

Dentons Flashpoint

Daily Global Situation Report

September 7, 2021

Global Situation Update: September 7, 2021

KEY TAKEAWAYS

A coup in Guinea overthrew the elected government, expanding the zone of instability in Africa.

The pandemic removed 54 million women globally out of the workforce, widening the employment gender gap.

COVID-19 booster shots in the US may initially be limited to people who had received the Pfizer vaccine.

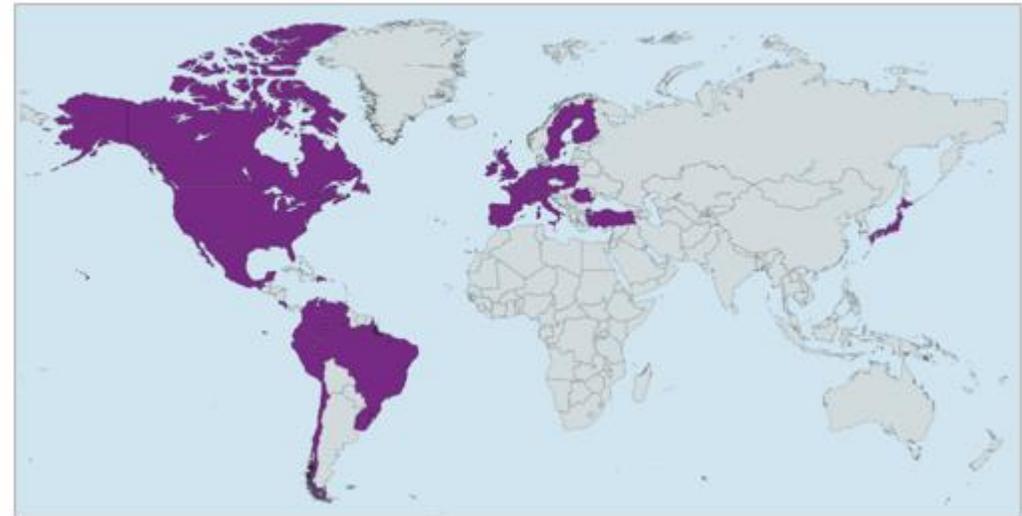
Global Situation Update: September 7, 2021

WHAT WE'RE WATCHING

Today, individuals and organizations should know that the “Mu” variant of the coronavirus does not yet pose an immediate threat to the US and most countries worldwide. There is heightened concern about the Mu strain after the World Health Organization designated it a variant of interest last week with detection in 39 countries in Europe and South America. It is presently the most predominant variant in Colombia, where it was discovered nine months ago.

The Delta variant, however, remains far more deadly and transmissible, making up over 99% of new cases in the US. The Mu variant has thus far been detected in 47 US states and the District of Columbia and could spread as schools reopen and sports stadiums across the country once again host many thousands of people in confined spaces.

Worldwide detection of ‘Mu’ variant (as of 7 Sep)



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

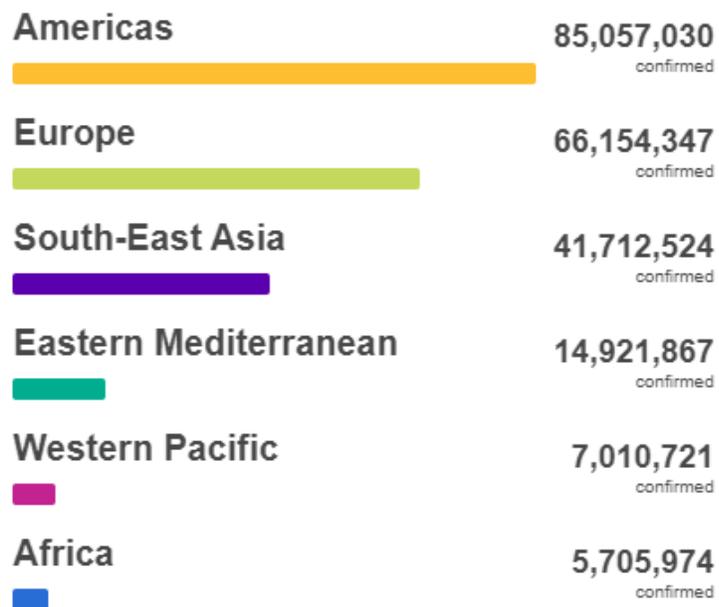
Global

Globally, confirmed coronavirus cases topped 220.5 million with 4.5 million deaths; more than 5.3 billion vaccine doses have been administered.

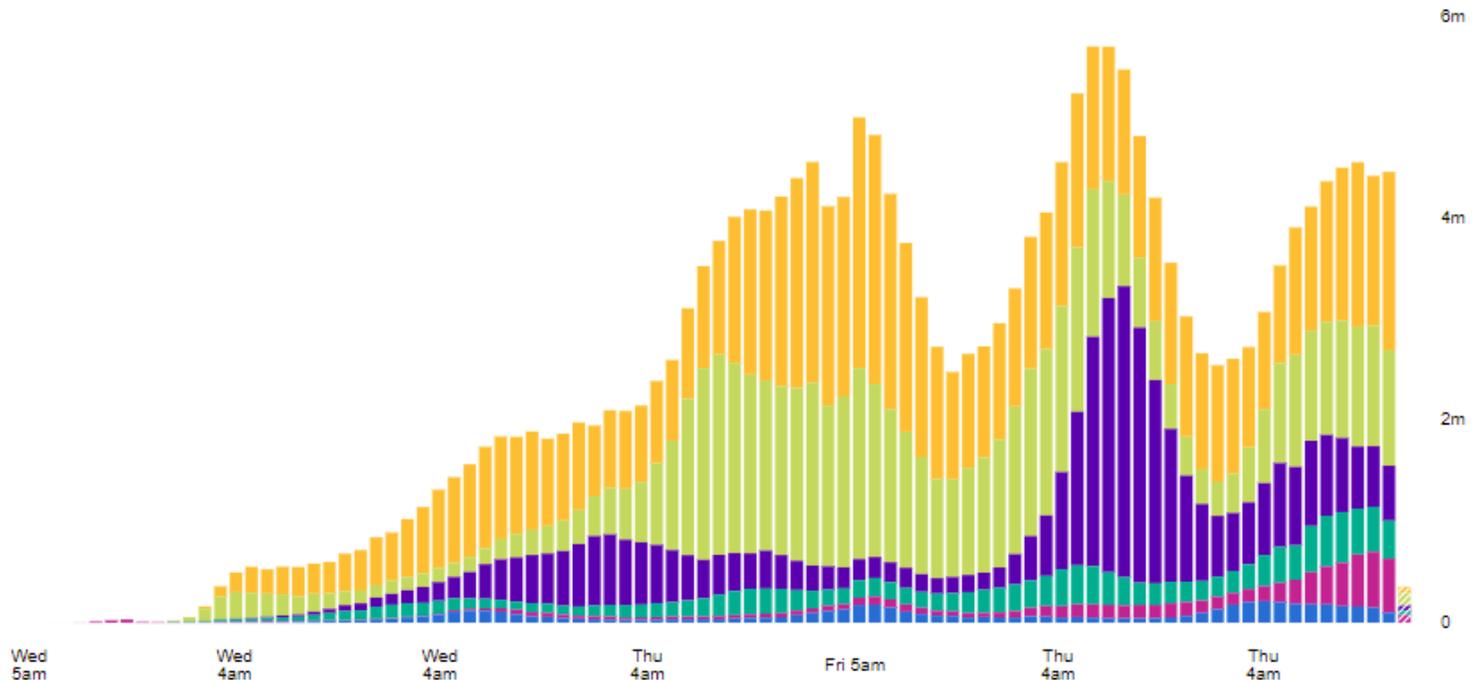
- A booster dose of **Sinovac Biotech's COVID-19 vaccine** reversed a decline in antibody activities against the Delta variant, per a new Chinese study. A different Chinese study found that a booster shot of **CanSino Biologics' vaccine** after one or two doses of Sinovac Biotech's vaccine yielded a much stronger antibody response than using the Sinovac shot as a booster.
- The first year of the pandemic took 54 million women around the world out of work, widening the **gender gap in employment**.
- **Chinese Sinopharm** is developing a homegrown messenger RNA COVID-19 vaccine, the first major Chinese pharmaceutical group to pursue the technology to combat the disease.

Global

Situation by WHO Region



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



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Markets & Business

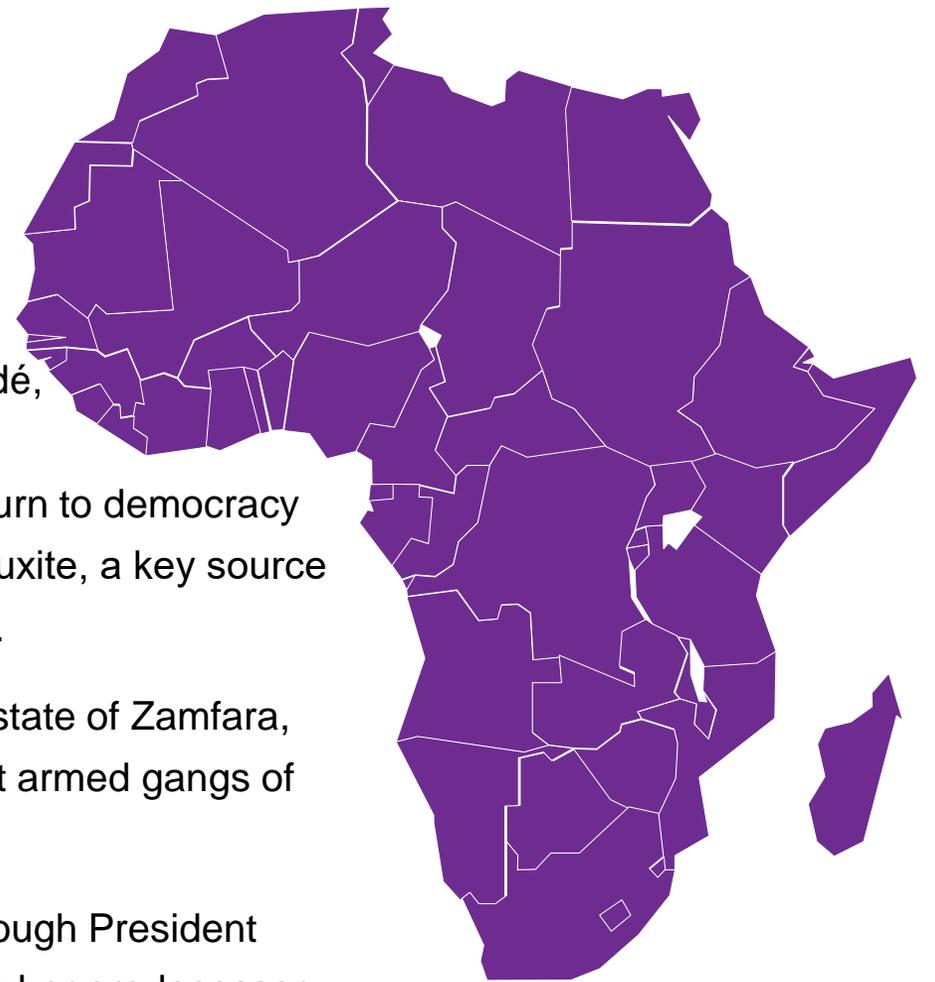
A human rights group filed a legal complaint in Germany, alleging that several fashion retailers profited from forced labor in China's Xinjiang region.

- **Goldman Sachs** is planning an IPO for **Petershill Partners**, which buys stakes in alternative asset managers, in a deal that could value the portfolio at more than \$5 billion.
- **Deutsche Telekom** has agreed to a \$7 billion share-swap deal with **SoftBank Group** to increase Deutsche Telekom's stake in US unit **T-Mobile** to 48.4 percent.
- German regulators reportedly have launched an investigation into financial services company, **Allianz**, after the demise of some of Allianz Global Investor's Structured Alpha Funds in the US, leading to billions of dollars of losses and 25 investor lawsuits.
- **Toyota Motor Corp** announced plans to spend more than \$13.5 billion by 2030 to develop batteries and its battery supply system for electric vehicles.
- **Hyundai Motor Group** plans to offer hydrogen fuel cell versions for all its commercial vehicles by 2028.

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Africa

- Special forces in **Guinea** overthrew the government of President Alpha Condé on Sunday, a country with a long history of military takeovers. Condé, although elected, increasingly has been assuming autocratic powers and clamping down on dissent. The International Community urged a rapid return to democracy through elections. The country is one of the world's largest suppliers of bauxite, a key source of aluminum, and instability there can severely impact commodities prices.
- Mobile telephone networks were shut down in the northwestern **Nigerian** state of Zamfara, after authorities ordered a telecoms blackout to help armed forces interdict armed gangs of kidnappers the area.
- **Tanzania** suspended another newspaper accused of false stories even though President Samia Suluhu Hassan had pledged to uphold media freedoms quashed by her predecessor.
- **Algeria** has arrested 27 suspected members of MAK, a separatist group that the government has declared a terrorist organization, after an attack in two northern towns.



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Asia

- **Myanmar's** military rulers have agreed to an ASEAN call for a ceasefire until the end of the year to ensure distribution of humanitarian aid. ASEAN nations and dialogue partners had pledged \$8 million in aid for Myanmar.
- **North Korea** has elevated a general long seen as a rising star in the country's powerful military and a major player in its missile program to a position in the presidium of the ruling Workers' Party of Korea politburo.
- COVID-19 daily infections in Sydney fell for a third straight day on Tuesday but still lingered near record levels. The **Australian** government plans to ease the lockdown, now into its eleventh week, once 70 percent of residents are fully vaccinated.



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Europe

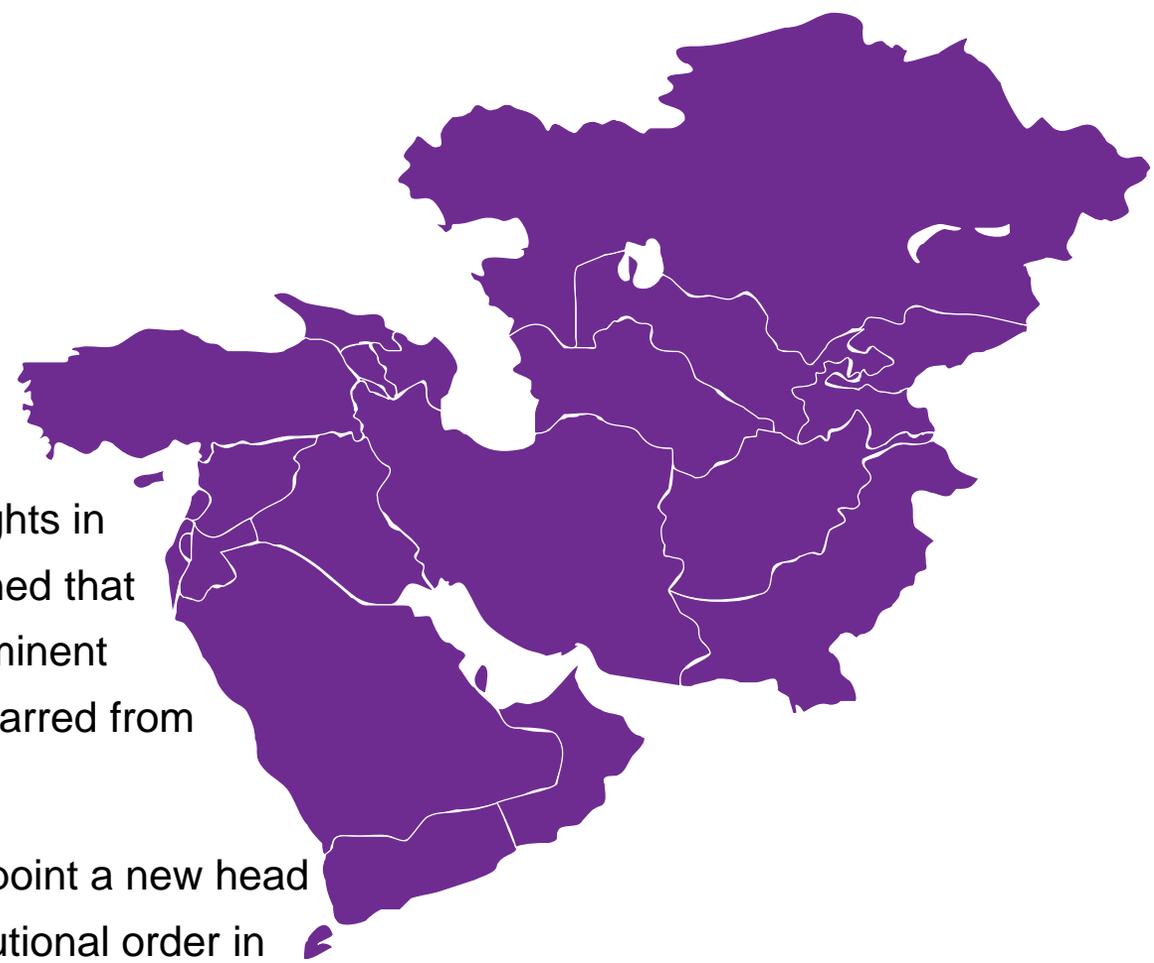
- Maria Kolesnikova, one of the leaders of mass street protests against **Belarusian** President Alexander Lukashenko last year, was sentenced to 11 years in prison, leading to an outcry from Western countries.
- **Russian** occupying forces in the Crimea detained the deputy leader of the main representative body of Crimean Tatars and at least 45 other members of the ethnic group, prompting condemnation by the **US** which supports **Ukraine** and its territorial integrity.
- **Britain** plans to further extend post-Brexit grace periods on some goods imports to Northern Ireland, in a move designed to give London and Brussels more time for talks about trade; the **EU** stated it did not plan to open any new infringement procedure.
- **Germany** accused **Russia** of launching cyber attacks on politicians amid suspicions that Moscow is interfering in this month's election to decide who succeeds Angela Merkel as chancellor.



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Middle East

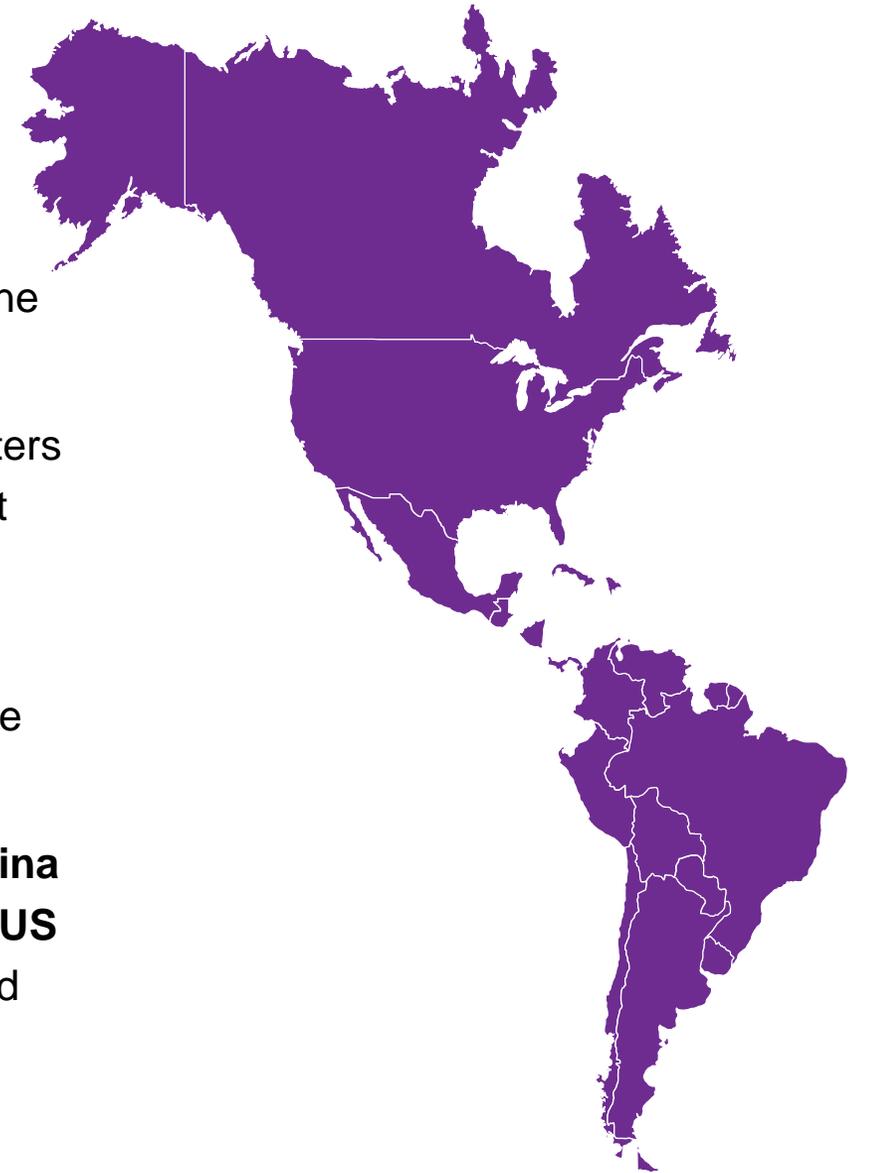
- The Taliban claimed victory over the Panjshir valley, the last part of **Afghanistan** still holding out against their rule. The Kabul airport reopened for humanitarian aid and domestic flights in coordination between the Taliban and **Qatar**. The WHO warned that hundreds of medical facilities in Afghanistan are at risk of imminent closure because the Western donors who finance them are barred from dealing with the new Taliban government.
- The ambassadors of the G7 urged **Tunisia's** president to appoint a new head of government as a matter of urgency and return to a constitutional order in which an elected parliament plays a significant role.
- Islamic State militants claimed responsibility for an overnight attack on Sunday on a guard post near the **Iraqi** city of Kirkuk that police sources said killed 10 Iraqi policemen.



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Americas

- The **Chilean** health regulator approved China's Sinovac COVID-19 vaccine for use in children over 6 years of age,
- **Brazil** expects large Independence Day demonstrations today by supporters of far-right President Jair Bolsonaro, who has called for a show of support for his attacks on the country's Supreme Court.
- **Venezuelan** government and opposition representatives reached partial agreement during talks in Mexico City as part of a roadmap to address the long-running political crisis.
- Supporters of two **Canadians** accused of spying and held in prison in **China** for 1,000 days rallied in Ottawa on Sunday, demanding their release; the **US** issued a statement in support of Canada and called for the immediate and unconditional release of the Canadians.



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How do You Manage Political Risk?

Today, the economic and political changes affecting international business are more complex than ever. Conflicts, coups and the coronavirus pandemic continue to impact governments and people worldwide and shape the business landscape in 2021.

Dentons offers business leaders routine and one-off political risk assessments on specific interests. Many clients also retain our team of attorneys and former intelligence and military professionals, equipped with the latest big data analytics tools, deep substantive knowledge and extensive networks of contacts, to provide services, including:

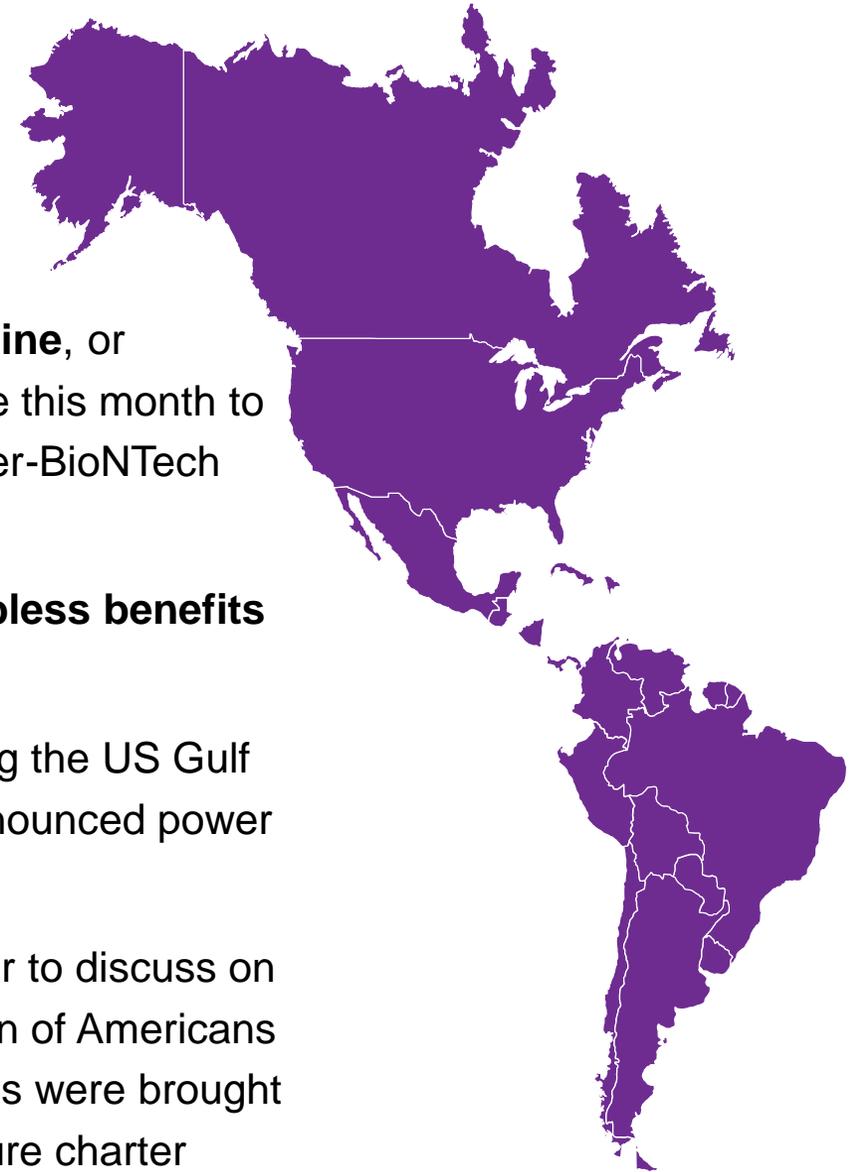
- ❖ Political and country risk forecasts and analysis
- ❖ Market-entry assessments
- ❖ Legislative and government action forecast
- ❖ Comprehensive project analysis
- ❖ Coronavirus vaccine tracker and return-to-work monitoring
- ❖ Investment risk analysis

All interaction with Dentons is attorney-client privileged

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

Americas: US

- Across the nation, 206.9 million have received at least one dose of the **vaccine**, or 62.3 percent of the total population. **Booster shots** set to become available this month to most Americans may be limited initially to people who had received the Pfizer-BioNTech coronavirus vaccine.
- More than 7 million out-of-work people across the US will lose all of their **jobless benefits** this week as three federal programs expired on Monday.
- The Coast Guard is investigating nearly 350 reports of **oil spills** in and along the US Gulf of Mexico in the wake of **Hurricane Ida**. Electric company Entergy Corp announced power had been restored for more than 500,000 customers who faced **outages**.
- Secretary of State Blinken and Secretary of Defense Austin traveled to Qatar to discuss on how to deal with the Taliban and ensure continued support for the evacuation of Americans and at-risk Afghans who remained behind; over the weekend, four Americans were brought out in the first US-facilitated overland evacuation. The US is working to ensure charter flights carrying US citizens and at-risk Afghans can leave **Afghanistan** safely.



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COVID-19's Permanent Consequences: Enduring Risk and Behavioral Change

By Briana Boland

Three months ago, countries with easy access to vaccines appeared to be well on their way down a pandemic exit ramp. Now, the spread of the Delta variant has turned hopes that COVID-19 will fade away on their head.

Herd immunity increasingly seems like a false promise, and a new conversation around booster shots is airing concerns that vaccine effectiveness against infection may taper over time. Even fully vaccinated individuals now face the likelihood that there is no end in sight for the risks and uncertainty of the pandemic. While risk of severe illness and death is much lower for the vaccinated, the spread of COVID-19, both among the unvaccinated and in breakthrough infections, will continue to shape our lives through creating health risks, informing government restrictions, and establishing new norms in the world of work. Rather than “getting through” the pandemic, businesses and individuals alike need to think about living with the permanent risk and behavioral changes that COVID-19 has brought around the world. This will require a cognitive shift to focus on long-term resiliency and managing the enduring background risks that seem only likely to expand in coming years.

Throughout the pandemic, governments and private institutions have grappled with the question of how to get people to adopt virus precautions, resulting in a spectrum of policies from public education campaigns to lockdowns with strict consequences for any rule breakers. The success and continued rollout of vaccines means that most strict rules are likely to relax, but the future of individual choices remains a largely unknown factor. Mobility and survey data reveals that overall, people are more actively participating in society and more often disregarding virus protection measures, compared to the period before vaccines were widely available. But to paint a nuanced picture of the behavioral changes that may endure for months and years, many questions remain. Will some people always consider large crowds unsafe, or unethical, to be around? What behaviors, from going to crowded bars to returning to the gym, might continue to be frowned upon by the COVID-conscious, even for vaccinated people? Have people become too comfortable staying

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COVID-19's Permanent Consequences: Enduring Risk and Behavioral Change

home to ever return to pre-pandemic levels of leaving the house for work and entertainment? All of these possible behavioral changes will have implications for both the economy and for interpersonal relations in the next phase of the pandemic – the one that might never entirely end.

Along with specific behavior changes, the pandemic has prompted broader, harder to measure shifts in the way people interact with society and their employers. A new special report from the Edelman Trust Barometer entitled “The Belief-Driven Employee” provides some data points on shifting expectations in the world of work, documenting a focus on “higher purpose” and values in employment that has grown over the past two years. In the US and several other large economies that were surveyed, including the UK, Brazil, India, and China, three quarters of people said they have higher expectations of prospective employers than they did three years ago, while 76 percent of people surveyed felt they now have more power to take action within their organization (either internally or externally through whistleblowing, strikes and leaks). The survey also showed that a majority of employers are responding to this

shift: 60 percent said their employees now have more power and leverage than before the pandemic, and many count employees (rather than clients or customers) as their most important organizational stakeholder.

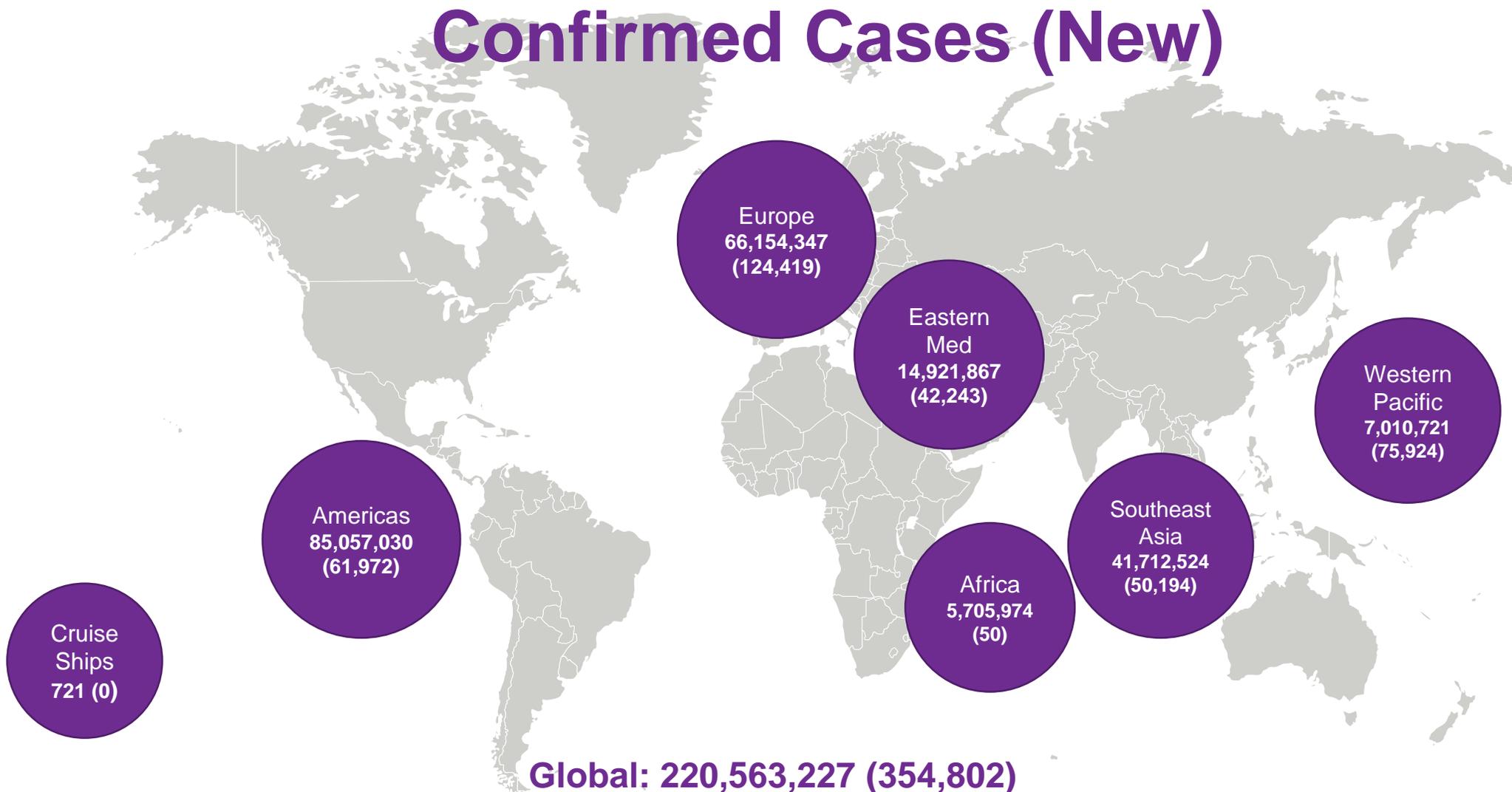
Recognizing the enduring nature of changes brought by the COVID-19 pandemic is the first step to developing the focus on resiliency that allows organizations to thrive even amid a more difficult landscape of permanent risks and shifting societal expectations. Fewer workers now expect to go “back to” the way things were done before the pandemic, either in concrete ways, like returning to daily commutes, or in more abstract ways, like accepting a passive role in an employer’s social responsibility. As for the public health and economic risks posed by COVID-19, companies must find a balance between the urgency of ongoing threats and the sustainability of response to a crisis that has proven anything but short term. Building true resiliency means the ability to bounce “back” will not always mean a return to where you were before, but rather an adaptation to a new landscape of risk and expectation.

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Coronavirus Condition Updates

As of 5:02 pm CEST on September 6, 2021

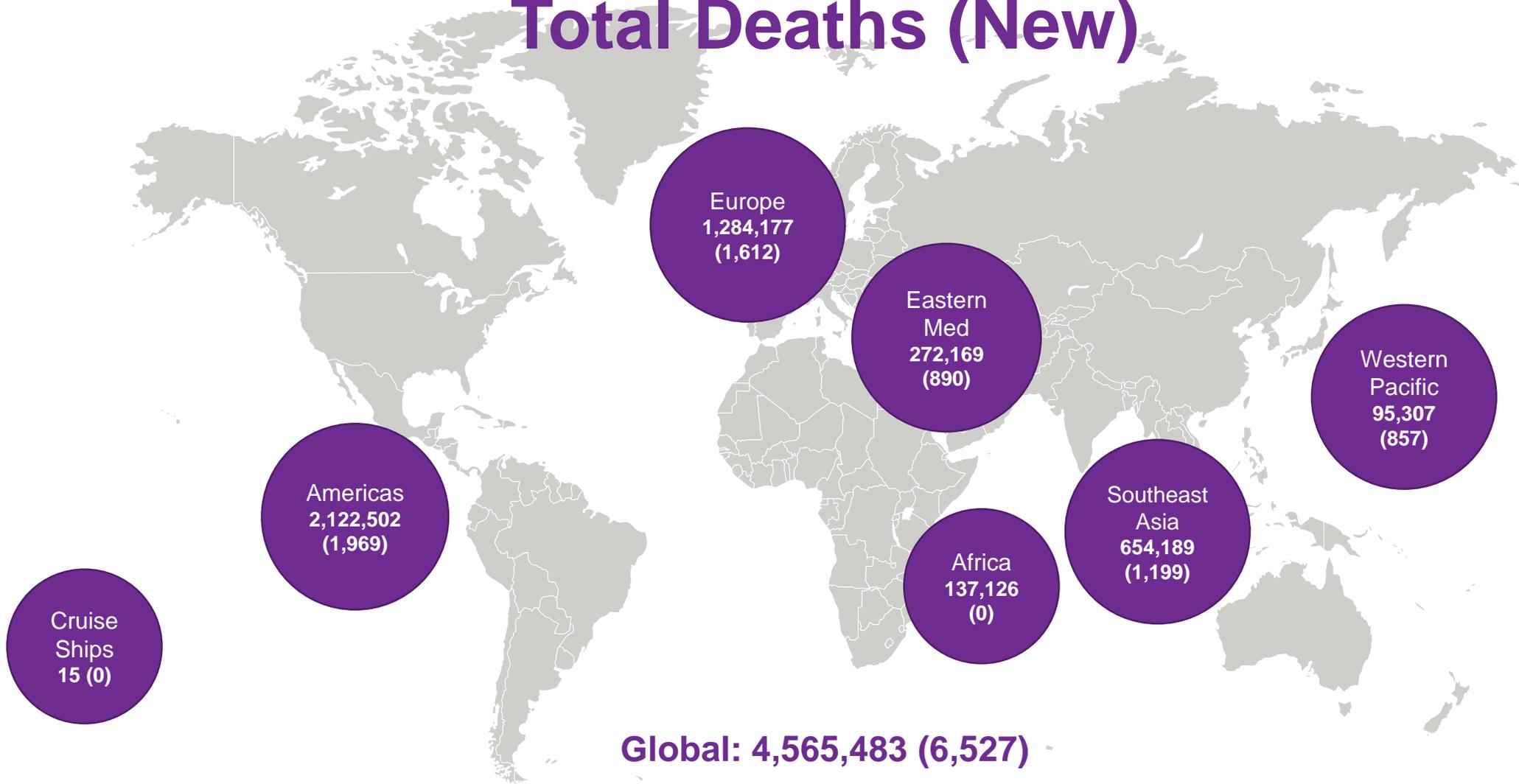
Confirmed Cases (New)



Reflects data as of 5:02 pm CEST on September 6, 2021.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 5:02 pm CEST on September 6, 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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