

Dentons Flashpoint

Daily Global Situation Report

November 12, 2021

Global Situation Update: November 12, 2021

KEY TAKEAWAYS

US officials raise concerns with EU counterparts about Russian invasion of Ukraine.

European regulators recommend two COVID-19 antibody therapies as cases rise across the region.

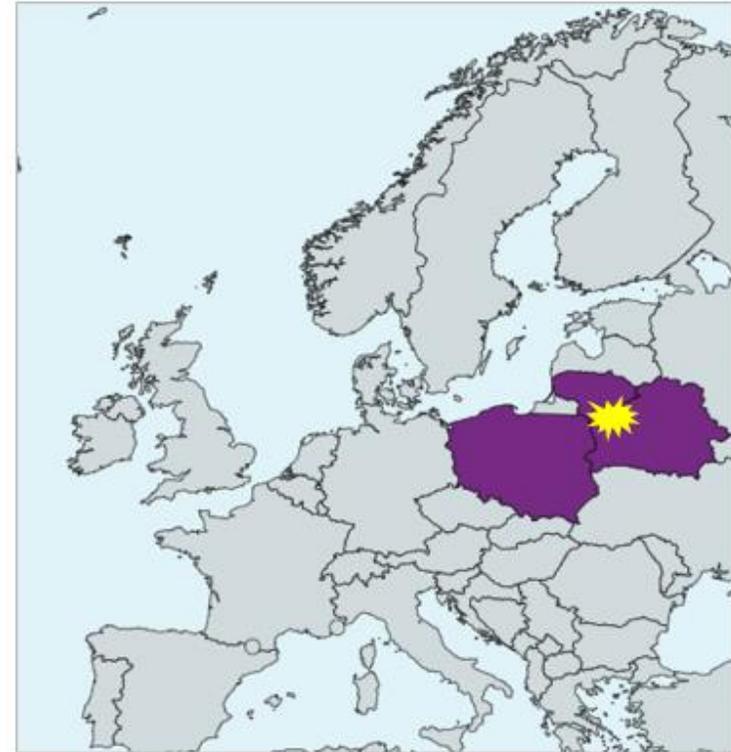
On COP26's last day, participants focus on finalizing climate commitments.

Global Situation Update: November 12, 2021

WHAT WE'RE WATCHING

Today, tensions are rising along the border area shared by Poland, Belarus and Lithuania. Middle East migrants are transiting through Belarus, with the help of authorities there, to reach the borders of the European Union. Yesterday, on Poland's Independence Day, the Polish prime minister accused Minsk of waging "war of a new kind," while Germany recommended more sanctions on the country. Meanwhile, Belarusian President Lukashenko threatened to shut off natural gas bound for the EU, while Russian nuclear-capable bombers are now patrolling Belarusian airspace.

Belarus is likely to continue to deliberately facilitate migrant flows to border areas for as long as it can in a bid to punish the EU. The threat of localized clashes between border officials and migrants in immediate border areas will remain heightened. As tensions increase, the likelihood of unintentional security incidents will also rise.



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

Global

Globally, confirmed coronavirus cases topped 251.6 million with 5 million deaths; almost 7.1 billion vaccine doses have been administered.

- A new draft agreement drawn up for the last scheduled day of **COP26** presses countries to reach higher in their plans to tackle global warming but also tries to balance the demands of developing and richer nations. A call for an end to coal use and fossil fuel subsidies has against expectations survived into Friday in the text under negotiation, though some language has been softened.
- Egypt was selected to host the **COP27** UN Climate Conference in 2022; Dubai's leader said the UAE was selected to host **COP28** in 2023.
- The US joined the Paris Call for Trust and Security in Cyberspace, an international agreement on **cybersecurity** established in 2018 to create international norms for cyberspace engagement.
- **Chinese President Xi and US President Biden** are expected to host a virtual summit on Monday.
- Europe's drug regulator recommended two **COVID-19 antibody therapies**, one from Regeneron-Roche and the other from Celltrion, amid surging regional cases.

Markets & Business

AstraZeneca has signed its first for-profit deals for its COVID-19 vaccine, moving away from the completely non-profit model that it used during the pandemic.

- Chinese e-commerce sites **Alibaba and JD** posted record sales yesterday for Singles Day, despite scaled-down advertising and discounts due to supply chain disruptions; however, Alibaba recorded its slowest annual sales growth percentage ever.
- Shanghai **tin prices** hit two-week highs due to supply disruptions linked to China's closure of a port with Myanmar to prevent the spread of COVID-19.
- **Johnson & Johnson** intends to separate its risky prescription-drugs and medical-devices business from its storied but slower-growing consumer group, creating two publicly traded companies.
- **Japan's Toshiba Corp outlined** plans to split into three independent companies, seeking to appease activist shareholders calling for a radical overhaul after years of scandal.
- The major sponsors of the winter Olympics, including **Visa, Coca-Cola, Airbnb and Omega**, are facing pressure from human rights campaigners to use their leverage to address human rights abuses in China.

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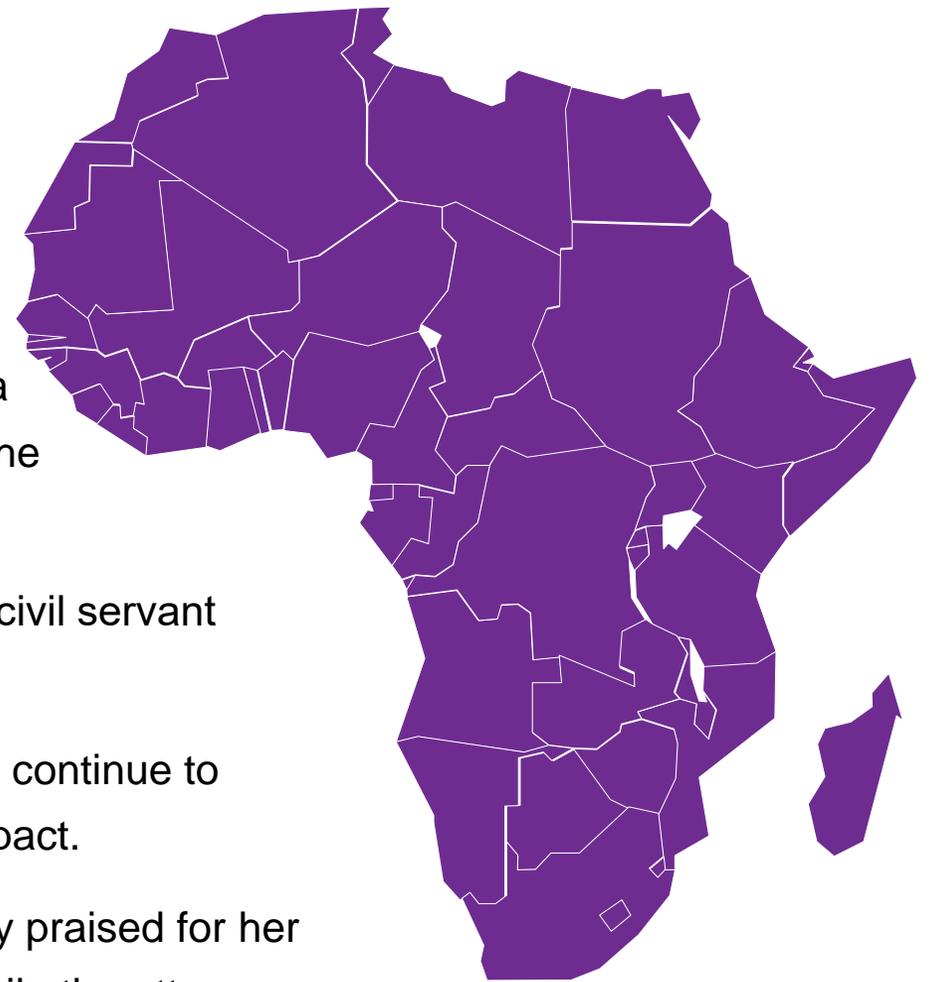
Environment, Sustainability & Governance

The \$10 billion Bezos Earth Fund joined calls for governments to take on more of the risk associated with financing climate action to give more flexibility to development banks.

- Iceland Foods announced plans to become the first British supermarket group to go **plastic neutral**, offsetting any plastic it uses by recovering and recycling plastic waste.
- Scotland said that it is in talks to join the Beyond Oil and Gas Alliance, a European alliance pledging to **end oil and gas production**.
- European private equity firm Cinven has mandated an external adviser to undertake a **carbon footprint review** of its operations and portfolio emissions as part of efforts to set a net zero target in 2022.

Africa

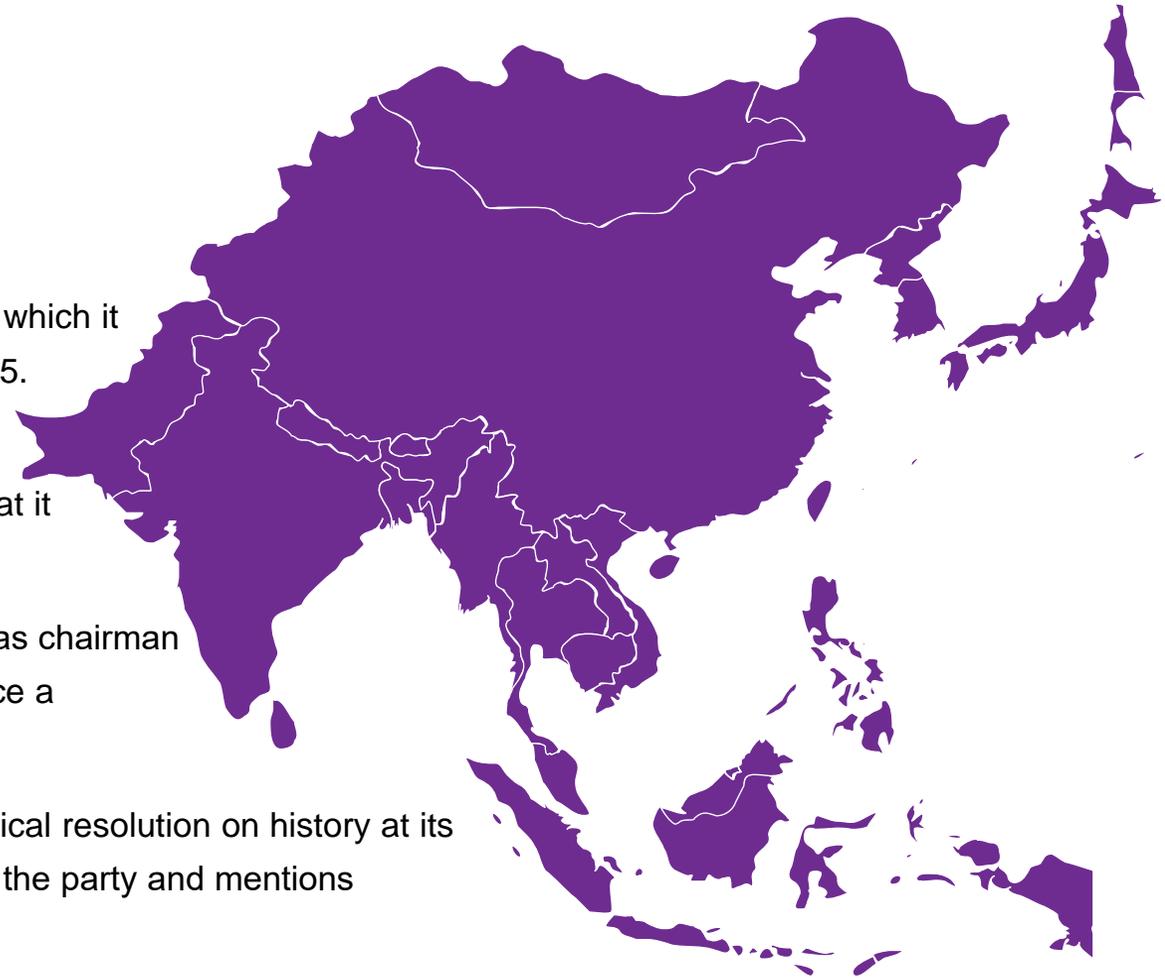
- **Sudan's** top general Abdel-Fattah Burhan reappointed himself as head of the military-led Sovereign Council interim governing body, in a sign that the military is tightening its grip and will not leave space for the pro-democracy movement in the government.
- **Zimbabwean** teacher's unions reported that the government had cut civil servant salaries.
- Russia was vague about a new security agreement but said that it will continue to supply Mali with weapons amid French worries of a **Russian-Malian** pact.
- **Sierra Leone's** chief auditor Lara Taylor-Pearce, who has been widely praised for her efforts to improve government accountability, has been suspended while the attorney general investigates her office. The suspension comes weeks before her office is due to present an annual audit of the government's handling of public finances in 2020.



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Asia

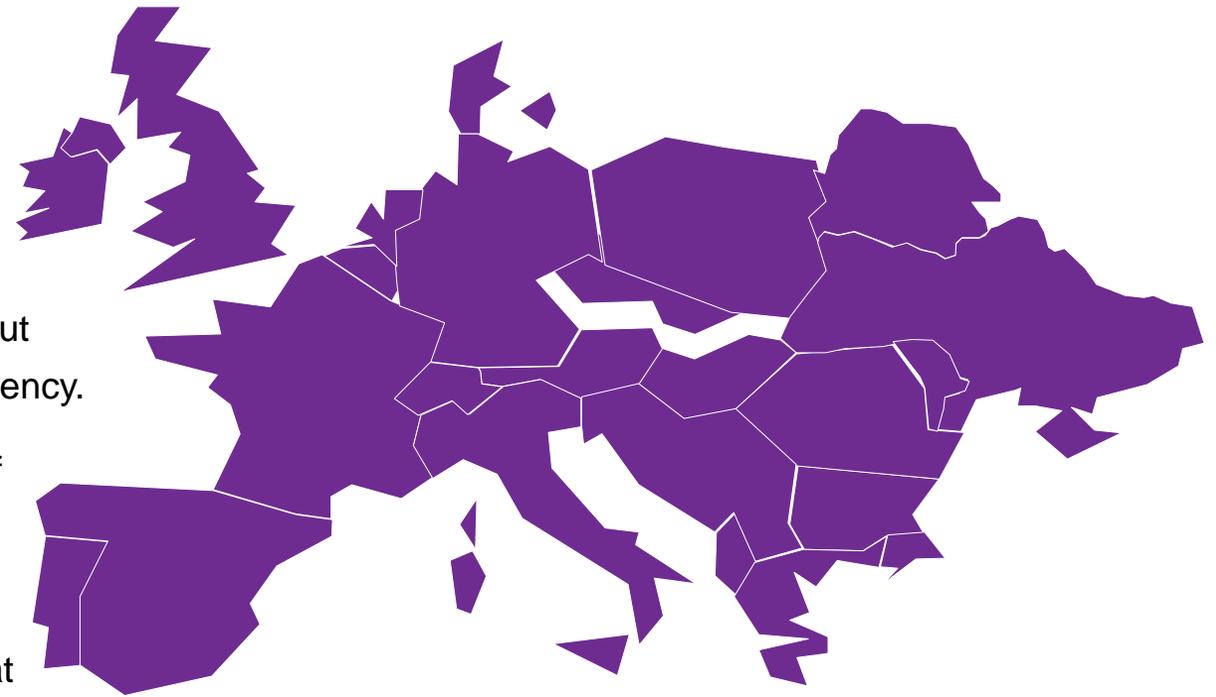
- **South Korea** is testing a system for controlling urban air mobility vehicles which it hopes could create air taxis between airports and downtown Seoul by 2025.
- A court in **Myanmar** jailed American journalist Danny Fenster for 11 years, his lawyer and his employer said, despite US calls for his release from what it said was unjust detention by military authorities.
- **Philippines** President Rodrigo Duterte's daughter Sara Duterte resigned as chairman of her political coalition to join the Lakas party, where she is likely to replace a "placeholder candidate" to run for either president or vice president.
- The Central Committee of the **Chinese** Communist Party adopted a historical resolution on history at its sixth plenum; the resolution emphasizes President Xi's role at the head of the party and mentions **Hong Kong** and Taiwan in a first for a party resolution on history.
- **Malaysia** intends to reopen its border to international visitors by January 1, at the latest, per a new timeframe released by a government advisory council. Office workers in the **Philippines** will have to get vaccinated against COVID-19 or get tested frequently. A growing COVID-19 cluster in **China's** Dalian has spurred the northeastern port city to limit outbound travel, cut offline school classes and close a few cultural venues. China reported the first COVID-19 cases among foreign athletes at preparatory events for the upcoming Beijing 2022 Winter Games.



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Europe

- The **Turkish** lira hit a new low against the dollar as concerns about US inflation exacerbated worries for the already crisis-ridden currency.
- **Belarusian** President Lukashenko threatened to cut the transit of gas and goods through Belarus to **Europe** over the migration dispute with **Poland**.
- **Russia's** most prominent human rights group, Memorial, said that prosecutors have demanded the closure of its main offices over violation of a “*foreign agents*” law.
- **Hungarian** opposition candidate Peter Marki-Zay, selected by a coalition of anti-Orban parties, pledged to completely reassess ties to China should he win office next year. Hungary will cap the price of oil and gas from Monday in an attempt to combat inflation.
- Bars and restaurants will close early, and sporting events will be held without audiences under a three-week, partial lockdown that is expected to be announced in the **Netherlands**.
- **Denmark** proposed to fast-track legislation allowing workplaces to mandate a digital "corona pass" for employees.



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Europe

Austrian Chancellor Schallenberg said that a nationwide lockdown to confine unvaccinated people to their homes is “*probably unavoidable*,” as the country struggles with soaring cases of COVID-19.

Austria Situation

908,006
confirmed cases

11,259
deaths

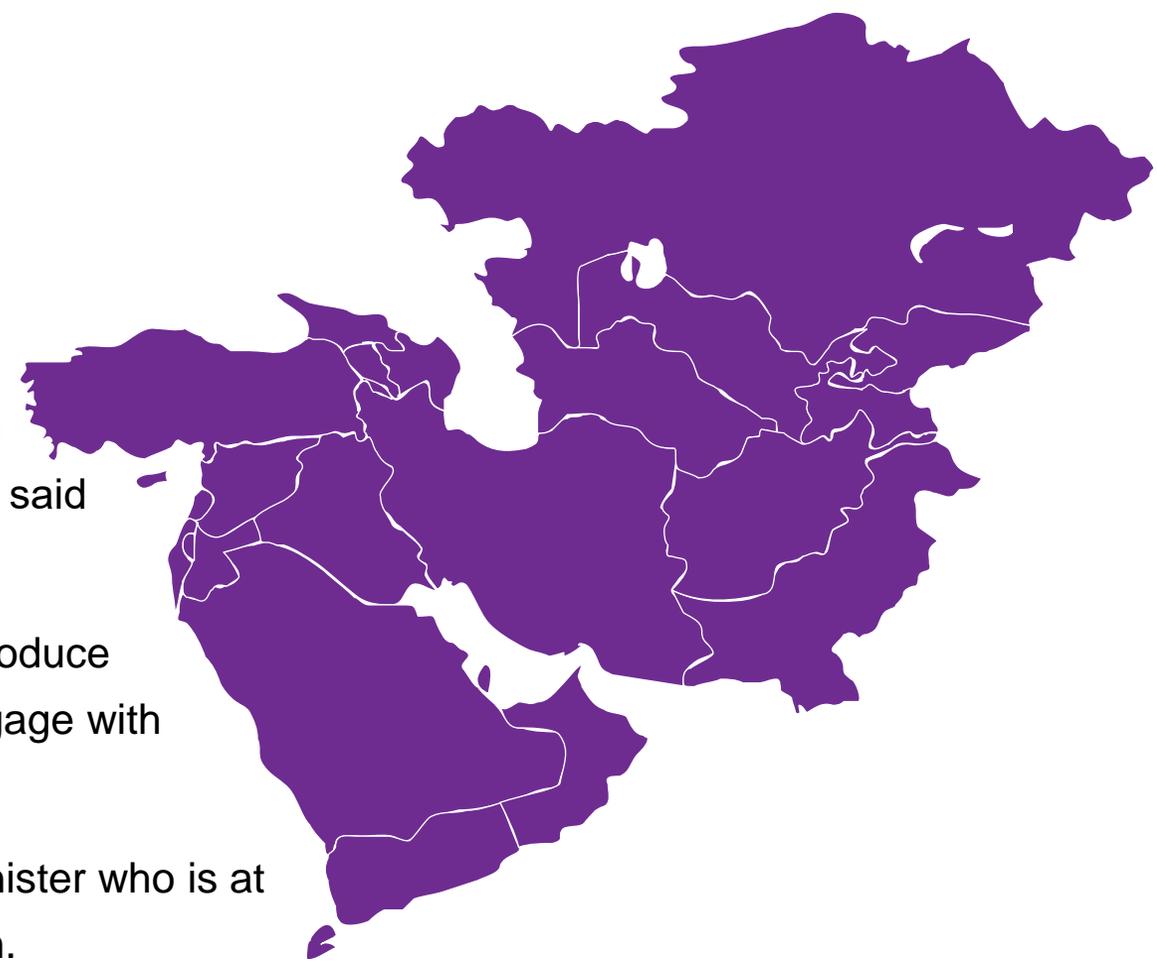
Source: World Health Organization
Data may be incomplete for the current day or week.



Source: WHO

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Middle East



- Senior **Israeli** officials, holed up in a nuclear bunker, held a drill to simulate the outbreak of a vaccine-resistant COVID-19 strain to which children are vulnerable; Israel's prime minister said he will brief foreign leaders on the drill's findings next week.
- **Syria** signed a contract with a group of **UAE** companies to produce solar power stations, in the latest sign of willingness to re-engage with the Assad regime.
- Hizballah rejected calls for the resignation of a **Lebanese** minister who is at the center of a growing rift between **Gulf states** and Lebanon.
- The WHO warned that around 3.2 million children are expected to suffer from acute malnutrition in **Afghanistan** by the end of this year, with 1 million of them at risk of dying.
- Iran-backed **Yemen** forces breach the **US** Embassy compound in Sanaa and detained local employees. The embassy suspended operations in 2015.

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Americas

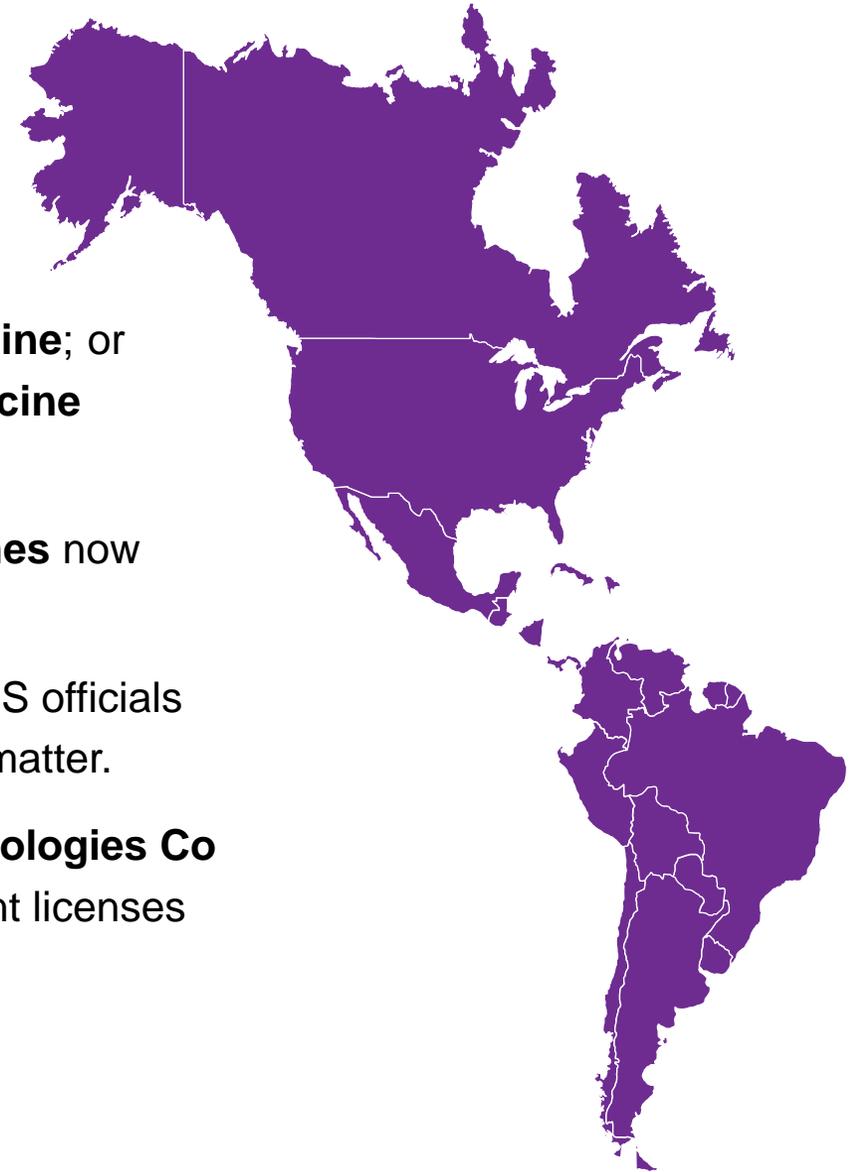
- The Bank of **Mexico** announced a fourth consecutive rate increase to combat inflation.
- **Brazilian** President Bolsonaro said that he would extend the suspension of a payroll tax after several sectors argued that they would have to implement layoffs to afford the deferred taxes.
- **Peru's** left-wing government said that it has yet to decide how much it will raise taxes on mining companies, after coming to an agreement with indigenous protesters last month.
- **Salvadoran** President Bukele deployed the military to patrol streets throughout the country in response to a surge in murders this week.



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Americas: US

- Across the nation, 224.7 million have received at least one dose of the **vaccine**; or 67.7 percent of the total population. Colorado will allow all adults to get **vaccine boosters**, going beyond federal guidance.
- New data published by the National Association of Realtors shows that **homes** now typically sell within a week.
- The US is raising alarms that **Russia** may be planning to invade **Ukraine**; US officials have reportedly been briefing EU counterparts on their concerns about the matter.
- President Biden signed legislation to prevent companies like **Huawei Technologies Co** or **ZTE Corp** that are deemed security threats from receiving new equipment licenses from US regulators.



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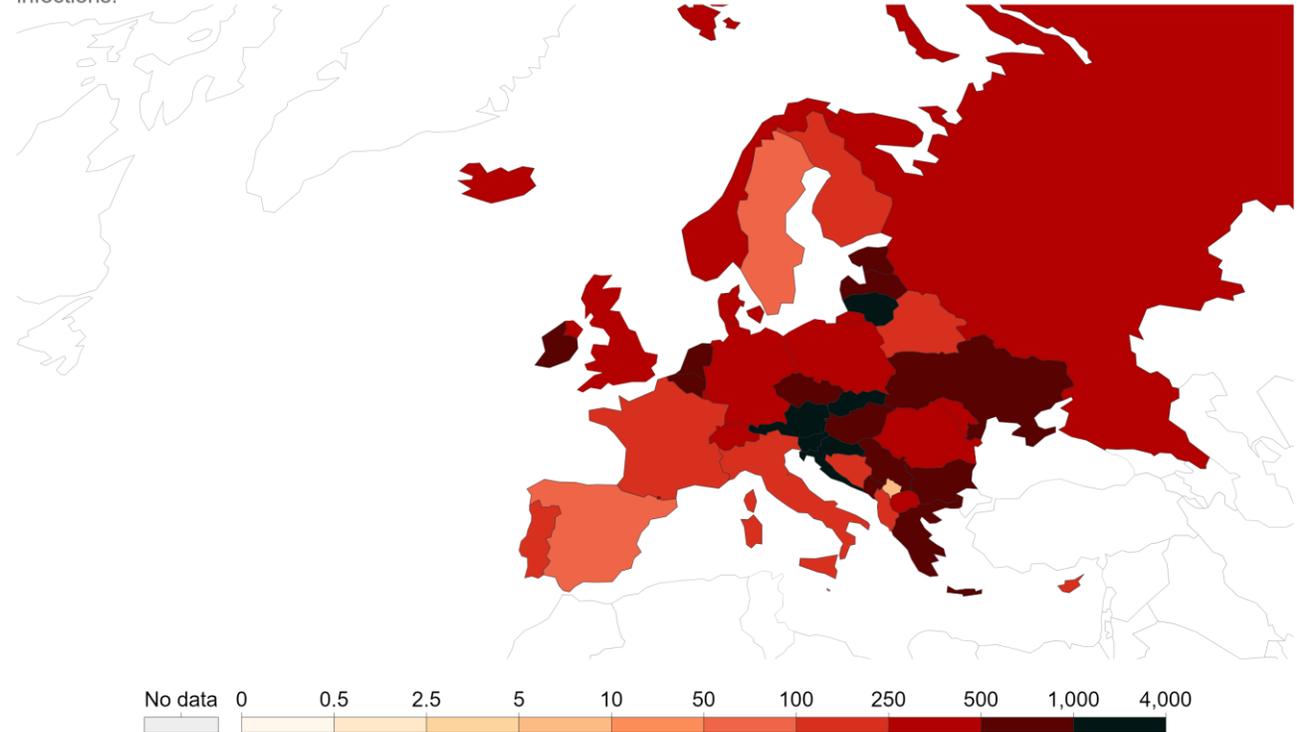
Visualizing Risk: COVID-19 Resurgence in Europe

This week, the World Health Organization declared that Europe is once again at the epicenter of the COVID-19 pandemic, having seen a 50 percent jump in cases over the past month. In particular, several countries in eastern Europe are experiencing a fierce resurgence of the virus, raising alarms in a number of nations with low vaccination rates. With weather getting colder and vaccination progress stalling in some countries, much of eastern Europe is on course for another deadly winter.

Daily new confirmed COVID-19 cases per million people

7-day rolling average. Due to limited testing, the number of confirmed cases is lower than the true number of infections.

Our World in Data



Source: Johns Hopkins University CSSE COVID-19 Data

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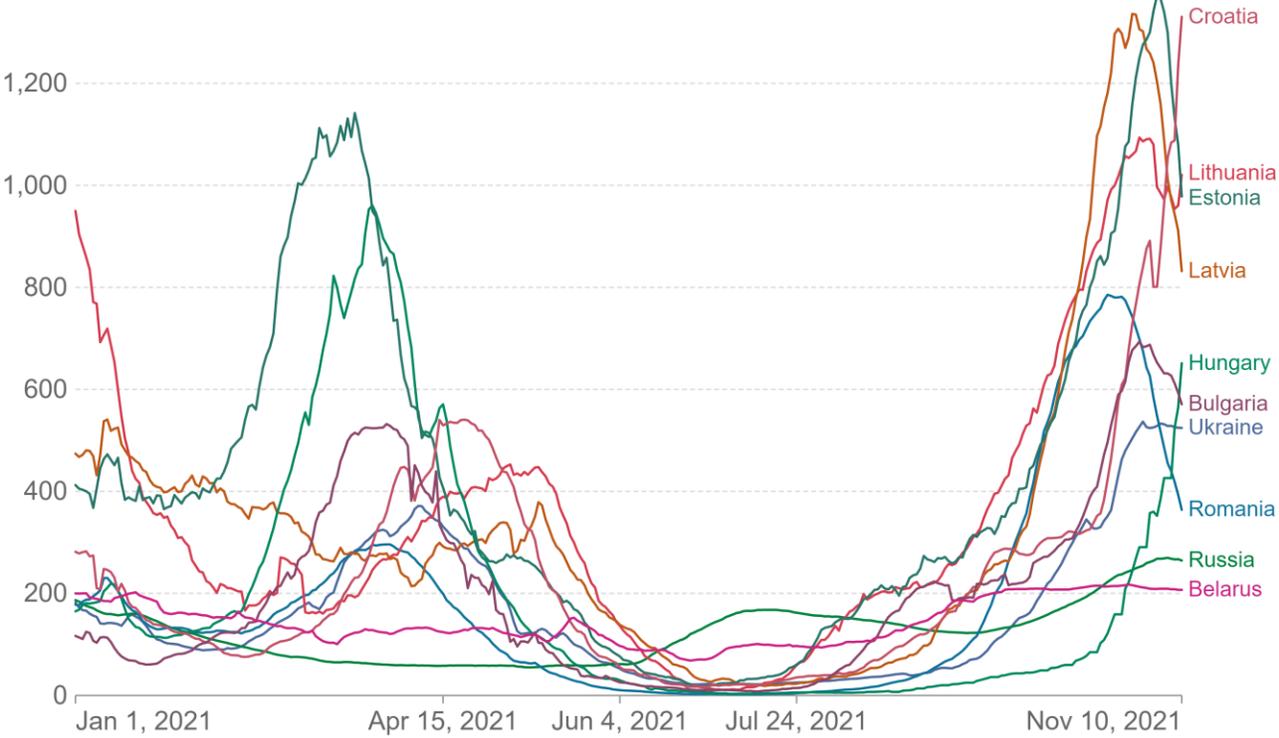
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Visualizing Risk: COVID-19 Resurgence in Europe

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Our World in Data



Source: Johns Hopkins University CSSE COVID-19 Data

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A number of smaller states in central and eastern Europe are experiencing their worst outbreaks yet. While some show signs of having recently peaked (cases in the Baltic states of Latvia, Lithuania, and Estonia are dropping), other states - including Hungary - continue to see rising case loads. Hospitals are again reporting strained staff and despite high access to COVID-19 vaccines, health officials are concerned about an oncoming wave of COVID-19 deaths. Hans Kluge, the WHO director for Europe, predicted that on the current epidemiological trajectory, Europe and Central Asia could see another 500,000 deaths by February 2022.

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Visualizing Risk: COVID-19 Resurgence in Europe

Compared to case rates per population in some smaller states such as Croatia, Lithuania, Latvia, and Estonia, the severity of outbreaks in Russia and Ukraine may be overlooked. However, other indicators point to trouble for the two countries, which together are home to nearly 200 million people. In recent weeks, Russia set up new checkpoints and requirements to present proof of vaccination, as well as instituting a non-working week across the country. Ukrainian officials, meanwhile, are issuing increasingly dire warnings for the population to get vaccinated. Currently, only 20 percent of the country's population is vaccinated. The WHO ranks Ukraine as #3 in global daily deaths, after the US and Russia.

Daily new confirmed COVID-19 cases per million people

7-day rolling average. Due to limited testing, the number of confirmed cases is lower than the true number of infections.



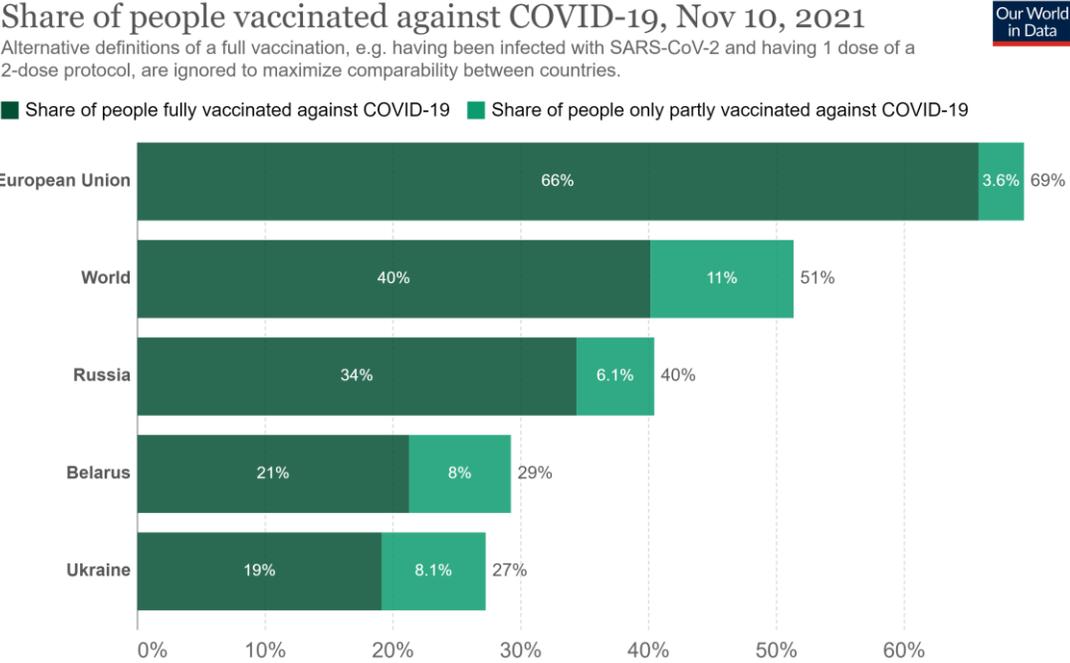
Source: Johns Hopkins University CSSE COVID-19 Data

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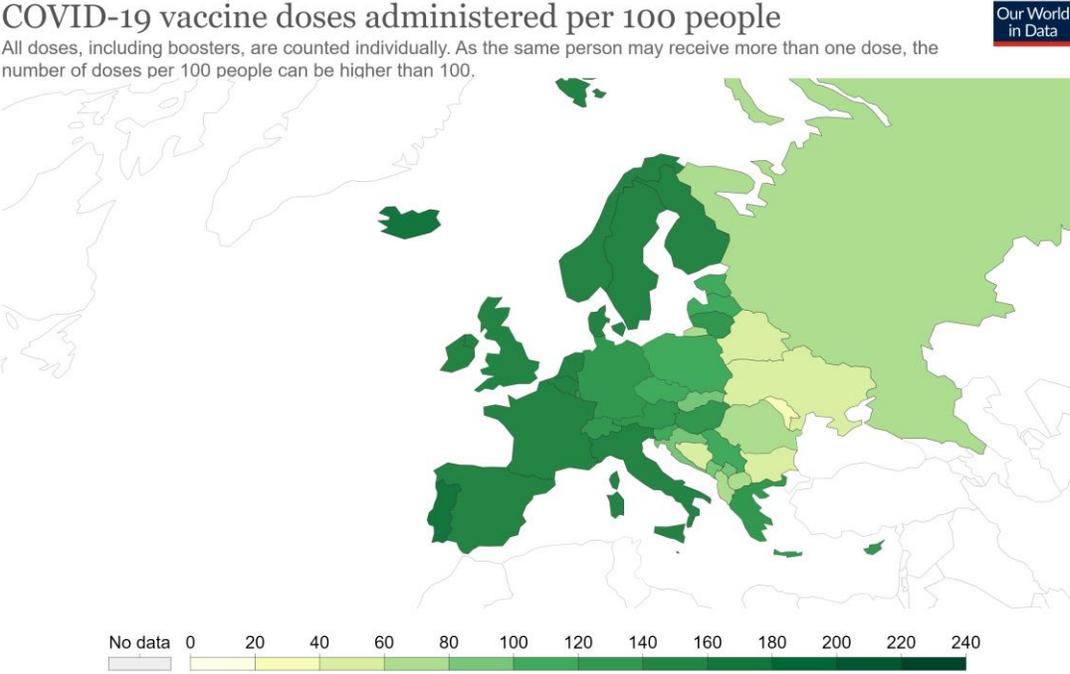
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Visualizing Risk: COVID-19 Resurgence in Europe

While higher COVID-19 vaccination rates in western Europe lessens the deadliness of rising COVID-19 cases, much of eastern Europe continues to struggle to deliver more shots. Though vaccine access is no longer a primary inhibitor of vaccination campaigns, persistent vaccine hesitancy continues to slow national vaccination efforts.



Source: Official data collated by Our World in Data. This data is only available for countries which report the breakdown of doses administered by first and second doses in absolute numbers.
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Source: Official data collated by Our World in Data – Last updated 11 November 2021, 05:30 (London time)
OurWorldInData.org/coronavirus • CC BY

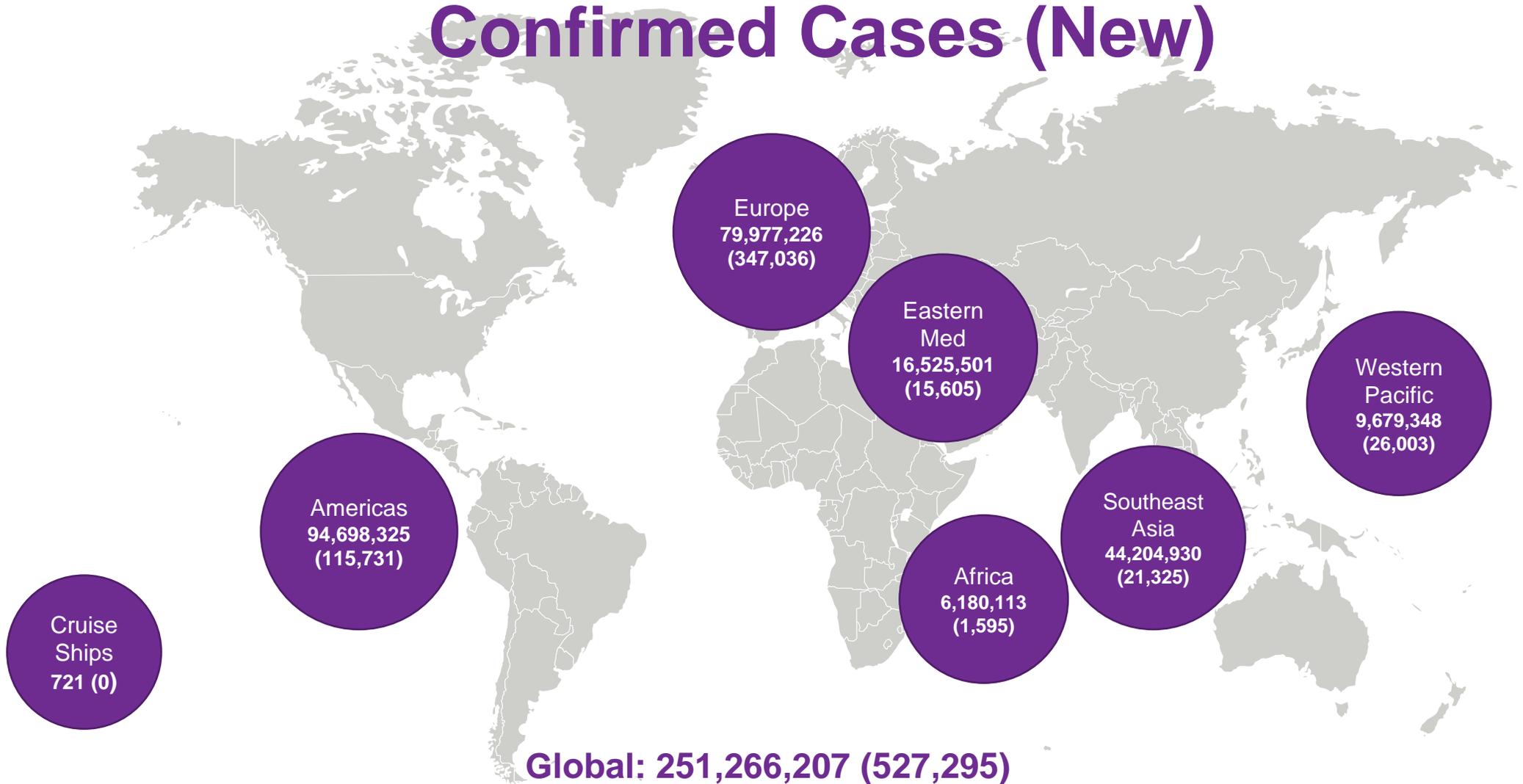
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Coronavirus Condition Updates

As of 7:19 pm CEST on November 11, 2021

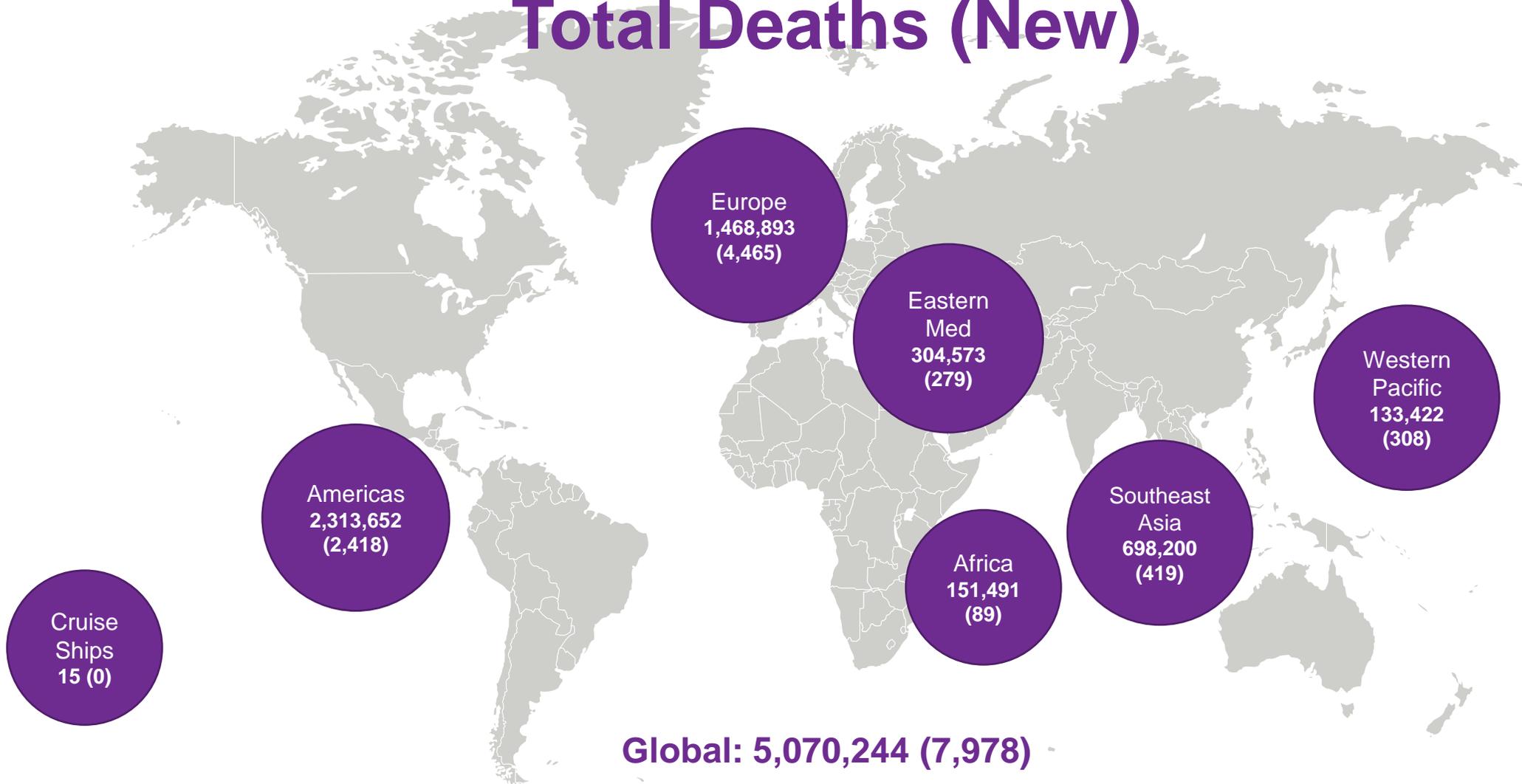
Confirmed Cases (New)



Reflects data as of 7:19 pm CEST on November 11, 2021.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 7:19 pm CEST on November 11, 2021
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.

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