



European Latitudes

Perspectives on Europe, Italy, and the world.

The press review connecting the key socio-political and economic developments shaping today's debate.

 The non-English articles present in the Europe and International section are translated to English.

Tuesday, 25 August 2026

Europe

Europe must spend billions now or face mounting climate disaster costs, EU warns, *Politico EU*

European Climate Commissioner Wopke Hoekstra warns that this summer's unprecedented heatwaves, droughts, and wildfires are erasing the EU's modest 2026 GDP growth and demand urgent investment in climate adaptation to prevent spiralling future costs. The Commission projects climate-related disasters already cost the bloc 1% of GDP, rising to 2.3% by 2050, with exposed countries facing cumulative losses of up to 7% by 2030. While the EU requires €70 billion annually for adaptation, current spending is just €29 billion, against average annual climate damages of €45 billion. Hoekstra stresses that every €1 billion invested in coastal protection can prevent €14 billion in economic losses, advocating for adaptation to be mainstreamed across all policymaking to safeguard long-term economic stability.

<https://www.politico.eu/article/eu-climate-adaptation-spending-wopke-hoekstra-wildfires-heat-waves/>

France's big climate problem: The budget crunch, *Politico EU*

France faces a critical fiscal dilemma as the financial toll of this summer's extreme heat, estimated at €10–15 billion by Ecological Transition Minister Monique Barbut, collides with its soaring public debt of over €3.5 trillion and a 5.1% budget deficit that must be reduced to 3% by 2029 to comply with EU rules. Economists warn that €125 billion in spending cuts and tax increases are needed by 2032 to prevent the deficit from ballooning to 7% of GDP. Political fragmentation in a hung parliament, combined with the approach of a presidential election, complicates decision-making, as lawmakers criticise the lack of a clear, funded strategy for addressing both immediate disaster recovery and long-term climate resilience.

<https://www.politico.eu/article/france-climate-change-problem-budget/>

Norway will drill in Arctic regardless of EU's position, says energy minister, *The Straits Times*

Norway will proceed with oil and gas development in the Barents Sea despite the EU's support for a moratorium on Arctic hydrocarbon exploration, Energy Minister Terje Aasland has declared. As Europe's largest gas supplier, meeting 30% of EU and UK demand, Norway argues that continued Arctic activity serves both its national and European energy security interests. Equinor CEO Anders Opedal notes that Barents Sea resources can be exported globally as LNG if rejected by the EU. Aasland emphasizes Norway's sovereign right to develop its Arctic resources, dismisses the 'green battery' concept as flawed, and urges Europe to strengthen its stable power supply to ensure energy security and price stability.

<https://www.straitstimes.com/world/europe/norway-will-drill-in-arctic-regardless-of-eus-position-says-energy-minister>

Sánchez's ministers clash over whether Madrid missed Ceuta migrant warnings, *Politico EU*

Spanish Prime Minister Pedro Sánchez faces a deepening crisis as Defense Minister Margarita Robles and Interior Minister Fernando Grande-Marlaska publicly contradict each other over intelligence warnings preceding July's Ceuta migration surge, which saw 72,000 arrivals. Robles asserts the National Intelligence Center issued alerts on July 29–30, while Grande-Marlaska insists no warnings were received, exposing critical failures in inter-agency coordination. With thousands of unauthorised migrants still stranded

in the enclave, opposition parties accuse the government of a cover-up, demanding parliamentary action under Article 102 of the constitution. This public rift undermines Spain's border security capabilities and risks destabilising the administration.

<https://www.politico.eu/article/pedro-sanchez-ministers-clash-spain-ceuta-migrant-surge/>

Can ChapsVision Become Europe's Answer to Palantir?, *European Business Magazine*

French software firm ChapsVision has secured a landmark contract to replace Palantir's data-analysis platform at France's DGSI intelligence agency, marking a significant step in Europe's push for digital sovereignty. The company's Argonos platform, designed for large-scale data collection and analysis, will enable the DGSI to operate the technology on its own infrastructure. Founded in 2019, ChapsVision now employs 1,100 people, generates nearly €200 million in annual revenue, and operates in over 40 countries. While France provides credibility, Germany's potential adoption could offer scale, but replacing Palantir's deeply integrated systems presents technical and operational challenges, requiring ChapsVision to prove its platform can match US capabilities.

<https://europeanbusinessmagazine.com/europes-answer-to-palantir/>

Ireland reopens nuclear power debate as data centre electricity demand rises, *Traders Union*

Ireland is reconsidering its long-standing ban on nuclear energy as data centres, now consuming nearly 25% of national electricity and projected to reach 30% by 2032, strain the power system. Despite a legal prohibition since 1999, Taoiseach Micheál Martin has signalled openness to nuclear power, with public support growing to 43% in favour of lifting the ban. The Irish Academy of Engineering estimates small modular reactors could supply 48% of electricity by 2050, but critics argue nuclear offers no short-term solution for prices or supply security. With data centre demand accelerating and renewable deployment lagging, policymakers are weighing nuclear's role in ensuring energy security, though the fate of proposed legislation remains uncertain.

<https://tradersunion.com/news/financial-news/show/3082066-ireland-nuclear-power-debate-data-centres/>

Energia ed effetto dazi abbattano l'avanzo Ue verso Washington , *Il Sole 24 Ore* [translated]

The EU's trade surplus with the United States collapsed by 38% to €29 billion in the second quarter of 2026, primarily due to a surge in energy purchases and a decline in exports. Energy imports from the US soared to €29 billion, pushing the EU's energy deficit with Washington to €26 billion, the highest ever recorded in a single quarter. Overall EU imports from the US rose from €88 billion to €99 billion, while exports fell from €135 billion to €128 billion. The EU's trade balance with non-EU areas fell into a deficit of €21.8 billion, the first shortfall since the second quarter of 2023, with the energy deficit climbing to €101 billion from €71 billion in the first quarter, highlighting growing pressure on Europe's accounts.

<https://www.ilsole24ore.com/art/energia-ed-effetto-dazi-abbattono-l-avanzo-ue-washington-AJYXX8t>

Italy

Data center in Italia: è boom di richieste alla rete Terna (+48%), *Il Sole 24 Ore*

Le richieste di connessione di nuovi data center alla rete elettrica italiana hanno raggiunto 95,38 GW al 21 agosto, con un aumento del 48,2% nei primi otto mesi del 2026 rispetto allo stesso periodo del 2025, secondo i dati di Terna. La Lombardia, con 290 domande per 46 GW concentrate principalmente su Milano, guida la crescita, seguita da Lazio, Piemonte e Puglia. Tuttavia, solo 15 richieste per un totale di 1,88 GW hanno raggiunto la fase di maturità avanzata, indicando che la maggior parte delle istanze rappresentano una domanda potenziale non ancora realizzata. Con 8 data center già connessi e altri 4 attesi nei prossimi mesi, Terna stima che, negli scenari più sfidanti, i centri dati potrebbero incrementare i consumi finali fino al 17%, sottolineando la pressione crescente sulla rete elettrica nazionale.

<https://www.ilsole24ore.com/art/data-center-italia-e-boom-richieste-rete-terna-48per cento-AJUI5Zs>

Sicilia, 1,8 miliardi per una rete che non regge la corsa delle rinnovabili, *Il Sole 24 Ore*

La Sicilia affronta una sfida critica nella transizione energetica: la crescita delle rinnovabili supera la capacità della rete elettrica locale, con E-Distribuzione che investe 1,8 miliardi di euro nel triennio 2026-2028, l'80% in più rispetto al programma precedente. La mappa delle aree critiche mostra la Sicilia quasi interamente in zona rossa o arancione, con il Trapanese, Agrigentino, Nisseno e Ennese tra le più problematiche. Il fenomeno dell'inversione del flusso energetico, causato dalla produzione distribuita di fotovoltaico ed eolico, mette sotto pressione una rete progettata per un flusso unidirezionale. La Regione ha stanziato 80 milioni per smart grid, ma servono nuove cabine, linee più robuste e trasformatori più potenti per gestire la bidirezionalità e i picchi di domanda, evidenziando la necessità di un adeguamento strutturale urgente.

<https://www.ilsole24ore.com/art/sicilia-18-miliardi-una-rete-che-non-regge-corsa-rinnovabili-AJRRxjk>

Taglio accise fino a mercoledì, il Governo cerca risorse per un'altra proroga, *Il Sole 24 Ore*

Il Governo italiano affronta una crisi energetica con i prezzi di benzina e gasolio ai massimi, mentre il taglio delle accise sul gasolio scade il 26 agosto, lasciando l'ultimo weekend di agosto senza agevolazioni. Con il gasolio che rischia di raggiungere 2,30 euro al litro, il Governo cerca risorse per una nuova proroga, almeno fino a inizio settembre, quando è previsto un Consiglio dei ministri. Le coperture finanziarie sono complesse, poiché l'extragettito IVA di agosto sarà contabilizzato solo a settembre. L'opposizione propone di tassare gli extraprofiti delle compagnie petrolifere, mentre la priorità assoluta è evitare un rincaro che colpirebbe sia i vacanzieri di ritorno che le imprese, già alle prese con costi energetici insostenibili.

<https://www.ilsole24ore.com/art/taglio-accise-fino-mercoledi-governo-cerca-risorse-un-altra-proroga-AJeik8s>

International

Putin wants to draft 300,000 new troops, Zelensky says, *The Straits Times*

Ukrainian President Volodymyr Zelensky warns that Russia plans to draft an additional 300,000 troops following September's parliamentary elections,

aiming for a total of 500,000 by 2027 through 'peripheral mobilisation' targeting remote regions. As Russian forces push to capture the Donbas, Zelensky reports heavy Russian losses while noting Ukraine's critical shortage of US Patriot interceptors, with only 264 expected in 2026 compared to 364 in 2025. Russia is also expanding missile production to 1,300 ballistic missiles annually. Ukraine faces a \$27 billion defense funding gap in 2026, requiring at least \$8 billion for a stable 2027 start and \$20 billion more for military salaries and other expenses, as it braces for another winter of Russian energy strikes.

<https://www.straitstimes.com/world/europe/putin-wants-to-draft-300000-new-troops-zelenskiy-says>

CIA director in Moscow for meetings — US media reports, DW

US CIA Director John Ratcliffe reportedly traveled to Moscow for meetings, marking the first known visit by a CIA chief to Russia since its full-scale invasion of Ukraine in 2022. US media confirmed Ratcliffe's trip, though details of his agenda and counterparts remain undisclosed. A US military transport plane was tracked flying from Latvia to Moscow's Vnukovo Airport before departing hours later. The Kremlin denied any knowledge of the visit. Such high-level US-Russia contacts have become rare, with the last recorded military transport flight to Moscow in January 2026 carrying Trump negotiators attempting to broker a Ukraine truce, amid stalled US-brokered talks and escalating strikes on civilian targets.

<https://www.dw.com/en/cia-director-in-moscow-for-meetings-us-media-reports/a-78500042>

China needs U.S. dollars but is building a hedge against Washington's sanctions, CNBC

China faces a strategic dilemma as the US threatens to cut off any entity facilitating Iran's sanctions evasion from the dollar-based financial system, potentially targeting Chinese banks processing Iranian oil transactions. While China opposes unilateral US sanctions, its largest lenders remain dependent on dollar access. To hedge, China has expanded its Cross-Border Interbank Payment System (CIPS), now with 210 direct participants and rising transaction volumes. Though the US dollar still dominates global payments at over 50% and trade finance at nearly 80%, China's bilateral yuan swap

agreements with Argentina and Australia signal efforts to diversify, even as it seeks to maintain dollar access to support its trade engine.

<https://www.cnbc.com/2026/08/25/china-iran-us-sanctions-banks-cips.html>

***Supplementary information: A swap agreement is a financial contract between two parties to exchange cash flows or other financial instruments over a specified period, often used to manage risk or hedge against fluctuations in interest rates, currencies, or commodity prices

António Guterres: 'Superpowers need to understand things have changed', *The Irish Times*

UN Secretary-General António Guterres asserts that superpowers must acknowledge the limits of their power, citing the protracted conflicts in Ukraine and Iran as evidence of a shifting global order where traditional dominance no longer guarantees outcomes. With the UN Security Council effectively paralysed by vetoes from permanent members, Guterres warns that a multipolar world risks descending into confrontation without strengthened multilateral institutions. The UN's financial crisis has forced a 22% reduction in posts for 2026, yet he defends the organisation's record on climate action and conflict mediation, urging Security Council reform to reflect contemporary geopolitical realities.

<https://www.irishtimes.com/world/us/2026/08/25/antonio-guterres-superpowers-need-to-understand-things-have-changed/>

Highest-ever ocean temperature measured as super El Niño forms, *The Straits Times*

Scientists have recorded the highest global ocean surface temperature at 21.1°C on 22 August, surpassing the previous record of 21.09°C set in March 2024, as a powerful El Niño combines with decades of human-driven warming. Samantha Burgess of Copernicus warns that escalating ocean temperatures heighten risks to marine ecosystems and coastal communities, accelerate sea level rise, and intensify extreme weather by increasing atmospheric heat and moisture. The August record is particularly concerning as ocean temperatures normally peak in March and April. Warmer oceans also absorb less carbon dioxide, further exacerbating climate change and signaling a dangerous trajectory for global marine and atmospheric systems.

<https://www.straitstimes.com/world/europe/syrias-kurdish-led-sdf-dissolves-as-part-of-integration-with-damascus>

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