Canada-EU trade deal nearly done: top European official

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Free trade negations between Canada and the European Union are nearly done and a deal could be announced within a "few weeks," according to a senior European official who is meeting with top Canadian officials in Ottawa.

Christian Leffler, managing director of the Americas for the European Commission, is the top official responsible for the EU's relationship with the Americas.

In an interview with The Globe and Mail, Mr. Leffler refuted speculation that momentum is lagging in the talks after both sides failed to reach an agreement by a stated deadline of the end of 2012.

"I believe that this can be done, and I hope it will be done, in the next few weeks or the next couple of months," he said. "Inevitably, towards the end of a negotiation, the issues that are left are not the walkover issues. They're the most difficult ones. It's in the nature of things. And so we need still to do some heavy lifting... This does require those difficult political decisions to be taken on where the compromises will lie."

Mr. Leffler confirmed that some of the remaining issues that will require compromise at the political level involve agricultural issues, European access to public infrastructure projects and investment protection.

Prime Minister Stephen Harper will attend the G8 Summit in Northern Ireland June 17-18, but it is not clear whether that trip is viewed as a potential window for the two sides to announce a deal.

The European Union is also in the early stages of trade negotiations with the United States, leading to some speculation that European resources could be diverted to those talks if a deal with Canada is not reached soon. Mr. Leffler rejected such a connection.

"The EU are champions of multi-tasking," he said, though he acknowledged the negotiations with the United States will take up a lot of EU resources.

"Launching a free trade negotiation between the EU and the United States is going to be the mother of all negotiations because we have such a hugely rich, varied, sometimes complex relationship because our economics combined are so important to the world economy and to each other," he said. "So that will necessitate the mobilization of a lot of resources. In the trade department of the commission, but in many parts at well."

Prior to his visit to Ottawa Wednesday, where he is scheduled to meet with officials in the Prime Minister's Office and senior officials at Foreign Affairs and international trade, Mr. Leffler spent two days in Iqaluit. The European Union is seeking permanent observer status on the Arctic Council. Mr. Leffler said there were also extensive discussions in Iqaluit on the European seal ban, which is strongly opposed by Canada's Inuit leaders. Mr. Leffler said he urged the Inuit to take up Europe's offer of a special exemption on seal imports from indigenous populations.

Rudy Husny, a spokesperson for Canadian trade minister Ed Fast, said negotiators are meeting frequently to work on the remaining issues. Another meeting is scheduled in Brussels May 6-8.

"In the current global economic climate, an ambitious trade agreement between the EU and Canada would be a significant benefit to both Canada and the European Union," Mr. Husny said in an email. "Our government will only sign an agreement that is in the best interests of Canadians, and we continue to pursue that objective."