



European Latitudes

Perspectives on Europe, Italy, and the world.

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

Friday, 31 July 2026

Europe

Climate change is turning parts of Europe into an insurance nightmare, *POLITICO Europe*

Europe's worsening wildfires, floods, storms and heatwaves are widening the insurance protection gap and increasing pressure on public finances. Weather-related extremes caused more than €200 billion in EU economic losses between 2021 and 2024, while 75 per cent of natural-disaster damage remains uninsured. Insured wildfire losses have risen by an estimated 8–11 per cent annually in real terms since 1970. Premiums are climbing sharply, with French home insurance up 7.8 per cent in 2025 and climate-disaster surcharges up 66 per cent; insurers and reinsurers are also withdrawing or raising deductibles in high-risk areas. The ECB and EIOPA favour an EU public-private reinsurance scheme and disaster fund, alongside stronger prevention, risk pooling and restrictions on development in exposed zones.

<https://www.politico.eu/article/climate-change-europe-insurance/>

EU launches €30B push to build 7 massive AI data centers, *POLITICO Europe*

The EU has opened a selection process for seven AI “gigafactories” intended to expand European capacity to train advanced models. Four smaller hubs would use 25,000–75,000 specialised chips, while three larger centres would deploy 40,000–100,000. Winning consortia, each backed by at least one national government, should be chosen by early 2027 and complete construction within 18 months. Public support could reach €1 billion for smaller projects and €2 billion for larger ones, but must remain below 35 per cent of total investment.

With €1 billion already earmarked and €4 billion proposed under the next EU budget, combined public-private spending could reach €30 billion. Key risks include uncertain demand, dependence on US chips, and high electricity and water consumption.

<https://www.politico.eu/article/eu-launches-e30-billion-push-build-7-giga-ai-compute-hubs/>

The EU's foreign subsidy rules are deterring Chinese firms. At what cost?, *POLITICO Europe*

The EU's Foreign Subsidies Regulation has deterred Chinese companies from public procurement and acquisitions, notably prompting CRRC to abandon a Bulgarian rail tender and influencing a Lisbon metro award. Brussels is also investigating Goldwind and scrutinising firms including Temu, Nuctech and JD.com. The instrument reassures European industries facing state-backed competition, but its deterrent effect may reduce access to Chinese technology, investment and lower-cost bids in sectors central to decarbonisation. China processes about 90 per cent of rare earths used in wind turbines and electric vehicles. Gulf investment has also faced scrutiny, as shown by ADNOC's \$16 billion Covestro acquisition. Policymakers now face pressure to make enforcement faster, more proportionate, predictable and risk-based while reducing compliance burdens.

<https://www.politico.eu/article/eu-foreign-subsidy-rules-detering-chinese-firms-cost/>

Germany's Merz says EU budget needs cut of 'several hundred billion' euros, *POLITICO Europe*

German Chancellor Friedrich Merz has demanded reductions of several hundred billion euros from the European Commission's proposed near €2 trillion long-term budget and rejected plans for 2,500 additional EU posts. Germany and northern allies considered an earlier 2 per cent cut insufficient, while Italy, Spain and Poland favour higher spending. Ireland, holding the Council presidency, must produce a compromise before an October leaders' summit, with agreement targeted by year-end. Negotiations are complicated by proposed new EU revenue sources, which require unanimity. The Commission suggested five measures, including higher tobacco taxation and a business levy, to finance defence and competitiveness priorities without relying solely on national contributions. Germany opposes the business tax, while Ireland rejects a digital levy, citing risks to the EU-US trade agreement.

<https://www.politico.eu/article/merz-calls-cutting-several-hundred-billion-eu-budget-rejects-eu-staff-increase/>

Eurozone economy grows despite Middle East war, *Yahoo Finance*

The eurozone expanded by 0.4 per cent in the second quarter of 2026, exceeding forecasts of 0.1–0.2 per cent and demonstrating resilience to the energy shock generated by the US-Iran conflict. Eurostat also revised first-quarter performance to zero growth, removing the immediate risk of a technical recession. Ireland recorded 3.9 per cent growth after a 7.0 per cent contraction, although multinational accounting effects distort its figures; excluding Ireland, Capital Economics estimated eurozone growth at about 0.25 per cent. Germany grew by 0.2 per cent, slowing from 0.4 per cent in the first quarter, while France and Italy also contributed. Household and business spending remained relatively firm, but the European Central Bank has reduced its 2026 growth forecast from 0.9 to 0.8 per cent.

<https://finance.yahoo.com/economy/articles/eurozone-economy-grows-despite-middle-100445550.html>

Sánchez under fire over migration policies, *POLITICO Europe*

Spain deployed the army after around 50,000 unauthorised migrants entered Ceuta within 24 hours, overwhelming border forces in an enclave of roughly 80,000 residents; about 48,300 had returned by Friday evening. Prime Minister Pedro Sánchez described the episode as an attack on Spain's territorial integrity, while opposition parties blamed a regularisation programme covering more than one million migrants. The government rejects that link because eligibility requires residence before 1 January 2026 and the application deadline has passed. Authorities instead cite a Supreme Court ruling limiting immediate returns for maritime crossings and plan offshore barriers. Morocco denies facilitating the influx, but its absent border patrols have revived concerns that migration is being used as leverage over Spain's renewed ties with Algeria and Western Sahara policy.

<https://www.politico.eu/article/spain-ceuta-migration-crisis-pedro-sanchez-opposition-backlash/>

Italy

Oggi a Brindisi la firma della Pax Silica con gli Usa in funzione anti-Cina: ecco di cosa si tratta, *Il Sole 24 Ore*

Italia e Stati Uniti firmano a Brindisi la dichiarazione Pax Silica, iniziativa di cooperazione strategica su semiconduttori, intelligenza artificiale e minerali critici. L'obiettivo è coordinare governi e settore privato, rafforzare le catene di approvvigionamento delle tecnologie avanzate e ridurre la dipendenza da singoli Paesi esportatori, in particolare dalla Cina. La firma coinvolge gli ambasciatori Armando Varricchio e Tilman Fertitta, con la partecipazione delle istituzioni locali e della Regione Puglia. L'adesione italiana segue il vertice sui minerali critici tenuto a Washington a febbraio e si inserisce nel rafforzamento

della collaborazione tecnologica transatlantica. La Commissione europea ha già sottoscritto la dichiarazione per le competenze dell'Unione.

<https://www.ilsole24ore.com/art/oggi-brindisi-firma-pax-silica-gli-usa-funzione-anti-cina-ecco-cosa-si-tratta-AJZyjoa>

Il Supercalcolo accelera la transizione energetica e diventa un'infrastruttura strategica, // Sole 24 Ore

Il supercalcolo è diventato un'infrastruttura strategica per competitività, sovranità digitale e transizione energetica, perché consente simulazioni avanzate, addestramento di modelli di intelligenza artificiale e sviluppo di digital twin. Nel settore energetico riduce tempi, costi e rischi nella modellazione geologica, nella fluidodinamica, nello stoccaggio della CO₂, nei materiali per batterie e fotovoltaico, nelle rinnovabili e nella fusione. HPC7 di Eni raggiunge 571 Pflop/s sostenuti e 861 di picco, è sesto nella TOP500, secondo in Europa e primo tra i sistemi industriali. Integrato con HPC6 supera un Exaflop. Installato in circa dieci giorni nel Green Data Center di Ferrera Erbognone, usa raffreddamento liquido che dissipa il 96% del calore e sostiene collaborazioni con imprese, startup e ricerca.

<https://www.ilsole24ore.com/art/il-supercalcolo-accelera-transizione-energetica-e-diventa-un-infrastruttura-strategica-AJC8P5R>

L'energia da fusione, la sfida entra nella fase industriale, // Sole 24 Ore

La fusione nucleare sta passando dalla ricerca scientifica alla costruzione di una filiera industriale, sostenuta da progressi nei plasmi, nei magneti superconduttori ad alta temperatura, nei materiali, nei controlli elettronici e nel calcolo avanzato. Il processo, basato su deuterio e trizio, offre elettricità programmabile senza emissioni dirette di CO₂, minori rifiuti radioattivi e nessuna reazione a catena; un chilogrammo di combustibile può liberare quattro milioni di volte l'energia del carbone. Restano critici il confinamento oltre 100 milioni di gradi, i materiali resistenti e il ciclo del trizio. ITER punta a produrre dieci volte l'energia immessa. Eni, UKAEA e RH3OVA stanno sviluppando servizi, impianti e standard per rendere commerciali recupero, purificazione e riciclo del combustibile.

<https://www.ilsole24ore.com/art/l-energia-fusione-sfida-entra-nella-fase-industriale-AJ9hGwX>

Come funzionerebbe il riconoscimento facciale che vuole il governo, // Post

Il decreto legislativo in discussione consentirebbe alla polizia di utilizzare il riconoscimento facciale in tempo reale per minacce gravi, terrorismo e ricerca di persone scomparse o vittime di tratta, previa autorizzazione del pubblico ministero, con procedure d'urgenza soggette a convalida entro 48 ore. L'articolo 10 permetterebbe inoltre di integrare l'intelligenza artificiale nei

sistemi di videosorveglianza dopo un reato, conservando per sette giorni immagini e dati biometrici raccolti in luoghi pubblici o durante eventi. Il Garante della privacy e la Commissione europea contestano soprattutto questa raccolta generalizzata, ritenendola potenzialmente incompatibile con l'AI Act e suscettibile di trasformarsi in sorveglianza preventiva di massa. Il governo potrà modificare il testo prima dell'approvazione definitiva entro il 10 ottobre.
<https://www.ilpost.it/2026/07/30/riconoscimento-facciale-legge-polizia/>

Controllo umano e autori sempre responsabili dei contenuti: ecco le linee guida AI per i deputati, *Il Sole 24 Ore*

Le linee guida della Camera dei deputati stabiliscono che l'intelligenza artificiale può sostenere la produzione normativa, ma non sostituire il giudizio umano né attenuare la responsabilità personale. Il documento di 33 pagine, previsto in adozione definitiva a settembre, impone quattro principi operativi: controllo umano qualificato, protezione dei dati sensibili, verifica sistematica delle fonti e trasparenza sull'impiego dell'AI. Non devono essere caricati su strumenti pubblici dati personali, documenti riservati o bozze non presentate; ogni contenuto va controllato per errori, allucinazioni e violazioni della proprietà intellettuale. Dal 2 agosto, l'articolo 50 dell'AI Act introduce obblighi informativi per deepfake e testi di interesse pubblico privi di revisione umana. Una piattaforma informativa aggiornata supporterà deputati e strutture parlamentari.

<https://www.ilsole24ore.com/art/controllo-umano-e-autori-sempre-responsabili-contenuti-ecco-linee-guida-per-deputati-Ajxf4KZ>

International

Russia importing sensitive UK, EU tech through India, data shows, *POLITICO Europe*

Researchers identified about 50,000 controlled or sensitive goods routed from third countries to Russia through India after the February 2022 invasion of Ukraine. Products included electronics, machinery, precision instruments, transport equipment, metals and advanced electrical components. Between the invasion and early 2025, Indian exports to Russia of UK-origin goods rose 180 per cent, Swiss-origin goods 131 per cent, Swedish-origin goods 455 per cent and French-origin goods 98 per cent compared with the preceding three years. French carbon fibre reached a sanctioned Russian military-industrial supplier, while Western components may also be incorporated into Indian-made products. New UK-India and EU-India trade arrangements heighten exposure. Governments and companies therefore need stronger end-user checks, intelligence-sharing and coordinated sanctions enforcement across complex dual-use supply chains.

<https://www.politico.eu/article/russia-import-uk-eu-technology-india-data/>

Subsidies Do Not Explain China's Competitiveness (*opinion*), *Yicai Global*

The author argues that subsidies, although relevant, no longer adequately explain China's industrial competitiveness. The OECD may overstate state support by classifying loans below the roughly 3.5 per cent Loan Prime Rate as preferential, even though sovereign yields are substantially lower. Evidence covering more than 5,300 listed non-financial firms indicates that bank credit still favours traditional state-owned enterprises, while many innovative companies rely on retained earnings, equity and capital markets. Subsidy intensity in new-economy sectors fell between 2023 and 2025. China's stronger advantages are structural: an integrated domestic market, dense supply chains, intense competition, rapid commercialisation and extensive technical talent, including about 3.6 million STEM graduates and 1.3 million engineers annually.

<https://www.yicaiglobal.com/opinion/guo-kai/subsidies-do-not-explain-chinas-competitiveness>

Oil spill from shadow fleet tanker spreading off Oman, satellite images show, *The Straits Times*

A sanctioned tanker carrying Russian oil is leaking off the coast of Oman, with satellite images showing that the spill is spreading near al-Qibliyyah island, part of a protected marine area. The Caroline Bezengi loaded oil at Novorossiysk and reported problems off Yemen on 8 June following an apparent explosion onboard. Images taken on 28 July indicate that at least one section of the hull may have been breached and that the vessel could be listing. Maritime specialists warn it may eventually break apart. Seasonal monsoon conditions, which are strongest in July and August, could rapidly disperse the oil towards vulnerable coastal ecosystems. The vessel is linked to Russia's ageing "shadow fleet", used to circumvent EU and UK sanctions. Authorities and the International Maritime Organization are assessing the environmental and safety risks.

<https://www.straitstimes.com/world/europe/oil-spill-from-shadow-fleet-tanker-spreading-off-oman-satellite-images-show>

Curated by Sergio Pablo Belis