

Dentons Flashpoint

Daily Global Situation Report

April 22, 2022

Global Situation Update: April 22, 2022

KEY TAKEAWAYS

Russian military officials call for “total control” of the Donbas and southern Ukraine.

US Fed Chair Powell signals a half-point rate increase in May.

Shanghai extends its COVID-19 lockdown.

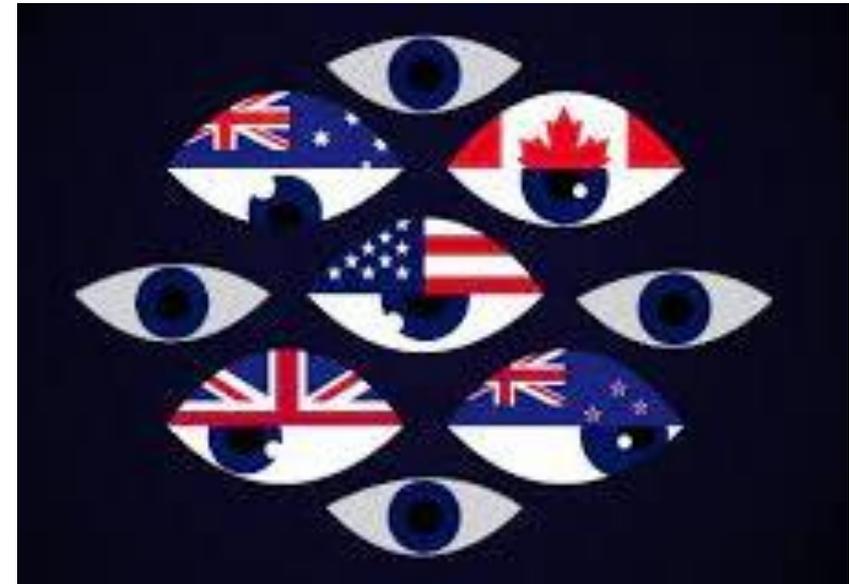
Note: This report is based on sources and information deemed to be true and reliable, but Dentons makes no representations to same.

Global Situation Update: April 22, 2022

WHAT WE'RE WATCHING

The member states of the “Five Eyes” intelligence sharing network are warning that intelligence indicates Russia intends to launch powerful cyberattacks against countries supporting Ukraine. The joint advisory from the US, UK, Australia, Canada and New Zealand this week predicts that more malicious cyber activity is on the way as the Russian government is exploring options for retaliation.

The Five Eyes authorities have called for organizations to immediately take four precautions: Update software, including operating systems, applications, and firmware, on IT network assets; enforce multi-factor authentication to the greatest extent possible and require accounts with password logins; provide awareness training about the current situation to end-users; and, more closely secure remote desktop protocols for those outside of offices.



Global

Russian President Putin claimed that the embattled city of Mariupol had been “liberated;” US and Ukrainian officials denied the reports, saying that fighting remained at the city’s steelworks.

- President Zelensky said that President Putin had rejected offers for an **Easter truce**. The UN reported that at least one in six Ukrainians have been **displaced** since the onset of the war, and warned of growing evidence of Russian **war crimes** in Ukraine.
- The World Bank estimated that the Russian invasion of **Ukraine** had caused \$60 billion of destruction to buildings and infrastructure thus far. President Zelensky said that Ukraine would need \$7 billion a month to make up for economic losses from the war.

Markets & Business

Tesla founder Elon Musk unveiled a \$46.5 billion financing package, backed by four banks led by Morgan Stanley, in a new bid to purchase Twitter; the sale, if successful, would be the largest leveraged buyout in history.

- US stocks fell after **US Fed Chair Powell** signaled a half-point rate raise in May.
- The **German central** bank warned that an immediate **Russian gas** boycott would cost the country €180 billion in lost economic output this year. Austrian energy multinational **OMV**, one of the biggest oil refiners in central Europe, ended all purchases of Russian oil. **Carlsberg** said it will book a \$1.4bn loss in the sale of its Russian business. **Shell** is reportedly in talks with Chinese firms to sell a stake of its Russian business.
- **Nestle** reported strong Q1 profits, noting a 5% price due to commodity prices inflation; **Heineken** and **Procter & Gamble** also recently increased process 5%.
- **Delta** and **United** lifted restrictions on travelers previously banned for noncompliance with the mask mandate.

Environment, Sustainability & Governance

Today is Earth Day. Climate activists have kicked off worldwide protests, pushing for demands including an end to European imports of Russian gas and an end to investments in fossil fuel infrastructure.

- **Chile's** constitutional drafting assembly knocked back proposals to significantly expand environmental protections, especially in the **mining sector**, a loss for environmental activists.
- **Taiwan** President Tsai Ing-wen said on Friday the government will focus on **research and development in green energy**, smart grids and energy storage equipment in its push to cut carbon emissions.
- **The US Transportation Department** will award \$6.4 billion over five years to states to fund projects to **reduce greenhouse gas emissions**.
- Major public and private groups said in a statement issued a statement arguing that the **global development finance system** needs urgent reforms and far more private capital to address the multiple, overlapping crises that are pushing 250 million people back into **extreme poverty**.

Africa

- The **Democratic Republic of the Congo** signed a deal with Italian oil major Eni to develop an LNG field in the coming years, part of a bid to diversify fuel away from Russia.
- **Cameroon** reportedly signed an agreement with Russia for military cooperation last week, cementing existing ties.
- A Russian military contractor on mission in **Mali** has reportedly been killed, the first Russian casualty as the Wagner Group steps up its presence there.
- The death toll from **South Africa's** disastrous floods was revised down about 10, to 435.
- The main hospital in Ethiopia's **Tigray** has run out of food, a sign that perhaps the current ceasefire, implemented to allow aid access, is not functioning as well as expected.



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How do You Manage Incident Response?

2021 has already seen business disrupted by extreme weather, ransomware attack, the ongoing pandemic and more. The common refrain “It’s not if, but when” rings truer than ever for disruptive incidents that will impact business as usual.

Working with Dentons, you can effectively develop an organizational incident-behavior adopted by all your team members. Dentons will help you build muscle memory through tabletop exercises, which are crafted to fit the business strategy of every client.

Our team plays events and incidents of different severities and complexities and accounts for real-world factors such as inconclusive evidence, mistakes by responders, and the business impact of eradication steps. Our tech-savvy lawyers continuously revise the playbooks per the evolving sector-specific threat landscape.

Dentons tabletop sessions are fluid, and designed to enhance preparedness with services, including:

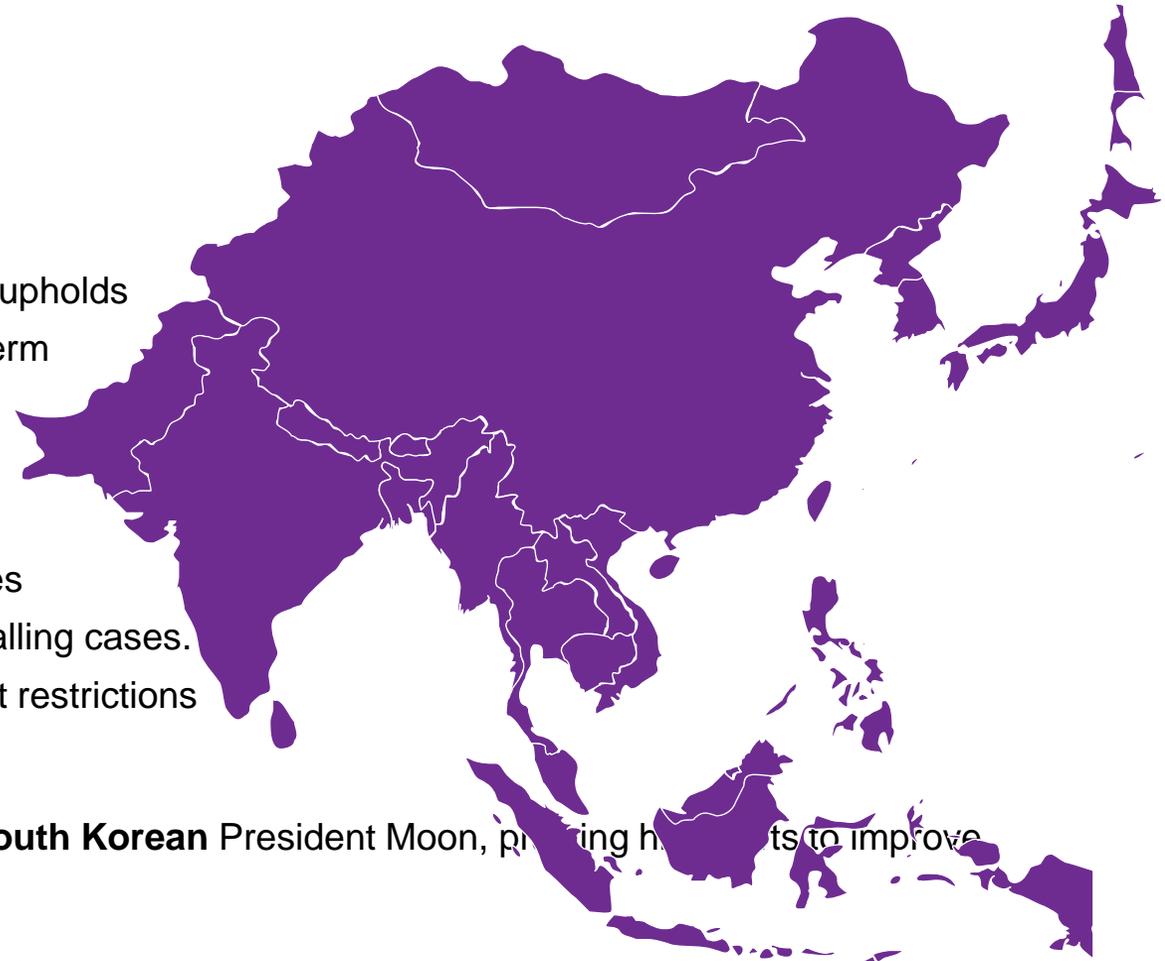
- ❖ Ransomware tabletop exercises
- ❖ Post-tabletop action reports
- ❖ Maturity assessments for preparedness
- ❖ Supply-chain attack simulation
- ❖ Comprehensive incident response plan
- ❖ Threat analysis and monitoring

All interaction with Dentons is attorney-client privileged

To learn more about the bespoke intelligence and risk services from Dentons, contact [Karl Hopkins](#).

Asia

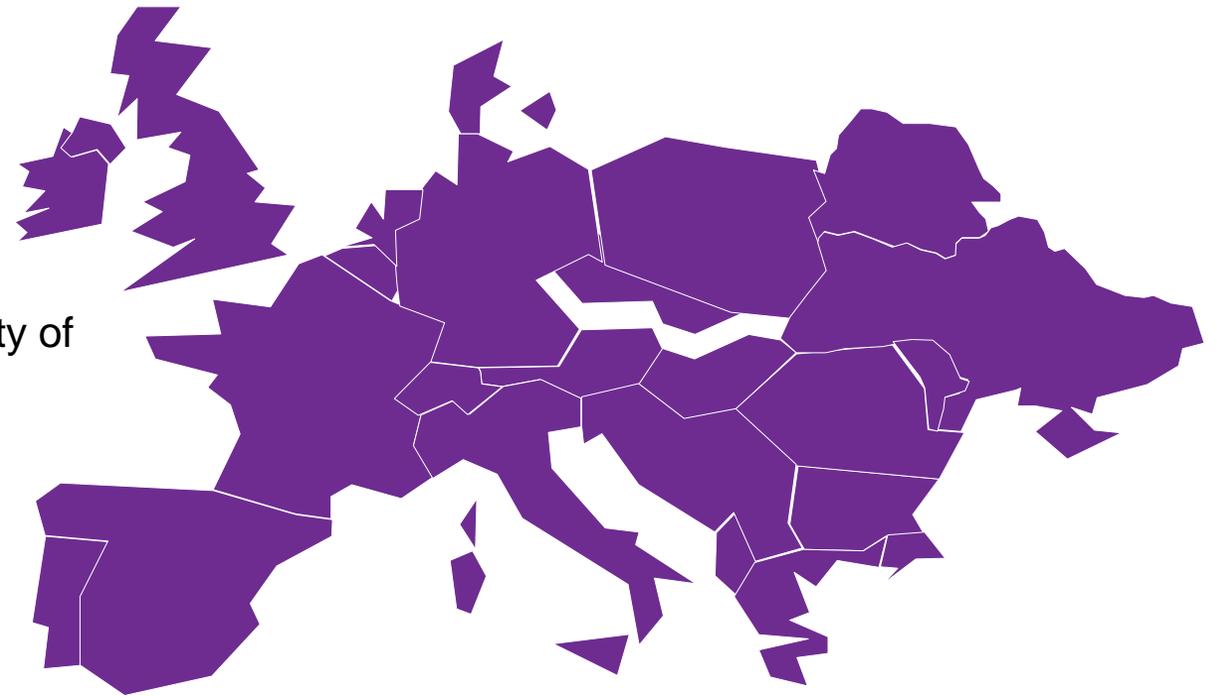
- **Chinese** President Xi proposed a new "global security initiative" that upholds the principle of "indivisible security" of states and their neighbors, a term frequently used by Russia to justify military deployments in its near-abroad, but did not give details. China will launch an official pension program, part of a bid to move some of the population's vast personal savings into financial markets. **Hong Kong** reopened venues including gyms and movie theaters for the first time in months amid falling cases. **Shanghai** officials tightened lockdown measures and announced that restrictions would continue until the outbreak was eradicated.
- **North Korean** leader Kim Jong Un exchanged letter with outgoing **South Korean** President Moon, promising his efforts to improve ties in a signal of warming relations.
- The **Japanese** government agreed to a supplementary budget with a \$21 billion increase to support lower-income households and small businesses amid high inflation.
- Independence leader and Nobel laureate Jose Ramos-Horta has declared victory in **East Timor's** presidential election.
- Three of **India's** largest states plan to import over 10 tons of coal in a bid to end power shortages, a move that could send global coal prices soaring.



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Europe

- Reelected **Serbian** President Vucic rejected the possibility of imposing sanctions on Russia.
- The UK imposed a number of new sanctions on Russian officials and goods including caviar and diamonds. The UK will reopen its embassy in Kyiv next week. The UK announced that a small number of Ukrainian soldiers are training in the country, a sign of stepped-up support. UK lawmakers are considering measures banning the import of medical supplies from **China's Xinjiang** region. UK Prime Minister Johnson visited **India**, where he and President Modi agreed to step up military and business cooperation, with a free trade agreement potentially to be signed in October.
- **Russia** extended an entry ban on US officials to include Vice President Harris and 28 other officials.



Middle East



- **Libya's** parliament-backed prime minister will hold his first cabinet meeting this week. Oil minister for Libya's UN-backed government accused forces loyal to strongman Khalifa Haftar of orchestrating protests and seizures that have interrupted oil production, slashing the country's exports to half in recent weeks.
- Ousted **Pakistani** Prime Minister Khan called for new elections.
- The **Saudi-backed Yemeni** army reported that there have been at least 80 violations of the nationwide ceasefire by Iran-backed elements since it began earlier this month.
- The **Lebanese** judge investigating corruption ordered the property of the brother of the central bank governor to be seized in connection to "illicit enrichment," circling closer to the central bank governor.
- A series of blasts claimed by the **Islamic State** killed several throughout northern **Afghanistan**.

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Americas

- Former **Honduran** President Hernandez was extradited to the US, as planned, where he faces drug trafficking charges.
- **Cuba** accepted a 20,000 pound donation of wheat from its ally Russia.
- **Mexican** President Obrador confirmed the closure of a special anti-narcotics unit that was a key element of US-Mexico cross-border cooperation, alleging that the group had been infiltrated by criminals.
- The **Honduras**' legislature repealed a law allowing the establishment of special economic zones exempt from most taxes and duties in the country, which current leftist president Castro has campaigned against.
- **Brazilian** President Bolsonaro said that he would pardon a political ally convicted by the Supreme Court of interfering with the “free exercise” of government, increasing tensions between Bolsonaro and the judicial branch.



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Americas: US

- New **unemployment claims** edged down, remaining at historically low levels.
- Donald Trump Jr. has reportedly agreed to meet with the House of Representatives **January 6 committee**.
- The CDC reported that all **vaccinations for children** slowed during the pandemic, with the level of vaccination for kindergarteners falling below the target of 95%. The US extended a rule **requiring vaccination** for international visitors arriving at land or ferry ports. **Philadelphia** ended its mask mandate, days after reinstating it amid rising cases.
- The US announced \$800 million in new military aid and \$500 million in economic aid to **Ukraine**, and pledged to follow European moves to **ban Russian ships** from international ports. The aid includes specially-developed “**ghost drones**” that explode on impact. US officials arrived in the **Solomon Islands** amid worries that the nation is ramping up military cooperation with China.



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Ukraine War Update: International Aid Surge, No Easter Ceasefire, Transnistria Warning

With Russia's launch of the Donbas offensive, there is new urgency among allies to provide Ukraine with money, weapons and political support to stave off Russia. The debate over offensive versus defensive equipment is in the rearview mirror with countries no longer paralyzed by the risk of the Kremlin attacking a NATO country. The focus is on getting equipment to the battlefield immediately, rapid training programs for Ukrainian trainers for more modern military hardware and putting planning in place so that a sustainable war supply program can be built. While negotiations are continuing at the working level, foreign leaders assess that Russian President Putin remains focused on achieving his agenda through war.

Political Developments

Ukrainian President Zelensky said Russia rejected a proposal for a cease-fire over the Orthodox Christian Easter period.

Yesterday, the US pledged an additional \$800 million in military aid to Kyiv, including heavy artillery and tactical drones to be drawn from US stocks and others, so-called "Phoenix Ghost" drones which have standoff capability, well suited for Ukraine. US Defense Secretary Austin will host talks on Ukraine with allies at the Ramstein Air Base near Frankfurt on April 26, to plan for Ukraine's defense needs over

the long term.

The German government announced that it is working on a three-way swap of armaments via Slovenia that would see heavy equipment sent to Ukraine. Danish Prime Minister Frederiksen announced an increase in support by about \$90 million, bringing the total up to \$140 million. Spanish leader Pedro Sanchez said a new batch of 200 tons of ammunition and military supplies had been sent to Ukraine, more than doubling the quantity of military aid his government has sent so far.

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Ukraine War Update: Mariupol Evacuation, G7 Financial Aid, Russia's Victory Day Parade

The US also announced \$500 million in direct economic assistance to the Ukrainian government.

Ukrainian President Zelensky continued to rally the international community for political, economic and military aid. In a virtual address to a World Bank forum, Zelensky called on the global community to exclude Russia immediately from international financial institutions and urged all countries immediately to break up relations with Moscow. Speaking in a video address to the Portuguese parliament, Zelensky reiterated that his country needed more heavy weapons to defend itself from the Russian invasion.

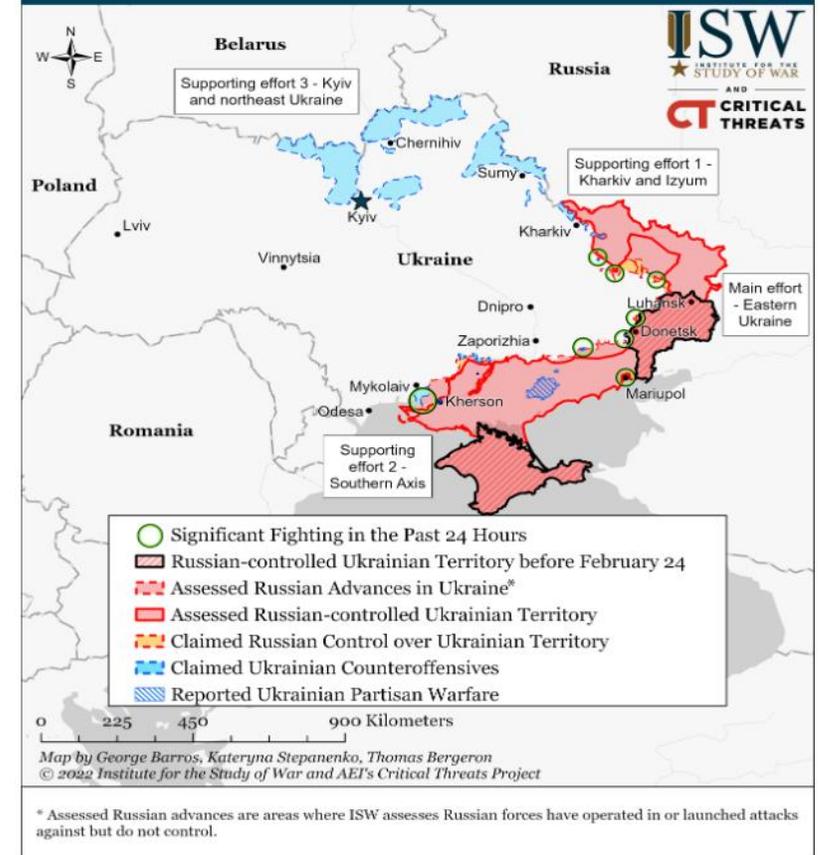
The Organization of American States suspended Russia as a Permanent Observer.

War crimes continue to trigger political action. Estonia became one of the first countries to recognize Russia's actions in Ukraine as a genocide. Likely to add to western outrage, new imagery released by the Maxar Technologies shows what appeared to be mass graves in the town of Manhush, outside Mariupol. The images showed graves aligned in four sections of linear rows measuring approximately 85 meters (around 279 feet) per section and containing more than 200 graves. Ukrainian officials estimate that more than 200,000 civilians from Mariupol have been killed.

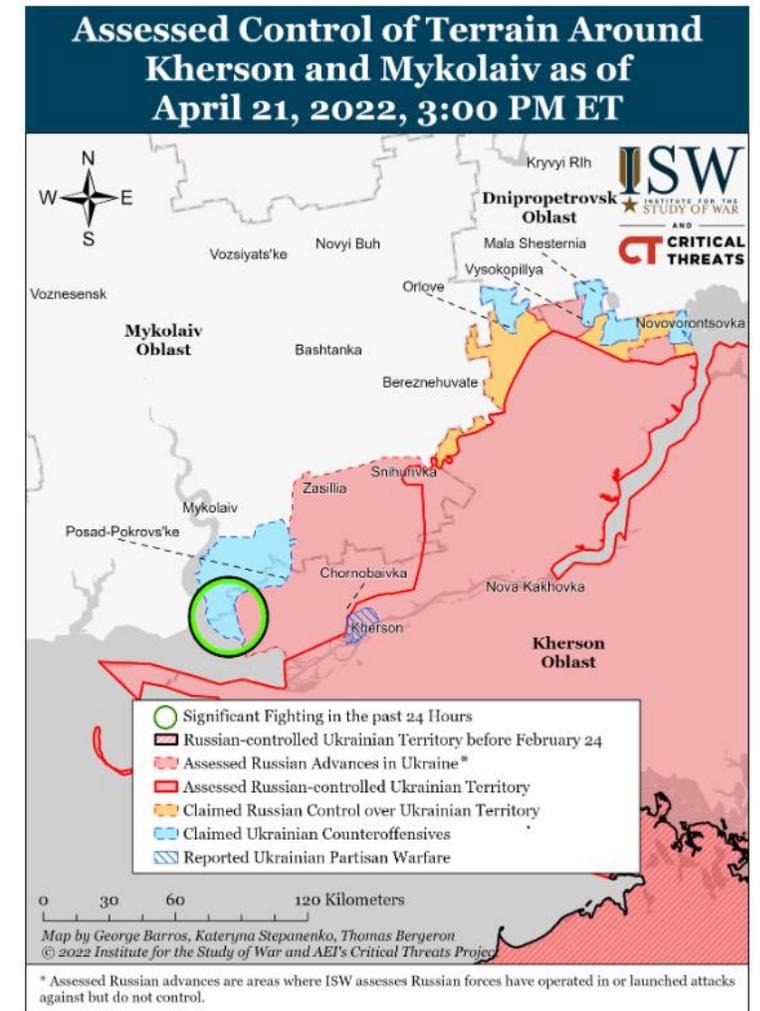
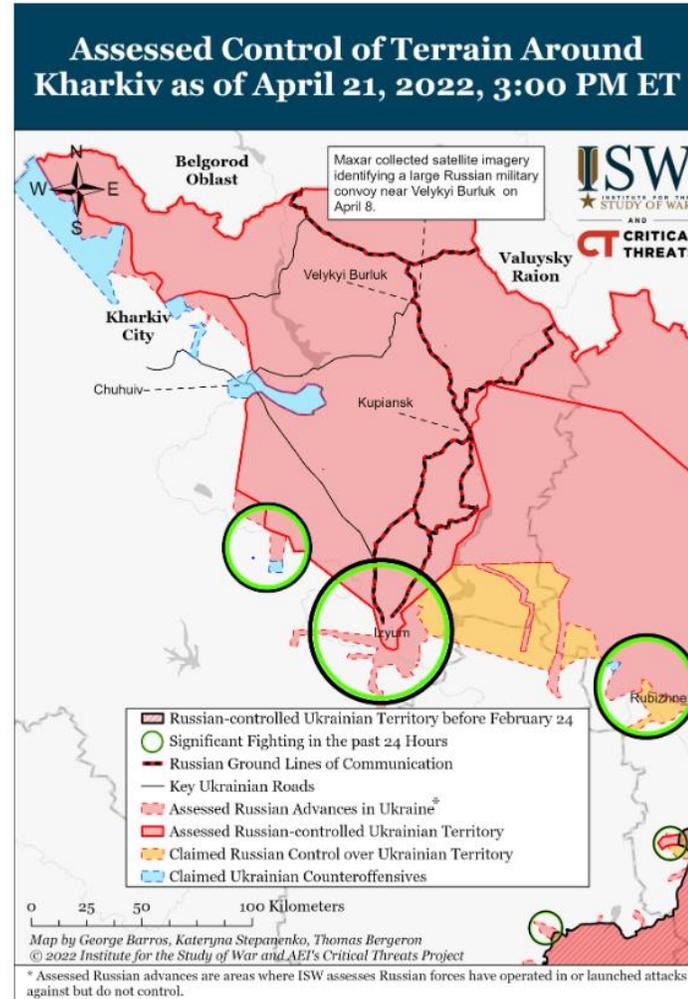
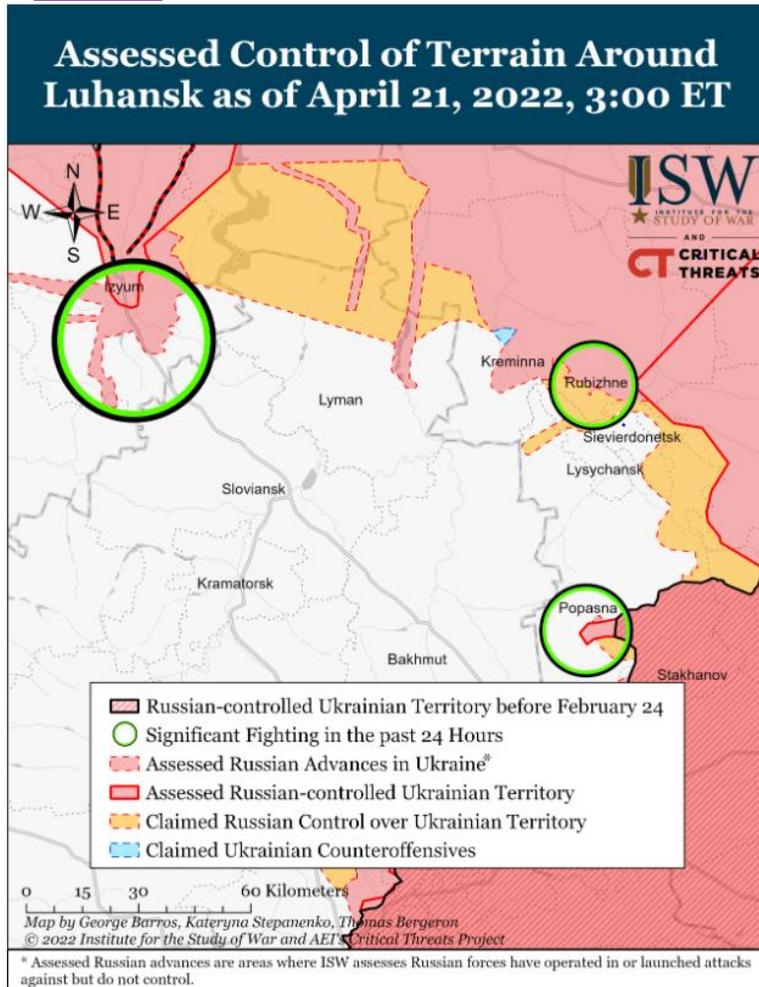
Moscow is also accelerating political retaliation to western sanctions. Russia's Foreign Ministry has imposed a travel ban on US Vice President Kamala Harris and Facebook's Mark Zuckerberg, as well as 27 other prominent US citizens.

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Assessed Control of Terrain in Ukraine and Main Russian Maneuver Axes as of April 21, 2022, 3:00 PM ET



Ukraine War Update: Mariupol Evacuation, G7 Financial Aid, Russia's Victory Day Parade



Source: [Institute for the Study of War](https://www.instituteforthe studyofwar.com/)

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Ukraine War Update: Mariupol Evacuation, G7 Financial Aid, Russia's Victory Day Parade

Battlefield Developments

Russian president Vladimir Putin claimed the "liberation" of the port city Mariupol, but a senior Kyiv official challenged Russia's victory claim as "premature," insisting Ukrainian forces were holding out in the Azovstal steelworks complex.

According to the daily UK intelligence assessment, Putin's decision to blockade the Azovstal steel plant indicated a desire to free up Russian forces to be deployed elsewhere in eastern Ukraine.

The Institute for the Study of War assessed that Russian forces involved in the battle of Mariupol are likely heavily damaged, with the entire force heavily degraded by Ukrainian forces. Some units will need to stay to hold the territory and continue to enforce the siege. The Kremlin's declaration of victory in Mariupol is unlikely to enable the deployment of significant combat power to reinforce offensive operations in eastern Ukraine in the coming days or weeks.

Heavy shelling is continuing in the Donbas region as Russia seeks to advance towards settlements, including Krasnyy Lyman, Buhayikva, Barvinkove, Lyman and Popasna.

Olena Symonenko, an aide to the chief of staff to President

Zelensky, said Russian troops captured 42 villages in the eastern Donetsk region.

In a statement carried by TASS and Interfax, Rustam Minnekayev, acting commander of the CFD, said Russia plans in the second phase of its military operation to establish full control over the Donbas and southern Ukraine, allowing it access to Transnistria, where he claimed there was evidence of "oppression" of the Russian-speaking population.

Ukrainian President Zelensky accused Moscow of planning to "falsify" a "referendum" in parts of the Kherson and Zaporizhzhia regions that are under Russian control. The regions are located to the north of Crimea, which Russia annexed in 2014. Zelensky urged residents in these areas not to provide their passport numbers or other personal information to Russian forces.

Humanitarian Developments

Ukrainian President Zelensky said that 120,000 civilians remain stranded in the city of Mariupol. For the first time in weeks, a convoy of civilians escaped Mariupol, with four buses and a dozen private cars reaching Zaporizhzhia. There will be no humanitarian corridors in the country on Friday because it is too dangerous for civilians.

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Ukraine War Update: Mariupol Evacuation, G7 Financial Aid, Russia's Victory Day Parade

More than 7.7 million people are estimated to have been displaced within Ukraine by Russia's war, after fleeing their homes, the United Nations has said.

Economic Developments

IMF Managing Director Georgieva said that funds to Ukraine to cover its financial shortfall over the next couple of months should be provided as grants, rather than loans, to avoid overburdening the country with debt.

Britain has imposed new sanctions on 26 individuals and entities, targeting Russian military generals responsible for atrocities in Ukraine, as well as individuals and businesses supporting the Russian armed forces.

The International Energy Agency and the European Commission have called on EU citizens to help reduce Europe's reliance on Russian energy by committing to "small actions" to conserve fuel.

Germany will provide €37 million (€40.1 million) for reconstruction in Ukraine,

Us Treasury Secretary Yellen urged Europe to be "careful" about

imposing a complete ban on Russian energy imports because of the harm such a move could inflict on the global economy.

Austrian oil refiner OMV ended all purchases of Russian oil

Belgian brewer Anheuser-Busch InBev is in discussions to sell its stake in a Russian joint venture to its Turkish partner, Anadolu Efes, at a \$1.1 billion hit.

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Coronavirus Condition Updates

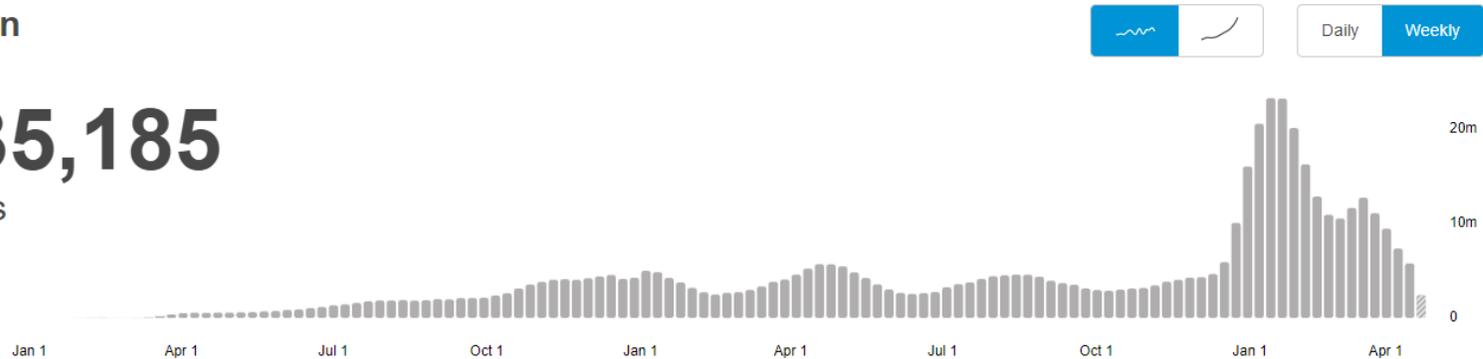
As of 6:19 pm CEST on April 21, 2022

Coronavirus Snapshot

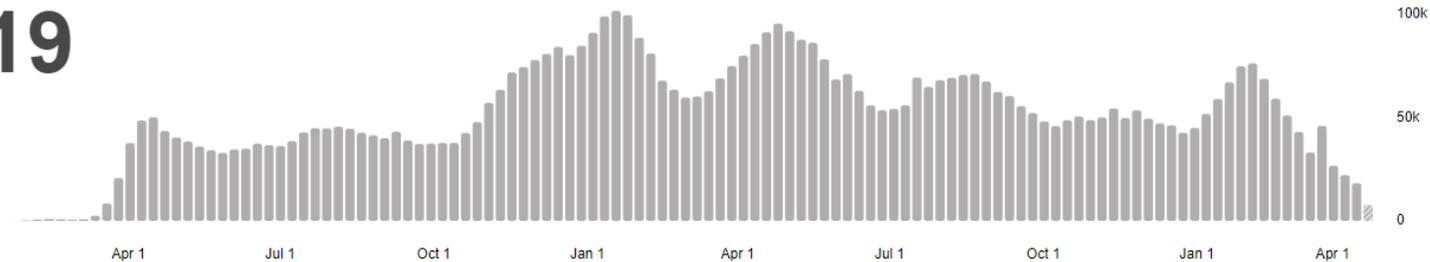
Globally, confirmed COVID-19 cases topped 505 million; a total of 11.3 million vaccine doses have been administered. Global cases have continued to trend downward, although isolated spikes throughout the world have prompted renewed restrictions in some areas. The number of deaths worldwide has also continued to decline since the end of March 2022.

Global Situation

505,035,185
confirmed cases



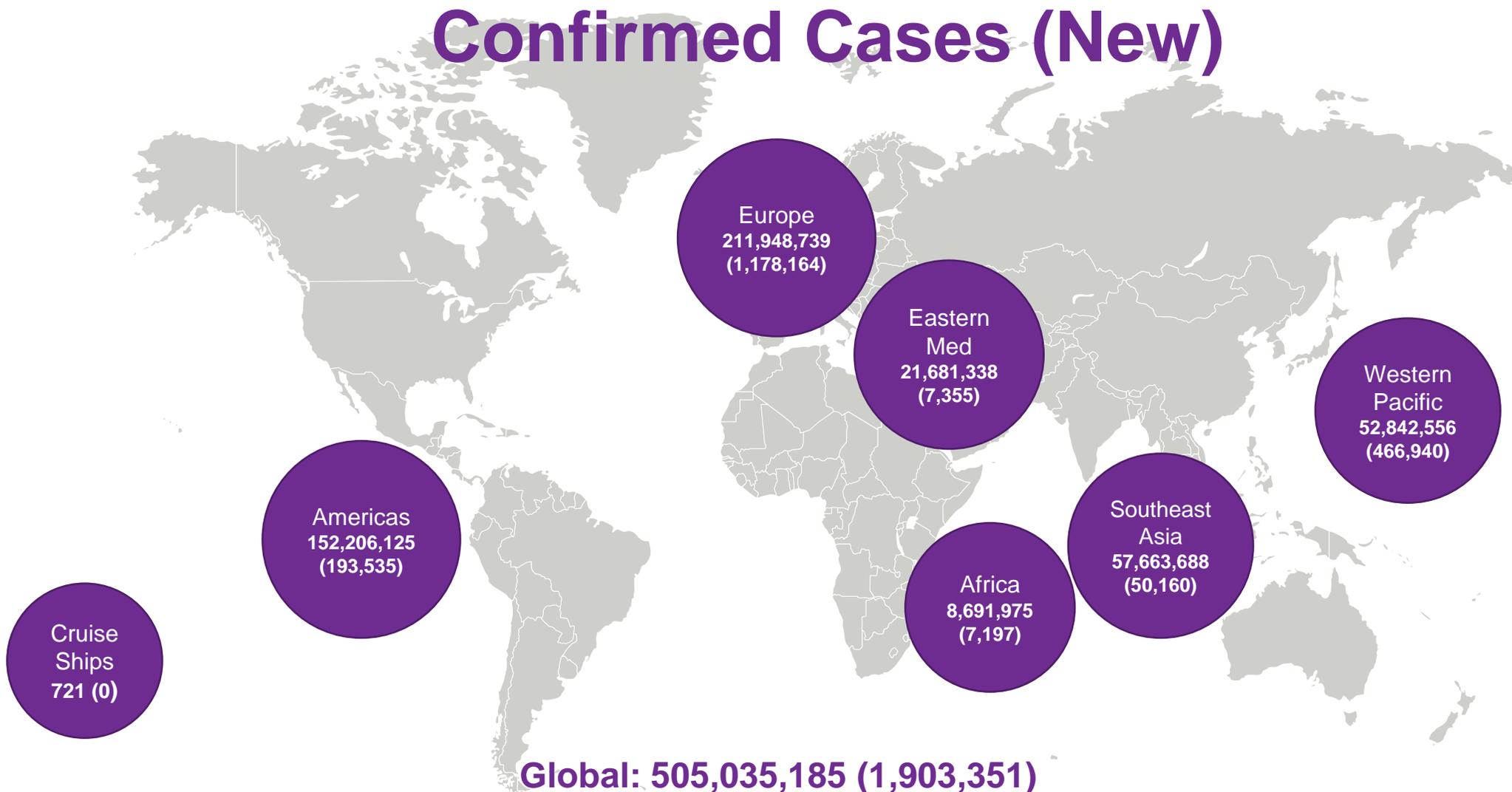
6,210,719
deaths



Source: World Health Organization
Data may be incomplete for the current day or week.

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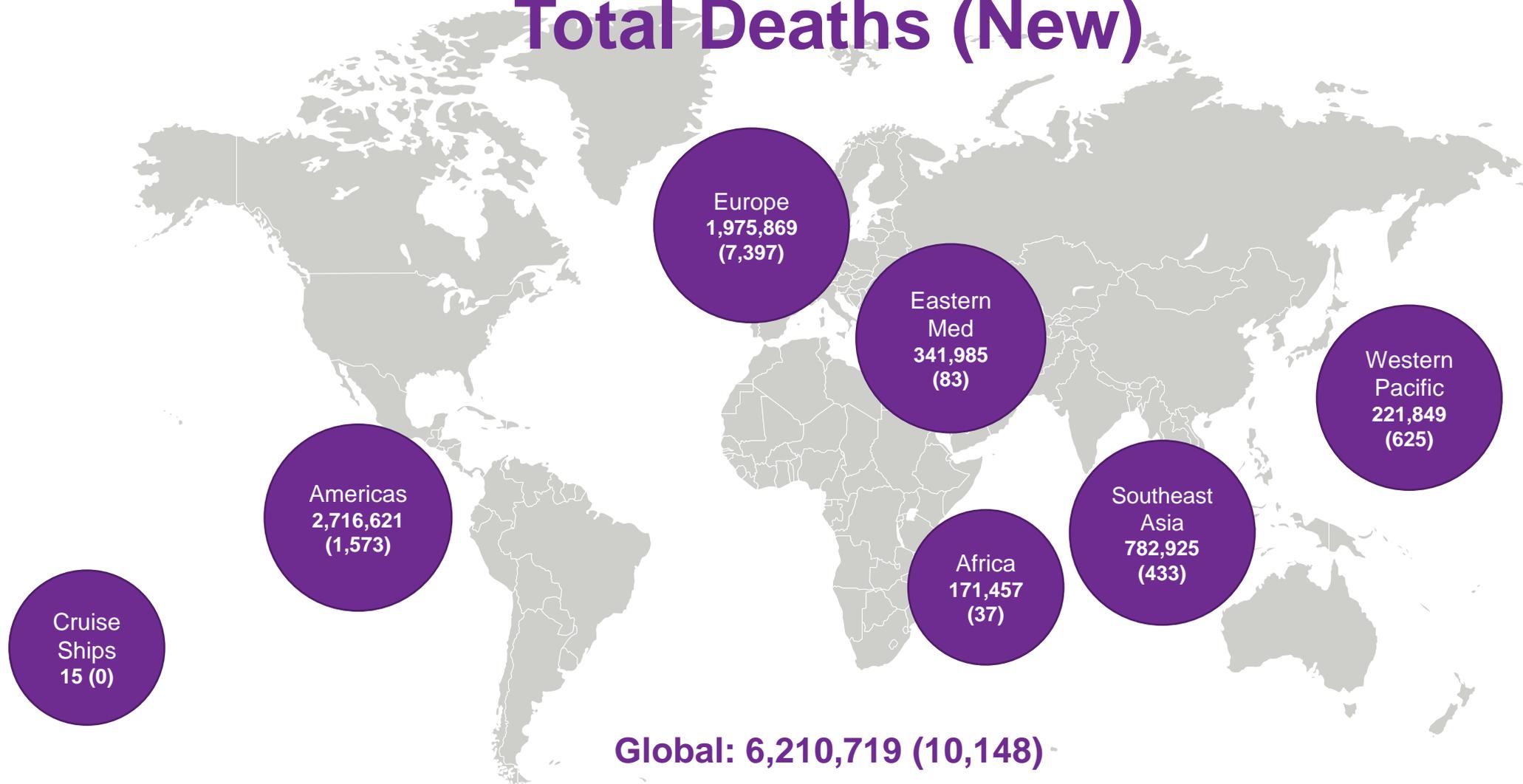
Confirmed Cases (New)



Reflects data as of 5:40 pm CEST on April 19, 2022.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 5:40 pm CEST on April 19, 2022.
Data Source: World Health Organization

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Contacts

This summary is based on reports sourced from among the 75 countries in which Dentons currently serves clients as well as from firms in other locations, some of which will formally join Dentons later in 2020. We are pleased to share this complimentary summary and contemporaneous assessment, with the caveat that developments are changing rapidly. This is not legal advice, and you should not act or refrain from acting based solely on its contents. We urge you to consult with counsel regarding your particular circumstances.

To read additional analysis, visit the [Dentons Flashpoint portal](#) for insights into geopolitics and governance; industry and markets; cyber and security; science, health and culture; and economic and regulatory issues.

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