

Despite 'irritants,' Canada-EU free-trade talks close to completion

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OTTAWA— Globe and Mail Update

Posted on Friday, January 20, 2012 5:50PM EST

Free-trade talks between Canada and the European Union are close to completion, European officials say.

"The negotiations are still going on, but they are really getting down to details that need to be resolved," the EU external affairs' department's director for the Americas, Tomas Dupla del Moral, said during a visit to Ottawa "And with a relatively limited number of issues that need to be resolved."

"We are not talking about something that is going to be dragging on."

He said he could not put a specific timeframe on the talks, although others had indicated they expect the talks to be concluded in a few weeks or months. EU ambassador Matthias Brinkmann said the two sides hope to conclude the deal by summer.

The formal rounds of negotiating sessions -- nine of them -- are now over, Mr. Dupla del Moral said, and now it is just a question of clearing away a few remaining disagreements, "which of course is an expression of how advanced things are."

There are concerns that disputes between Canada and Europe could derail the trade talks even at this late stage.

Canada has objected to an EU fuel quality directive that characterizes oil from Alberta's oil sands as a high-emissions fuel. And the EU's move to include air travel in its carbon-emissions trading system has led to failed court action by North American airlines and intense

objections from Canada and the United States.

Mr. Dupla del Moral acknowledged he heard objections about both issues from Canadian officials, but insisted that the two sides can handle such "irritants" without derailing broader trade and political relations.

The aviation emissions scheme is designed to require airlines to account for the carbon emissions that contribute to climate change, but it could be costly for airlines from outside the EU.

Mr. Dupla del Moral noted the EU has long pressed for emissions regulations through the International Civil Aviation Organization, to no avail. He noted the rule also applies to airlines in the EU, and said those from countries outside the EU can get a break if their country is taking measures to combat climate change.

"The rule, by the way, has a number of flexibilities that allow for taking into account measures that countries may have taken to reduce emissions," he said. "We invite every country, we invite Canada as well, to make use of that instrument."