

EU blames Canada for slow progress on trade deal

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The European Union had sharp words for Canada today as the two sides struggle to complete a trade deal, saying through a spokesman that it's been waiting for four months to hear the Canadian government say it's ready to make the compromises necessary for an agreement.

The EU's statements set off a war of words with Canada over which side has worked harder to strike an accord.

The undiplomatic comments from the 27-member union came after The Globe and Mail reported Canadian trade negotiators are running up against bureaucratic infighting among European Union officials, who are backing away from earlier commitments in talks for a Canada-Europe trade deal.

Slowing momentum in the talks has increased the chances Stephen Harper will return home empty-handed after a week-long trip to the region that ends June 18.

Asked for comment, EU trade spokesman John Clancy said Tuesday the European side has indicated it's ready to deal. He suggested the same could not be said of Canada.

"We are very close to an agreement. The EU has shown pragmatism and flexibility and is ready to take the last steps to achieve a political breakthrough in the negotiations. We have been awaiting a similar message from Canada since the Trade and Agriculture Ministers met in Ottawa in early February."

After providing the comment to The Globe and Mail the EU also released a public statement using the same language.

The verbal jab prompted a quick response from Canada to counter the EU criticism.

"Canada has made robust offers in good faith that address the EU's key interests," Adam Taylor, director of communications for International Trade Minister Ed Fast said.

Mr. Taylor suggested Canada's still waiting for the European Union to reciprocate.

"Canadians expect to be provided the same by the EU. We continue to make this clear to our EU counterparts. We will only sign a deal that advances Canada's priorities."

Negotiations between Canada and the 27-member EU have entered their fourth straight week in Brussels. They are part of a push by Canada to conclude negotiations on its biggest trade deal since the historic Canada-U.S. free-trade agreement of 1988 – one that would make it easier for Canadian companies to sell goods and services to 500 million consumers in the EU.

The Prime Minister's Office has tried to play down expectations for Mr. Harper's seven-day trip, slated to end June 18 after a G8 meeting in Northern Ireland. But the Conservatives had hoped for a deal during the visit because it would give Mr. Harper a win while he's under fire at home for a Senate expenses scandal.

Sources familiar with the talks say in more than one instance Canadians felt they'd locked down agreement with the Europeans on a topic, only to see that consensus unravel because directorates in the EU bureaucracy hadn't signed off on the terms. They say this has happened in negotiations over trade in services, slowing the momentum of the talks, which have already been under way for four years.

"The EU side seems increasingly incapable of getting its act together to close a deal," one Canadian source said. "The various competing directorates within the EU are fighting each other, which is leading to erratic moves such as backing away from earlier commitments – actions that are on the verge of bad faith. The EU has to demonstrate it's serious about cutting a deal."

Friction in negotiations comes as a bigger trade fish looms for the European Union: the United States. Leaders of both countries at the

G8 meetings in Northern Ireland Monday said they plan to start EU-U.S. trade agreement talks next month – a development that threatens to overshadow Canada’s negotiations with Brussels.