

Canada-EU free-trade won't be delayed: officials

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PARIS -- Europe's awkwardly-timed loss of its political leader won't stand in the way of a Prague summit this spring intended to launch Canada-European Union free-trade negotiations, according to government and industry officials.

The Czech Republic's government, which took over the EU rotating presidency in January amid predictions it was likely to embarrass itself in the high-profile role, did just that this week when the stumbling government lost a non-confidence vote.

Prime Minister Mirek Topolanek, who resigned along with his cabinet Thursday, managed to offend leaders on both sides of the Atlantic with a speech to the European Parliament Wednesday likening President Barack Obama's economic policies to a "way to hell."

Czech President Vaclav Klaus, famous for his angry rants alleging that climate change is a hoax, said he hopes to reach a "quick" agreement with parliamentary leaders on the formation of a new government.

A Canada-EU summit, tentatively scheduled for May 6, was intended to formally launch negotiations on a trade and investment package which a joint study said would bring billions in economic benefits to Canada and European countries.

Canada relied heavily on President Nicolas Sarkozy during the second half of last year, when France held the EU presidency, to push EU bureaucrats to agree to the trade initiative.

But officials now say that there is enough momentum in Brussels for Canada-EU negotiations to survive the political uncertainty.

"Nothing should be delayed. The summit will still take place as scheduled," said Jan Silva, a spokesman for the Czech's EU mission in Brussels.

Jason Langrish, executive director of the Canada Europe Roundtable for Business, doesn't expect delays even though the outgoing Czech government was strongly pro-free trade. "The Canada-EU agreement will be seen as a tangible example in rejecting protectionism and embracing trade liberalization," he wrote in an e-mail. "This notion is powerful enough to ride out a minor crisis in the EU within a smaller member state."