

# Canada, EU free trade talks fail to break deadlock

(AFP)

February 8, 2013

OTTAWA — Two days of face-to-face meetings between Canada's trade minister and his EU counterpart, ending late Thursday, failed to break a deadlock on the last stumbling blocks to reaching a free trade pact.

"Progress was made in several of the areas that remain outstanding. However, further important work remains to be done, and the process of negotiations is continuing," a spokesman for Canadian Trade Minister Ed Fast said Friday.

"Both Canada and the EU remain committed to a successful outcome to the negotiations," he said, but added that Ottawa "will only sign an agreement that is in the best interests of Canadians."

European Union Commissioner Karel De Gucht and Fast, along with their respective negotiating teams, met in Ottawa on Wednesday and Thursday.

They were joined by Canadian Agriculture Minister Gerry Ritz and his EU counterpart, Commissioner Dacian Ciolos.

EU trade spokesman John Clancy indicated after the meeting that agriculture was one of "a number of important gaps to be bridged."

The EU is seeking to lower tariffs of up to 300 percent shielding Canada's supply-managed dairy industry from imports of European cheeses.

Ottawa is pressing for increased access to EU markets for Canadian beef and pork, which Ireland opposes.

"On agricultural issues, we are now in a more realistic zone, but we are still not there yet," Clancy said, adding that discussions would now continue between chief negotiators.

Canada-EU free trade talks opened in 2009 with expectations of negotiations being concluded by late 2012, allowing a treaty to be ratified by now.

Bilateral trade reached a record Can\$116.4 billion (86.9 billion euro) in 2011, up 10 percent from the previous year, with Canadian exports led by gold, aircraft, diamonds, uranium and iron ore, say the latest available figures.

A free trade pact would give Canadian companies access to the EU market of 500 million consumers in 27 countries, and eliminate 98 percent of Canadian tariffs on EU goods, effectively lowering the price of European goods sold in Canada by as much as five percent.