Washington, D.C. June 15, 2004

The Honorable Robert B. Zoellick United States Trade Representative

Dear Ambassador Zoellick:

I have the honor to confirm the following understanding reached between the delegations of the Kingdom of Morocco and the United States of America in the course of negotiations regarding Chapter Nine (Government Procurement) of the Free Trade Agreement between our Governments signed this day:

Article 9.1 (Scope and Coverage) of the Agreement provides that Chapter Nine of the Agreement applies to procurement by a procuring entity by any contractual means. For greater certainty, the phrase "by any contractual means," as used in Article 9.1.2(b), includes, in the case of Morocco, public concessions of services, under which a procuring entity awards a contract for the provision of a specified public service and, as consideration for a supplier's execution of a contractual arrangement, grants to the supplier, for a specified period, the right to demand payment for the services provided by the supplier under the contract.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an integral part of the Agreement.

Sincerely,

Taïb Fassi Fihri Minister Delegate for Foreign Affairs and Cooperation Washington, D.C. June 15, 2004

The Honorable Taïb Fassi Fihri Minister Delegate for Foreign Affairs and Cooperation Kingdom of Morocco

Dear Minister Fassi Fihri:

I am pleased to receive your letter of today's date, which reads as follows:

"I have the honor to confirm the following understanding reached by between the delegations of the Kingdom of Morocco and the United States of America in the course of negotiations regarding Chapter Nine (Government Procurement) of the Free Trade Agreement between our two Governments signed this day:

Article 9.1 (Scope and Coverage) of the Agreement provides that Chapter Nine of this Agreement applies to procurement by a procuring entity by any contractual means. For greater certainty, the phrase 'by any contractual means,' as used in Article 9.1.2(b), includes, in the case of Morocco, public concessions of services, under which a procuring entity awards a contract for the provision of a specified public service and, as consideration for a supplier's execution of a contractual arrangement, grants to the supplier, for a specified period of time, the right to demand payment for the services provided by the supplier under the contract for the duration of that contract.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an integral part of the Agreement."

I have the honor to confirm that the understanding referred to in your letter is shared by my Government, and that your letter and this letter in reply shall constitute an integral part of the Agreement.

Sincerely,

Robert B. Zoellick