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The Letter in PDF format

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# Dinner at Jefferson's (or how the USA created the federal public debt)

Author: Jean-Guy GIRAUD



As negotiations on the European Union's future economic recovery plan continue, many references are being made to Europe's "Hamiltonian moment". For the first time, the European Union could supplement its budgetary resources with funds raised on the capital markets to finance grants and loans to countries affected by the crisis. In this text, Jean-Guy Giraud returns to the 1790 agreement between Alexander Hamilton and Thomas Jefferson on public borrowing, which helped transform the United States into a genuine

political federation. The text contains an introductory statement by Alain Lamassoure. **Read more** 

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## Elections:

# Democratic Union of outgoing Prime Minister wins the elections in Croatia



The party of outgoing Croatian Prime Minister Andrej Plenkovic, the Democratic Union (HDZ), won parliamentary elections on 5 July, taking 61 of the 151 seats in parliament. The left-wing opposition Coalition for a New Beginning took 44 seats, while the Patriotic Movement, a right-

wing populist party formed in February by Miroslav Skoro, took third place with 13 seats. Andrej Plenkovic now has to form a coalition... Read more

#### Foundation:

# Schuman Report on Europe, the State of the Union 2020

The 2020 edition of the "Schuman Report on Europe, the State of the Union", a reference work for European decision-makers, is available electronically in English and French. With contributions from the highest



personalities and the best experts, original maps and commented statistics, it offers a comprehensive view of the European Union and analyses the challenges facing Europe... Read more

## Post-Covid, Euope is stepping up the pace of its transformation



Jean-Dominique Giuliani will be the guest of an online conference, on 7 July, on the theme of the European Union and the new post-Covid challenges, organised by EY in the webcast series "The day after"... Read more

#### e-Conference on France in Europe



Pascale Joannin, Executive Director of the Foundation, will give an online conference on 7 July at 5 pm, at the invitation of the Robert Schuman Institute in Budapest, on the theme of France in Europe and the French vision of the Covid-19 crisis and international affairs... Read more

# End of lockdown seen from Europe



The Member States of the European Union are continuing the process of end of lockdown with the resumption of social and economic activities. Freedom of movement has been almost fully restored and since 1 July

the external borders have been partially reopened. The Foundation offers you a summary of the measures taken and the timetable planned by each State. An indispensable resource for understanding the way out of the crisis and regaining a European "spirit"... Read more

## Recovery:

## Strategy for sustainable competitiveness, social equity and resilience



On 1 July, the Commission presented its strategy for developing the skills of European citizens. It aims to strengthen vocational training to cope with the ecological and digital transitions and to make society more resilient to crises. The strategy is based on five priorities:

more resilient to crises. The strategy is based on five priorities: developing collective action with the private sector and the social partners, harmonising training policies, promoting lifelong training for citizens, setting objectives for implementing the strategy and, lastly, mobilising investment for the training of citizens. The strategy proposes the creation of a Skills Agenda European universities and the generalisation of individual training accounts... Read more

# Permission to use Remdesivir in coronavirus treatment



On 3 July, the Commission gave conditional marketing authorisation for Remdesivir, a drug that can be used in the treatment of Covid-19. This accelerated authorisation procedure follows recommendations by the European Medicines Agency approved by the Member States... Read

more

## Measures in support of the economy



In France, the government has presented a plan to support local shops, the self-employed and craftsmen. In Germany, the government has released  $\leqslant 5.4$  million to support orchestras and has set up a system of state-guaranteed vouchers to support travel agencies. In Spain, the government has announced the creation of a  $\leqslant 10$  billion fund to ensure

the solvency of strategic companies. In Poland, the government has lengthened the deadlines for paying property taxes and personal and corporate income taxes, and reduced the VAT rate on certain products. In the United Kingdom, the Prime Minister announced a £17 billion (€20.4 billion) "New Deal" to build hospitals, schools and homes and renovate roads... Read more

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# National measures

In France, the bill organising the end of the state of health emergency on 10 July has been adopted. Since 1 July, the borders of the Schengen

area have been open to travellers from 15 countries, but Belgium has decided not to open its borders to them. In Spain, the city of Lerida in

Catalonia and 14 cities in Galicia have been placed in lockdown again. In the United Kingdom, restaurants, pubs, hairdressing salons, gyms, cinemas, museums, libraries and places of worship reopened on 4 July. The city of Leicester has been placed in lockdown again and from 10 July, British travellers will no longer be placed in quarantine. The Prime Minister announced a plan (New Deal)... Read more

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## Lifting of travel restrictions from and to 14 third countries



On 30 June the Council adopted a recommendation on the gradual lifting of temporary restrictions on non-essential travel within the Union. Since 1 July, travel has been open from and to the following countries (Algeria, Australia, Canada, Georgia, Japan, Montenegro,

Morocco, New Zealand, Rwanda, Serbia, South Korea, Thailand, Tunisia, Uruguay) and China subject to conditions. However, Member States may restrict this list. The list of countries will be reviewed every two weeks on the basis of epidemiological criteria... Read more

#### Commission:

## Support plan for youth employment



On 30 June the Commission presented its plan to support the employment of young people, whose entry into the labour market has been complicated by the coronavirus pandemic and the crisis. With the NextGenerationEU instrument, €22 billion should be devoted to

supporting youth employment. The Commission recommends modernising vocational education and training, as well as strengthening apprenticeship schemes and additional measures to support entrepreneurship... Read more

## Regulation on the deployment of 5G networks



On 30 June, the Commission adopted the implementing regulation on wireless access points essential for the rapid deployment of 5G networks. As part of the new EU telecoms rules that enter into force in December 2018, the regulation specifies the technical characteristics of

these installations, which must also comply with EU wave exposure limits... Read more

# 5th round of negotiations with the UK



At the end of the 5th round of negotiations with the United Kingdom, the Union's chief negotiator Michel Barnier considered that "serious differences remain". He stressed that the Union wanted guarantees of reciprocity for trade, a balanced and sustainable agreement for

fishermen, and a single treaty with a dispute resolution body. Negotiations will resume the week of 20 July in London... Read more

#### New negotiation framework for the accession of Albania and Northern Macedonia



On 1 July the Commission presented a new negotiating framework for the accession of Albania and Northern Macedonia to the Union. Divided into three parts - the principles, content and procedures of the negotiations - the framework emphasises the fundamental reforms that the countries must carry out, the political aspect and the predictability

of the process. If the Council validates this proposal, it will be presented as the Union's position at the first inter-governmental conference with the candidate countries... Read more

# Council:

#### Renewal of sanctions against Russia



The Council decided on 29 June to renew sanctions against Russia for 6 months, until 31 January 2021, for failure to implement the Minsk agreements on the war in Ukraine... Read more



On 29 June, the Ministers of Agriculture and Fisheries discussed the reform of the Common Agricultural Policy (CAP). They also discussed the Commission's report "Towards more sustainable fisheries: state of play and guidelines for 2021", and began discussions on setting annual

fishing quotas. On the 30th, the Council agreed with Parliament to extend the rules of the Common Agricultural Policy until new rules enter into force at the end of 2022... Read more

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## Diplomacy:

## Conclusions regarding relations with Africa



The Council adopted conclusions on Africa on 30 June, including the importance of the EU-Africa partnership, based on the guidelines "Towards a comprehensive strategy with Africa" issued in March. The conclusions emphasise in particular the importance of multilateralism

and sustainable and inclusive development... Read more

# Fourth Brussels conference on the future of Syria and the region



The fourth Brussels conference on the future of Syria and the region was held on 30 June under the co-chairmanship of the United Nations and the European Union. The conference, which brought together more than 80 countries and international organisations, resulted in the adoption of the Joint Declaration, which includes financial commitments

of €4.9 billion for 2020 to help the region. The declaration also underlines the importance of the solidarity of the host countries and communities in Lebanon, Jordan and Turkey... Read more

#### EU-South Korea Meeting



The President of the European Council, Charles Michel, and the President of the Commission, Ursula von der Leyen, held talks on 30 June with the Korean President, Moon Jae-in. They reaffirmed their commitment to the European Union-Republic of Korea strategic partnership signed 10 years ago and exchanged views on the fight

against coronavirus, economic recovery and the implementation of the Paris Agreement... Read more

## European Agencies:

#### Airbus reduces staff to rise to challenges caused by the pandemic



Le constructeur aéronautique Airbus a annoncé le 30 juin la suppression de 15 000 postes à la suite de la pandémie de Covid-19 qui a entraîné une chute de 40% de la production commerciale. 5 000 seront supprimés en France, 5 100 en Allemagne, 900 en Espagne et 1 700 au Royaume-Uni d'ici 2021. Il s'agit de la plus grosse réduction d'effectifs

dans l'histoire de l'avionneur européen... Read more

# 16 European banks launch the European Payments Initiative (EPI)



Sixteen European banks from five countries announced on 2 July the launch of a new unified European payment system (EPI), with the support of the ECB. The aim is to create a new European standard for payments, both cross-border and domestic, capable of doing away with foreign providers such as Visa and Mastercard and newcomers such as

Apple Pay... Read more

# Dismantling of organised crime networks related to the encrypted network Encrochat



Europol and Eurojust announced on 2 July the dismantling of several criminal networks in Europe, thanks to the infiltration of Encrochat **EURCPOL** mobiles and encrypted networks used by criminals. This operation was carried out jointly by the French gendarmerie, the Dutch police, Eurojust and Europol and ran from March to June 2020. The European

agencies participated in the operation by financing it, providing investigators, analysts and experts, and coordinating the forces involved. The Dutch police announced the arrest of around 100 individuals, as well as the seizure of 8 tonnes of cocaine and 1.2 tonnes of methamphetamine crystals... Read more

## Germany:

#### German MPs provide their support to the ECB



In a motion adopted on 2 July, German MPs considered that the European Central Bank (ECB) had provided sufficient evidence to justify the proportionality of its public asset repurchase programme. The German government, which had forwarded the ECB's documents to

Parliament, had previously taken the view that the ECB's action was proportionate...

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#### France:

## France suspends its participation in the mission Sea Guardian



France has decided to suspend its participation in the Sea Guardian mission, a NATO maritime security operation in the Mediterranean. This decision, confirmed on 1 July, comes after a Turkish ship threatened a French frigate with a missile launch in June. France expects NATO to respond to this incident among allies... Read more

# Economic meetings of Aix-en-Seine



At the end of the Economic Meetings of Aix en Provence, exceptionally organized in Paris this year, the Circle of Economists published a roadmap to respond to the crisis. The 15 proposals, organized in 8 themes, represent the point of view of 300 personalities from the

academic, economic, political and social world. The text proposes, among other things, to relaunch innovative productive sectors at European and French level and to build Europe's moral leadership... Read more

#### Jean Castex appointed Prime Minister



Jean Castex was appointed Prime Minister by French President Emmanuel Macron on 3 July after the resignation of Edouard Philippe's government. Mayor of Prades, Jean Castex, 55, was in charge of the end of lockdown strategy. His government, which includes 17 women out of 30 members, was presented on 6 July. A vote of confidence is scheduled in the National Assembly on 15 July... Read more

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## UK:

# Acquisition of share of OneWeb network



On July 3, the United Kingdom acquired 45% of OneWeb, a project for low-orbit satellite networks for telecommunications. The government has pledged that it will invest \$500 million ( $\leqslant$ 443 million) to build a sovereign global satellite system as part of its strategy to make the UK one of the world's leading states in space technology. The Indian group

Bharti Global has also acquired 45% of OneWeb... Read more

#### Montenegro:

# Opening of a new chapter regarding accession



The fifth meeting of the Accession Conference with Montenegro was held on 30 June to open the negotiation chapter on competition policy. 33 chapters out of 35 are now under negotiation. The Union underlined the progress Montenegro has made in the field of competition, in particular by aligning its legislation with the Union acquis and

strengthening its administrative and judicial capacity. However, implementation of the acquis still needs to be assessed and certain state aid arrangements considered incompatible with the functioning of the single market need to be harmonised... Read more

#### Belarus:

## New visa regime with the Union



A visa facilitation agreement and a readmission agreement between the European Union and Belarus entered into force on 1 July. This visa facilitation will make it easier for citizens to travel, in particular for short stays, journalists, students and members of official delegations...

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## Council of Europe:

#### Infringements of equal pay and opportunities rights



On 29 June, the European Committee of Social Rights (ECSR) of the Council of Europe found violations of equal pay between women and men in 14 of the 15 countries applying the collective complaints procedure of the European Social Charter, i.e. all states except Sweden, despite the existence of satisfactory legislation in these states... Read more

# Revision of European prison rules



On 2 July, the Committee of Ministers of the Council of Europe adopted a recommendation updating the 2006 European Prison Rules on prison management, staff and care of prisoners. The revision concerns the management of prisoners' files, the care of women and foreign

nationals in detention, as well as the use of special security measures such as isolation, which can have a very negative effect on the physical and mental health of prisoners... Read more

## School curricula should include Roma and Traveller history



The Committee of Ministers of the Council of Europe recommended, on 1 July, that school curricula in member states include the History of Roma and Travellers, in particular to combat hatred, discrimination and prejudice. The recommendation underlines the importance of teaching about the Holocaust but also about positive episodes of Roma

contribution to local, national and European cultural heritage... Read more

#### Eurostat:

#### Increase in inflation in June



Euro-zone annual inflation was 0.3% in June compared with 0.1% in May, according to a first estimate from Eurostat issued on 30 June. The highest inflation rate was in Slovakia at 1.9%, and the lowest was in Cyprus at -2.5%... Read more

#### Increase in unemployment in May



On 2 July Eurostat announced that the unemployment rate was 6.7% in the EU in May and 7.4% in the euro-zone. Young people continue to be the most affected by unemployment with a rate of 15.7% in the Union and 16% in the euro-zone. Eurostat also notes that women are more affected by unemployment than men, with an unemployment rate of

7.2%... Read more

## Studies/Reports:

# Single Market 2020 Scoreboard



On 3 July the Commission published the 2020 edition of its Single Market Scoreboard. It notes that the rules are unevenly applied across sectors, but that Member States are cooperating better with each other and better informing their businesses and citizens. In its comparison between Member States on the implementation of the single market, the Commission awarded 158 green, 107 yellow and 58 red cards. The

the Commission awarded 158 green, 107 yellow and 58 red cards. The best performing countries are Latvia, Cyprus, Denmark, Estonia, Finland and Slovakia... Read more

# Report on the European arrest warrant



In a report on the European Arrest Warrant published on 2 July, the Commission notes that in 2018, almost 7 000 people were subject to cross-border surrender. However, there are still problems such as additional grounds for refusal, failure to meet deadlines, or lack of

proportionality checks that could limit the effectiveness of the European Arrest Warrant... Read more

Annual report on the implementation of subsidiarity and proportionality principles



On 30 June the Commission published its annual report on the application of the principles of subsidiarity and proportionality and on relations with national parliaments. In 2019, a year of transition between two mandates, the Commission presented fewer legislative proposals and submitted only 28 legislative proposals to the co-

legislators and national parliaments for subsidiarity monitoring, compared with 139 in 2018. National parliaments also sent fewer opinions - 159 as opposed to 569 in 2018 - and none of them expressed concern about subsidiarity... Read more

#### Long Term Budgetary Forecasts 2021-2025



On 30 June the Commission published its long-term forecasts for the EU budget for the period 2021-2025, taking into account the still ongoing negotiations on the next Multiannual Financial Framework (MFF). Payments are expected to amount to  $\in$  866 billion over the first five years of the next MFF, 67% of which is made up of new spending programmes and 33% of which is made up of remaining commitments

from the previous period... Read more

#### Culture:

# The Advent of the Artist



The Louvre Museum reopened its doors on 6 July, with a reserved time slot. The "Advent of the Artist" exhibition, extended until July 2021, retraces how the status of the artist emerged during the Renaissance, through the emancipation of the creator in relation to his or her work

and its recognition... Read more

## Reopening of the National Gallery



The National Gallery in London, which reopens its doors on 8 July by reservation only, is showing an exhibition devoted to the Dutch Golden Age painter Nicolas Maes until 20 September, and until 17 January 2021 "Titian: Love, Desire, Death", which features canvases in which the Italian master interprets mythological tales... Read more

#### Christo retrospective in Berlin



Until 14 September, the gallery of the People's Palace in Berlin is devoting an exhibition to Christo, who died on 31 May, and to his wife Jeanne-Claude. The exhibition presents studies, drawings and models used to prepare the couple's projects since 1963, including the

packaging of the Reichstag 25 years ago... Read more

#### Modern art in Valencia



L'Institut d'art moderne (IVAM) de Valence (Espagne) propose jusqu'au 13 septembre une exposition sur l'évocation de l'orientalisme entre 1800 et 1956, et jusqu'au 12 octobre une exposition du sculpteur Jorge Peris... Read more

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# Chilean drawings in Gdansk



Until August 30, the Laznia Contemporary Art Centre in Gdansk presents "Cobra", a series of drawings by Chilean artist Javier Rodriguez inspired by the history of his country and the theme of evil... Read more

# Agenda:



Meeting of Justice Ministers



8-10 July 2020

Brussels

Plenary session of the European Parliament



9 July 2020

**Eurogroup Meeting** 



10 July 2020

Meeting of Economy and Finance Ministers



12 July 2020

Poland

Presidential Election (second round)



13 July 2020

Foreign Affairs Council

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