

TITLE VII

FINANCIAL COOPERATION

Article 75

With a view to full attainment of this Agreement's objectives, financial cooperation shall be implemented for Morocco in line with the appropriate financial procedures and resources.

These procedures shall be adopted by mutual agreement between the Parties by means of the most suitable instruments once this Agreement enters into force.

In addition to the areas covered by the Titles V and VI of this Agreement, cooperation shall entail:

- facilitating reforms aimed at modernising the economy,
- updating economic infrastructure,
- promoting private investment and job creation activities,
- taking into account the effects on the Moroccan economy of the progressive introduction of a free trade area, in particular where the updating and restructuring of industry is concerned,

- flanking measures for policies implemented in the social sectors.

Article 76

Within the framework of Community instruments intended to buttress structural adjustment programmes in the Mediterranean countries — and in close coordination with the Moroccan authorities and other contributors, in particular the international financial institutions — the Community will examine suitable ways of supporting structural policies carried out by Morocco to restore financial equilibrium in all its key aspects and create an economic environment conducive to boosting growth, while at the same time enhancing social welfare.

Article 77

In order to ensure a coordinated approach to dealing with exceptional macroeconomic and financial problems which could stem from the progressive implementation of this Agreement, the Parties shall closely monitor the development of trade and financial relations between the Community and Morocco as part of the regular economic dialogue established under Title V.

TITLE VIII

INSTITUTIONAL, GENERAL AND FINAL PROVISIONS

Article 78

An Association Council is hereby established which shall meet at ministerial level once a year and when circumstances require, on the initiative of its Chairman and in accordance with the conditions laid down in its Rules of Procedure.

It shall examine any major issues arising within the framework of this Agreement and any other bilateral or international issues of mutual interest.

Article 79

1. The Association Council shall consist of the members of the Council of the European Union and members of the Commission of the European Communities, on the one hand, and of members of the Government of the Kingdom of Morocco, on the other.

2. Members of the Association Council may arrange to be represented, in accordance with the provisions laid down in its Rules of Procedure.

3. The Association Council shall establish its Rules of Procedure.

4. The Association Council shall be chaired in turn by a member of the Council of the European Union and a member of the Government of the Kingdom of Morocco in accordance with the provisions laid down in its Rules of Procedure.

Article 80

The Association Council shall, for the purpose of attaining the objectives of this Agreement, have the power to take decisions in the cases provided for therein.

The decisions taken shall be binding on the Parties, which shall take the measures necessary to implement the decisions taken. The Association Council may also make appropriate recommendations.

It shall draw up its decisions and recommendations by agreement between the two Parties.

Article 81

1. Subject to the powers of the Council, an Association Committee is hereby established which shall be responsible for the implementation of the Agreement.

2. The Association Council may delegate to the Association Committee, in full or in part, any of its powers.

Article 82

1. The Association Committee, which shall meet at the level of officials, shall consist of representatives of members of the Council of the European Union and of members of the Commission of the European Communities, on the one hand, and of representatives of the Government of the Kingdom of Morocco, on the other.

2. The Association Committee shall establish its Rules of Procedure.

3. The Association Committee shall be chaired in turn by a representative of the Presidency of the Council of the European Union and by a representative of the Government of the Kingdom of Morocco.

The Association Committee shall normally meet alternately in the Community and in Morocco.

Article 83

The Association Committee shall have the power to take decisions for the management of the Agreement as well as in those areas in which the Council has delegated its powers to it.

It shall draw up its decisions by agreement between the Parties. These decisions shall be binding on the Parties, which shall take the measures necessary to implement the decisions taken.

Article 84

The Association Council may decide to set up any working group or body necessary for the implementation of the Agreement.

Article 85

The Association Council shall take all appropriate measures to facilitate cooperation and contacts between the European Parliament and the parliamentary institutions of the Kingdom of Morocco, and between the Economic and Social Committee of the Community and its counterpart in the Kingdom of Morocco.

Article 86

1. Either Party may refer to the Association Council any dispute relating to the application or interpretation of this Agreement.

2. The Association Council may settle the dispute by means of a decision.

3. Each Party shall be bound to take the measures involved in carrying out the decision referred to in paragraph 2.

4. In the event of it not being possible to settle the dispute in accordance with paragraph 2, either Party may notify the other of the appointment of an arbitrator; the other Party must then appoint a second arbitrator within two months. For the application of this procedure, the Community and the Member States shall be deemed to be one Party to the dispute.

The Association Council shall appoint a third arbitrator.

The arbitrators' decisions shall be taken by majority vote.

Each party to the dispute shall take the steps required to implement the decision of the arbitrators.

Article 87

Nothing in this Agreement shall prevent a Contracting Party from taking any measures:

- (a) which it considers necessary to prevent the disclosure of information contrary to its essential security interests;
- (b) which relate to the production of, or trade in, arms, munitions or war materials or to research, development or production indispensable for defence purposes, provided that such measures do not impair the conditions of competition in respect of products not intended for specifically military purposes;
- (c) which it considers essential to its own security in the event of serious internal disturbances affecting the maintenance of law and order, in time of war or serious international tension constituting threat of war or in order to carry out obligations it has accepted for the purpose of maintaining peace and international security.

Article 88

In the fields covered by this Agreement, and without prejudice to any special provisions contained therein:

- the arrangements applied by the Kingdom of Morocco in respect of the Community shall not give rise to any discrimination between the Member States, their nationals, or their companies or firms,
- the arrangements applied by the Community in respect of the Kingdom of Morocco shall not give rise to any discrimination between Moroccan nationals or its companies or firms.

Article 89

Nothing in this Agreement shall have the effect of:

- extending the fiscal advantages granted by either Party in any international agreement or arrangement by which it is bound,
- preventing the adoption or application by either Party of any measure aimed at preventing fraud or the evasion of taxes,
- opposing the right of either Party to apply the relevant provisions of its tax legislation to taxpayers who are not in an identical situation as regards their place of residence.

Article 90

1. The Parties shall take any general or specific measures required to fulfil their obligations under this Agreement. They shall see to it that the objectives set out in this Agreement are attained.

2. If either Party considers that the other Party has failed to fulfil an obligation under this Agreement, it may take appropriate measures. Before so doing, except in cases of special urgency, it shall supply the Association Council with all the relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Parties.

In the selection of measures, priority must be given to those which least disturb the functioning of this Agreement. These measures shall be notified immediately to the Association Council and shall be the subject of consultations within the Association Council if the other Party so requests.

Article 91

Protocols 1 to 5, Annexes 1 to 7 and the Declarations shall form an integral part of this Agreement. The Declarations and Exchanges of Letters can be found in the Final Act, which shall likewise form an integral part of this Agreement.

Article 92

For the purposes of this Agreement, 'Parties' shall mean, on the one hand, the Community or the Member States, or the Community and its Member States, in accordance with their respective powers, and, on the other hand, Morocco.

Article 93

This Agreement shall be concluded for an unlimited period.

Either Party may denounce this Agreement by notifying the other Party. This Agreement shall cease to apply six months after the date of such notification.

Article 94

This Agreement shall apply, on the one hand, to the territories in which the Treaties establishing the European Community and the European Coal And Steel Community are applied and under the conditions laid down in those Treaties and, on the other hand to the territory of the Kingdom of Morocco.

Article 95

This Agreement is drawn up in duplicate in the Danish, Dutch, English, Finnish, French, German, Greek, Italian, Portuguese, Spanish, Swedish and Arabic languages, each of these texts being equally authentic.

Article 96

1. This Agreement shall be approved by the Contracting Parties in accordance with their own procedures.

It shall enter into force on the first day of the second month following the date on which the Contracting Parties notify each other that the procedures referred to in the first paragraph have been completed.

2. Upon its entry into force, this Agreement shall replace the Cooperation Agreement between the European Community and the Kingdom of Morocco and the Agreement between the Member States of the European Coal and Steel Community and the Kingdom of Morocco, signed in Rabat on 25 April 1976.