

# EU Tech Sovereignty, Climate Goals, and Economic Policy: This Week's Hard-

European Union · Answer Key · 15 Questions

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**1. The European Commission's proposed Industrial Accelerator Act (IAA), unveiled in March 2026, aims to boost demand for specific EU-made products. Which of the following sectors is NOT explicitly mentioned as a target for this act?**

- A) Steel
- B) Electric Vehicles
- C) Cement
- D) Semiconductors**

**2. As part of its 'Tech Sovereignty Package', expected in June 2026, the EU is aiming to bolster its digital independence. Which of the following is a key component of this package?**

- A) The Digital Services Act 2.0
- B) The Cloud and AI Development Act**
- C) The General Data Protection Regulation (GDPR) amendments
- D) The Data Localization Framework

**3. The European Central Bank (ECB) has been warning eurozone countries about fiscal spending in response to the energy crisis. What is ECB President Christine Lagarde's primary concern regarding these fiscal measures?**

- A) They are insufficient to address the energy crisis.
- B) They could intensify pressure for interest rate hikes.**
- C) They are not adequately focused on renewable energy investments.
- D) They are not aligned with the EU's Green Deal objectives.

**4. The revised European Climate Law, agreed upon in December 2025, sets a binding EU climate target for 2040. What is this target in terms of net greenhouse gas emission reductions compared to 1990 levels?**

- A) 70%
- B) 80%
- C) 90%**
- D) 100%

**5. In response to geopolitical rivalries, EU foreign policy chief Kaja Kallas suggested that developing countries supporting Russia or Iran could face consequences. What is a potential consequence mentioned?**

- A) Exclusion from the EU's Schengen Area
- B) Reduced EU aid and preferential treatment for European companies in funding procurement**
- C) Imposition of direct EU sanctions
- D) Suspension of diplomatic relations

**6. A coalition of European industry associations has called for technological neutrality in the EU's 2040 climate objectives. Which clean energy source, among others, is highlighted as being potentially overlooked if technology neutrality is not adopted?**

- A) Wind power
- B) Solar energy
- C) Nuclear power**
- D) Geothermal energy

**7. The EU's 'Tech Sovereignty Package', expected in June 2026, aims to reduce dependence on non-European technology providers. What is a key area of focus for this package, alongside cloud computing and AI?**

- A) The development of advanced robotics
- B) The production of next-generation semiconductors**
- C) The establishment of a unified European social media platform
- D) The regulation of cryptocurrency markets

**8. The European Commission has proposed amendments to the EU AI Act as part of a 'Digital Omnibus'. Which of the following compliance deadlines has been postponed for 'High-Risk AI Systems (HRAIS)'?**

- A) From 2 August 2026 to 2 December 2026
- B) From 2 August 2026 to 2 December 2027**
- C) From 2 August 2027 to 2 August 2028
- D) From 2 August 2027 to 2 December 2027

**9. The ECB's Financial Stability Review, published in May 2026, includes special features. Which of the following is NOT one of the assessed topics in this review?**

- A) The divergence between corporate bankruptcies and bank non-performing loan ratios
- B) The effects of macroprudential policies on household credit
- C) The impact of AI on the stock market**
- D) Exposures of the euro area financial system to private credit

**10. The European Union's Industrial Accelerator Act (IAA) aims to favour 'Made in EU' products. What is a significant concern raised by analysts regarding the IAA's proposed origin-based content rules?**

- A) They will unfairly benefit non-EU partners.
- B) They risk delaying decarbonisation and inviting WTO challenges.**
- C) They are too difficult to implement for consumers.
- D) They do not account for the needs of small and medium-sized enterprises.

**11. The NIS2 Directive, effective from October 2024, is the EU's comprehensive cybersecurity law. In January 2026, the European Commission proposed targeted amendments to NIS2. Which of the following was NOT part of these proposed amendments?**

- A) Clarification of jurisdictional rules
- B) Introduction of a new 'small mid-cap' enterprise category
- C) Strengthening the role of ENISA
- D) Mandatory cybersecurity certification for all digital products**

**12. European military expenditure saw a significant increase in 2025. Which European country recorded one of the most notable increases in its military expenditure, rising by 24% year-on-year?**

- A) France
- B) Poland
- C) Germany**
- D) United Kingdom

**13. The EU's 'Tech Sovereignty Package' is expected to integrate security concerns into procurement decisions, particularly for cloud computing. This is a strategic move to address which of the following?**

- A) Reducing dependence on non-traditional partners in Asia and Africa.
- B) Strengthening Europe's resilience and reducing critical dependencies.**
- C) Ensuring compliance with the GDPR for cloud services.
- D) Promoting the use of open-source software exclusively.

**14. The European Commission approved EUR288 million in German State aid to support semiconductor supply chains. This aid aligns with the objectives of which key EU initiative?**

- A) The Digital Single Market Strategy
- B) The European Chips Act**
- C) The Horizon Europe Programme
- D) The Competitiveness Pact

**15. Regarding the EU's 2040 climate targets, at least 85% of the reduction goal must be met through domestic emissions reductions. What is the maximum allowed contribution from high-quality international carbon credits?**

- A) 5%**
- B) 10%
- C) 15%
- D) 20%