

Dentons Flashpoint

Daily Global Situation Report

April 28, 2022

Global Situation Update: April 28, 2022

KEY TAKEAWAYS

New COVID-19 cases and deaths globally have continued to decline since the end of March 2022.

Ukrainian President Zelensky accused Moscow of weaponizing energy after Russia cut gas supply to Poland and Bulgaria.

Iran and China sign an agreement to expand their military cooperation.

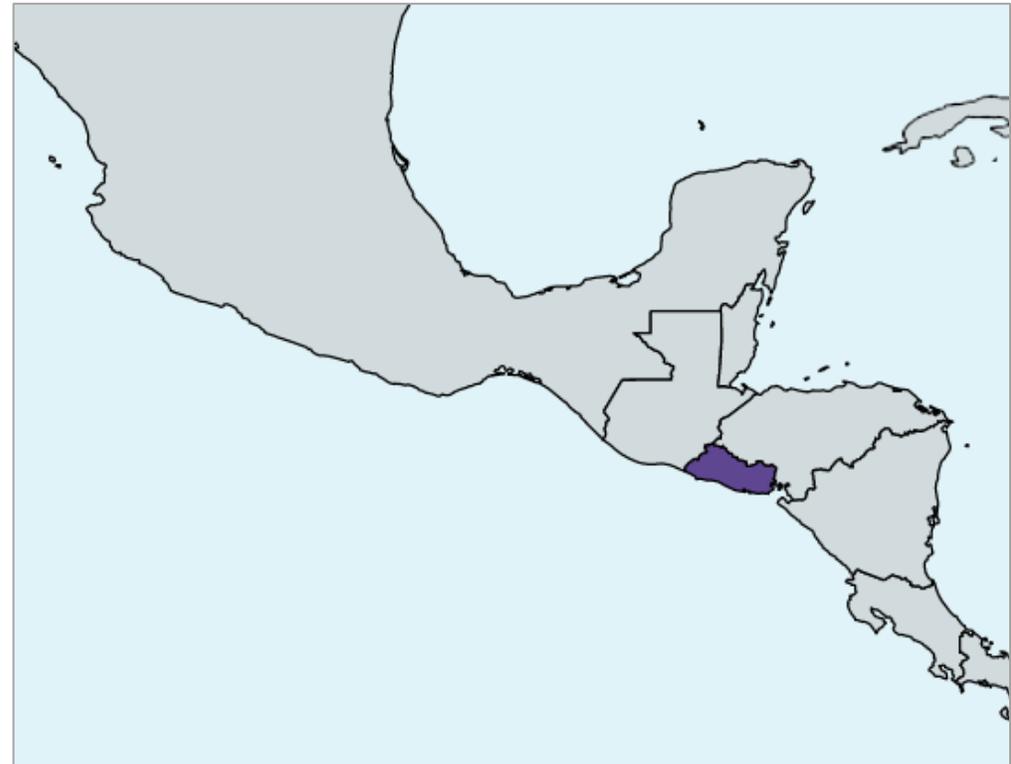
Note: This report is based on sources and information deemed to be true and reliable, but Dentons makes no representations to same.

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WHAT WE'RE WATCHING

El Salvador enters the second month of a national emergency to tackle rampant violence by organized crime. Over 17,000 gangsters are in prison and murder rates have plummeted nationwide. The government's hardline security strategy has been questioned by human rights groups, but President Bukele, up for reelection in 2024, says he does not care what they think about measures like cutting food for inmates or mass trials.

Potential retaliatory gang violence against the crackdown is unlikely to directly impact foreign business personnel but poses significant incidental risks to bystanders. The ongoing national emergency, extended through the end of May 2022, may also result in fewer migrants from El Salvador fleeing gang violence to the US southern border.



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Global

Facing an increasingly mobilized front in support of Ukraine's sovereignty, Russian President Putin promised "*lightning fast*" retaliatory strikes in an address to Russian law makers.

- UN Secretary-General Guterres is in Kyiv today following his meeting with President Putin and will discuss plans for the **evacuation of civilians from Mariupol**, to which Putin agreed "*in principle.*"
- Explosions in Russian logistics centers in Belgorod and Voronezh yesterday were likely caused by Ukrainian offensive operations to attack Russian supply lines and signal an **expansion of military operations** into Russian territory.
- Gazprom's **shut off of gas supplies** to Poland and Bulgaria is forcing the EU to accelerate planning for alternative sources of supply, given the increased risk of additional supply cuts by Russia.

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Markets & Business

Weibo, China's equivalent of Twitter, told users today it would start to publish their IP locations on their account pages and when they post comments, in a bid to combat "*bad behavior*" online.

- US buyout firm **KKR** has reached a deal to buy France's renewables power producer **Albioma** for 50 euros per share.
- Plans by **Full Truck Alliance Co Ltd** to raise \$1 billion in a Hong Kong listing this year have been paused as a Chinese cybersecurity regulator has yet to announce findings of a probe into the company.
- After years of resisting DIY repairs, **Apple** opened a new online store yesterday where anyone can view repair manuals and order replacement parts and tools for certain recent devices.
- The EU's top court ruled today that Germany's consumer protection association could bring a legal challenge against Facebook parent **Meta** over data privacy. The federation alleges that Meta infringed rules on data privacy, unfair competition and consumer protection related to free games by third parties available to **Facebook** users.

Environment, Sustainability & Governance

A new study by S&P Global found that climate change could see 4 percent of global annual economic output lost by 2050 and hit many poorer parts of the world disproportionately hard.

- The Biden administration on Wednesday identified new areas for potential **offshore wind development** off the coasts of Oregon and several central Atlantic states.
- New research by Emissions Analytics found that a regulatory gap allows automakers like Ford and BMW to make US cars that emit 83.7 percent more **ultrafine particles** that harm human health than equivalent models sold in Europe.
- The world lost an area of forest the size of the state of Wyoming last year, as wildfires in Russia set all-time records and Brazilian **deforestation** of the Amazon remains high, per a new report by Global Forest Watch.
- **Extreme heat** continued to scorch large swathes of South Asia this week, offering no reprieve after the hottest March on record in India, with at least three states scheduling power cuts, disrupting industrial activity, to manage surging power demand.

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Africa

- The governor of east Darfur in **Sudan** estimated that the death toll from renewed ethnic violence is 210, higher than the 160 previously reported.
- ECOWAS announced that the ruling military juntas of both **Burkina Faso and Guinea** missed the April 25 deadline to provide detailed democratic transition plans, and that both countries had requested more time to submit schedules.
- The **Malian** military junta accused **France** of spying after France released videos that they claimed showed Wagner Group mercenaries staging a mass grave to accuse France of atrocities.
- The **Democratic Republic of the Congo** began a new campaign for Ebola vaccinations



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Asia

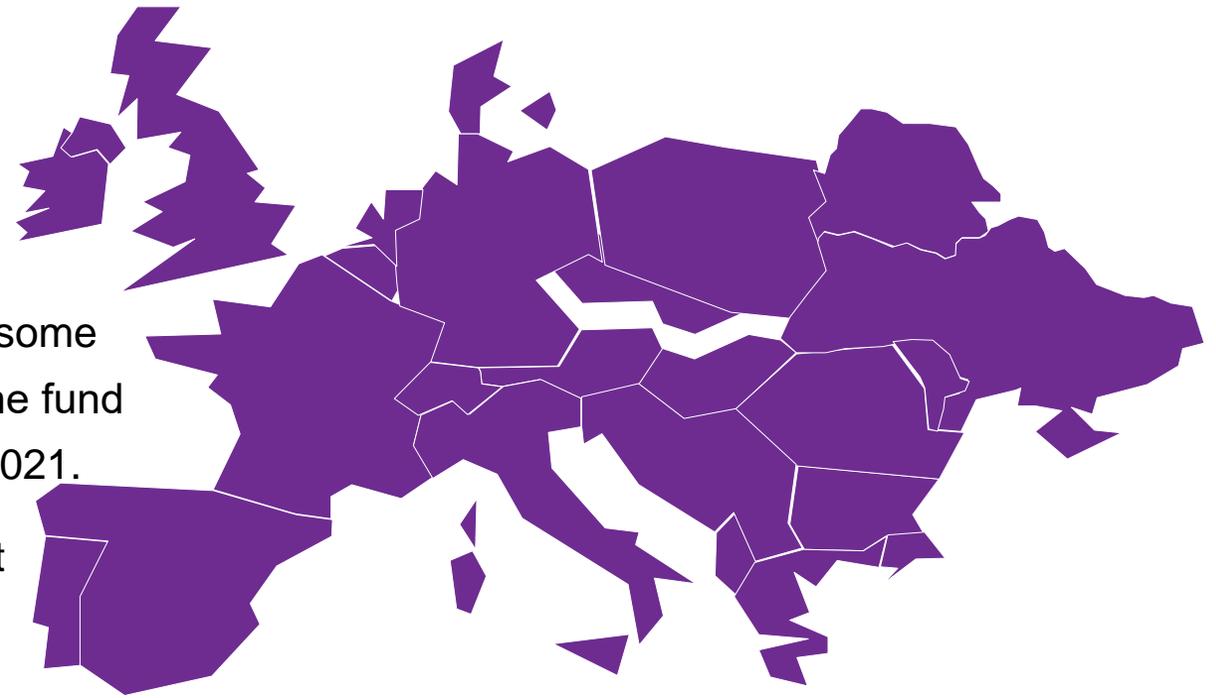
- **China** will cut import tariffs for all types of coal to zero from May 2022 to March 2023, as Beijing strengthens energy security amid soaring global prices and supply disruption concerns.
- A leading lobby group for global financial services firms has urged **China's** Shanghai authorities to let hundreds of exhausted staff go home after a month-long strict COVID-19 lockdown that has kept them in office buildings.
- The **Chinese** megacity of Guangzhou cancelled hundreds of flights on Thursday and launched mass testing of 5.6 million people after one suspected COVID-19 case. The Chinese city of Hangzhou, a city of 12 million and home to tech giant Alibaba Group, will also start mass testing for COVID-19.
- Many schools in Colombo were shut and train stations deserted today as teachers and train drivers joined mass walkouts demanding President Gotabaya Rajapaksa's government quit over **Sri Lanka's** worst financial crisis in decades.



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Europe

- **German** law makers began discussing a special fund of some €100 billion (\$105 billion) to beef up military spending. The fund is over twice the size of Germany's military spending in 2021.
- The European Commission said that between 60 percent and 80 percent of the **EU** population was estimated to have been infected with COVID-19, as the bloc enters a post-emergency phase in which mass reporting of cases was no longer necessary.
- After multiple warnings, Brussels triggered its rule of law mechanism for the very first time, advising **Hungary** it could lose out on **EU** funds. EU concerns center on corruption and allegations that Hungarian Prime Minister Orban and his allies have funneled EU money away from their intended recipients including NGOs.
- **Finland and Sweden's** intelligence chiefs have warned that the two countries must prepare for increased **Russian** spy operations, cyber-attacks and attempts to influence politicians as they consider joining NATO.



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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.

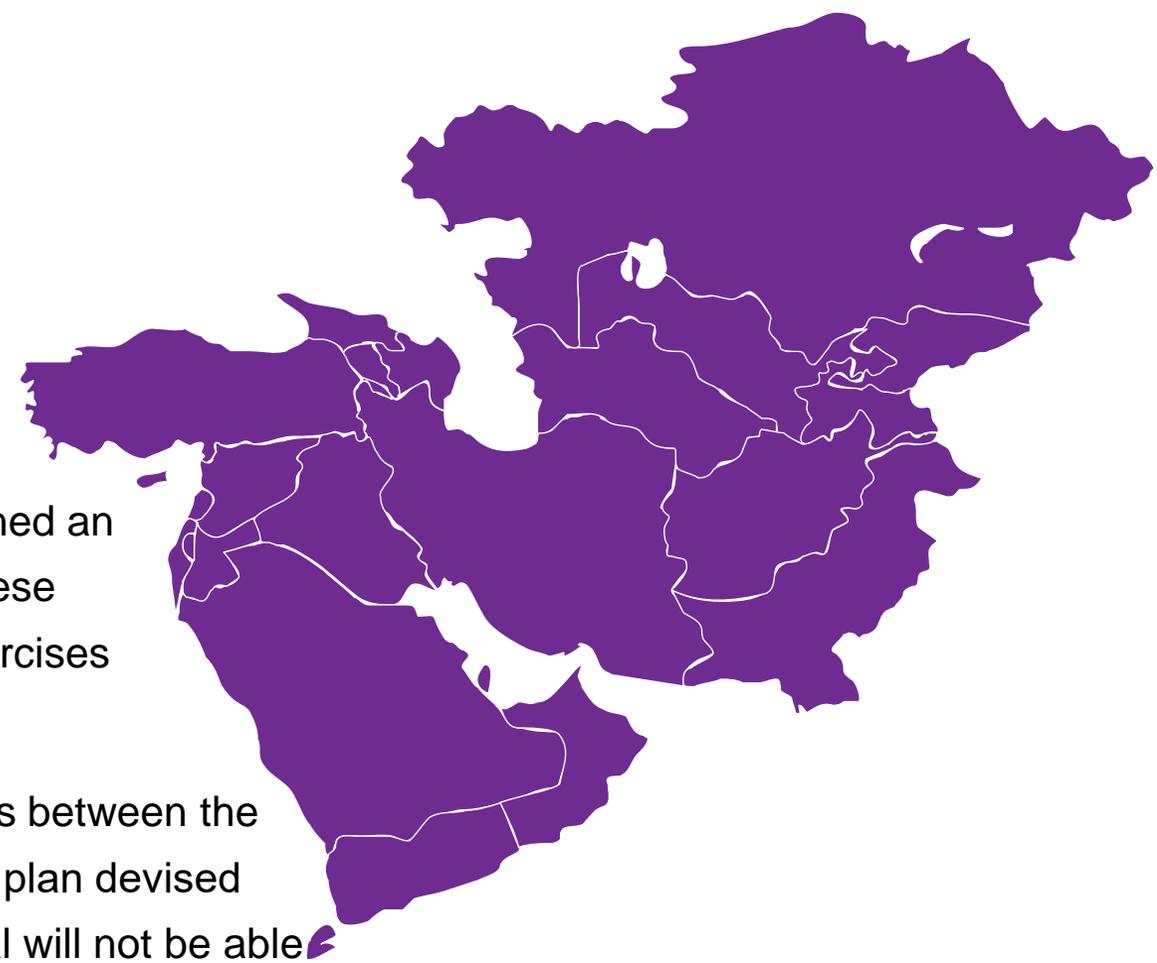
Dentons tabletop sessions are fluid, and designed to enhance preparedness with services, including:

- ❖ 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](#).

Middle East



- **Syria's** defense ministry said that four soldiers were killed this week by an **Israeli** airstrike near Damascus.
- **Iran's** defense minister reported that Iran and **China** had signed an agreement to expand their military cooperation after his Chinese counterpart visited Tehran yesterday, including more joint exercises and “*exchange of strategies.*”
- **Lebanon's** finance minister said that there are major divisions between the government and the country's banks over a proposed rescue plan devised to ensure a \$3 billion loan from the IMF, and said that the deal will not be able to go forward without bank buy-in.
- **Turkish** President Erdogan is in **Saudi Arabia** today, marking the culmination of a months-long effort to repair ties with Riyadh that included Ankara dropping a legal case on the killing of journalist Jamal Khashoggi in Istanbul.

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Americas

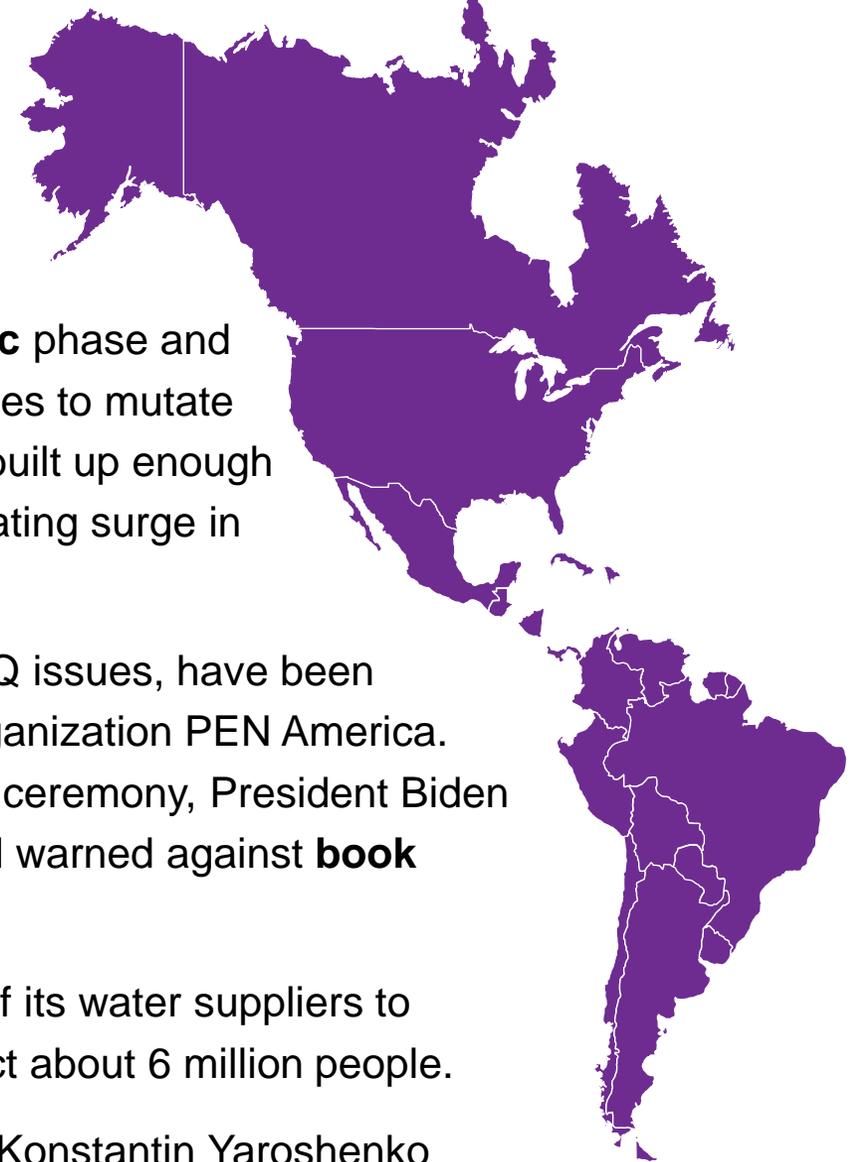
- The **Argentine** government is seeking \$10 billion in private investment to jumpstart its LNG sector, which it is promoting as an alternative to Russian fuel.
- **Mexican** President Obrador previewed a plan to level prices of foodstuffs, to be unveiled next week. The International Chamber of Commerce argued that a Mexican law that nationalizes its lithium industry, approved last week, violates its obligations and could cause economic damage.
- **Peruvian** police evicted an indigenous community that set up a camp inside a huge open pit owned by MMG's Las Bambas copper mine, that had forced the **Chinese**-owned company to halt operations.
- Judges on **Venezuela's** Supreme Justice Tribunal named Gladys Gutierrez, who is under US sanctions, as the court's new president.



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Americas: US

- Chief medical advisor Dr. Fauci assessed that the US is out of the **pandemic** phase and that while the US could still see new waves of infections as the virus continues to mutate and spin off highly transmissible variants, he is hopeful that population has built up enough immunity from previous infections and vaccinations to avoid another devastating surge in hospitalizations and deaths.
- Across the US, more than 1,000 titles, mostly addressing racism and LGBTQ issues, have been removed from school libraries in recent months, according to the writers' organization PEN America. Speaking at an annual 2022 National and State Teachers of the Year award ceremony, President Biden said American teachers are being unfairly targeted in "*the culture wars*," and warned against **book banning**.
- The historically **severe drought** in Southern California has compelled one of its water suppliers to implement emergency conservation measures for the first time that will affect about 6 million people.
- The US concluded a **prisoner swap** with Russia, exchanging Russian pilot Konstantin Yaroshenko serving a 20-year sentence for conspiracy to smuggle cocaine for former US Marine Trevor Reed who was serving a 9-year prison sentence for attacking police officers.



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Organizations Must Keep Pace with Ever-Increasing Volume of Reported Zero-Day Bugs

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

The number of zero-day attacks detected by experts is growing, according to recent reports from Google's bug hunting team, Project Zero, and threat intelligence firm Mandiant.

The research shines a light on the murky world of zero-day reporting, which would otherwise be difficult for security researchers to ascertain. Business leaders must consider the latest threat intelligence on zero-day attacks, even though they make up just a small portion of the overall number of vulnerabilities exploited each year. This will help decision-makers improve their general understanding of zero-days, how they are exploited against victims and prepare for mitigating adverse impacts, whether data theft, damage to reputation, loss of productivity, financial loss and even legal implications.

Zero-Day Exploits, a Refresher

Zero-days are vulnerabilities currently unknown to the producers of software and hardware in which the vulnerability is found. When the flaw is finally exploited by hackers, the producers and public have only known about it for “zero days.” They present a particularly

dangerous threat, as there is no known way to mitigate the vulnerability until it is more widely reported, and a patch made available. With it a hacker has a better chance of being able to break into the devices or network of a target. Zero-days require a significant amount of technical skill to harvest, and thus are often sold on to bug bounty programs or to cyber criminals for millions of dollars or, for nation states, are stockpiled for future strategic use.

How Common are They?

Thousands of vulnerabilities, of varying severity, are reported each year, presenting a constant workload for technology teams responsible for maintaining products within an organization. 28,695 new vulnerabilities were reported and recorded last year by vulnerability researchers at Risk Based Solutions, including 4,108 that were exploitable remotely, which presents a window of opportunity to attack work-from-home staff.

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Organizations Must Keep Pace with Ever-Increasing Volume of Reported Zero-Day Bugs

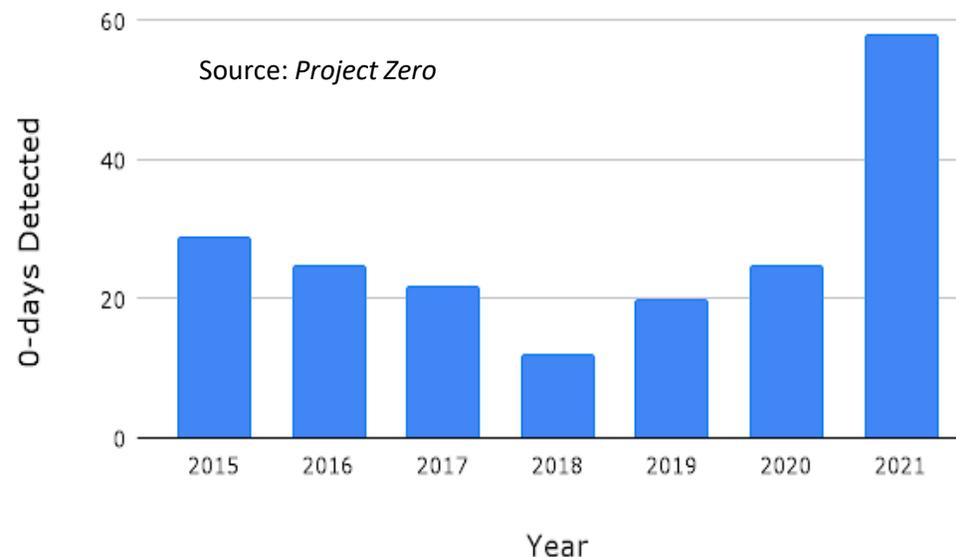
In 2020, the US Cybersecurity and Infrastructure Security Agency (CISA) introduced a public list of vulnerabilities that are known to be actively exploited in the wild, or among real world computers as opposed to test systems, which currently logs 647 vulnerabilities in total. Patching these should be considered a priority by all organizations, given the potential for threat actors to detect these vulnerabilities via scanning tools – making it easier for them to automate discovery and exploitation at a mass scale.

Reported Incidents on the Rise

According to Project Zero, 58 zero-days were detected as exploited in the wild in 2021, the highest annual volume seen since the project began (see chart). Meanwhile, security firm Mandiant tracked 80 last year compared to 30 in 2020. The significant uptick is due to improved methods of detecting the use of zero-days, rather than a real world increase in volume. This analysis is based on the fact that most threat actors do not appear to have changed the way that they find and exploit vulnerabilities and continue to target the same attack surfaces as part of their bug development. Only two known zero-day vulnerabilities reported in 2021 were considered as novel by Project Zero.

Given the secrecy of zero-day development, it remains difficult to ascertain what portion of zero-days that are being exploited are currently known, but improved detection of zero-days is being paid to this class of vulnerability. More technology organizations appear to be disclosing zero-day vulnerabilities in their products once they are made aware. In fact, between 2020 and 2021, the number of

In-the-Wild 0-days Detected vs. Year



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exploited zero-day vulnerabilities self-disclosed by vendors more than trebled and today companies such as Google, Microsoft, and Adobe now reference in their monthly security bulletins where patched bugs are already known to be exploited in the wild. Of course, there are still likely a lot of zero-days that are going undetected and do not make it into research reports.

What to Do?

Mitigating against zero-day attacks is difficult. To start, companies are strongly advised to apply patches to all systems in a timely manner. Of course, while it is important to patch zero-days when found within a technology estate, patches should not be the sole area of focus for vulnerability remediation. Companies should consider a defense-in-depth and layered approach to cyber security, including two-factor authentication and encryption of critical files, so that a vulnerability in any one layer will not allow systems to be compromised.

Dentons offers business leaders a full complement of counseling and advice to better understand cyber risk management in today's

rapidly evolving economic and political landscape. Dentons also offers regulatory and litigation services, as well as cyber analysis and intelligence products to better understand fast-changing complex operating environments. Importantly, all interaction with Dentons 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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Ukraine War Update: Mariupol Evacuation, Weaponizing Energy, Cyber War

Facing an increasingly mobilized front in support of Ukraine's sovereignty, Russian President Putin warned that, "If someone intends to intervene in the ongoing events from the outside and create strategic threats for Russia that are unacceptable to us, they should know that our retaliatory strikes will be lightning-fast."

Political Developments

UN Secretary-General Guterres arrived in Kyiv to meet Ukrainian President Zelensky following Guterres meeting with Russian President Putin. While Putin declined to meet directly with Zelensky, Putin agreed *"in principle"* to the UN and International Red Cross participating in the evacuation of civilians from Mariupol. UN officials reportedly held follow-on discussions with authorities in Moscow and Kyiv *"to develop the operational framework for the timely evacuation of civilians."* It's estimated that 2,000 troops and 1,000 civilians are sheltering in bunkers underneath the Azovstal plant.

Ukrainian President Zelensky accused Moscow of weaponizing energy after Russia cut gas supply to Poland and Bulgaria yesterday, putting the EU on alert for further retaliation.

Microsoft reported that between February 23 and April 8, it observed a total of 37 Russian destructive cyberattacks inside Ukraine that

appeared to support Moscow's military attacks and online propaganda campaigns. A timeline published by Microsoft showed that on March 1, the same day a Russian missile was fired at Kyiv's TV tower, media companies in the capital were hit by destructive hacks and cyberespionage.

Parliamentary speakers from North Macedonia, Romania and Switzerland visited the cities of Irpin and Hostomel near Kyiv, in a show of solidarity for Ukraine.

British Foreign Secretary Truss called for Western countries to double down in support of Ukraine to *"push Russia out of the whole of Ukraine,"* signaling support for efforts to eject Russia from territory occupied since 2014.

Canadian law makers passed a motion yesterday condemning Russia's *"acts of genocide against the Ukrainian people"* and

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acknowledging that there is "clear and abundant evidence of systematic and massive war crimes and crimes against humanity."

At an informal UN Security Council meeting on accountability in Ukraine, human rights lawyer Amal Clooney urged countries to focus on international justice for war crimes in Ukraine, so evidence does not sit in storage, as it has done for victims of Islamic State in Iraq and Syria. Clooney is part of an international legal task force advising Ukraine on securing accountability for Ukrainian victims in national jurisdictions and working with the Hague-based International Criminal Court.

Russia withdrew from the UN World Tourism Organization (UNWTO) ahead of a vote by its executive council to suspend Moscow's membership over its invasion of Ukraine.

Russian Foreign Ministry said that it had imposed personal restrictions and banned entry to 287 British members of Parliament in response to the UK's sanctions against Russian lawmakers.

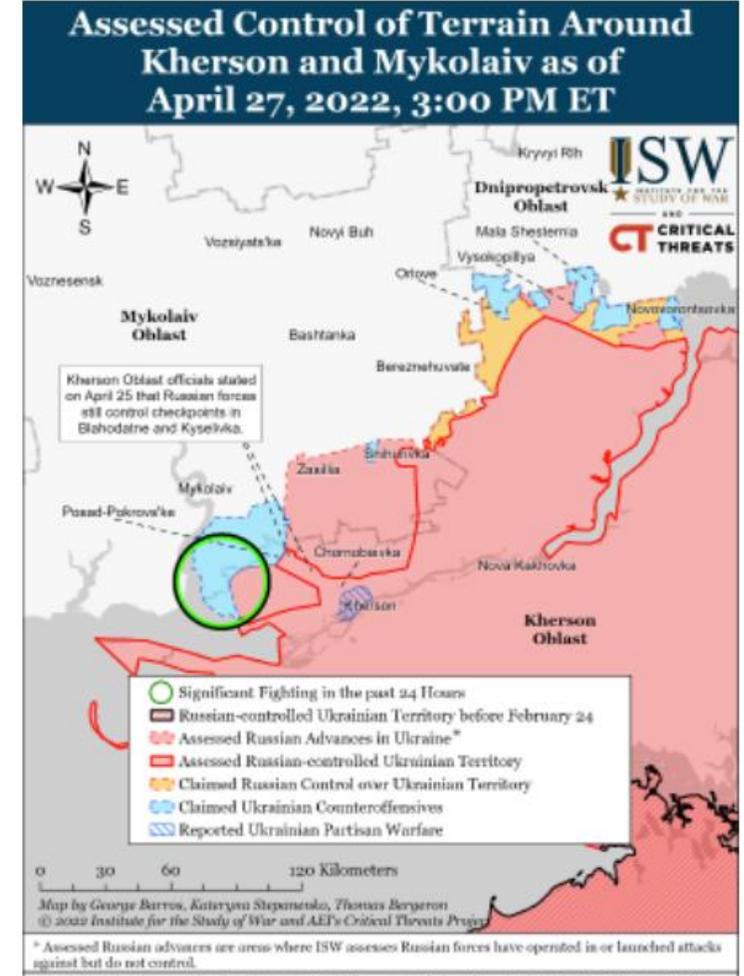
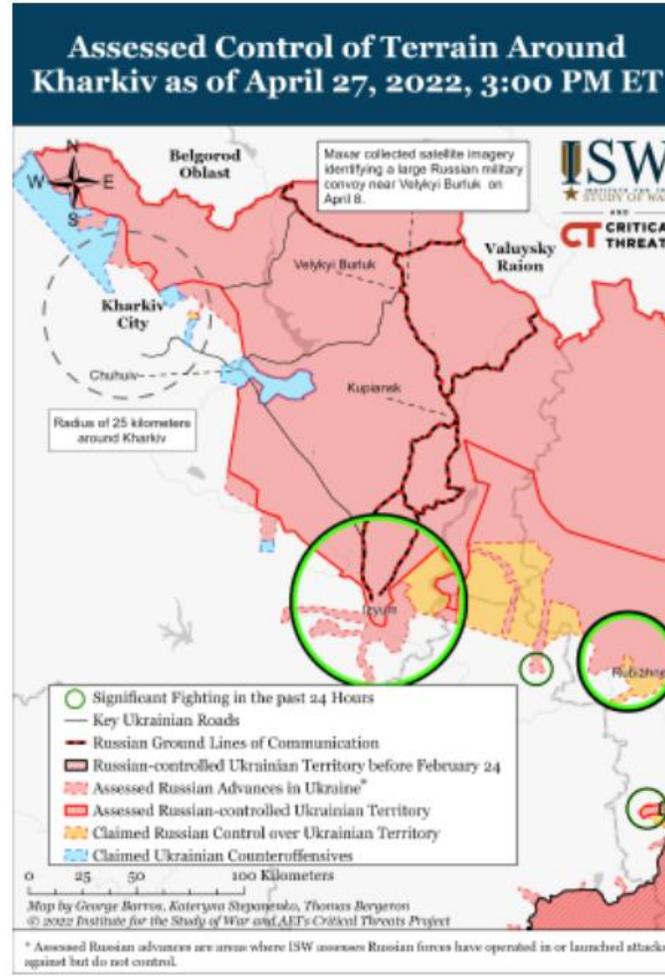
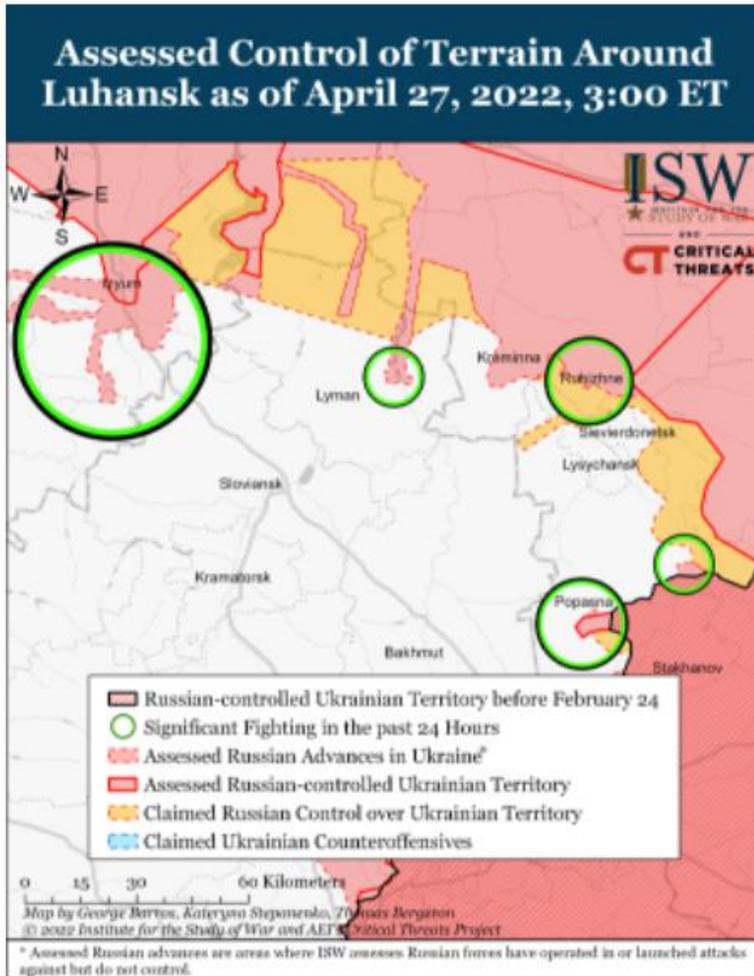
Battlefield Developments

Ukraine's General Staff reported that Russia is increasing the pace of its offensive in the east of the country, the goal of which is to take full control of the Donetsk and



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Source: [Institute for the Study of War](https://www.instituteforthestudyofwar.org/)

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Luhansk regions and have a land corridor to Crimea. Over the past 24 hours, Ukrainian forces claim to have repelled six attacks in the Donetsk and Luhansk regions.

The Institute for the Study of War assessed that Russian forces made minor but steady advances both from Izyum and in continued assaults along the line of contact in eastern Ukraine yesterday. Russian forces took several small towns directly west of Izyum in the past 24 hours. While this line of advance takes Russian forces away from their main objective of Donetsk and Luhansk Oblasts, they likely intend to outflank Ukrainian defensive positions on the highways to Barvinkove and Slovyansk.

UK Defense Ministry said on Thursday that although Russia's naval forces have suffered substantial setbacks, Moscow's fleet in the Black Sea is still able to hit Ukrainian targets. There are around 20 Russian Navy vessels currently deployed in the Black Sea, including submarines.

A series of explosions were reported late Wednesday near a television tower in the southern Ukrainian city of Kherson which is occupied by Russian forces. Both Ukrainian and Russian news organizations reported that the series of explosions temporarily

knocked Russian channels off the air. Kherson has been occupied by Russian forces since early in the war. Per Russian media, Kherson will start using the Russian ruble this weekend under a directive from the Kremlin.

The Institute for the Study of war assessed that Ukrainian forces likely conducted drone or possibly missile strikes on Russian logistics centers in Belgorod and Voronezh yesterday. Ukrainian Presidential Advisor Mikhail Podolyak euphemistically confirmed the explosions were Ukrainian strikes, stating Russian cities cannot “sit out” the invasion of Ukraine and “*the disarmament of the Belgorod-Voronezh warehouses is a natural process.*” Ukrainian forces will likely conduct further cross-border strikes to disrupt Russian logistics.

The US has credible information that a Russian military unit executed Ukrainian forces trying to surrender in Donetsk.

Economic Developments

The EU Commission proposed a one-year suspension of tariffs on all imported goods from Ukraine that are not already subject to an existing free trade deal. Law makers are also suggested legal

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changes to allow Ukrainians and other non-EU nationals to find work and secure residency in the EU.

Canada imposed sanctions on more than 200 people tied to Russian President Vladimir Putin in the Donbas region of eastern Ukraine.

According to independent research group Centre for Research on Energy and Clean Air, Germany has been the biggest buyer of Russian energy in the first two months since the war in Ukraine began, with Russia earning €63 billion (\$66.5 billion) from fossil fuel exports in total since February 24.

Austria denied Russian news reports that Vienna had agreed to pay for Russia gas in roubles, calling the reports propaganda.

Exxon Mobil Corp announced its Russian unit Exxon Neftegas Ltd has declared force majeure for its Sakhalin-1 operations due to sanctions on Russia that have made it increasingly difficult to ship crude to customers.

German chemical company BASF announced plans to "wind down" its remaining business activities in Russia and Belarus by the beginning of July because of the war in Ukraine.

Germany's ADAC automobile club, Europe's largest motoring association, has asked its 21 million members to help reduce the country's reliance on oil imports from Russia by driving less.

Japan Tobacco is considering selling its Russia operations after suspending investment and marketing activities in the country last month following Moscow's invasion of Ukraine.

French auto maker Renault is in talks with the Russian government about handing over its 68 percent stake in Russia's biggest auto maker to a state-backed entity, for one rouble.

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Coronavirus Condition Updates

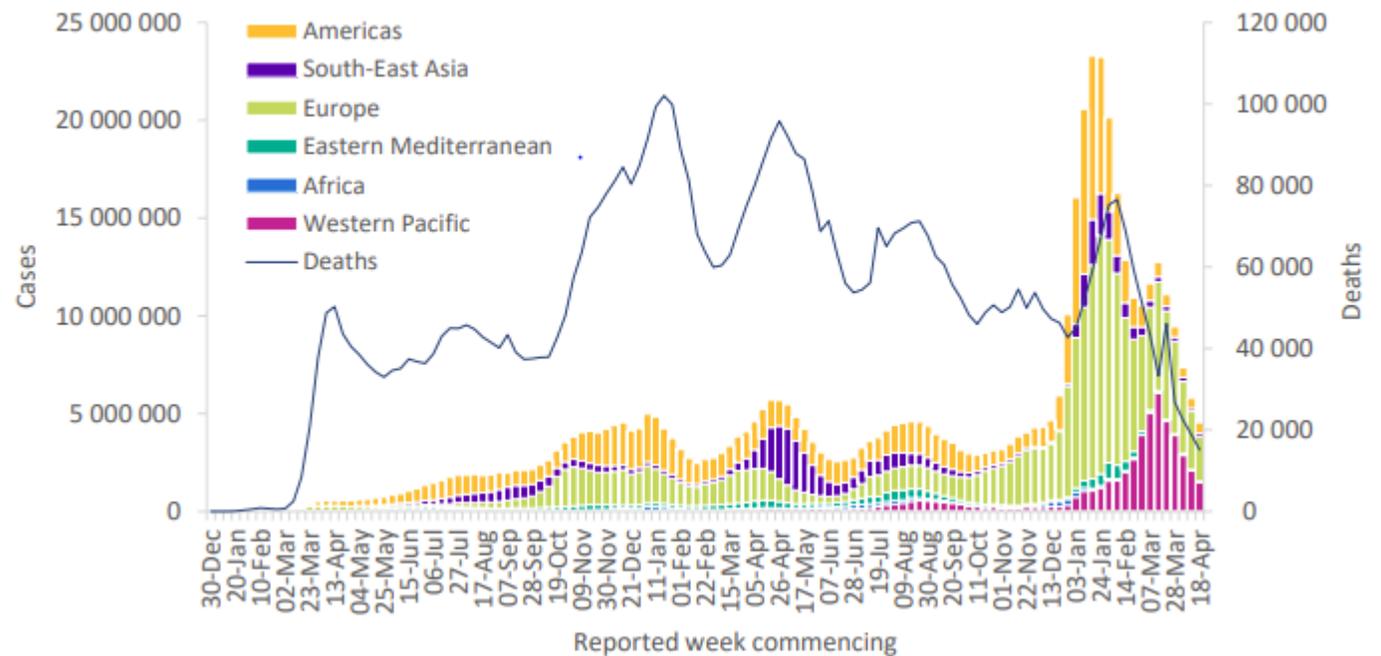
As of 6:05 pm CEST, 27 April 2022

Coronavirus Snapshot

Globally, confirmed coronavirus cases topped 508.8 million with 6.2 million deaths; more than 11.4 billion vaccine doses have been administered.

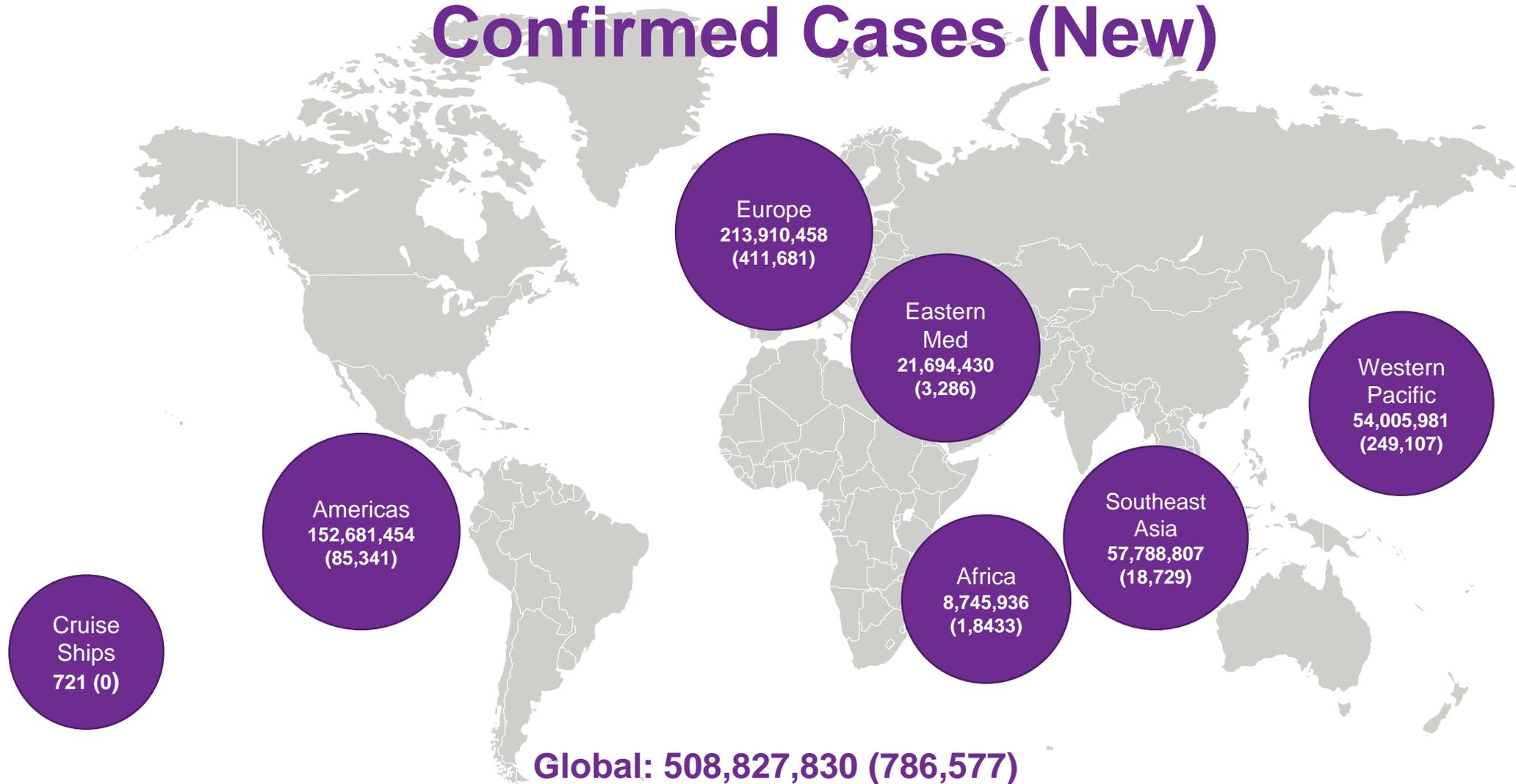
- During the week of 18 through 24 April 2022, over 4.5 million cases and over 15,000 deaths were reported, decreases of 21 percent and 20 percent respectively, as compared to the previous week.

Figure 1. COVID-19 cases reported weekly by WHO Region, and global deaths, as of 24 April 2022**



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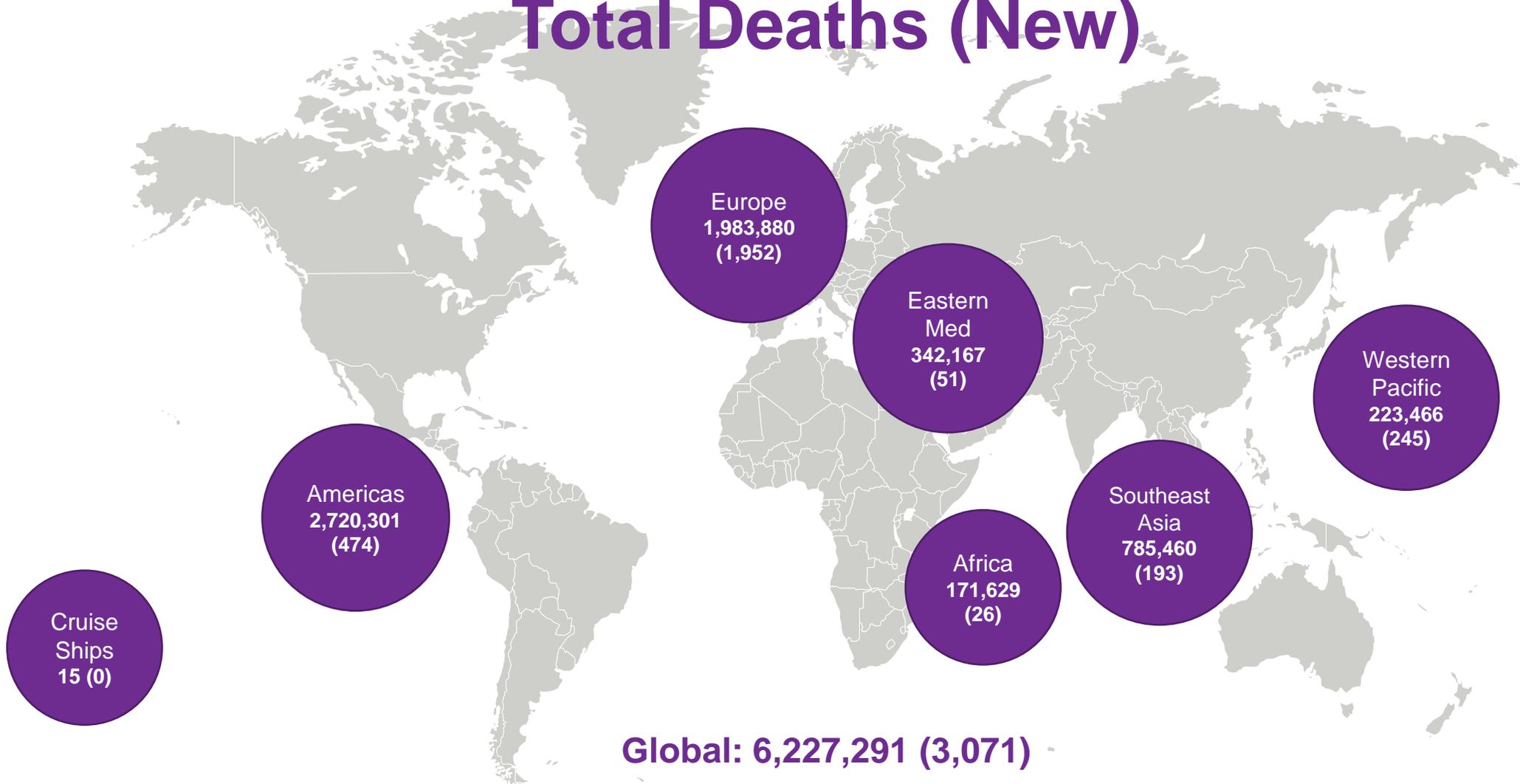
Confirmed Cases (New)



Reflects data as of 6:05 pm CEST on April 27, 2022.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 6:05 pm CEST on April 27, 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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