco's higher education system

- Improve capacity and skills of university staff.
- Promote distance-learning.
- Develop new information and communication technologies in the Moroccan system of higher education.
- Step up the process of certification in university education.
- Strengthen the governance of higher education institutions and their autonomy.
- Foster the development of skills for the evaluation of training programmes, projects and institutions (pedagogical, administrative and financial evaluation).
- Set up a system of institutional assessment of Moroccan higher education.
- Consolidate independent quality assurance.
- Train through research, particularly for doctorates.

Strengthen cooperation in the field of education and training by increasing and/or improving Morocco's participation in EU higher education programmes

- Continue support for the reform and modernisation of higher education under the Tempus programme and its successor.
- Promote Morocco's participation in existing European mobility programmes and partnerships in higher education.
- Continue information campaigns on these programmes aimed at potential applicants, students and academics.
- Encourage Morocco's alignment on current EU procedures to recognise diplomas.
- Encourage exchanges between Morocco's MERIC centre and the ENIC-NARIC network.
- Promote cooperation between the Portoroz Euro-Mediterranean University with training institutions in Morocco.

8.4 Support for education in Community policies

- Increase Morocco's participation in Jean Monnet actions to support university education and research projects in the field of European integration studies.
- Improve Morocco's inclusion in specific programmes aimed at third country officials to raise their awareness of Community policies.

8.5 Health

Improve the level of public health in Morocco and strengthen Morocco-EU dialogue on health issues

- Further cooperation on health-sector reform, in particular on the basis of Morocco's national health strategy 'Vision 2020', the 2008-2012 action plan and, where appropriate, future instruments, including adoption of the framework-law on the healthcare system aimed at improving health-care quality and access, particularly for the poorest, and regionalisation, and improved preventive measures.
- Build the capacity of institutions and laboratories in order to improve health monitoring and security (creation of the National Public Health Agency).
- Cooperate on health indicators, particularly those linked to MDGs 4 and 5.
- Prevent and control communicable and non-communicable diseases, such as longterm and costly chronic diseases, including means such as the ratification and implementation of international health instruments, e.g. the WHO Framework Convention for Tobacco Control and the WHO International Health Regulations.
- Cooperate with a view to a gradual, long-term alignment on certain EU rules and implementation practices in the field of health.
- Discuss the possibility of deepening regional cooperation on health, particularly in the context of Euro-Mediterranean cooperation.

<u>Convergence</u>: to achieve these objectives Morocco will adopt laws and regulations concerning its health system, and for the purposes of convergence take into account, with the support of the EU, the relevant European directives and WHO recommendations on health monitoring and security.

8.6 Youth and sport

- Step up cooperation on the non-formal education of young people and youth workers in order to promote exchanges, intercultural dialogue and the development of civil society, in particular through youth programmes such the Youth in Action (2007-13), Euromed Youth IV and future such programmes.
- Promote the exchange of information and best practices on issues of common interest such as social inclusion in and through sport, education and sport, physical activity and the campaign against doping and violence in sport (including violence in stadiums).
- Enable Moroccan officials to participate in workshops, seminars and conferences on sports issues.
- Collaborate to organise events in Morocco on sporting themes within the existing structures.

C. MOROCCO'S PARTICIPATION IN EU PROGRAMMES AND AGENCIES

- Step up cooperation in the regional activities of the following European agencies: the European Food Safety Authority (EFSA), the European Training Foundation (ETF), the European Aviation Safety Agency (EASA), the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), the European Agency for the management of operational cooperation at the external borders (FRONTEX), Europol, Eurojust, the European Environment Agency (EEA) and the European Maritime Safety Agency (EMSA).
- Morocco's participation in Community programmes open to third countries, including the following: the Competitiveness and Innovation Programme (CIP), Customs 2013 (2008-2013), SESAR and Marco Polo.
- Participation in the Enterprise Europe Network.
- The EU will help Morocco to participate effectively in these programmes and agencies.

D. FINANCIAL DIMENSION

- Take into account in the implementation of the financial dimension of the EU-Morocco partnership needs arising from:
 - Advanced Status;

- Morocco's internal situation as a result of political, economic and social reforms giving rise to significant needs in terms of economic and social infrastructure;
- the need for inclusive growth to reduce poverty;
- the need to consolidate Morocco's opening and integration into the global economy, especially that of the EU; and
- the EU's new neighbourhood strategy.
- Examine ways to move from 2013 towards a new phase in accessing adequate EU funds to support Morocco in its regional policy and convergence towards the EU, and in adopting new implementation procedures.
- Optimise the implementation of existing financial instruments through a better targeting of cooperation programmes and better collaboration between Morocco and the EU to boost Morocco's absorption capacity.
- Take advantage of all new relevant and necessary instruments and thematic programmes put in place by the EU as part of its external action, taking into account Morocco's needs, progress in reform and absorption capacity.

III. MONITORING AND MONITORING REPORTS

Monitoring of the Action Plan

- This Action Plan, like its predecessor, is a strategy paper for EU-Morocco cooperation.
- It will be submitted to the EU-Morocco Association Council, which will formally adopt it.
- The joint bodies established under the Association Agreement, in particular the designated subcommittees and working groups, will advance and monitor implementation of the Action Plan.
- The subcommittees will accurately monitor regulatory alignment on the EU acquis under this Action Plan over the previous year and the national programme of regulatory convergence. They will report to the Association Committee on this work. To this end, they will ensure that the relevant applications to use the TAIEX assessment instrument and any other instrument made available by the EU to assess the gap with the acquis will made by the ministries concerned.

Monitoring reports

- The EU and Morocco may unilaterally review progress in implementing the Action Plan independently of the review carried out within the Association Committee.
- The EU and Morocco will have the opportunity to invite non-governmental and other interested organisations operating in Morocco and the EU in the areas covered by the

Action Plan to submit their contributions to the review of progress in implementation.

IV. FINAL CLAUSES

- This Action Plan will have a duration of five years (2013-2017).
- The Association Committee will be responsible for analysing progress in implementing the Action Plan on the basis of reports and records of the subcommittees. It will also be able to propose new priorities and adjustments to the Action Plan on the basis of progress and/or new needs submitted to the Association Council for approval.
- In so doing, the Association Committee will take into consideration contributions from non-governmental and other interested organisations operating in Morocco and the EU in the areas covered by the Action Plan.
- After three years of implementation of this Action Plan, the Parties will undertake to define future steps towards the establishment of a new framework of relations in the light of the discussions of the ad hoc working group mentioned in the joint document on Advanced Status.

ANNEX I:

List of European and/or Council of Europe Conventions

- European Convention on Human Rights (Article 6 Right to a fair trial); EU Charter of Fundamental Rights (Chapter VI Justice)
- European Convention on Human Rights (Article 3 Prohibition of torture); Protocol No 13 (Abolition of the death penalty); EU Charter of Fundamental Rights (Articles 2 and 4)
- European Convention on Human Rights (Article 10 Freedom of expression; Article 11 Freedom of association); EU Charter of Fundamental Rights (Articles 11 and 12)
- Community Framework Strategy on Gender Equality
- European Convention on Human Rights (Article 14 Prohibition of discrimination); EU Charter of Fundamental Rights (Chapter III)
- Revised Social Charter of the Council of Europe (Articles 4.3, 7, 8, 11, 15, 16, 17, 20 and 27)
- European Convention on Human Rights (Article 14 Prohibition of discrimination); EU Charter of Fundamental Rights (Chapter III)
- Council of Europe Convention on the Transfer of Sentenced Persons, and the Additional Protocol thereto
- Council of Europe Convention on Cybercrime, and the Additional Protocol thereto
- Council of Europe Convention on Action against Trafficking in Human Beings
- Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism

ANNEX II:

Main references to the Community acquis in EU internal market areas

Financial services

The main directive in the **banking sector** is the Capital Adequacy Directive which consists of the following two directives:

- <u>Directive 2006/48/EC</u> of the European Parliament and of the Council of 14 June 2006 relating to the taking-up and pursuit of the business of credit institutions (recast)
- <u>Directive 2006/49/EC</u> of the European Parliament and of the Council of 14 June 2006 on the capital adequacy of investment firms and credit institutions (recast)

Other key directives in this field include:

- <u>Directive 2000/46/EC</u> of the European Parliament and of the Council of 18 September 2000 on the taking-up, pursuit and prudential supervision of the business of electronic money institutions
- <u>Directive 2002/87/EC</u> of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate
- <u>Directive 94/19/EC</u> of the European Parliament and of the Council of 30 May 1994 on deposit-guarantee schemes

The key directives for Morocco in the **insurance** sector are:

- Directive 2009/138/EC of 25 November 2009, OJ of 17.12.2009, the Solvency II Directive, which consists of most of the former insurance directives (codified) applicable at the end of 2012;
- over 5/6 years: adopt legislation on a solvency system for the supervision of insurance undertakings on the same lines as provided for in Solvency II and do likewise for automobile insurance on the basis of the relevant directive
- Directive 2009/103/EC (codifying directive on automobile insurance) of 16 September 2009, OJ of 9.10.2009

The key directives for Morocco in the **securities** sector are:

• Directive 2003/6/EC of the European Parliament and of the Council of 28 January 2003 on insider dealing and market manipulation (market abuse), and implementation of the directives adopted by the Commission

- Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, and the Commission recommendations on this Directive
- Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Directive 93/22/EEC
- Directive 2006/31/EC of the European Parliament and of the Council of 5 April 2006 amending Directive 2004/39/EC on markets in financial instruments, as regards certain deadlines
- Commission Directive 2006/73/EC of 10 August 2006 implementing Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments
- Commission Regulation (EC) No 1287/2006 of 10 August 2006 implementing Directive 2004/39/EC of the European Parliament and of the Council as regards record-keeping obligations for investment firms, transaction reporting, market transparency, admission of financial instruments to trading, and defined terms for the purposes of that Directive
- Directive 97/9/EC of the European Parliament and of the Council of 3 March 1997 on investor-compensation schemes
- Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies
- Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps

The most important directives in relation to **investment funds** are:

- Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (Text with EEA relevance)
- Commission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions
- Commission Directive 2010/43/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company

- Corrigendum to Commission Directive 2010/42/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards certain provisions concerning fund mergers, master-feeder structures and notification procedure
- Commission Regulation (EU) No 583/2010 of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards key investor information and conditions to be met when providing key investor information or the prospectus in a durable medium other than paper or by means of a website (Text with EEA relevance)
- Commission Regulation (EU) No 584/2010 of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards the form and content of the standard notification letter and UCITS attestation, the use of electronic communication between competent authorities for the purpose of notification, and procedures for on-the-spot verifications and investigations and the exchange of information between competent authorities (Text with EEA relevance)
- Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers

The key directives on **infrastructure** are:

- Directive 2009/44/EC of the European Parliament and of the Council of 6 May 2009 amending Directive 98/26/EC on settlement finality in payment and securities settlement systems
- Directive 2002/47/EC on financial collateral arrangements as regards linked systems and credit claims

Postal services

The key directives for Morocco in the **postal services** sector are:

• Directive 97/67/EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service, as last amended by Directives 2002/39/EC and 2008/06/EC

Intellectual and industrial property

The most important directives are:

- Directive 2004/48/EC (enforcement of intellectual property rights)
- Directive 2001/29/EC (copyright and related rights in the information society)
- Directive 2001/84/EC (resale right)
- Directive 2006/116/EC (extending protection)

- Regulation 1383/2003 concerning customs action
- Directive 91/250/EEC replaced by Directive 2009/24/EC on the legal protection of computer programs
- Directive 92/100/EEC replaced by Directive 2006/115/EC on rental right and lending right
- Directive 93/83/EEC concerning satellite broadcasting and cable retransmission
- Directive 96/9/EEC on the legal protection of databases

Concerning **trade marks**:

- Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (Codified version)
- Council Regulation (EC) No 207/2009 of 26 February 2009 on Community designs (Codified version)

Concerning patents:

- Regulation (EC) No 469/2009 of the European Parliament and of the Council of 6 May 2009 concerning the supplementary protection certificate for medicinal products (Codified version)
- Regulation (EC) No 1610/96 of the European Parliament and of the Council of 23 July 1996 concerning the creation of a supplementary protection certificate for plant protection products
- Regulation (EC) No 1901/2006 of the European Parliament and of the Council of 12 December 2006 on medicinal products for paediatric use and amending Regulation (EEC) No 1768/92, Directive 2001/20/EC, Directive 2001/83/EC and Regulation (EC) No 726/2004
- Directive 98/44/EC of the European Parliament and of the Council of 6 July 1998 on the legal protection of biotechnological inventions
- Regulation (EC) No 816/2006 of the European Parliament and of the Council of 17 May 2006 on compulsory licensing of patents relating to the manufacture of pharmaceutical products for export to countries with public health problems

Concerning **designs**:

- Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs
- Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs

ANNEX III: Priority measures under the EU-Morocco Action Plan on implementation of the advanced status (2013-2017)

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Political and policy dialogue	1) Develop bilateral political dialogue and increase consultation in	(a) Organise ad hoc meetings at ministerial and/or senior official level on subjects of mutual interest;	ST	
	multilateral forums	(b) Take joint initiatives, establish informal coordination mechanisms in UN bodies, in particular on initiatives to combat threats to international security, human rights and regional issues	ST	
	2) Strengthen cooperation on conflict prevention, crisis management, non-proliferation of weapons of mass destruction, export controls on arms and dualuse goods, civil protection and the prevention of chemical, biological, radiological and nuclear	Moroccan participation in EU crisis management operations (civil and military); (b) Establish operational arrangements between Moroccan bodies and European		
	(CBRN) risks	(c) Introduce an effective national system of arms and dual-use goods export controls	MT Active engagement in the process of negotiating the Arms Trade Treaty;	

^(*) This column covers support measures currently being implemented/under development or that may be programmed. Morocco's participation in Community programmes and agencies also constitutes a priority measure.

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Rule of law. democracy and governance	3) Strengthen institutions that guarantee democracy and the rule of law	(a) Strengthen the role and capacity for action of the Parliament, Government and political parties, the National Human Rights Council (CNDH) and the Ombudsman's Office;	MT Capacity of bodies concerned increased	Programme of support to the CNDH and Inter-ministerial Human Rights Delegation and capacity-building of both institutions (SPRING).
		(b) Adopt appropriate legislation;	MT Increased capacity in terms of the quality and constitutional conformity of legislative and regulatory texts Parliament's administrative capacity enhanced Establishment of the Constitutional Court	Support to the Government Secretariat-General (P3A III Programme) Support to Parliament (P3A III and 'Making a Success of Advanced Status' Programmes)
		(c) Strengthen cooperation with the Council of Europe;	MT Gradual accession to the relevant conventions listed in Section 2.8 of the Action Plan; Implementation of 'Partner for Democracy' status	'Making a Success of Advanced Status' and 'Strengthening democratic reform in the southern Neighbourhood' Programmes
		(d) Modernise public administration, e.g. guarantee equal access to public services,	MT	HAKAMA Programme

equitable national coverage and continuity of service, and improve the quality of service provided;		
(e) Adopt the Organic Budget Law;	ST	

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Rule of law. democracy and governance		(f) Introduce the advanced regionalisation process	Adoption and implementation of the Organic Law laying down the terms and conditions of cooperation between local authorities, their powers and operating procedures Adoption and implementation of the Organic Law laying down the operating procedures of local authorities	
	4) Ensure the independence and improve the efficiency of the judiciary	(a) Adopt a justice sector reform strategy;(b) Strengthen the independence of the judiciary;(c) Adopt appropriate legislation;	ST MT Establishment of the Supreme Judicial Council MT Adoption of a new Criminal Code; compliance with the timetable and priorities laid down in the sector reform strategy	Possible programme to support justice sector reform; capacity development; 'Strengthening democratic reform in the southern Neighbourhood' Programme

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Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Rule of law. democracy and governance	5) Consolidation of the role of civil society	(a) Strengthen consultation bodies so as to encourage civil society involvement in the preparation, implementation and evaluation of public policies;	MT Impact of the consultation process in cooperation with the Moroccan Government departments concerned and community stakeholders	Capacity-building of civil society organisations through the EIDHR, NSA & LA, and Migration and Asylum thematic programmes, and through bilateral programmes
		(b) Build the managerial and organisational capacity of Moroccan community stakeholders to interact with national and international authorities	MT Establishment of partnerships	Project to support the dynamics of integrated rural development in rural territories of northern Morocco (DRIN), 'Equity and gender equality promotion' and 'Forestry policy' support programmes and civil society support via the civil society facility
	6) Strengthen protection of the rights of women and minors	(a) Implement the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the Optional Protocol thereto;	ST	Equity and gender equality support programme; capacity building; civil society support via the civil society facility; 'Making a
		(b) Set up the Authority for Equality and to combat discrimination in all its forms;	ST	Success of Advanced Status' Programme
		(c) Finalise the legislative framework for combating violence against women, including domestic violence;	ST Adoption of the law on combating violence against women	

	(d) Implement mechanisms to promote and protect the rights of women, children and people with disabilities;		
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Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Rule of law. democracy and governance		(e) Strengthen the control mechanisms for ensuring effective implementation of the Labour Code prohibition on the employment of children under the age of 15	MT ILO reports	
		(a) Adopt and implement a new Press Code covering the written and online press and including the organisation of ethical aspects of the profession;	Inclusive consultation process involving all partners concerned in the development of the new Press Code; establishment of a National Press Council; Conformity with international standards	

(b) Continue reforms leading to media pluralism and independence;	MT Continue liberalisation of the market in the audiovisual media sectors; Strengthen the independence of the High Authority of Audiovisual Communication	
(c) Effectively apply the legislation on the right of association and amend the act on street demonstrations;	ST Immediate delivery of certificates of registration of an association; compliance with the International Covenant on Civil and Political Rights, in particular Article 21 thereof	

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Rule of law. democracy and governance		(d) Continue negotiations with the social partners on finalising the Organic Law laying down conditions and arrangements for exercising the right to strike in accordance with the results of negotiations with the social partners	MT Negotiations with the social partners; Compliance of the legal framework and practices with the principles laid down by the ILO supervisory bodies	
	8) Improve the fight against corruption	(a) Implement the act on the protection of victims and witnesses of corruption in institutions;	ST	Support to the National Agency on Probity and the Fight against Corruption (technical assistance under the P3A III Programme) and capacity-building
		(b) Establish and develop the role, independence and capacities of the National Agency on Probity and the Fight against Corruption;	ST Adopt and implement the Organic Law establishing the National Agency on Probity and the Fight against Corruption; Annual ICPC report	
		(c) Implement action plans and adopt a national strategy for preventing and combating corruption;	MT Indicators of Transparency International and other relevant national and international sources	'Strengthening democratic reform in the southern Neighbourhood' Programme P3AIII Sigma Programme

Mobility, migration and security	management, readmission, mobility of persons and migration policy,		The annex to the partnership for mobility will set out the EU and Member State support measures, including:
	asylum	(b) illegal migration: tackling irregular migration/border management/readmission agreement;	support for reform, capacity- building, civil society support, training, exchanges of experience

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
		(c) link between migration and development;		and expertise, information campaigns, 'Migration and Asylum' thematic programme and cooperation with EU agencies concerned; support for development in areas of high emigration (DRIN project in the Rif region)
		(d) promote international protection and strengthen asylum policy		
Economic and social reform	10) Continue structural reforms of the economy and finances	(a) Implement the outline plan for integrated industrial platforms and business areas;	MT Completion of the implementation	HAKAMA and SPRING Programmes (support for reforms and capacity-building)
	and imances	(b) Continue the implementation of measures aimed at increasing productivity and training the labour force in growth sectors of the economy;	of the National Pact for Industrial Emergence in the growth sectors of the economy (automobile, aeronautical, electronics, offshore, textiles/leather and agri-food industries) and of the Rawaj Plan for trade and distribution	ana capacity-buttaing)
		(c) Improve the business climate, promote entrepreneurship, SMEs and VSEs, and continue implementation of the Euro-Mediterranean Enterprise Charter;	MT Monitoring indicators of the Euro- Mediterranean Enterprise Charter; implementation of the CNEA (National Committee for the	

	Business Environment) A Plan; establishment of the Observatory; adoption of the strategy;	SME
	Regulatory reform administrative simplification;	and
	'Small Business Act' for SMI	Es

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Economic and social reform		(d) Continue tax policy and public finance management reforms;	MT Improvement in the transparency and efficiency of the tax administration; simplification of the tax system (incl. VAT); implementation of the Organic Budget Law;	
	11) Develop an integrated strategy of employment and promotion of social policy and public health	employability and decent work, taking	ST	'Making a Success of Advanced Status' and SPRING Programmes (support for reforms and capacity-building)
		(b) Adopt and implement a loss-of-job compensation scheme;	ST	
		(c) Implement the extension of compulsory	ST	'Basic medical cover'

	health insurance and of the healthcare scheme (RAMED);		programmes; health sector support programme
	(d) Improve the standard of public health, in particular through institution-building;	MT Implementation of the Moroccan national 'Health Vision 2020' strategy Gradual alignment on the relevant WHO and/or EU standards	
	(e) Reform the public subsidies scheme ('Compensation Fund');	Replacement of a system of general subsidies by a system of price subsidies for energy and certain food products targeted at low-income population groups	'Basic medical cover' programme; 'Support for promoting equity and equality between the sexes' Programme

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Economic and social reform		(f) Combat poverty and social inequalities	MT Action to combat rural poverty strengthened; Extension of basic medical cover; Improvements in the efficiency of NHDI projects	NHDI II Programme, Support for rural health policy; Programme to tackle illiteracy (SPRING) Project to support the dynamics of integrated rural development in rural territories of northern Morocco (DRIN)
Trade, markets and regulatory reform	12) Align with the EU acquis	(a) Implement legislative and regulatory alignment in the first priority sectors approved: (1) financial services (insurance), (2) public procurement, and (3) technical standards and regulations (quality and safety) [for the latter: see action 13) a)];	ST	'Making a Success of Advanced Status' programme and institutional twinning schemes with the Industry Ministry
		(b) Adopt a national regulatory convergence programme establishing other priority sectors;	By 2015 (2 years after adoption of the AP)	
		(c) Adopt appropriate legislative and regulatory reforms in line with the above national convergence programme	MT Compliance with the timetable and priorities laid down in the national convergence programme once established;	
	13) Deepen trade relations	Implement economic integration by:		Communication initiatives

	(a) Facilitating market access for industrial products through the alignment of Moroccan legislation on that of the EU and raising infrastructure quality in the priority sectors;		
		MT	
		Signing of ACAA agreements (building materials, gas appliances and machinery)	

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Trade, markets and regulatory reform		(b) Strengthen cooperation on trade defence instruments and arbitration;	ST Development of expertise in the areas of trade defence and arbitration	
		(c) Continue negotiations on an agreement on liberalising trade in services and establishment with a view to opening talks on a DCFTA;	ST	
		(d) Open talks on a DCFTA.	ST	
			Results of the scoping mission	
	14) Progress in other trade- related sectors	(a) Intellectual and industrial property: gradually move towards EU levels of protection and build administrative and judicial capacity;	ST Alignment of Moroccan legislation on that of the EU;	Institutional twinning schemes – OMPIC (Moroccan Office of Industrial and Commercial Property)
			Introduction of effective deterrent and enforcement measures (justice, customs);	
			Evaluation of the impact of counterfeiting and piracy on national creativity and innovation;	
			Improvement of the patents system for inventions	

		(b) Upgrade sanitary and phytosanitary rules and build capacity at the National Office for Food Safety (ONSSA), in particular in the area of pesticide, fertiliser and growing media registration;	Adoption and implementation of	
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Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Trade, markets and regulatory reform			Laboratories upgraded in order to obtain their accreditation.	
TCIOIM			Implementation of a regionalised animal-health system	
		(c) Improve the level of consumer protection;	MT	
			Continuation of legislative alignment; administrative capacities of the High Consumer Council strengthened;	
			Establishment of a Moroccan Consumer Centre.	
	15) Modernise and build	(a) Promote high quality production;	MT	
	capacity in agriculture and fisheries		Conclusion of an agreement to protect geographical indications	
		(b) Develop 'solidarity agriculture' (Pillar II of the Green Morocco Plan), in particular small-scale agriculture in fragile, difficult	MT Development of high quality and	Programmes supporting Pillar II of the Green Morocco Plan;
		regions and rural development	traditional local products, including organic products;	ENPARD Initiative
			Reactivation of beneficiary sectors in targeted areas;	Support for the Agricultural Council strategy (SPRING);

	ENPARD pilot programmes	
(c) Improve intelligence gathering about products and markets	МТ	
(d) Implement a framework for fisheries governance, in particular for the modernisation of wholesale trading (in line with the content and objectives of the 'Halieutis Plan' and with the common fisheries policy on the conservation and sustainable exploitation of fishery resources)	Internal market in fishery products restructured and	'Making a Success of Advanced Status' Programme

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Infrastructure	16) Improve transport efficiency	(a) Modernise air traffic management and improve air safety and security;	MT Implementation of a programme to develop safety equipment including extending radar coverage and increasing the efficiency of the air traffic control automation system	
		(b) Implement a maritime strategy aimed at strengthening maritime safety, security and surveillance	MT Systems of port, flag and coastal State control strengthened	'Making a Success of Advanced Status' Programme (capacity-building and reform support measures); SafeMed and MEDAMOS Programmes
	17) Strengthen energy supplies and security	(a) Pursue legislative and regulatory convergence in all branches of the energy sector, including renewables and natural gas, with a view to implementing the national energy strategy based on objectives of supply security, competitiveness and energy sector modernisation	MT Development and implementation of a vision for the year 2020	'Making a Success of Advanced Status' Programme
		b) Reinforce the energy interconnection infrastructure and integrate energy markets	MT Establishment of preferential conditions for Moroccan operators	

	to access EU energy markets and conditions for the integration of energy markets	
(c) Create conditions conducive to developing the use of natural gas, including a regulatory authority		

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
Infrastructure		(d) Ensure large-scale and small-scale development of renewable energies; export green electricity and promote energy efficiency	MT More effective strategy for the protection and sustainable management of forest resources; Attainment of a target of 42% of electricity production from renewable sources by 2020; Achievement of the objectives set in Morocco's Solar Plan and the Moroccan Wind Energy Project	
The environment and sustainable development	18) Improve environmental protection, water resource management and measures to combat climate change	(a) Develop and implement national strategies and programmes in the environment and water resource sector, including the introduction of a national green economy strategy (b) Improve the participation of civil society groups and local authorities concerned by environmental measures;	MT Gradual alignment with EU legislation ST Training measures aimed at developing the expertise of environmental groups; Contribution of civil society to the processes of preparing strategy documents and programming; Evaluation with the national NGO platform (GT-PEV)	- Forestry Policy Support Programme, - Support for the introduction of national green economy and climate change strategies, 'Making a Success of Advanced Status' Programme in the water sector, - Support operational implementation of the National Charter on the Environment and Sustainable Development

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
The environment and sustainable development		(c) Continue to commit to combating climate change (d) Promote sustainable business development	MT Implementation of the Cancun and Durban Agreements Implementation of the national climate change strategy and of local strategies to combat global warming MT Establishment of best management and streamlining	
General and higher education and vocational training	19) Improve the education system and ensure that higher education and vocational training are better adapted to labour market needs	(a) Implement a strategy to tackle illiteracy	ST	Support programme for implementation of the education strategy; support for the literacy strategy (SPRING); NHDI II; Erasmus Mundus, Tempus and new Erasmus for All programme, twinning schemes and support for mobility under the 'Making a Success of Advanced Status' Programme
		(b) Improve access to, quality of and governance in school and higher education;	MT Reform of the higher education	

system and legislative and regulatory convergence with the aims of the Bologna Process;	
Greater opportunities for student and academic staff mobility in partnerships with universities; consolidation of Quality Assurance (in particular through the setting-up of a Quality Assurance Agency for higher education)	

Area	Objectives	Action by Morocco	Timetable/Indicators	EU support (*)
higher	nd nd	(c) Implement higher education and vocational training reforms to ensure that they are better adapted to labour market needs;		Vocational training strategy support programme (SPRING)
Research as development,	20) Strengthen capacity in relation to the information			

information society	society, research and innovation	synergies with the Digital Agenda for Europe and European policies on the information society;		
		(b) Build the research capacity of Moroccan universities and research centres	MT Development of the network of thematic NCPs; regulatory convergence with European science and technology standards	

ST = Short term (by the end of 2014)

MT = Medium term (by the end of 2017)