

Canada-EU negotiators making final push in trade talks

Trade Minister Ed Fast meeting with European counterpart in Brussels next week

By Janyce McGregor, [CBC News](#) Posted: Nov 14, 2012

European trade negotiators are in Ottawa this week in a final push to whittle down the issues their political masters will have to tackle during much-anticipated ministerial talks in Brussels next week.

Work began on the Canada-European Union Comprehensive Economic and Trade Agreement in 2009.

But while the two sides have met regularly for round after round of negotiations — and spoken frequently in between — the Harper government doesn't appear keen to confirm this deal with Europe is heading towards the final countdown.

A spokesman for International Trade Minister Ed Fast, Rudy Husny, says the two sides are in "intensive negotiations" but said CETA talks are a continuation of dialogue that has been underway for some time.

In an Oct. 30 video posted on a European web site, European Trade Commissioner Karel De Gucht announced that ministerial talks between himself and Fast would be held "towards" Nov. 20 to try to "close the deal."

"There are a number of issues I believe that you can only resolve at the political level," De Gucht said in the video.

The minister's office confirmed Wednesday that Fast will head for Brussels next week to join negotiators already there — but Husny added that those talks will "undoubtedly be followed by further discussions at all levels."

On Thursday morning, Agriculture Minister Gerry Ritz's office confirmed that he too will be at the ministerial talks in Brussels next week.

Fast's spokesman says the trade and agriculture ministers are "working very closely."

After briefing Canadian media during earlier stages of the talks, the European Commission this week is not granting interview requests.

However, Europe's delegation in Ottawa did confirm Thursday morning that the ministerial talks are set for next Thursday, Nov. 22.

In a written statement provided to CBC News, EU First Counsellor Maurizio Cellini said that the results of the ministerial meeting will be presented to Europe's Foreign Affairs Council on Nov. 29.

That meeting could be seen as the European equivalent of taking the details back to cabinet for approval.

Pro-trade deal photo ops

Despite a reluctance to discuss details of the late-stage talks, the Harper government has scheduled a series of photo opportunities across Canada this week to tout the benefits of a potential deal.

A gaggle of ministers, including Fast himself, has been out doing a series of cross-Canada photo ops and orchestrated sector-by-sector promotional events to sing the benefits for uniquely Canadian products.

The featured goods, representing regional interests that could stand to benefit from a comprehensive deal with Europe, may have already been addressed and settled in earlier stages of the talks.

But maple syrup, canoes and Tilley hats are not the high-stakes files on which this deal rests. Producers of other commodities featured in the announcements, including wheat and wood products, are already doing hundreds of millions of dollars of business with Europe despite current tariffs.

No Conservatives are visiting dairies, slaughterhouses, drug manufacturers or automotive plants — sectors that represent more contentious parts of the deal.

While both sides are on the record as wanting to conclude talks before the end of the year, Europe's Ambassador to Canada, Matthias Brinkmann, opened the door earlier this fall to taking a little longer, perhaps into early next year.

The agreement is unprecedented in its scope, with delays arising both from the uncharted territory it's attempting to cross and the unique challenges inherent in negotiating with the 27 different state interests the European Commission negotiators must represent.

For example, CETA aims to make a major move on agricultural tariffs and market access, something unseen in multilateral trade talks over the last two decades. The agricultural files have been saved for the end of these talks, so both sides can weight their gains and concessions against other benefits and costs in the agreement.

Europe's next move is free trade negotiations with the United States, while Canada recently joined the Trans-Pacific Partnership talks. Measures contained in the CETA deal could be seen as precedents for other agreements.

Concessions on drug patents?

Sources told The Canadian Press Tuesday that Ottawa is signalling it is prepared to give the Europeans at least part of what they are asking for on drug patents — a move that could cost Canadians up to \$900 million a year.

Government and industry sources told the Canadian Press that Fast is willing to give the EU somewhat stiffer patent protection for brand-name pharmaceuticals, despite intense pressure from the generic drug industry in Canada, health care advocates and several provincial governments who don't want to see their [drug costs rise](#).

The EU has been demanding patent harmonization, extending them an average of 2.66 years in Canada, which would cost Canadians between \$795 million and \$2 billion a year, according to government

calculations obtained last month by The Canadian Press.

Sources told the Canadian Press that Ottawa is not willing to go that far, but could settle for a more moderate version of the EU demands.

Europe and the brand-name industry have argued that Canada's patent regime is below international standards — an argument echoed by the United States.

No aspect of the deal is final until the entire package has been signed off.