

## Letter n°1163 of Tuesday 7<sup>th</sup> July 2026

### Europe and its response to the return of power relations

[Fondation Robert Schuman - 07 Jul 2026](#)

Faced with the geopolitical, economic, security and democratic challenges that are reshaping the continent, the Foundation presents a podcast (Station Schuman) offering analysis and insight into the major issues facing the European Union. War has returned to Europe's doorstep, tensions are mounting, hybrid threats are on the rise, and nuclear deterrence is once again taking centre stage in the strategic balance of power. In this first episode, Admiral Bernard Rogel (2S) analyses the major challenges facing Europe: the future of French deterrence, maritime security, European strategic autonomy, and the crises in the Middle East and Ukraine.



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■ **Front page! :**



## Trump, NATO and Europe

As the NATO summit in Ankara on 7 July approaches, all eyes are once again turning to the US ally, whose stance towards Europe is becoming increasingly ambiguous. But this summit also presents an opportunity for Europe to demonstrate its ability to ensure its own security. Europeans have now realised that they would be on their own in the event of a major crisis, and are reinvesting in defence. They are increasingly well-equipped and autonomous. Ankara will provide a further opportunity to demonstrate this. [Read more](#)

## ■ Foundation :



### NextGenerationEU: green light for Denmark, Spain, Portugal and Belgium

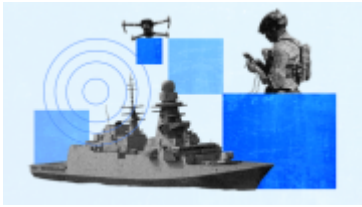
On 30 June and 2 July, the European Commission approved four payment requests for Denmark, Spain, Portugal and Belgium under the Recovery and Resilience Facility. With the approval of its latest payment request for €359 million, Denmark has become the first Member State to achieve 100 per cent of the reforms and investments set out in its recovery plan. Spain received a partially positive assessment for €5.7 billion. The Commission has given the go-ahead for €2.32 billion for Portugal and €567 million for Belgium. The Foundation provides a summary of the various national recovery plans on its website, setting out the amounts, timetables and priorities. [Read more](#)

## ■ Commission :



### New protective measures for the European steel industry

On 1 July, the regulation protecting the European Union's steel sector from the adverse effects of global overcapacity came into force. The measure sets tariff quotas at 18.3 million tonnes per year, thereby introducing a 50 per cent out-of-quota duty on 26 categories of steel products imported into the EU. It also introduces an additional traceability requirement. The Commission has published the implementing regulation setting out the allocation of tariff quotas. It aims to minimise as far as possible the impact of the legislation on trade with the EU's free trade agreement partners. [Read more](#) - [Other link](#)



## Five "European Defence Projects of Common Interest"

On 3 July, the European Commission proposed five European Defence Projects of Common Interest (EDPCI). As part of the European Defence Industrial Programme (EDIP), the Commission has allocated €325 million from the total budget of €1.5 billion to support the roll-out of these five projects: drones and counter-drone systems; maritime defence and the seabed; space, air defence and missile defence; and strengthening security along the European Union's rear flank. On average, 18 Member States are participating in each project, and Ukraine is involved in four of the five projects. [Read more](#)



## Entry into force of the €3 e-commerce duty

Since 1 July, the European Commission has applied a customs duty of €3 on every small parcel from third countries purchased online and sent directly to European consumers. This measure therefore removes the exemption from customs duties for e-commerce parcels valued at less than €150. This reform aims to address the rapid growth of e-commerce – 5.9 billion low-value parcels imported into the EU by 2025 – and the risks posed by the fact that over 60 per cent of these goods do not comply with European safety standards. From now on, product identifiers must be declared, thereby improving risk control. The €3 levy is a transitional and temporary measure, in place until July 2028. [Read more](#)

## ■ Council :



## Meeting of Ministers responsible for social policy

On 29 June, European ministers responsible for social policy adopted conclusions on combating cyberviolence against girls, based on a report by the European Institute for Gender Equality. They also adopted conclusions on housing, calling on national policymakers to take into account the interplay between demographic change and housing needs. The ministers also discussed the protection of workers against climate change and exposure to extreme temperatures. [Read more](#)



## Results of the Cypriot Presidency

On 30 June, the Cypriot government presented a review of its Presidency of the Council during the first half of the year. Focusing on security, support for Ukraine, economic competitiveness and the green transition, this term of office saw progress made on several issues, notably in the areas of migration management, energy and strengthening Europe's strategic autonomy. Work also focused on innovation and the digital transition, whilst continuing efforts towards EU enlargement and cooperation with neighbouring Mediterranean countries. [Read more](#)



## Launch of the Irish Presidency

On 1 July, the Irish Minister for Foreign Affairs and Trade, Helen McEntee, and the Minister of State for European Affairs, Thomas Byrne, officially launched the Irish Presidency of the Council of the European Union, which the country will hold until 31 December. The authorities presented a programme centred on strengthening European competitiveness, security, defence and the protection of the Union's fundamental values, whilst making enlargement, support for Ukraine and negotiations on the next multiannual financial framework the priorities of their term. [Read more](#) - [Other link](#) - [Other link](#)

## ■ Diplomacy :



## Strengthening the EU's presence in the South Caucasus

On 1 and 2 July, the President of the European Commission, Ursula von der Leyen, visited Baku in Azerbaijan and Yerevan in Armenia to deepen partnerships with the South Caucasus. The Commission announced the launch of new initiatives designed to strengthen connectivity, cooperation and the resilience of communities in the region. This programme, worth €200 million, aims to support transport and energy infrastructure, promote people-to-people exchanges and underpin peace and reconciliation efforts in the region. Through these initiatives, the European Union intends to consolidate its role as a strategic partner and promoter of regional stability. [Read more](#) - [Other link](#)

## ■ Court of Justice :



## Record fine of €4.1 billion imposed on Google

On 2 July, the Court of Justice of the European Union dismissed the appeal lodged by Google and its parent company, Alphabet, against a ruling by the General Court confirming a fine imposed by the Commission in 2018. The Commission had imposed a fine of €4.3 billion on Google for abuse of a dominant position in the mobile phone ecosystem, which the General Court had revised down to €4.1 billion [Read more](#)

### ■ EIB :



## €3 billion in funding for Airbus for aerospace innovation

On 29 June, the European Investment Bank announced €3 billion in funding for Airbus, intended to support the company's long-term research and development activities in France, Germany and Spain. This is the largest sum ever granted to a single company. An initial agreement for a €1 billion loan has been signed, with the aim of strengthening the company's technological lead in the fields of commercial aviation and air defence by supporting its planned investments up to 2030. [Read more](#)

### ■ Germany :



## Far-reaching reform plan to boost competitiveness

On 2 July, the German Chancellor, Friedrich Merz, presented a far-reaching programme of 34 reforms, designed to strengthen the country's competitiveness, modernise the labour market and ensure the sustainability of its social security system. The plan includes, in particular, a pension reform to be implemented by the end of the year, tax relief for low-income households, and measures to increase labour market flexibility. The coalition intends to speed up housing construction, tackle abuse of social security benefits and simplify administrative procedures in order to support growth and employment. [Read more](#) - [Other link](#)

### ■ France :



## New Military Programming Act

On 1 July, French MPs approved, by 375 votes to 113, the bill setting the armed forces' budget up to 2030 at €436 billion, an increase of €36 billion on the previous budget. This brings the annual military budget to 2.5 per cent of GDP. Against a backdrop of technological disruption, rearmament and explicit challenges to the principles of international law, the Military Planning Act (LPM) aims to establish a renewed model for the armed forces. [Read more - Other link](#)

## ■ Lithuania :



### Appointment of a new Prime Minister

On 30 June, the Lithuanian Parliament (Seimas) approved, by 80 votes to 2, with 28 abstentions, the appointment of Mindaugas Sinkevičius, leader of the Social Democratic Party, as Prime Minister. From that date, he has 15 days to present the composition of his government and his coalition's programme, both of which must also be approved by Parliament. This appointment follows the resignation of the former Prime Minister, Inga Ruginienė, following a reshuffle of the ruling coalition. The next government will comprise a four-party coalition: the Social Democrats, the "For Lithuania" Democrats, the Farmers' and Greens' Union, and the Christian Families. The coalition holds 75 seats in the Seimas, out of a total of 141. [Read more](#)

## ■ Poland :



### Cooperation with Sweden

On 29 June, the Polish Prime Minister, Donald Tusk, welcomed his Swedish counterpart, Ulf Kristersson, to Gdynia for the first intergovernmental consultations between the two countries. Discussions focused in particular on support for Ukraine, cooperation within the European Union and NATO, and the strengthening of defence industrial cooperation. They adopted a joint declaration and a Baltic Sea Security Pact, and signed a contract for Poland's acquisition of three A26 submarines as part of the Orka programme. [Read more - Other link](#)

## ■ Montenegro :



## Adoption of EU financial measures to prepare for accession

On 30 June, the Commission adopted financial measures setting out the budgetary arrangements that would apply to Montenegro upon its accession to the European Union. These measures, which fall under Chapter 33 (financial and budgetary provisions), provide a clear overview of the expected financial implications of Montenegro's accession to the Union. They aim to ensure Montenegro's full participation in the Union's policies and budget, both as a beneficiary and as a contributor. [Read more](#)

## ■ Moldova :



## Resignation of the Prime Minister

On 3 July, the Moldovan Prime Minister, Alexandru Munteanu, announced his resignation, which automatically led to the resignation of his government, less than a year after he took office. Against a backdrop of criticism regarding the governance of several state-owned enterprises, Alexandru Munteanu stated that he was no longer able to carry out his duties. The President of the Republic, Maia Sandu, subsequently announced the start of consultations with the parties represented in parliament with a view to appointing a new Prime Minister, whilst reaffirming that the pursuit of reforms and the process of accession to the European Union remained the country's priorities. [Read more](#)

## ■ UK :



## Massive defence investment plan

On 30 June, Prime Minister Keir Starmer unveiled a Defence Investment Plan, which allocates more than £5 billion to drones and autonomous systems over four years. This plan includes, in particular, the launch of the NYX programme (autonomous armed drones operating alongside Apache helicopters) and the Storm Shroud system (electronic warfare). In the naval sphere, the government has announced an order for at least six new combat vessels, known as "Common Combat Vessels", intended to replace Type 45 destroyers from the early 2030s onwards. [Read more - Other link](#)

## ■ Ukraine :



## Sweden boosts Ukraine's air capabilities

On 30 June, Ukraine and Sweden officially signed an agreement for the acquisition of 16 Gripen E fighter aircraft, marking a new milestone in the strengthening of Ukraine's air defence capabilities. Swedish Defence Minister Pål Jonson announced technical support as well as the delivery of 16 Gripen C/D aircraft in early 2027, in line with Stockholm's commitments. Discussions also focused on the development of joint projects in the fields of drones and missile defence. [Read more](#)



## 30th Danish military aid package

On 30 June, Denmark announced a 30th military aid package for Ukraine, worth 4.4 billion kroner (approximately €590 million). This funding will be used, in particular, to finance deliveries of ammunition, weapons and military equipment, as well as the training of Ukrainian soldiers. 1.3 billion kroner will be allocated to the "Danish model", which will allow Ukraine to purchase equipment directly from the Danish defence industry. [Read more - Other link](#)



## €3.9 billion in EU funding for drones

On 30 June, the European Commission began the first disbursement of €3.9 billion as part of the first tranche of approximately €6 billion earmarked for the purchase of drones under the loan to support Ukraine. This payment follows the first tranche of €3.2 billion paid by the European Commission to Ukraine under the specific macro-financial assistance programme. Future disbursements will cover the purchase of drones as well as ammunition and air defence systems. The loan to support Ukraine was adopted in February 2026 by the European Parliament and the Council and could amount to up to €90 billion in aid. [Read more](#)

## ■ Vatican :



## Pope Leo XIV in Lampedusa

On 4 July, whilst visiting Lampedusa, Pope Leo XIV urged European political leaders and societies to respond to the migration crisis with compassion and sustainable policies. During a Mass celebrated on the island, he called for an approach based on welcoming, protecting, supporting and integrating migrants, whilst working to develop their countries of origin so that "no one is forced to emigrate". Praising the commitment of local residents and stakeholders, the Pope warned against "the sin of indecision" in the face of migrants' suffering and called for solidarity to be the foundation of a "civilisation of love". [Read more](#)

## ■ Eurobarometer :



### High expectations of the EU in an uncertain world

On 1 July, the results of the Eurobarometer survey carried out by the European Parliament showed that Europeans value the European Union's stability, protection and spirit of cooperation, as well as the quality of life it provides, despite growing economic concerns. 74 per cent of Europeans consider their country's membership of the EU to be beneficial. This is the highest figure ever recorded since the question was first asked in 1983. Similarly, 75 per cent of Europeans regard the European Union as a source of stability in an uncertain world, an increase of 8 percentage points compared with autumn 2025. Finally, European citizens have high expectations of the EU in terms of geopolitical independence, particularly in the areas of defence, security and energy. [Read more](#) - [Other link](#)

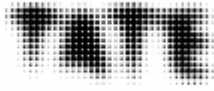
## ■ Studies/Reports :



### Report on combating child sexual abuse

On 2 July, the Council of Europe published its follow-up report on the implementation of the Lanzarote Convention on combating technology-facilitated child sexual abuse. The report commends the progress made by European states in the areas of investigations, training for professionals and support for victims, but highlights persistent shortcomings. For instance, many states still allow children to be prosecuted for self-produced sexual images. [Read more](#)

## ■ Culture :



## Frida Kahlo in London

Until 3 January 2027, the Tate Modern in London is hosting an exhibition exploring the life of Frida Kahlo. It showcases more than 30 of the Mexican artist's most iconic works, placing them in context alongside more than 200 works by artists she inspired. [Read more](#)

KUNSTHAUS ZÜRICH

## Vilhelm Hammershoi in Zurich

Until 25 October, the Zurich Museum of Fine Arts is hosting Switzerland's first exhibition devoted to the Danish artist Vilhelm Hammershoi. Featuring some fifty paintings, drawings and photographs, the exhibition highlights the originality of the artist's work, which plays on tranquillity, subtle nuances and rich colours. [Read more](#)

THYSSEN-  
BORNEMISZA  
MUSEO NACIONAL

## Carmen Laffón in Madrid

Until 27 September, the Thyssen-Bornemisza National Museum is hosting an exhibition dedicated to the painter and sculptor Carmen Laffón, the second woman to be admitted as a full member of the Academy of Fine Arts in Madrid. The exhibition brings together 77 artworks, including oil paintings, charcoal drawings and sculptures. [Read more](#)



## Karlovy Vary Film Festival

Until 11 July, the Karlovy Vary International Film Festival (KVIFF), now in its 60th year, is screening 12 films in competition, with the winner to be awarded the Crystal Globe. [Read more](#)



## Danube Festival

Until 12 July, the German cities of Ulm and Neu-Ulm are hosting the 14th International Danube Festival, a biennial event devoted to cultural dialogue between the countries bordering the Danube. The festival features nearly 150 events, including concerts, exhibitions, performances, debates, literary gatherings and other projects. [Read more](#)



## Brescia Summer Festival

Until 6 September, the Brescia Summer Festival transforms the whole city into a stage dedicated to Italian and international artists. All musical genres are represented, including rock, pop, jazz and classical music. [Read more](#)



## Voyage à Nantes

Until 6 September, the city of Nantes is hosting a new edition of its "Voyage à Nantes", during which contemporary artworks are installed in public spaces, alongside major exhibitions and events throughout the city, inviting visitors to discover it in a new light. This 15th annual event marks the start of a four-year cycle centred on the elements, beginning with the theme of the earth. [Read more](#)



## Arles Photography Festival

Running until 4 October, the 57th edition of the Arles Photography Festival has chosen the theme "Worlds to Rediscover". To mark the occasion, the public is invited to discover around forty exhibitions on display at various venues across the city. This year, through archives, solo exhibitions and emerging artists, the images examine identities, history and representations, whilst others explore the myriad facets of life. Alongside the exhibitions, the evenings are punctuated by screenings, concerts and performances, and the famous "Night of the Year" – a must-see event at the festival – is the perfect opportunity to party under the stars. [Read more](#)



## Pärnu Music Festival

Until 18 July, the city of Pärnu in Estonia is hosting the 16th year of its classical music festival, which brings together leading international soloists and features several world premieres by Estonian composers. This year's festival will be marked by the launch of a programme designed to support emerging young talent, who will be invited to perform alongside established artists. [Read more](#)



## Dubrovnik Summer Festival

Until 25 August, the Dubrovnik Summer Festival is hosting its 77th edition under the theme 'Northern Lights', exploring the dialogue between Nordic and Mediterranean cultural traditions. More than 2,000 artists are taking part in over 70 theatre performances and concerts at the city's iconic venues. [Read more](#)

## ■ Agenda :

 06/07/2026

**Plenary Session of the European Parliament** (Strasbourg)

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 7-8/07

**NATO Summit** (Ankara)

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 09/07/2026

**Eurogroup Meeting** (Brussels)

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 10/07/2026

**"Economic and Financial Affairs" Council** (Brussels)

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 13/07/2026

**"Agriculture and Fisheries" Council Foreign Affairs Council** (Brussels)



### The Letter n°1163

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