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## European Union Budget: which possible compromise is there between France and Germany?

Author: Nicolas-Jean Brehon



The upcoming negotiation over the multi-annual financial framework (2021-2027) comprises specific features, since it will be undertaken without the UK. Germany will be losing its best budgetary ally. For the first time in 25 years there is a real possibility if not almost certainty that the glass-ceiling of 1% of the GNI will be broken, at the cost of tension between the Member States. France and Germany will be on the front in this negotiation which might prove to be the

most difficult in the EU's budgetary history.

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### Contents

**Foundation** : Fraud/Transit - Schuman Report **Commission** : Taxes/USA - Trade - Investments - Customs **Parliament** : Telecommunications - Work - Health - Facebook **Council** : Justice/Home Affairs - Agriculture - Energy **Diplomacy** : G7 - Iran - Armenia **Court of Justice** : Data **Germany** : Future/EU **Austria** : Russia - Presidency/EU **Cyprus** : IMF **Spain** : Government **France** : Canada **Italy** : Vote/Confidence **UK** : Customs Union **Kosovo** : EULEX **Montenegro** : Enlargement - NATO **Ukraine** : Counter/Corruption **NATO** : EU/relations **WTO** : Airbus **World Bank** : Growth **Eurostat** : Growth **Studies/Reports** : Fundamental Rights - Drugs - Intellectual Property **Culture** : Exhibition/Venice - Exhibition/London - Exhibition/Paris

[Agenda](#) | [Other issues](#) | [Contact](#)

### Foundation :

#### The fight to counter transit fraud in the EU



On 20th June the Foundation is organising a conference in Brussels devoted to fraud in the transit system in the EU. It will provide an opportunity to continue the work undertaken in the Kellet-Bowman report on the European transit system 20 years after its publication.

The event is being organised as part of the Hercules III programme led by the anti-fraud office (OLAF), that is responsible for the protection of the Union's financial interest. You can enrol on line... [Read more](#)

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#### Schuman Report 2018



The "Schuman Report 2018 on the State of the Union" is available in both French and English. This edition analyses the challenges that Europe is facing. An exclusive interview with the French President, Emmanuel Macron, maps and commented statistics, offer a full view of the EU. You can order it online from our website, find it in digital format or in paper form in bookshops... [Read more](#)

## Commission :

### EU-USA trade: rebalancing of customs rights on American products



On 6th June the Commission approved the decision to impose additional duties on the full list of US products notified to the WTO on 18th May as a response to the US action of setting duties on steel and aluminium imports. It provides the conclusion of the procedure with the Member States before the end of June so that the new rules will apply as of July. The 28 ambassadors of the Member States and the ambassador of the EU to the USA signed a joint letter to this end... [Read more](#)

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### EU Trade Defence: stricter, more effective rules



On 8th June new trade defence rules will enter into force. Any new investigation launched before or after this date will be subject to anti-dumping and anti-subsidy rules. The aim is to modernise the Union's trade defence rules and help it impose higher duties in certain cases... [Read more](#)

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### Future Investment Plan, InvestEU



On 6th June the Commission suggested the creation of the InvestEU programme to bring together the financing of the Union's budget in the shape of loans and guarantees for the next 2021-2027 budget. This fund will encompass the many financial programmes that are available at present and will help the Commission stimulate the creation of more jobs, more investment and innovation... [Read more](#)

### Strengthening cooperation between the customs and tax authorities



On 8th June the Commission presented measures to ensure more effective cooperation between Member States regarding customs and taxation. The new programme aims to introduce a modern customs union focused on business and citizens' interests and the programme Fiscalis which will foster cooperation between tax authorities in the Member States... [Read more](#)

## Parliament :

### Agreement on the capping of intra-European telephone call prices and on 5G



On 6th June the European Parliament and the Council came to a political agreement aiming to update European telecommunications rules. It will help speed up the necessary investments for 5G connectivity by 2020, enhance consumer protection and introduce caps on disproportionate fees on intra-European calls... [Read more](#)

### Road Transport: better working conditions and fair competition



European rules governing posted workers, based on the principle "equal work for equal pay" will apply to cabotage deliveries (ie deliveries within another Member State after a cross-border delivery), according to the amendments adopted in the transport committee of the European Parliament on 4th June. MEPs also suggested changes to guarantee better conditions for drivers' rest periods... [Read more](#)

### Agreement to reduce the use of antibiotics in animal farming



Projects aiming to reduce the use of antibiotics in animal farming were the focus of an informal agreement between MEPs and European Ministers on 5th June. The aim is to prevent resistant antibiotics entering the human system... [Read more](#)

### Additional response by Facebook

On 4th June Facebook published a second round of answers to written questions that were still pending during the meeting between EP leaders and the CEO of Facebook, Mark Zuckerberg, on 22nd May last.



These answers focus on issues like algorithms, online security, electoral manipulation and the implementation of the European regulation on data protection by Facebook... [Read more](#)

## Council :

### Conclusions of the Justice and Home Affairs Ministers' meeting



On 4th and 5th June the Justice Ministers adopted a general guideline on insolvency, restructuring and second chance, as well as conclusions on the generalised use of e-evidence and the new European e-Justice Strategy 2019-2023. The Home Affairs Ministers addressed the migratory question - the state of progress in the reform of the asylum system and the visa code and cooperation against organised crime... [Read more](#)

### Agriculture Ministers cautious of CAP reform



Agriculture Ministers who met on 5th June in Sofia for an informal discussion said they were cautious about the proposed reform of the Agricultural Policy unveiled by the European Commission... [Read more](#)

### Transport, Telecommunications and Energy Council



In its public session on 11th June the Council came to an agreement on the regulation of ACER - the Agency for the Cooperation of Energy Regulators. It pointed to how efficient this agency had been since its creation in 2011, notably in the area of cross-border energy cooperation, which largely fosters renewable energy systems... [Read more](#)

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## Diplomacy :

### G7 Summit



The G7 met on 8th and 9th June in Charlevoix, Canada to try and find a common position regarding trade issues, the climate, Iran, Syria and Russia. In press release from which the USA withdrew, the leaders of the G7 advocated a more peaceful, stable and equal world... [Read more](#)

### Iran: the Commission adopts legislation to block American sanctions



On 6th June the European Commission adopted legislation that is to help counter the extraterritorial effects of American sanctions against European businesses that want to invest in Iran after Washington withdrew from the Iranian nuclear agreement. Moreover the French, German and British Foreign Affairs and Finance Ministers, as well as Federica Mogherini, the EU's High Representative, addressed a joint letter to the USA on 4th June. They recall their commitment to the agreement and ask their USA to exempt European businesses from sanctions... [Read more](#)

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### Eastern Partnership: strengthening EU-Armenia relations



Ahead of the first EU-Armenia Partnership Council on 21st June the Commission published a Union report on 6th June on the progress made by Armenia since 2015. The text shows that EU-Armenia relations have progressed significantly thanks to negotiation and the temporary implementation of a new bilateral partnership agreement as well as the finalisation of partnership priorities in February 2018... [Read more](#)

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## Court of Justice :

### Facebook jointly responsible with the administrator of fan pages



On 5th June the Court of Justice declared that the administrator of a fan page on Facebook is jointly responsible with Facebook for the processing of data of visitors to the page. The data protection authority of the Member State in which the administrator has its seat may, under Directive 95/46,1 act both against the administrator and against the Facebook subsidiary established in that Member State... [Read more](#)

Germany :

Angela Merkel lays out her European priorities



On 6th June German Chancellor Angela Merkel announced her five priorities for Europe Insisting again on the need for Germany's greater commitment in terms of defence, she also suggested the development of a European group at the UN Security Council. Amongst her other priorities feature immigration, digital, youth and development... [Read more](#)

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Austria :

Vladimir Putin visits Austria



Russian President Vladimir Putin insisted on 5th June in Vienna on lifting European sanctions targeting Russia on the occasion of his first trip abroad since his re-election in March. It was also his first trip as master of the Kremlin to an EU country since August 2017... [Read more](#)

Sebastian Kurz travels to Brussels to speak of the Austrian Presidency



Sebastian Kurz travelled to Brussels to meet the President of the Commission Jean-Claude Juncker and to discuss the perspectives of the Austrian Presidency of the Council of the European Union. The President of the Commission welcomed a pro-European government with whom many common points were to be found notably regarding the strengthening of the EU's external borders... [Read more](#)

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Cyprus :

Conclusions of the post-programme monitoring of Cyprus



On 4th June the Executive Board of the IMF concluded the post-programme monitoring of Cyprus and supposed its extension until 31st July 2019. The conclusions mention progress such as economic recovery with GDP growth at 3.9% in 2017 and a decrease in unemployment... [Read more](#)

Spain :

Prime minister Pedro Sanchez announces his government



On 6th June the new Spanish Prime Minister Pedro Sanchez (PSOE) presented his new government, comprising 17 ministers including 11 women. Mr Sanchez presented Europe "as our new home country"... [Read more](#)

France :

Franco-Canadian Declaration



On 7th June France and Canada made a joint declaration reasserting their determination to join forces in response to the present challenges for the future of the planet and the international order." In this declaration both countries notably promise to support the promotion of multilateralism for the fight to counter climate change as well as democratic values... [Read more](#)

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Italy :

Giuseppe Conte wins the confidence of Parliament



On 6th June Italian Prime Minister Giuseppe Conte presented his general policy to the Italian chamber of deputies. Following debate MPs approved the new government, 350 in support, 236 against and 5 abstentions. On 5th June the Senators also approved the government, 171 votes against 117 and 5 abstentions... [Read more](#)

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UK :

Brexit: British government supports a customs arrangement



On 7th June the British government published a paper on "a customs arrangement" which would entail the upkeep of the UK in the European Customs Union to settle the Irish border issue after Brexit but only until the end of 2021. On 8th June Michel Barnier berated the plan unveiled by the British government deeming that the "backstop" solution could not be extended to all of the UK... [Read more](#)

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#### Kosovo :

##### New role for the "rule of law" mission EULEX Kosovo



On 8 June 2018, the Council decided to refocus the mandate of the EU rule of law mission EULEX Kosovo. The mission, established 10 years ago, has had two operational objectives: a monitoring, mentoring and advising objective, providing support to Kosovo's rule of law institutions and to the Belgrade-Pristina dialogue, and an executive objective, supporting the adjudication of constitutional and civil justice and prosecuting and adjudicating selected criminal cases... [Read more](#)

#### Montenegro :

##### Milo Djukanovic in Brussels



On 4th June the President of Montenegro Milo Djukanovic met European leaders Jean-Claude Juncker, Donald Tusk, Antonio Tajani and High Representative Federica Mogherini in Brussels. They notably discussed the country's political situation (including the fight to counter corruption and the freedom of the press), its European integration and the EU-Western Balkans Summit... [Read more](#)

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##### Launch of NATO's "Air Police Mission"



On 4th June, on the occasion of the first anniversary of Montenegro's membership of NATO, Montenegrin President Milo Djukanovic was hosted by Jens Stoltenberg. On 5th June an "Airpolice Mission" was launched by the Alliance in this country... [Read more](#)

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#### Ukraine :

##### Creation of an Anti-Corruption Court and dismissal of the Finance Minister



On 7th June the Ukrainian Parliament (Rada) adopted on final reading the draft bill on the creation of an Anti-Corruption Court, demanded for a long time by the creditors from the Western countries, the IMF being the leader of these. President Petro Poroshenko exhorted the Rada to adopt this bill and Prime Minister Volodymyr Groysman threatened to resign if the vote was not positive. During the same parliamentary session the Rada voted to dismiss Finance Minister Oleksander Danylyouk, who has been replaced by Oksana Markarova... [Read more](#)

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#### NATO :

##### Defence Ministers' Meeting



On 7th and 8th June NATO's ministerial meeting approved the increase in the command structure, as well as projects to increase mobility and availability of troops in Europe in the face of threats made by Russia. Secretary General Jens Stoltenberg stressed that all of the States in the Alliance had increased their Defence spending and he welcomed Italy as a "major, valuable ally". In his opinion the Polish suggestion to host a permanent military presence had not been discussed under the aegis of NATO... [Read more](#)

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#### WTO :

##### Aid to Airbus: EU starts a compliance procedure with the WTO



The EU has started a new compliance procedure regarding subsidies granted to Airbus with the WTO which maintains that some subsidies that have been granted were illegal. To do this the EU asked for "consultations" with Washington which comprises the first stage of the trade dispute settlement process provided by the WTO... [Read more](#)

## World Bank :

### World Growth Forecasts 2018



On 5th June the World Bank published world growth figures for 2018 which is due to lie at around 3.1%. The organisation indicates that despite recent slowing, world economic growth will remain strong before progressively slowing over the next two years... [Read more](#)

## Eurostat :

### The GDP is up by 0.4% in the first quarter



During the first quarter of 2018 the GDP adjusted to seasonal variations rose by 0.4% both in the EU as in the euro zone in comparison with the previous quarter, according to an estimate published by Eurostat on 7th June... [Read more](#)

## Studies/Reports :

### Annual report on the EU's Charter of Fundamental Rights



In its annual report published on 6th June the Commission relates the implementation of the Charter of Fundamental Rights in 2017. The text highlights that whilst 2017 was punctuated with challenges for fundamental rights, the structures and tools designed to guarantee the respect of the charter had worked well. The strengthening of support to democracy and civil society will continue to occupy a central place in 2018... [Read more](#)

### European Drug Report 2018



Mr Avramopoulos, the Commissioner responsible for Migration, Home Affairs and Citizenship, and Mr Goosdeel, Director of the European Centre for Drugs and Drug Addiction, launched the European Drug Report 2018 on 7th June in Brussels. The report provides a full analysis of recent drug trends in the 28 Member States... [Read more](#)

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### Synthesis report on infringements of intellectual property



The European Observatory on Infringements on Intellectual Property Rights (EUIPO) published its synthesis report on infringements of intellectual property rights. It illustrates the increasing economic importance of Intellectual Property, its use by European companies, the economic costs of IPR infringement arising from both domestic and counterfeit trade, the methods and channels by which these rights are infringed, and the actions being taken in response to these infringements... [Read more](#)

## Culture :

### Multi-media exhibition on Van Gogh in Venice



Until 30th September the Giustinian Faccanon Palace in Venice is hosting a multimedia exhibition that will take visitors on a journey into the life and works of Van Gogh by way of 19 thematic areas which summarise the grand painter's career as a man and an artist... [Read more](#)

### Post-war art at the Tate Britain



Until 23rd September the Tate Britain, London is offering an exhibition entitled "Aftermath: Art in the Wake of World War One." The latter marks the centenary of the end of the First World War, and looks into how artists responded to the physical and psychological scars left by the war in Europe... [Read more](#)

### Polychrome sculpture at the Orsay Museum



From 12th June to 9th September the Orsay Museum in Paris is offering visitors an exhibition on a relatively unknown type of art from 19th century: polychrome sculpture. The exhibition entitled "In colour, polychrome sculpture in France 1850-1910", is hosting around fifty pieces of work... [Read more](#)

## Agenda :



11th June  
Luxembourg  
Energy Council



11th to 14th June  
Strasbourg  
Plenary Session of the European Parliament



12th June  
Strasbourg  
"Parliament, the heart of European Democracy" Conference



14th June  
Riga  
European Central Bank Council of Governors



18th June  
Luxembourg  
"Agriculture and Fisheries" Council

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