Basic information

2010/0181(NLE) NLE - Non-legislative enactments Decision	Procedure completed
EU/Morocco Agreement: dispute settlement mechanism **Subject** 6.20.03 Bilateral economic and trade agreements and relations 6.40.05.02 Relations with the countries of the Great Maghreb and Maghreb **Geographical area** Morocco	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
INTA International Trade	CUTAȘ George Sabin (S&D)	15/09/2010
	Shadow rapporteur ZALBA BIDEGAIN Pablo (PPE) DE SARNEZ Marielle (ALDE)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Foreign Affairs	3086	2011-05-13

European Commission

Commission DG	Commissioner
Trade and Economic Security	DE GUCHT Karel

Key events

Date	Event	Reference	Summary
		COM(2010)0326	Summary

22/06/2010	Preparatory document		
12/10/2010	Legislative proposal published	13754/2010	Summary
16/12/2010	Committee referral announced in Parliament		
16/03/2011	Vote in committee		Summary
18/03/2011	Committee report tabled for plenary, 1st reading/single reading	A7-0066/2011	
06/04/2011	Decision by Parliament	T7-0132/2011	Summary
06/04/2011	Results of vote in Parliament		
13/05/2011	Act adopted by Council after consultation of Parliament		
13/05/2011	End of procedure in Parliament		
05/07/2011	Final act published in Official Journal		

Technical information

Procedure reference	2010/0181(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legislative instrument	Decision
Legal basis	Treaty on the Functioning of the European Union TFEU 207-p4 Treaty on the Functioning of the European Union TFEU 218-p6a
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	INTA/7/03248

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE452.789	13/12/2010	
Committee report tabled for plenary, 1st reading/single reading		A7-0066/2011	18/03/2011	
Text adopted by Parliament, 1st reading/single reading		T7-0132/2011	06/04/2011	Summary

Council of the EU

Document type	Reference	Date	Summary
Legislative proposal	13754/2010	12/10/2010	Summary
Document attached to the procedure	13973/2010	12/10/2010	Summary

European Commission

Document type	Reference	Date	Summary

Preparatory document	COM(2010)0326	22/06/2010	Summary

Additional information		
Source	**Document**	**Date**
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act	
Decision 2011/0392 OJ L 176 05.07.2011, p. 0001	Summary

EU/Morocco Agreement: dispute settlement mechanism

2010/0181(NLE) - 12/10/2010 - Legislative proposal

PURPOSE: to conclude an Agreement between the EU and Morocco establishing a Dispute Settlement Mechanism.

PROPOSED ACT: Council Decision.

BACKGROUND: on 24 February 2006, the Council authorised the Commission to open negotiations with partners in the Mediterranean region in order to establish a dispute settlement mechanism related to trade provisions. These negotiations have been concluded and an Agreement between the European Union and the Kingdom of Morocco establishing a Dispute Settlement Mechanism was initialled on 9 December 2009.

It is now necessary to conclude the Agreement on behalf of the Union.

IMPACT ASSESSMENT: no impact assessment was carried out.

LEGAL BASE: the first sub-paragraph of Article 207(4), in conjunction with Article 218(6)(a)(v) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: with this draft decision, the Agreement between the EU and Morocco establishing a Dispute Settlement Mechanism is hereby approved on behalf of the Union.

The text of the Agreement is attached to this Decision (see Council Doc. *13973/10*).

For further details on the content of this Agreement please refer to the previous initial legislative document dated 22/06/2010.

BUDGETARY IMPLICATION: the proposal has no implications for the Union’s budget.

EU/Morocco Agreement: dispute settlement mechanism

2010/0181(NLE) - 13/05/2011 - Final act

PURPOSE: to conclude an Agreement between the EU and Morocco establishing a Dispute Settlement Mechanism.

NON-LEGISLATIVE ACT: Council Decision 2011/392/EU on the conclusion of an Agreement between the European Union and the Kingdom of Morocco establishing a dispute settlement mechanism.

BACKGROUND: on 24 February 2006 the Council authorised the Commission to open negotiations with partners in the Mediterranean region in order to establish a dispute settlement mechanism related to trade provisions.

These negotiations have been concluded and an Agreement between the European Union and the Kingdom of Morocco establishing a Dispute Settlement Mechanism was initialled on 9 December 2009 and signed on 13 December 2010.

It is now necessary to conclude the Agreement on behalf of the European Union.

CONTENT: with this Decision, the Agreement between the European Union and the Kingdom of Morocco establishing a Dispute Settlement Mechanism is hereby approved on behalf of the Union.

The Agreement follows the model of the chapter on dispute settlement, which is included in the current negotiations of free trade agreements, and is based on the Memorandum of Understanding of the WTO, adapted to a bilateral context.

The scope of the dispute settlement mechanism includes Title II of the Association Agreement between the EU and Morocco, with the usual exception of the article on anti-dumping measures. After the entry into force of the Agreement on the liberalisation measures on agricultural products, signed on 14 December 2009, disputes will be governed by this Agreement.

The Agreement provides for the following:

- opportunities to settle disputes before establishing an arbitration panel, through consultations and mediation;
- streamlined and effective procedures on the composition of the arbitration panel and compliance proceedings with clear time-limits;
- rules on openness and transparency, with provisions on open hearings, *amicus curiae* briefs, and the publication of the panel report;
- provisions on relations with the WTO Dispute Settlement Understanding.

ENTRY INTO FORCE: 13 May 2011. The date of entry into force of the Agreement will be published in the Official Journal of the European Union by the General Secretariat of the Council.

EU/Morocco Agreement: dispute settlement mechanism

2010/0181(NLE) - 06/04/2011 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a legislative resolution on the draft Council decision on the conclusion of an Agreement between the European Union and the Kingdom of Morocco establishing a Dispute Settlement Mechanism.

Parliament gives its consent to the conclusion of the Agreement.

EU/Morocco Agreement: dispute settlement mechanism

2010/0181(NLE) - 12/10/2010 - Document attached to the procedure

The document presents the definitive text of the Agreementbetween the EU and Morocco establishing a Dispute Settlement Mechanism.

To recall, Parties negotiated an Agreement, the objective of which is to avoid and settle any trade dispute between the Parties with a view to arrive at, where possible, a mutually agreed solution.

Scope: the provisions of this Agreement apply with respect to any dispute concerning an alleged violation of the provisions of Title II 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 or of the Agreement in the form of an Exchange of Letters between the European Union and the Kingdom of Morocco concerning reciprocal liberalisation measures on agricultural products and processed agricultural products.

Main provisions: the Agreement provides for the following:

- opportunities to settle disputes before establishing an arbitration panel, through consultations and mediation;
- streamlined and effective procedures on the composition of the arbitration panel and compliance proceedings with clear time-limits;
- rules on openness and transparency, with provisions on open hearings, amicus curiae briefs, and the publication of the panel report;
- provisions on relations with the WTO Dispute Settlement Understanding.

The procedures of this Agreement shall apply if, 60 days after a dispute has been referred to the Association Council pursuant to Article 86 of the Association Agreement, the Association Council has failed to settle the dispute.

For further information on this Agreement, please refer to the summary of the previous initial legislative document dated 22/06/2010.

EU/Morocco Agreement: dispute settlement mechanism

2010/0181(NLE) - 22/06/2010 - Preparatory document

PURPOSE: to conclude an Agreement between the EU and Morocco establishing a Dispute Settlement Mechanism.

PROPOSED ACT: Council Decision.

BACKGROUND: the Euro-Mediterranean Agreements contain provisions liberalising trade in goods, but the dispute settlement rules applicable to disputes concerning these provisions rely mainly on a diplomatic approach and can be easily blocked by the party complained against. In the context of an upgrading of Euro-Mediterranean trade relations, it was opportune to create a dispute settlement mechanism applicable to trade disputes based on streamlined and effective procedures within firm time limits, and modelled on the dispute settlement mechanisms of the most recent agreements concluded by the EU and on the WTO Dispute Settlement Understanding. Such a mechanism will increase the security and predictability of bilateral trade relations. To this end in the framework of the European Neighbourhood Policy EU-Morocco Action Plan the parties agreed to elaborate rules of procedure for dispute settlement.

The Commission has negotiated in regional and bilateral mode with several Mediterranean partners. Negotiations with Morocco resulted in a draft Agreement that was initialled at the Euro-Mediterranean Trade Ministerial Conference in Brussels on 9 December 2009.

LEGAL BASE: Article 207(4), first sub-paragraph, in conjunction with Article 218(6)(a)(v) of the Treaty on the Functioning of the European Union.

IMPACT ASSESSMENT: no impact assessment was carried out.

CONTENT: this Agreement follows the model of the dispute settlement chapter of current Free Trade Agreement negotiations, and is based on the WTO Dispute Settlement Understanding, adapted to a bilateral context. The scope of the dispute settlement mechanism includes Title II of the EU-Morocco Association Agreement, with the usual exception of the article on anti-dumping. After the entry into force of the Agreement on the liberalisation of agricultural products, initialled on 14 December 2009, disputes arising from that agreement would also be subject to this Agreement.

The text provides for the following:

- opportunities to settle disputes before establishing an arbitration panel, through consultations and mediation;
- streamlined and effective procedures on the composition of the arbitration panel and compliance proceedings with clear time-limits;
- provisions on temporary remedies in case of non-compliance;
- rules on openness and transparency, with provisions on open hearings, amicus curiae briefs, and the publication of the panel report;
- provisions on relations with the WTO Dispute Settlement Understanding.

BUDGETARY IMPLICATIONS: this proposal has no implication for the EU’s budget.