

# Dentons Flashpoint

## Global Situation Report

October 14, 2022

# Global Situation Update: October 14, 2022

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## KEY TAKEAWAYS

The IEA warns an oil supply cut from OPEC threatens to deepen a global energy crisis.

Iraq elects a new president, ending a year of political deadlock.

Police in Beijing rushed to remove protest banners condemning President Xi by name, a rare display of defiance.

# Global Situation Update: October 14, 2022

## WHAT WE'RE WATCHING

Opposition parties will protest in Tunisia's capital tomorrow against rising living costs and an ongoing government crackdown on senior opposition officials, judges and journalists. Supermarkets and petrol stations across the North African nation are increasingly without food and fuel amid the global inflation crunch.

State security forces continue to support President Kais Saied and will maintain the intent and capability to use force to disperse protesters. Clashes between security forces and protesters are likely, driving temporary disruption to business operations in affected areas, including through the blocking of traffic, and posing indirect security threats to personnel.



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

# Global

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**Russia appears to be preparing to exit the UN-brokered agreement on Black Sea grain exports, claiming nothing is happening to ease exports of Russian grains and fertilizers.**

- Defense ministers from the **NATO's** 30 countries, plus aspiring members of the military alliance Finland and Sweden, met yesterday in Brussels for a semiannual gathering focused largely on Russia's invasion of **Ukraine** and **nuclear-arms policy**.
- An oil supply cut from OPEC threatens to deepen a global energy crisis by sending **oil prices** higher at a time of already elevated inflation and weak economic growth, the IEA said.

# Markets & Business

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**TotalEnergies is the target of a criminal complaint brought by a NGO, accusing the French oil company of complicity in war crimes for allegedly helping the Russian military in its invasion of Ukraine.**

- Britain extended the deadline to remove equipment and services from China's **Huawei** in core network functions to December 31, 2023, from an original target of January 28, 2023, after consulting with the company and telecoms operators.
- **Volkswagen's** software unit Cariad is spending \$2 billion for a 60 percent stake in a new venture with Chinese technology firm **Horizon Robotics**.
- **Samsung Electronics Co.** has been granted a one-year exemption from new US restrictions that block exports of advanced chips and related equipment to China, as the US seeks to manage supply chain disruptions.
- French food company **Danone** will exit most of its dairy food business in Russia, leading to a write-off of up to 1 billion euros (\$978 million).

# Environment, Sustainability & Governance

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**Finance ministers from across Latin America and the Caribbean on Wednesday called on the Inter-American Development Bank (IDB) to look at new finance tools to mitigate the economic shock of climate disasters.**

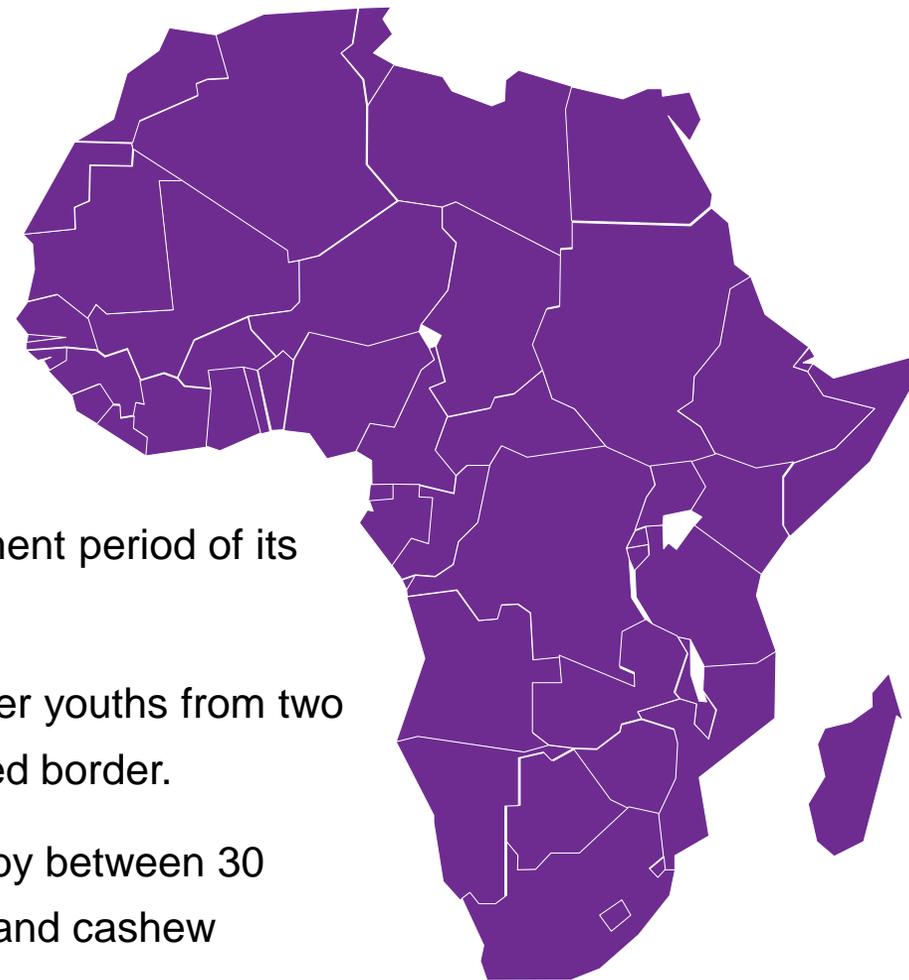
- French energy major TotalEnergies started talks with trade unions to break a deadlock over a third week of **strikes** in refineries and fuel depots which have sapped the country's petrol supplies.
- South African miners are reportedly losing 815 million rand (\$44 million) in export revenue per day due to an ongoing **strike** at state-owned logistics firm Transnet which has hit commodity exports.
- Mexican authorities are preparing to launch a series of financial instruments, including **bonds and derivatives**, whose proceeds would fund **environmental projects**.
- More companies provided climate-related financial data to investors during 2021 but urgent progress is still needed, per a new report by the G20's Taskforce on **Climate Related Financial Disclosures**.
- Seventeen countries in Africa now have some **sustainability-focused policies**, out of 26 surveyed by think-tank Official Monetary and Financial Institutions Forum and South African bank Absa, up from 12 last year.

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# Africa

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- The WHO said a clinical trial of vaccines to combat the **Sudan** strain of Ebola could start within weeks; an outbreak of the disease in **Uganda** spread to the capital.
- **Nigeria** is considering restructuring its debt and extending the repayment period of its credit obligations, per the finance ministry.
- At least 25 people have been killed in **South Sudan**, officials said, after youths from two neighboring communities in the country's north clashed over a disputed border.
- A parasite known as "jasside" could reduce **Ivory Coast's** cotton out by between 30 percent and 40 percent this year, according to the head of the cotton and cashew council.
- Oil major Shell's **Nigerian** subsidiary is investigating reports that an illegal oil tap ran for nine years on a pipeline it operates. Oil theft is a major handicap to Nigerian economic growth.



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# Asia

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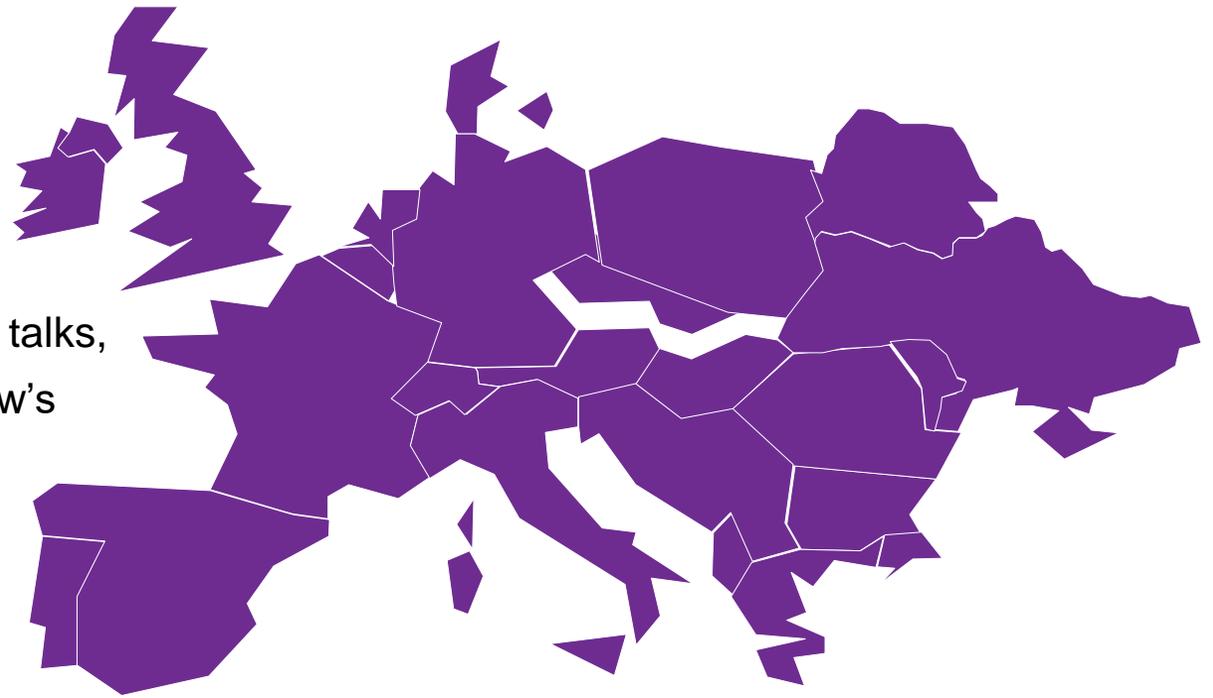
- **Sri Lanka** has begun importing large quantities of oil from **Russia** in a sharp supply shift that highlights how countries are increasingly taking advantage of price discounts created by western sanctions on Moscow.
- Shanghai is tightening COVID-19 restrictions to combat a rise in cases, stoking fears of renewed disruption across **China's** financial center just months after it emerged from a protracted lockdown.
- **South Korea** scrambled fighter jets after a group of about 10 **North Korean** military aircraft flew close to the border dividing the two countries. North Korea fired a short-range ballistic missile into the sea off its east coast.
- As **Chinese** President Xi Jinping prepares to launch a historic congress of the ruling Communist Party on Sunday, where he is poised to win a third term that solidifies his place as China's most powerful ruler since Mao Zedong, Police in Beijing rushed to remove protest banners condemning President Xi by name—a rare display of defiance.



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# Europe

- In the latest statement indicating **Russia** may be open to talks, Kremlin spokesman Peskov said that the goals of Moscow's "*special military operation*" in **Ukraine** were unchanged, but that they could be achieved through negotiations.
- The **EU's** executive granted candidate member status to **Bosnia-Herzegovina**, moving it one small step closer to joining the bloc, despite members' concerns on its governance practices.
- The **Russian**-installed governor of **Ukraine's** southern Kherson region proposed residents take their children and leave for safety, in one of the starkest signs yet that Moscow is losing its grip on territory it claims to have annexed. Strategically important, Kherson controls both the only land route to the Crimea peninsula and the mouth of the Dnipro, the 2,200 km (1,367 mile)-long river that bisects Ukraine.
- **Italy's** new rightist coalition got off to a poor start when it split over the election of the Senate speaker, who clinched the post despite a revolt by Silvio Berlusconi's Forza Italia party.



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# How do You Manage Incident Response?

*2022 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:*

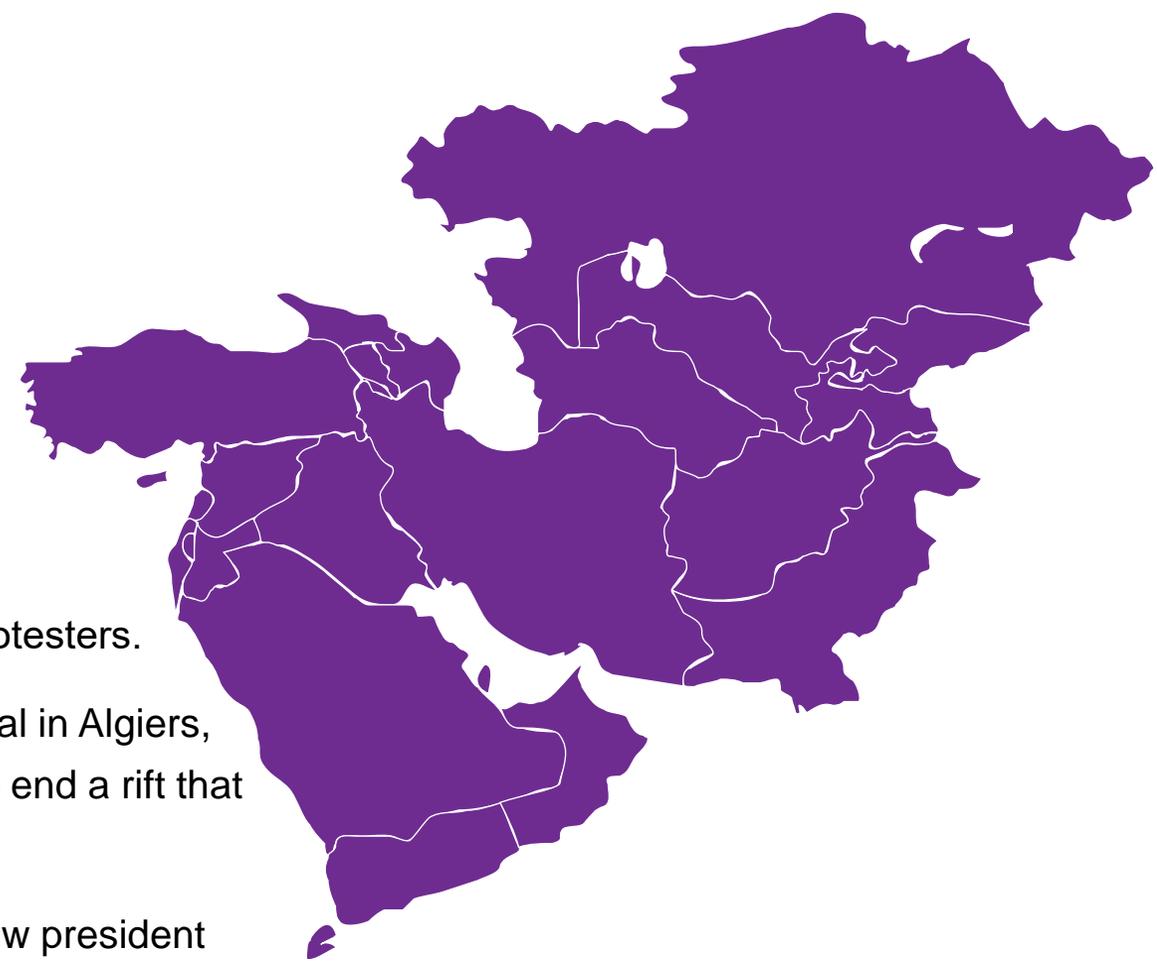
- ❖ Ransomware tabletop exercises
- ❖ Post-tabletop action reports
- ❖ Maturity assessments for preparedness
- ❖ Supply-chain attack simulation
- ❖ Comprehensive incident response plan
- ❖ Threat analysis and monitoring

*All interaction with Dentons is attorney-client privileged*

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

# Middle East

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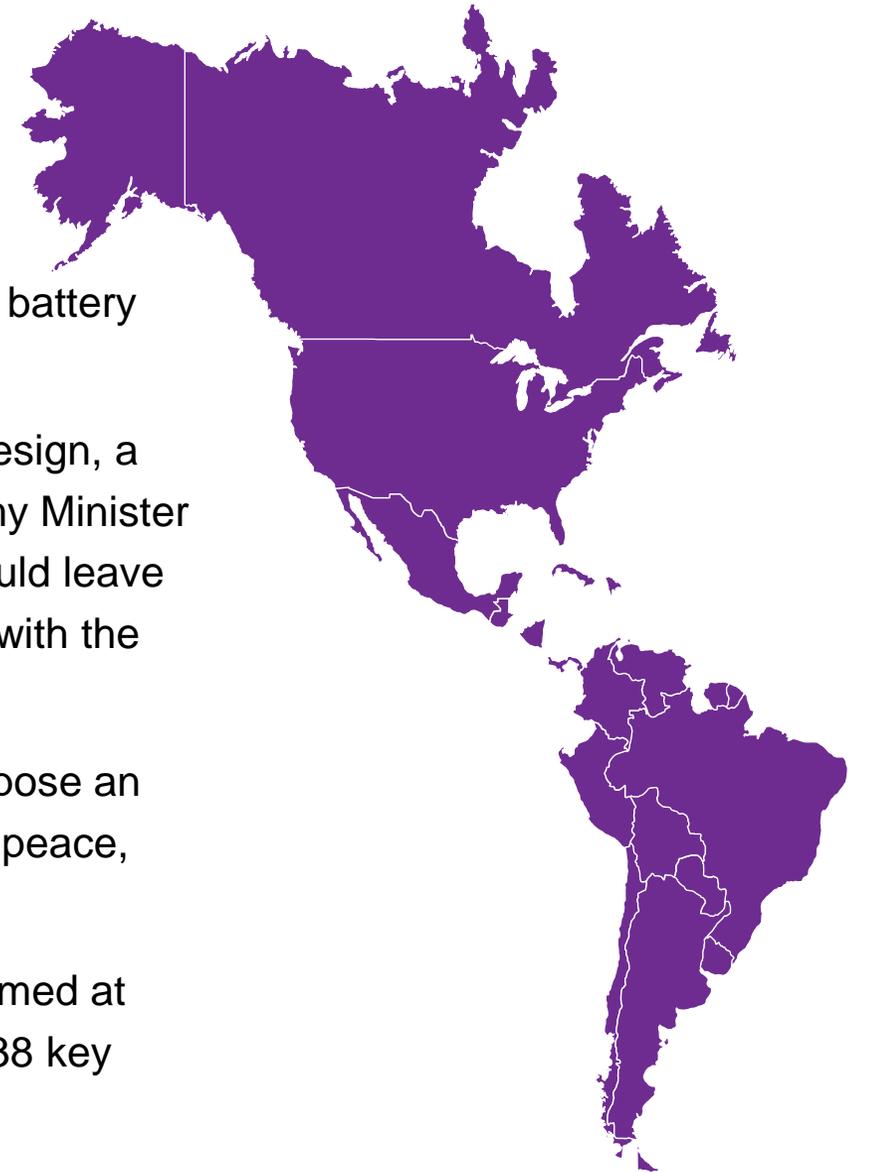
- **Saudi Arabian** officials said that negotiations to extend the truce in **Yemen**, which lapsed after four months earlier in the month, are ongoing.
- **Iran** sent **EU** members letters warning that bilateral ties “*may not survive*” any sanctions imposed to punish Iran’s crackdown on protesters.
- **Palestinian** factions Fatah and Hamas signed a reconciliation deal in Algiers, vowing to hold elections by next October in their latest attempt to end a rift that has now lasted more than 15 years.
- **Lebanon’s** parliament postponed a planned session to elect a new president after failing to meet quorum, extend the political crisis that has hampered international aid talks. Lebanon will resume a supposedly voluntary program sending **Syrian** refugees back home at the end of next week.
- **Iraq’s** parliament elected Kurdish politician Abdul Latif Rashid as president, ending a year of deadlock after a national election in October last year. Nine rockets landed around the capital’s Green Zone ahead of the vote, injuring several security officers.

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# Americas

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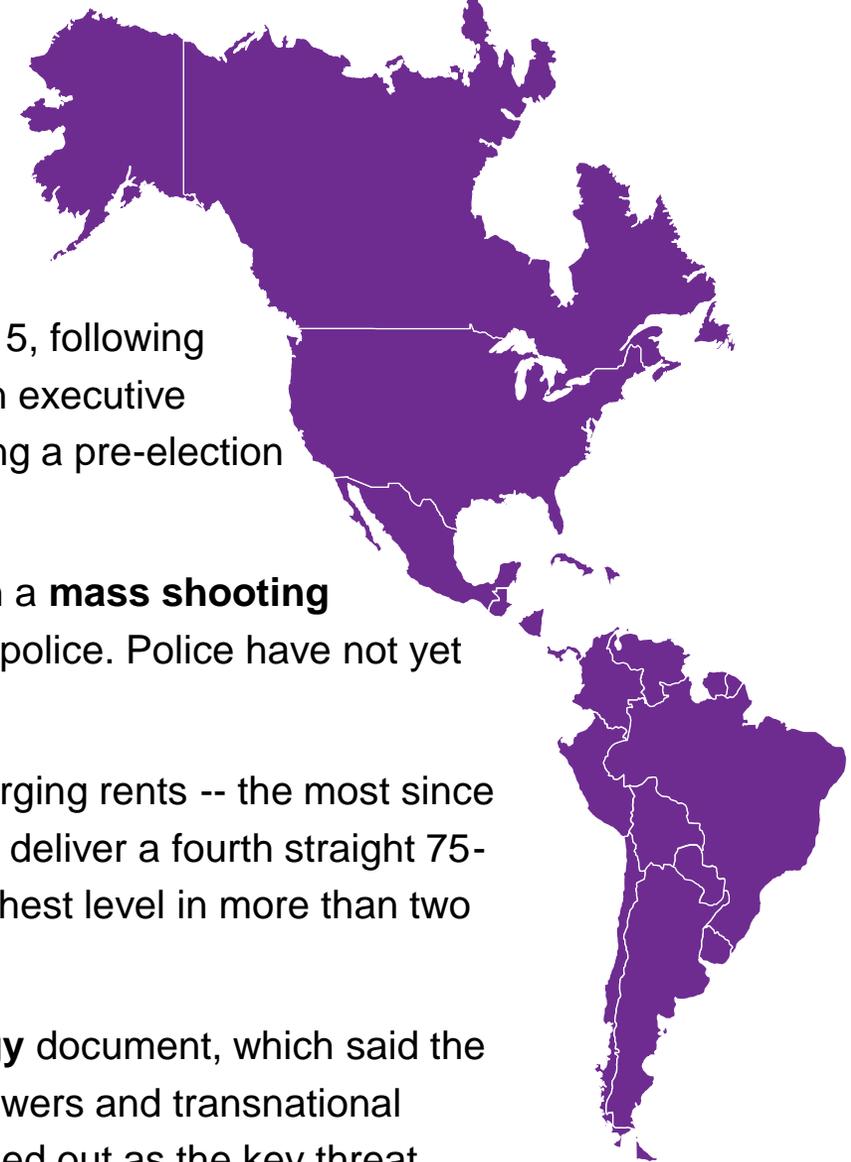
- A **Brazilian** court fined Apple 100 million reais (\$19 million) and ruled that battery chargers must come with new iPhones sold in the country.
- **Mexico's** Deputy Economy Minister Luz Maria de la Mora was asked to resign, a government source said, just one week after the country's former Economy Minister Tatiana Clouthier announced she was leaving her post. The departure would leave Mexico without either of its lead negotiators amid a major energy dispute with the US and Canada.
- The UN Security Council is considering creating a sanctions regime to impose an asset freeze, travel ban and arms embargo on anyone who threatens the peace, security or stability of **Haiti**.
- The **Bahamas** outlined the details of temporary price control measures aimed at helping families brave mounting global inflation, saying they would affect 38 key staples, such as eggs, bread and sanitary towels.



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# Americas: US

- Updated **coronavirus booster shots** are now available for children as young as 5, following an emergency authorization Wednesday by the FDA. President Biden will sign an executive order today pushing federal officials to drive **prescription drug costs** down during a pre-election trip designed to promote Democrats' health policies.
- An armed juvenile killed at least five people, including an off-duty police officer, in a **mass shooting** Thursday evening in Raleigh, North Carolina, before being taken into custody by police. Police have not yet commented on the motive of the shooting.
- **US consumer prices** increased more than expected in September, driving by surging rents -- the most since 1990 -- and the cost of food, strengthening expectations the Federal Reserve will deliver a fourth straight 75-basis-point interest rate hike next month. **US mortgage rates** jumped to their highest level in more than two decades.
- The Biden Administration release the long anticipated **National Security Strategy** document, which said the US faced two strategic challenges: a post-cold war competition between superpowers and transnational challenges that range from climate change to global health issues. China is singled out as the key threat, with Beijing as having the intent and capability to reshape the world order. Russia is a waning power.



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# Civilian Targets in the West Should Expect More Disruptive DDoS Attacks by Russian Hackers

By Emilio Iasiello, Global Cyber Threat Intelligence Manager, Scott Muir, Senior Analyst, and Courtney Barnard, Global Cyber Threat Intelligence Coordinator

***A pro-Russia hacktivist group is calling for more cyber strikes against online civilian assets across the US after it temporarily took down the websites of 15 major American airports and knocked numerous state government webpages offline.***

The two distributed denial of service (DDoS) attacks by KillNet in early October were short-lived and did not impact operations but were highly visible to the US public as a result of extensive media coverage of tensions with Russia. Such attacks aim to manipulate US public opinion ahead of consequential midterm elections and to discourage ongoing support for Ukraine. In the weeks ahead, business leaders and cybersecurity teams across the US should prepare for an increase in disruptive strikes against such diverse targets as marine terminals and logistics facilities.

## ***Latest Attacks***

This week, DDoS attacks flooded the public-facing websites of US airports, including Los Angeles International Airport and Chicago O'Hare, and knocked them offline so that travelers could not get updates about their scheduled flights or book airport services. During

the attack, Killnet encouraged followers on its Telegram channel to join them and published the domains of 49 other US airports to target. The attacks lasted several hours, after which time services were restored. These recent cyberattacks come as Moscow forces suffer losses on the battlefield in Ukraine, indicating that Kremlin proxies are escalating online strikes against adversaries to shape perceptions about the war.

Last week, Killnet attacked government websites in Colorado, Kentucky, and Mississippi, with moderate success. The website of the Kentucky Board of Elections, for example, which includes information on how to register to vote, went temporarily offline. In July, the group claimed credit for a DDoS attack on a US Congress website, and since then the hacker collective is encouraging their followers to target a wider range of civilian and critical national infrastructure in the US.

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# Civilian Targets in the West Should Expect More Disruptive DDoS Attacks by Russian Hackers

## *Who is Killnet?*

Killnet is a hacking collective that attacks enemies of the Russian state. The group boasts of being comprised of “special forces” and actively recruits members who are passionately pro-Russia. However, they are notably less technically able than Russian advanced persistent threat groups that operate under the direct control of the Kremlin’s military and intelligence units. On its Telegram channel, members and volunteers gather to propose new targets and recommend attacks, which have been historically limited to DDoS attacks, or website defacements. Earlier this year, Killnet declared war on 10 countries including, the US, UK, Ukraine, Poland, Estonia, Germany, and Italy, among others, and attacked Latvia as well as several other European nations over the past six months.

## *Attack Vector*

DDoS attacks are not inherently a sophisticated attack vector, requiring only that threat actors are able to direct traffic from bots – or compromised internet-connected devices – to a specified site. Indeed, access to these bot armies can be purchased on dark web

market places (DDoS-for-hire) for this very purpose, for a designated time period. Consequently, DDoS attacks are a popular technique for less sophisticated threat actors seeking to disrupt their targets, and to bring attention to their cause. Unleashing non-state hacktivists like Killnet enables Russia to punish Ukraine-sympathetic countries without having to resort to their state cyber assets that it can preserve for more high-value targeting.

## *Protective Measures*

Organizations must understand what kind of risk Killnet and its DDoS attacks pose to their operations. DDoS attacks can be prevented through the use of DDoS mitigation providers that are able to load-balance following a dramatic influx of traffic, and 'scrub' illegitimate traffic, ergo allowing legitimate users to access the site. Alternatively, migrating key sites and servers to cloud-hosted solutions greatly reduces the chance that the service will be overloaded with malicious traffic should it arrive. As with all cyber-attacks, organizations should also have a security response plan, so that employees understand how to respond to a DDoS attack should it target your organization.

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# Civilian Targets in the West Should Expect More Disruptive DDoS Attacks by Russian Hackers

## *Way Ahead*

With the US and NATO allies providing more aid and materiel to Ukraine, and with just weeks to go before midterm elections in America, organizations should expect an uptick in Russian attempts to disrupt and to distribute misinformation, and attack online infrastructure that could discourage further support for Kyiv, or boost political candidates willing to make concessions to Moscow or sue for peace.

Dentons offers business leaders a full complement of counseling and advice for mitigating DDoS attacks and other types. Furthermore, Dentons offers regulatory and litigation services, and analysis and intelligence products, that can help clients to better understand fast-changing threat environments. Importantly, all interaction is attorney-client privileged. To learn more about the bespoke cyber intelligence and risk services from Dentons please contact us today.

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# Coronavirus Condition Updates

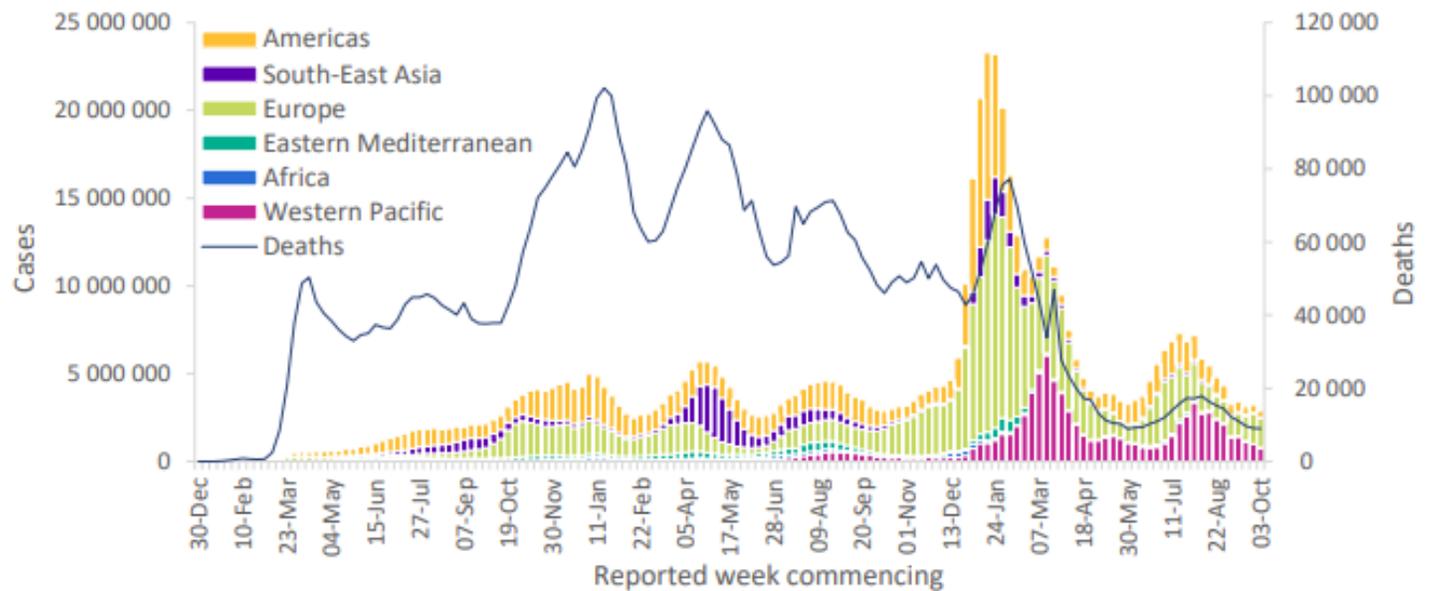
As of 5:35 pm CEST on October 13, 2022

# Coronavirus Snapshot

**Globally, confirmed coronavirus cases topped 620.3 million with 6.5 million deaths; more than 12.7 billion vaccine doses have been administered.**

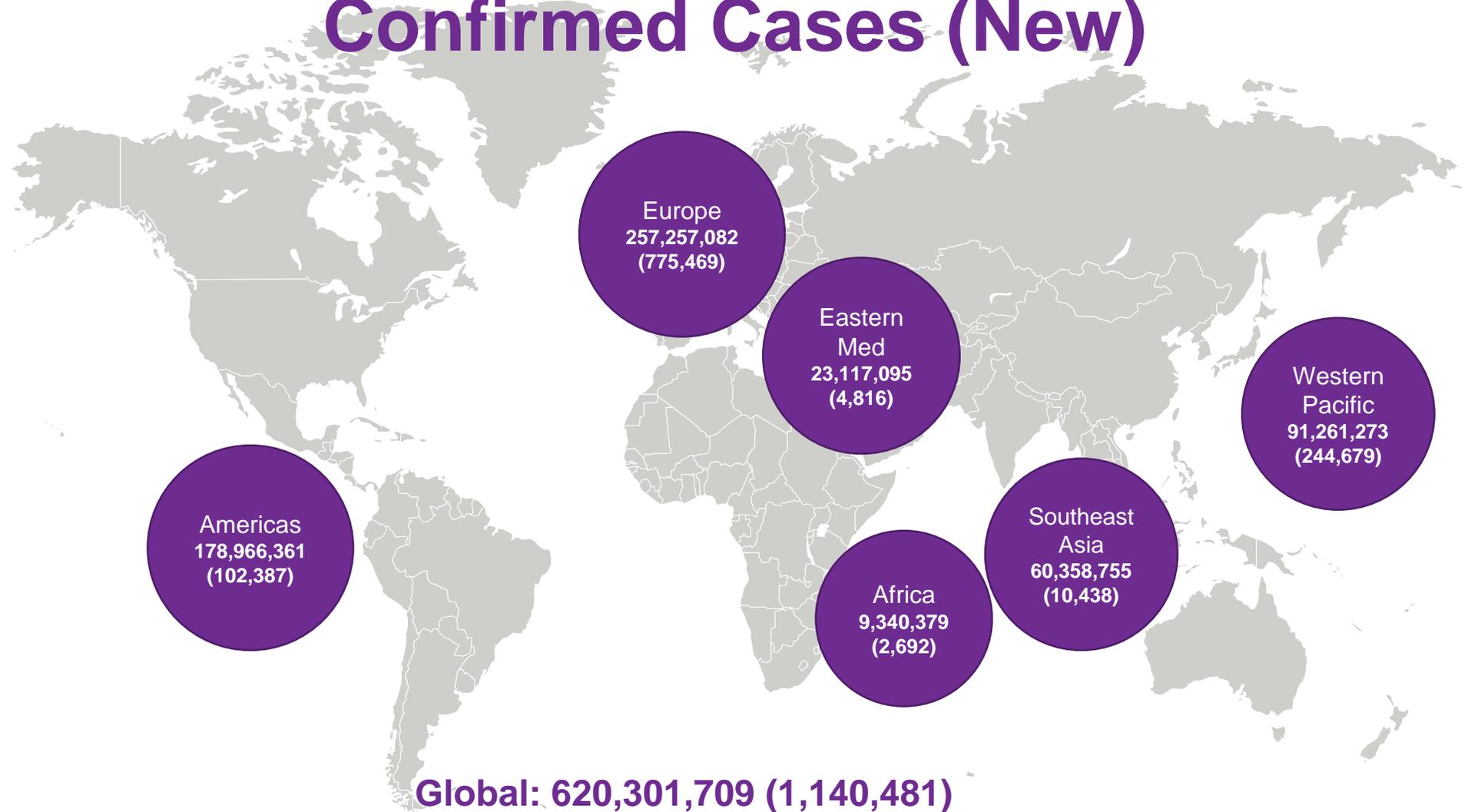
- Globally, the number of new weekly cases decreased by 10 percent during the week of 3 to 9 October 2022, as compared to the previous week, with over 2.8 million new cases reported.
- The number of new weekly deaths remained stable (-1 percent), as compared to the previous week, with about 9,000 fatalities reported.

Figure 1. COVID-19 cases reported weekly by WHO Region, and global deaths, as of 9 October 2022\*\*



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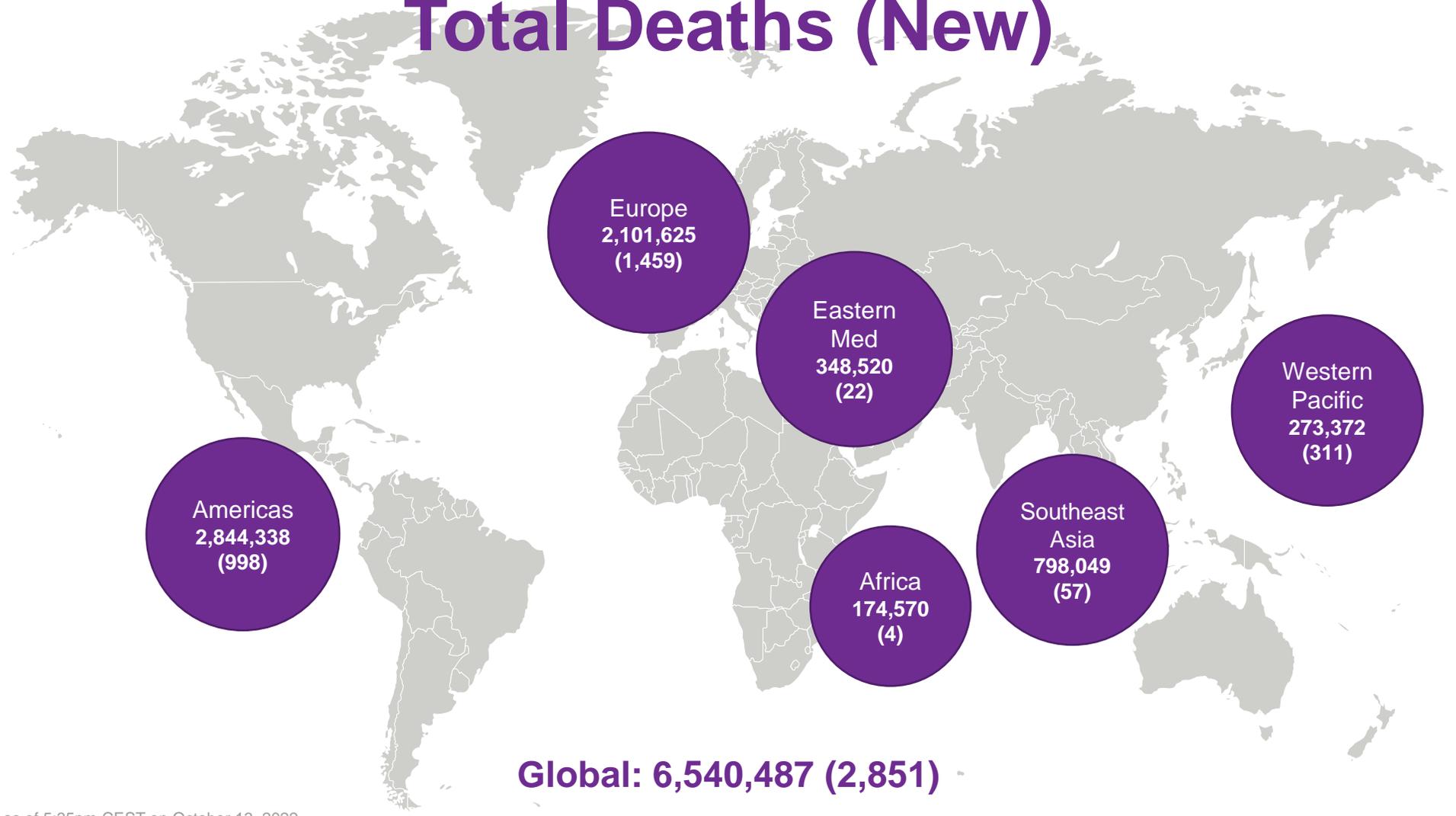
# Confirmed Cases (New)



Reflects data as of 5:35pm CEST on October 13, 2022.  
Data Source: World Health Organization

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# Total Deaths (New)



Reflects data as of 5:35pm CEST on October 13, 2022.  
Data Source: World Health Organization

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# Contacts

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*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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