

Dentons Flashpoint

Daily Global Situation Report

January 21, 2022

Global Situation Update: January 21, 2022

KEY TAKEAWAYS

US and Russian top diplomats meet today in Geneva in high stake talks on averting a Russian invasion of Ukraine.

Oil majors TotalEnergies and Chevron Corp decide to withdraw from Myanmar.

Serbia revoked its lithium exploration licenses over environmental concerns.

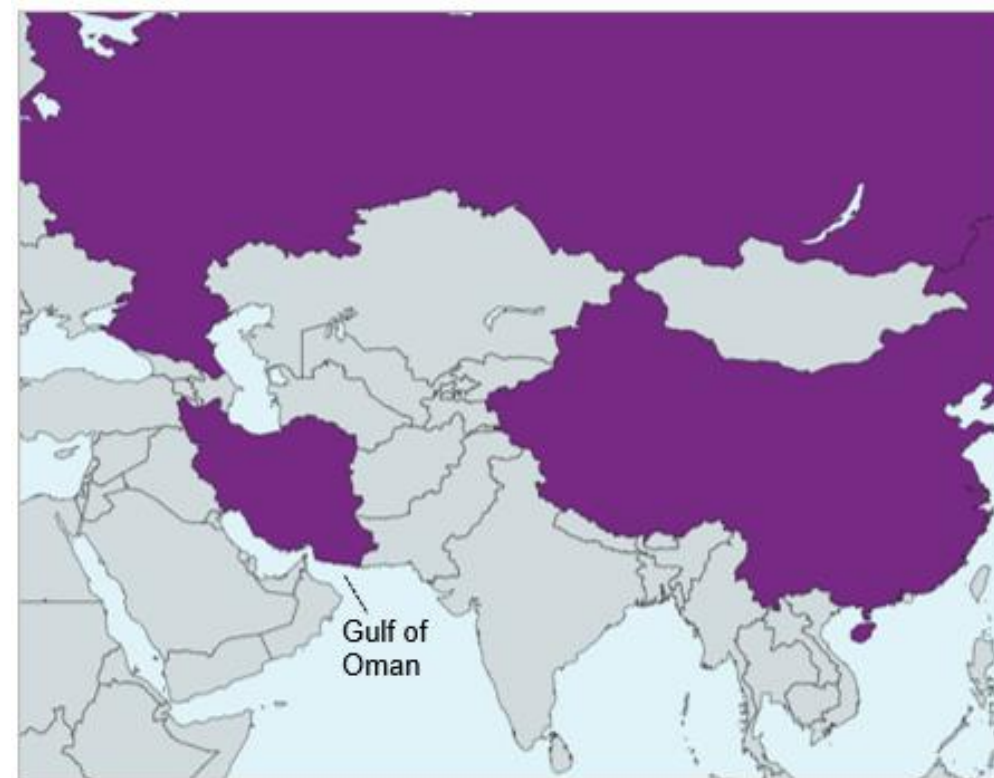
Note: This report is based on sources and information deemed to be true and reliable, but Dentons makes no representations to same.

Global Situation Update: January 21, 2022

WHAT WE'RE WATCHING

Joint naval drills between Iran, China and Russia kick off today in the Gulf of Oman. The trilateral war game follows a visit by the Iranian foreign minister to China last week and high-level meeting between the Iranian and Russian presidents yesterday. Tehran and Beijing also publicized details of their 25-year cooperation deal last week.

This is the third joint naval drill between the three countries, with the first drills having started in 2019. The drill will start from Chabahar Port with Port Missile Cruisers, Large Area Tankers and a Large Anti-Submarine Warfare Ship. The exercise on the high seas signals that trilateral relations are deepening further amid each country's showdown with the US and Europe.



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Global

Globally, confirmed coronavirus cases topped 336.7 million with 5.5 million deaths; almost 9.5 billion vaccine doses have been administered.

- US and Russian top diplomats meet today in Geneva in high stake talks on averting a Russian invasion of **Ukraine**. Russia is sending two battalions of S-400 surface-to-air missile systems to Belarus “*to join military drills*” there next month. Russia wants NATO to remove all of its forces from Bulgaria, Romania, and other former communist states in eastern Europe that joined the alliance after 1997.
- The UN General Assembly approved an Israeli-sponsored resolution yesterday condemning any **denial of the Holocaust** and urging all nations and social media companies “to take active measures to combat antisemitism and Holocaust denial or distortion.”
- The International Committee of the Red Cross reported that **hackers** broke into servers hosting its data and gained access to personal and confidential information on more than a half-million vulnerable people, some of whom had fled conflicts.
- More than 1.2 million people died from **drug-resistant infections** in 2019, according to a new study published in the Lancet, which analyzed data from 204 countries and territories, revealing that antimicrobial resistance is now a leading cause of death worldwide, higher than HIV or malaria.
- A UN-backed organization announced that it has signed agreements with more than two dozen generic drug makers to produce versions of **Merck's COVID-19 pill** to supply 105 developing countries.

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Markets & Business

The US Federal Reserve has for the first time launched a period of debate and public comment on the introduction of a central bank digital currency, as it seeks to keep pace with innovation and maintain the supremacy of the dollar.

- **Twitter Inc** announced the launch of a tool through which users can showcase non-fungible tokens (NFTs) as their profile pictures.
- **TikTok**, the video-sharing app, said it is testing a paid subscription model, a concept that could allow creators to charge people to view their content.
- **Intel Corp** will invest \$20 billion in two new plants in Ohio to make advanced chips, the first step to a "mega-site" that can accommodate eight chip factories costing \$100 billion.
- China's **Geely Holding** and France's **Renault** pen an agreement to jointly design and produce electric hybrid and gasoline-fueled vehicles in South Korea.
- The EU passed the **Digital Services Act**, legislation if approved by the European Parliament and Council of the EU that could transform the way major technology companies operate, requiring them to police content on their platforms more aggressively and introducing new restrictions on advertising, among other provisions.
- **Peloton** warns staff of layoffs and changes to production schedules as the popular exercise equipment adjusts to more seasonal demand.

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Environment, Sustainability & Governance

Serbia revoked its lithium exploration licenses over environmental concerns, hurting the Anglo-Australian miner Rio Tinto's ambition to become Europe's largest supplier of the metal used in electric vehicles.

- A Japanese-Australian venture converting brown coal into hydrogen shipped its maiden cargo on Thursday on the world's **first liquid hydrogen tanker**.
- Berkshire Hathaway Energy subsidiary and electricity & natural gas provider MidAmerican Energy announced plans for a \$3.9 billion **wind and solar renewable energy project** in Iowa.
- Experts advising the EU on its green investment rules will warn Brussels not to go ahead with draft plans to label gas and nuclear energy as sustainable in EU's "sustainable finance taxonomy," a list of economic activities that can be labelled **as green investments**.

Africa

- **Sudan's** coup leader General Burhan announced his appointments for his ministers. The US pledged not to reinstate aid to Sudan until a civilian government has been reinstated. In a rare public statement, Sudanese judges denounced the crackdown that killed several protesters.
- The WHO confirmed the end of the Omicron outbreak in **Africa** after cases dropped 20 percent in a week, noting that the spike lasted 56 days.
- **Burkina Faso** said that they had blocked Facebook access in the country for security reasons; the block comes a week after a reported quashed military coup attempt.
- **Zambia** is on track to reach full agreement with the International Monetary Fund in the middle of this year, after reaching a staff-level agreement for a \$1.4 billion support plan in December.



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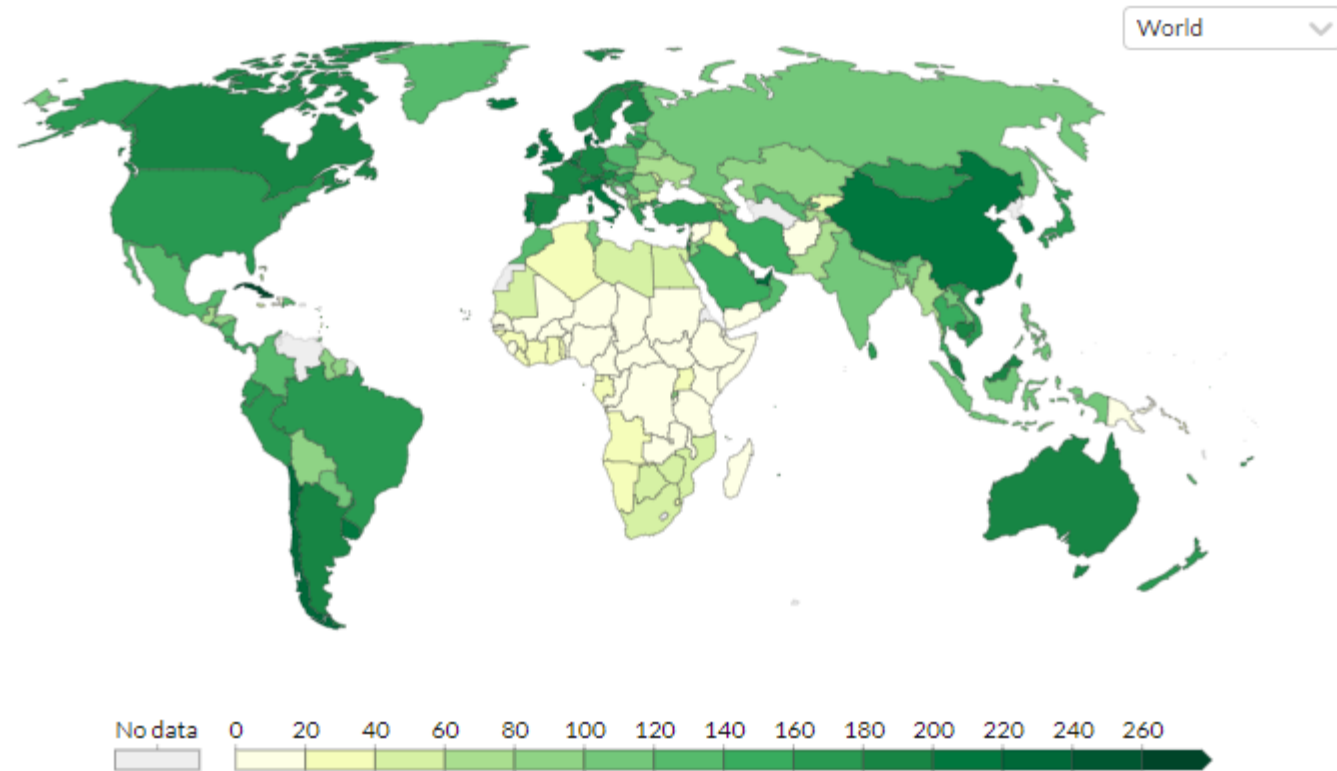
Africa

The head of the African CDC said that the continent will only accept donations of vaccines with shelf lives of three to six months, after several instances of countries being forced to dispose of nearly-expired vaccines before they can be used.

COVID-19 vaccine doses administered per 100 people, Jan 20, 2022

All doses, including boosters, are counted individually. As the same person may receive more than one dose, the number of doses per 100 people can be higher than 100.

Our World
in Data



Source: Official data collated by Our World in Data - Last updated 21 January 2022, 11:00 (London time)
OurWorldInData.org/coronavirus • CC BY

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Asia

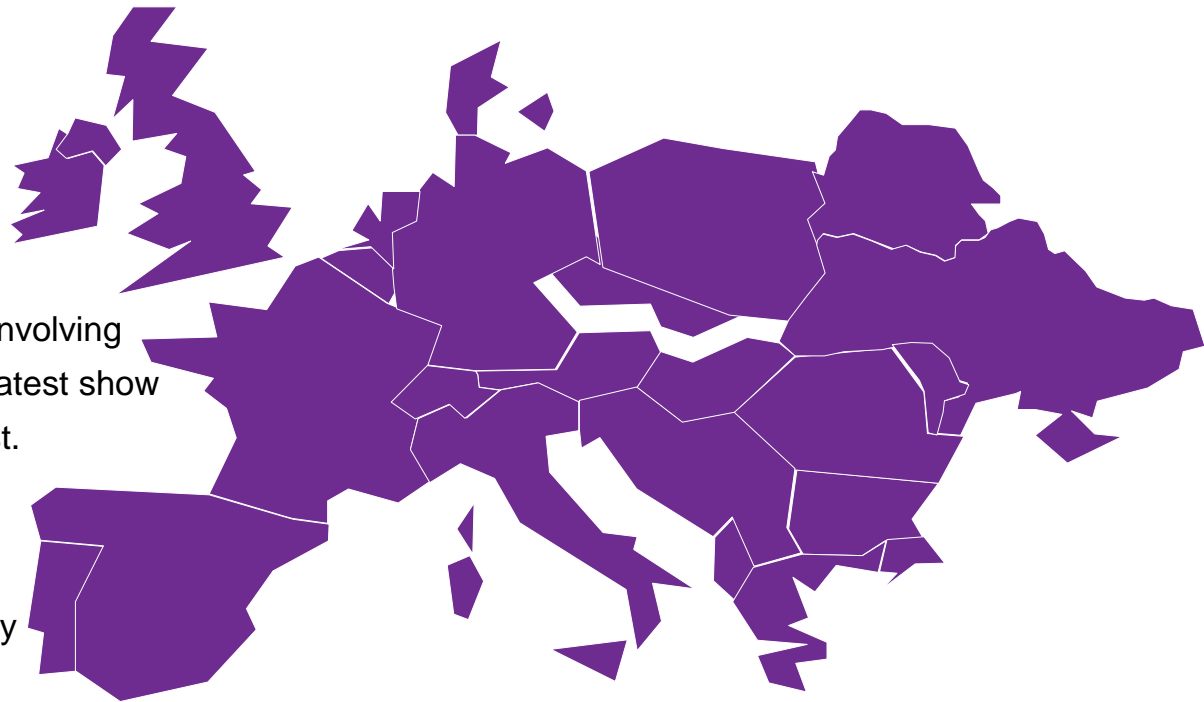
- The **Beijing Winter Olympics** torch relay, which begins February 2, will be cordoned off from the public because of concern about the spread of the coronavirus, per organizers. An Olympic medical advisor stated that strict COVID-19 testing requirements could see more athletes from high-risk Omicron regions banned from participating.
- **Hong Kong** police warn of action against pet lovers who obstruct a cull of hamsters to curb the coronavirus.
- Western **Australia** cancelled plans to reopen its borders on February 5, citing health risks from a surge in the Omicron COVID-19 variant in eastern states.
- In first substantial talks since Fumio Kishida became **Japanese** prime minister in October, Japan and the **US** leaders will discuss **China's** growing might, **North Korea's** missiles and **Russia's** aims in **Ukraine**.
- Oil majors TotalEnergies and Chevron Corp, partners in a major gas project in **Myanmar**, have decided to withdraw from the country, citing the worsening humanitarian situation following last year's coup.



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Europe

- **Russia** announced its navy would stage a sweeping set of exercises involving all its fleets this month and next from the **Pacific to the Atlantic**, the latest show of strength in a surge of military activity during a standoff with the West.
- **Russia's** parliament will hold consultations next week on legislation that calls on President Vladimir Putin to recognize two pro-Russian breakaway regions in eastern **Ukraine** as independent states. Formally recognizing the self-proclaimed Donetsk People's Republic and the Luhansk People's Republic in Donbass is seen as one potential step Putin could take if he fails to secure security guarantees he is seeking from the West.
- The director of **EU** border agency Frontex stated that the EU needs clearer rules on striking a balance between respecting human rights and protecting its borders. Frontex has been under increased scrutiny for failing to meet transparency requirements, amid allegations of violating the human rights of certain people seeking asylum while forcefully returning other migrants to non-EU countries.
- **EU** health ministers will meet today to determine a common over a potential fourth dose of COVID-19 vaccines, amid a surge in cases sparked by the Omicron variant. **British** Business Secretary called on workers to return to office and “*get back to some degree of normality.*” **France** announced the gradual lifting of some rules, such as outdoor masks, as it reported some of the world’s highest daily caseloads, while unvaccinated people will no longer be able to access bars, restaurants and other spaces.



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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.

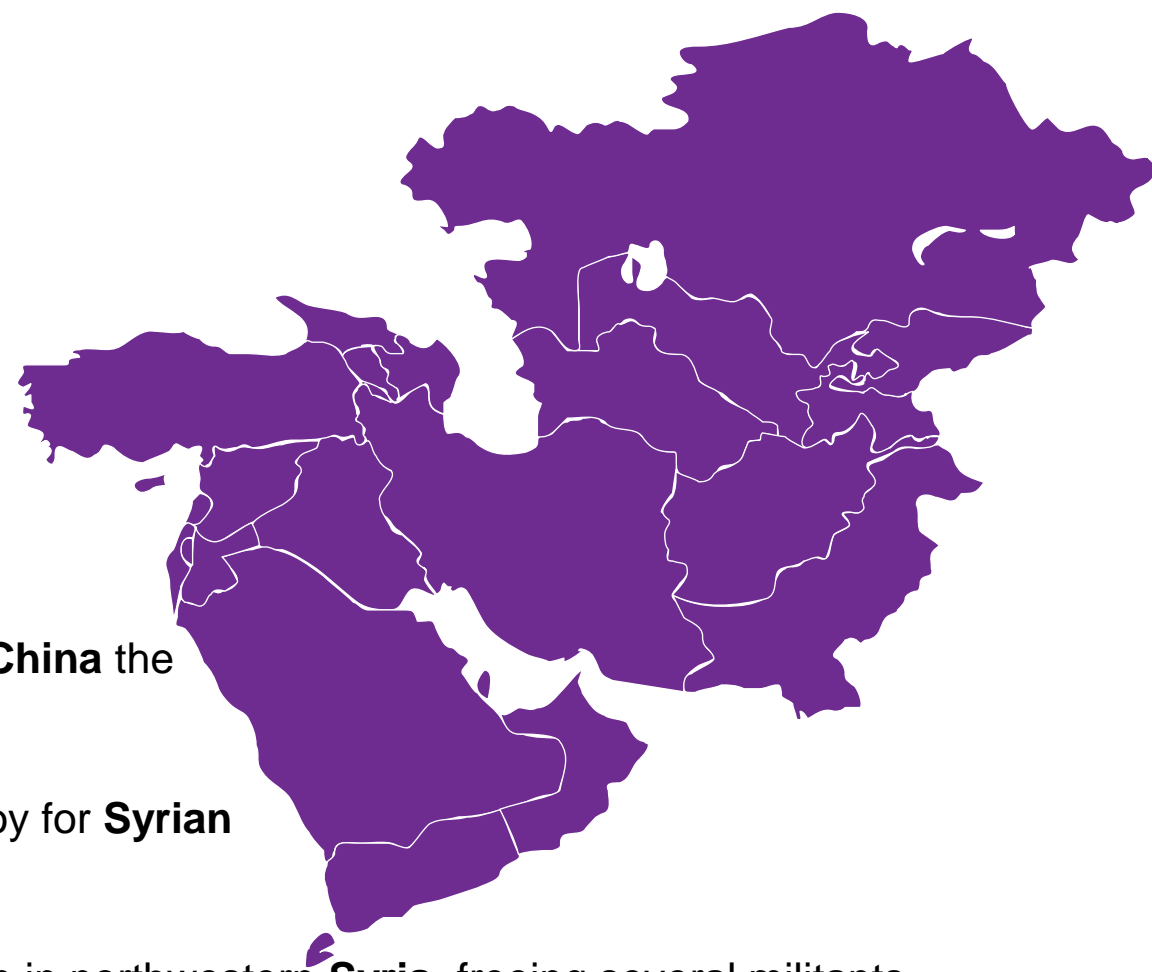
Dentons tabletop sessions are fluid, and designed to enhance preparedness with services, including:

- ❖ 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

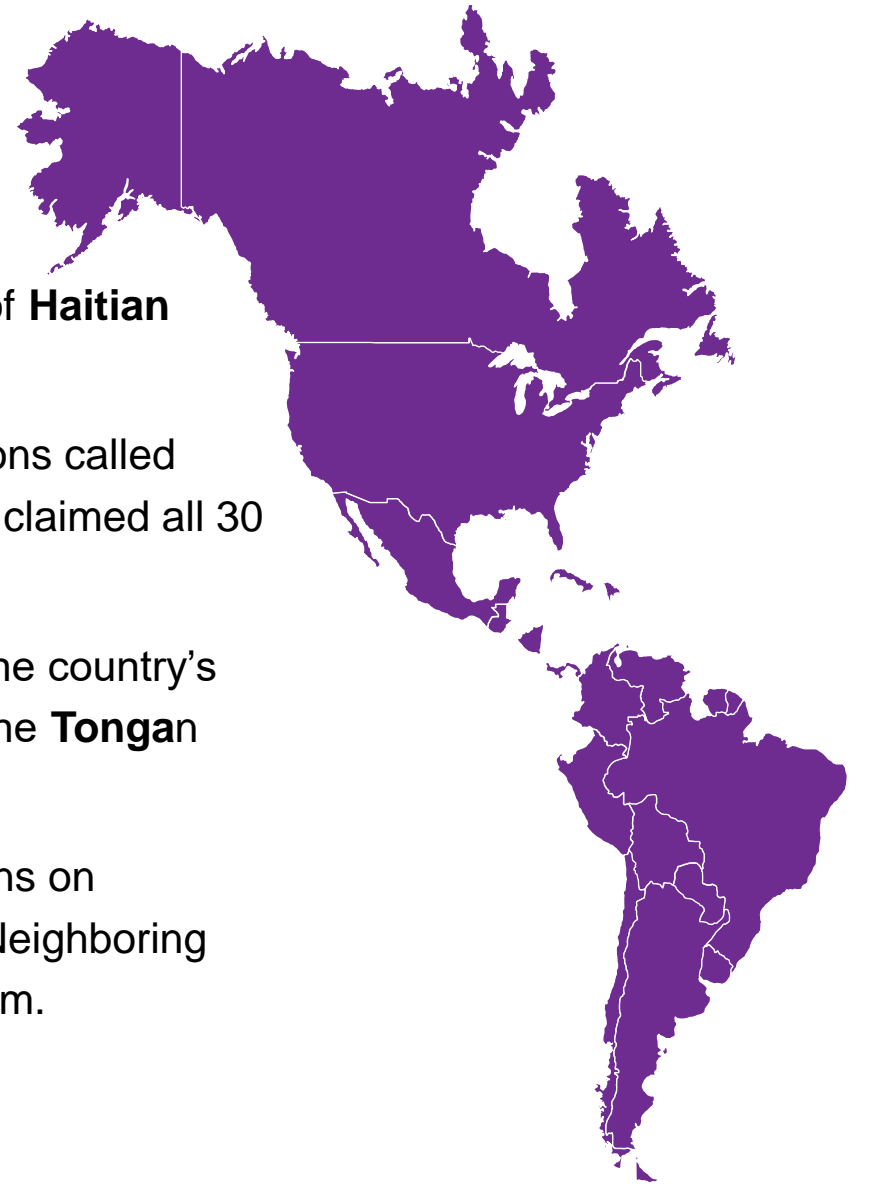


- The **US** said that it was considering reinstating the terrorist designation for the Houthis in **Yemen** following the attack on the **UAE**; President Biden lifted the designation as one of his first actions in office over humanitarian concerns.
- **Iran** announced trilateral military exercises with **Russia and China** the day after President Raisi's first meeting with President Putin.
- **Saudi Arabia's** Crown Prince met with **Russia's** special envoy for **Syrian** settlement to discuss Syria and bilateral relations.
- A war monitor reported that ISIL attacked a Kurdish-run prison in northwestern **Syria**, freeing several militants.
- **Lebanon's** health minister reported that the country's healthcare system is facing imminent collapse amid the financial and political crisis.

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Americas

- The **US** charged a second man for abetting the attempted assassination of **Haitian** President Moise.
- The ruling party of **Barbados** celebrated a landslide victory in snap elections called shortly after the country officially became a republic; the ruling labor party claimed all 30 seats in the legislature.
- **Peru** declared an environmental emergency following a major oil leak at the country's biggest oil refinery, caused by a boat's rocking as a result of waves from the **Tongan** volcanic eruption.
- **Canada's** most populous province of Ontario will gradually ease restrictions on businesses from the end of January, citing easing of the Omicron surge. Neighboring Quebec plans to maintain restrictions to help protect the health care system.



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Americas: US

- Per new data from the CDC, **unvaccinated adults** aged 65 or older who contracted the coronavirus were 49 times more likely to require **hospitalization** than seniors who had received booster vaccine doses.
- Missouri's Republican Attorney General Eric Schmitt threatened to sue school districts that impose **mask mandates**. Newly elected Virginia Gov. Youngkin rescinded requirement for masks in K-12 schools and the **vaccinate-or-test mandate** for employees of state agencies,
- The Department of Homeland Security will require that non-US essential workers such as **truck drivers and nurses** who are crossing land borders be fully vaccinated against COVID-19, effective Saturday.
- US federal agencies are being directed to raise the **minimum wage** for government employees to \$15 an hour.
- The Department of Justice announced criminal charges against 4 **Belarusian** government officials for aircraft piracy for diverting a Ryanair flight last May to arrest a dissident Belarusian journalist who was on board along with 4 US citizens.



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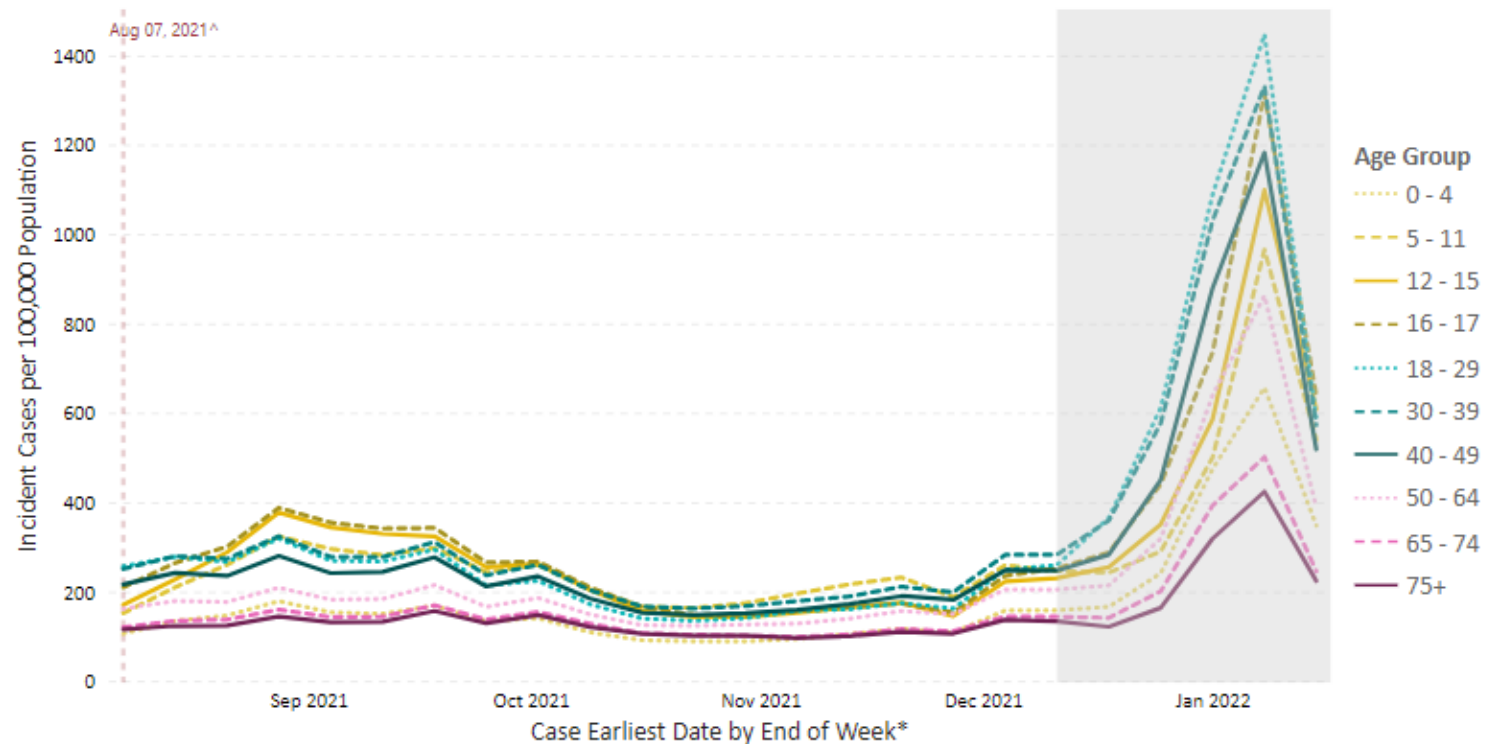
Visualizing Risk: Omicron Variant Impact on Children and Schools

The Omicron variant wave hit the US in mid-December, infecting record numbers of Americans, including children.

Youths, between 16 and 17, are the third largest age demographic with reported infections, and 12-to-15-year-olds, the fifth largest.

COVID-19 Weekly Cases per 100,000 Population by Age Group, United States

August 01, 2021 - January 15, 2022*



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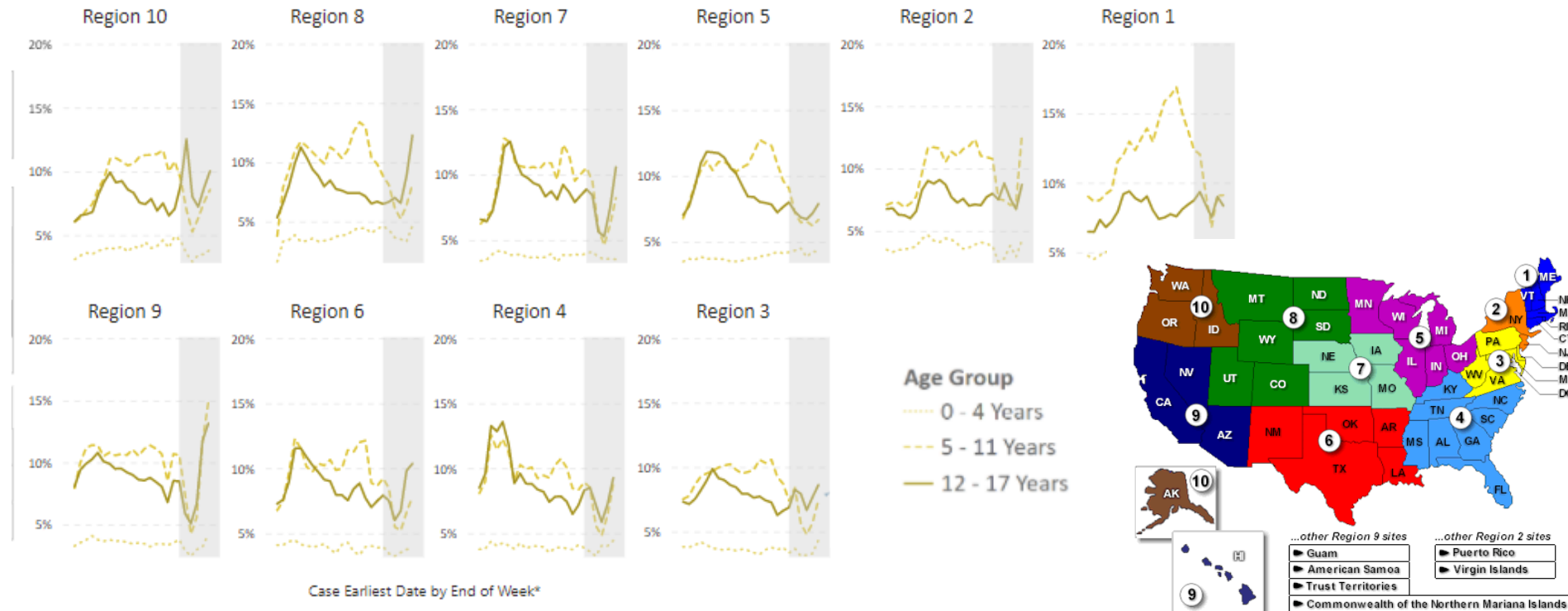
Visualizing Risk: Omicron Variant Impact on Children and Schools

The spread rate has been uneven, with children in Central and Western states seeing steep spikes for new infections. The CDC assesses that the Omicron wave has not yet peaked.

Proportion of COVID-19 Weekly Cases in Children by Age Group per HHS Region, United States



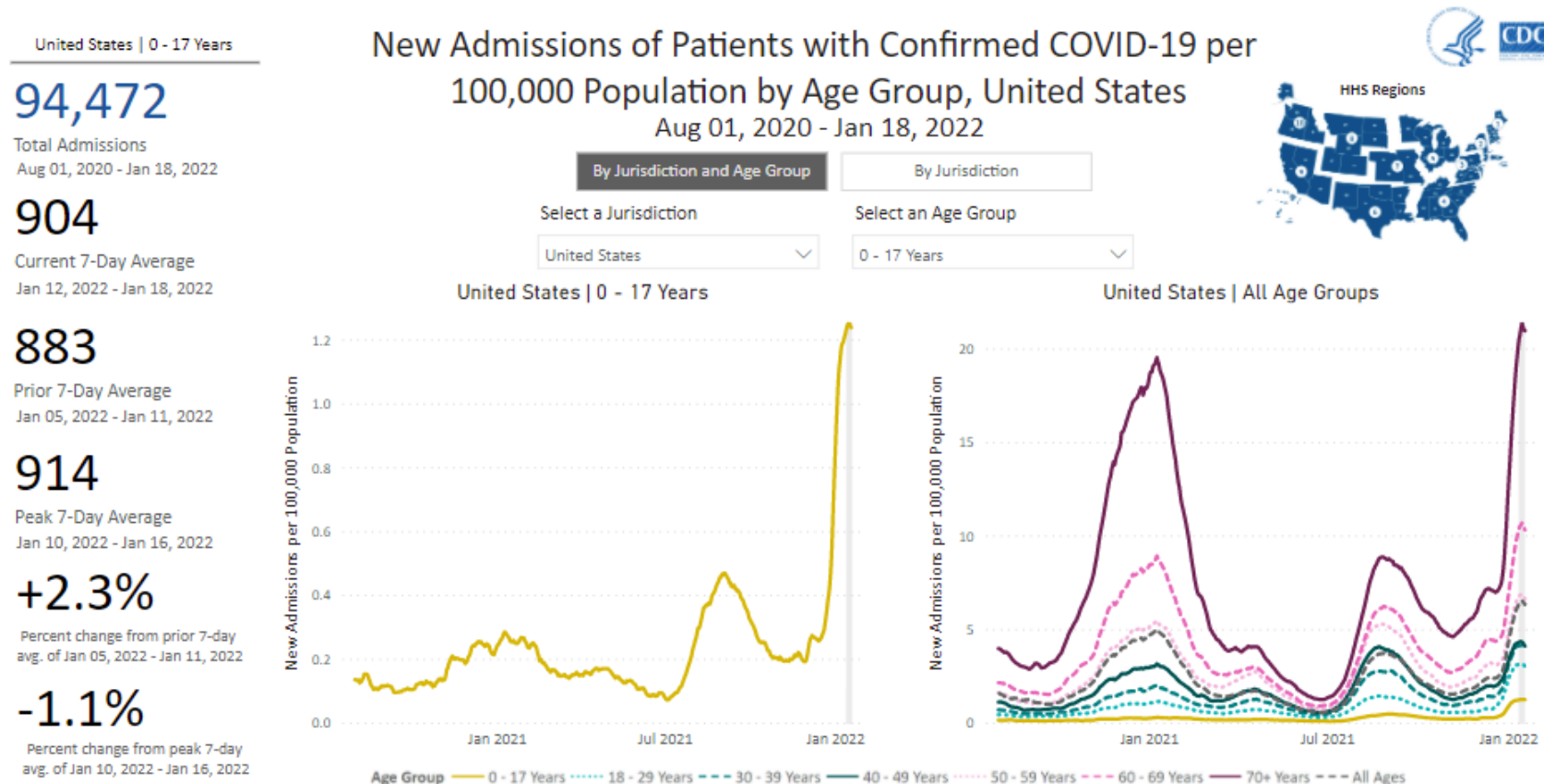
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Visualizing Risk: Omicron Variant Impact on Children and Schools

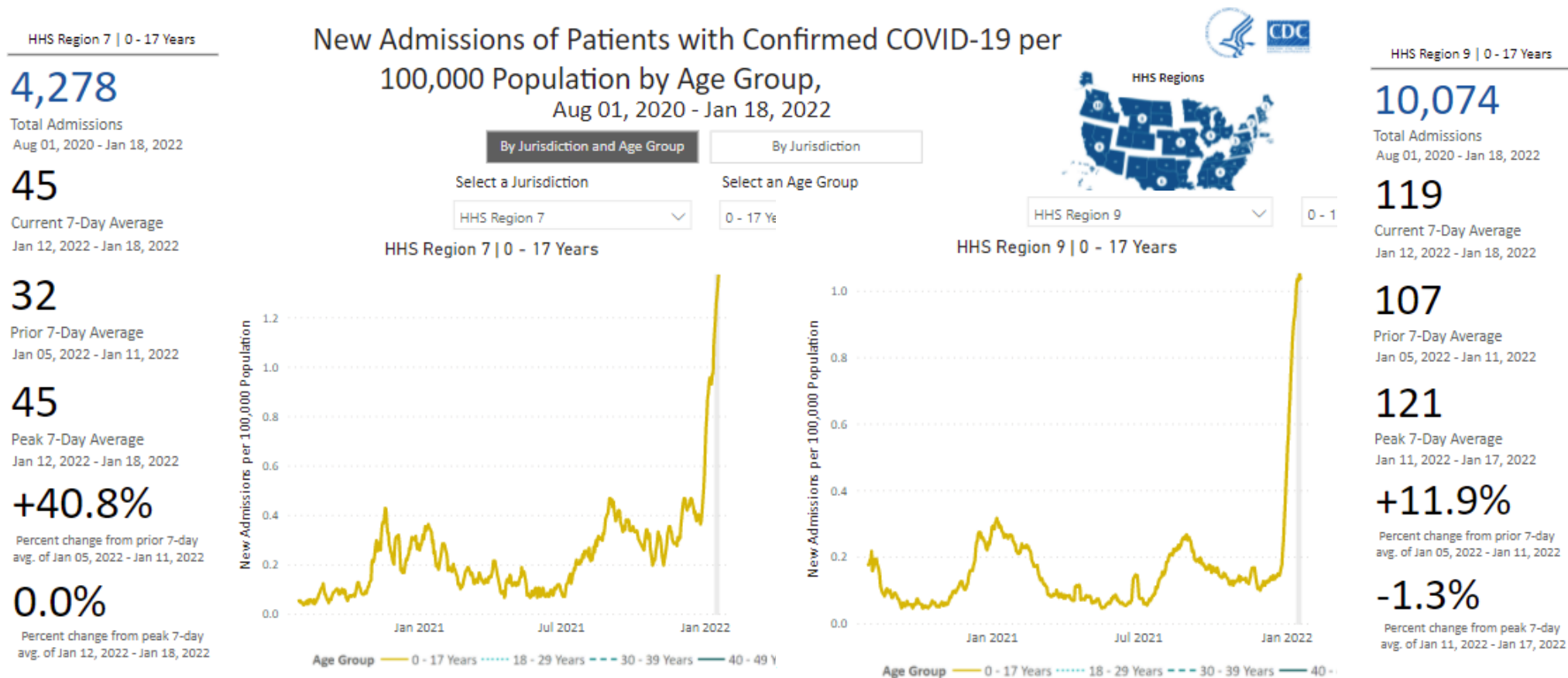
While children make up the smallest percentage of hospitalized Americans, since mid-December, an unprecedented number of youngsters have been hospitalized with COVID-19.



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Visualizing Risk: Omicron Variant Impact on Children and Schools

Public health officials in California attribute the surge of infections to more schools remaining open and the highly contagious nature of Omicron. Doctors in Nevada note the vast majority of hospitalized children have parents who are not vaccinated.

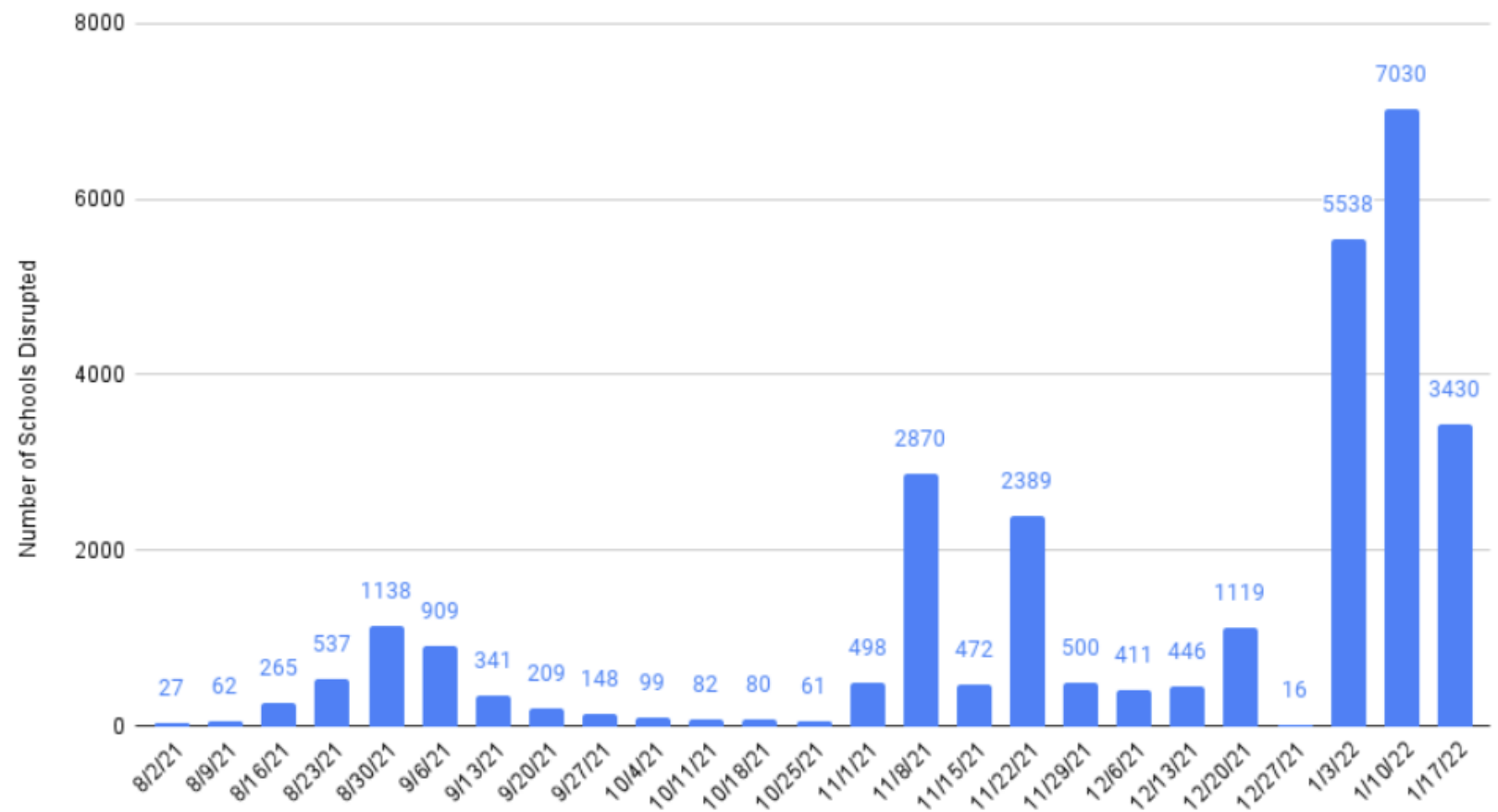


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Visualizing Risk: Omicron Variant Impact on Children and Schools

The Burbio School Tracker (K-12) which tracks school closures for COVID-19 (excludes weather and security closures) showed a record 7,030 schools closed at least one or more days during the week of January 10. While the data reflected some recovery the next week, disruptions continue due to reported staff illness.

Active School Disruptions by Week



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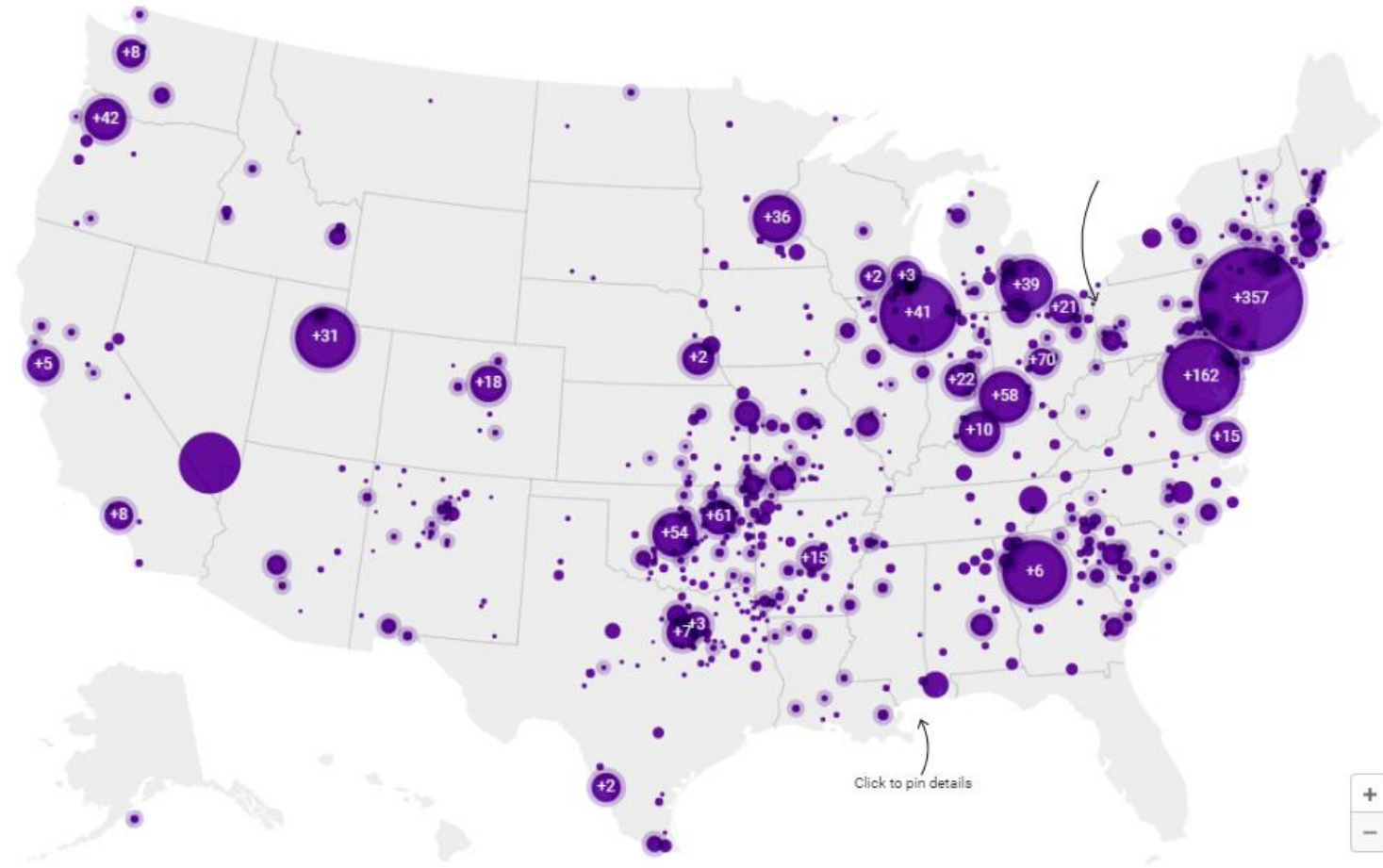
Visualizing Risk: Omicron Variant Impact on Children and Schools

The most school closures are in Eastern and Northeastern states.

These are areas also reporting acute teacher shortages because of illness.

In other areas, schools are remaining open, with parents, government employees and even the national guard filling as substitute teachers.

School Disruptions (Jan 1, 2022 through Jan 31, 2022)



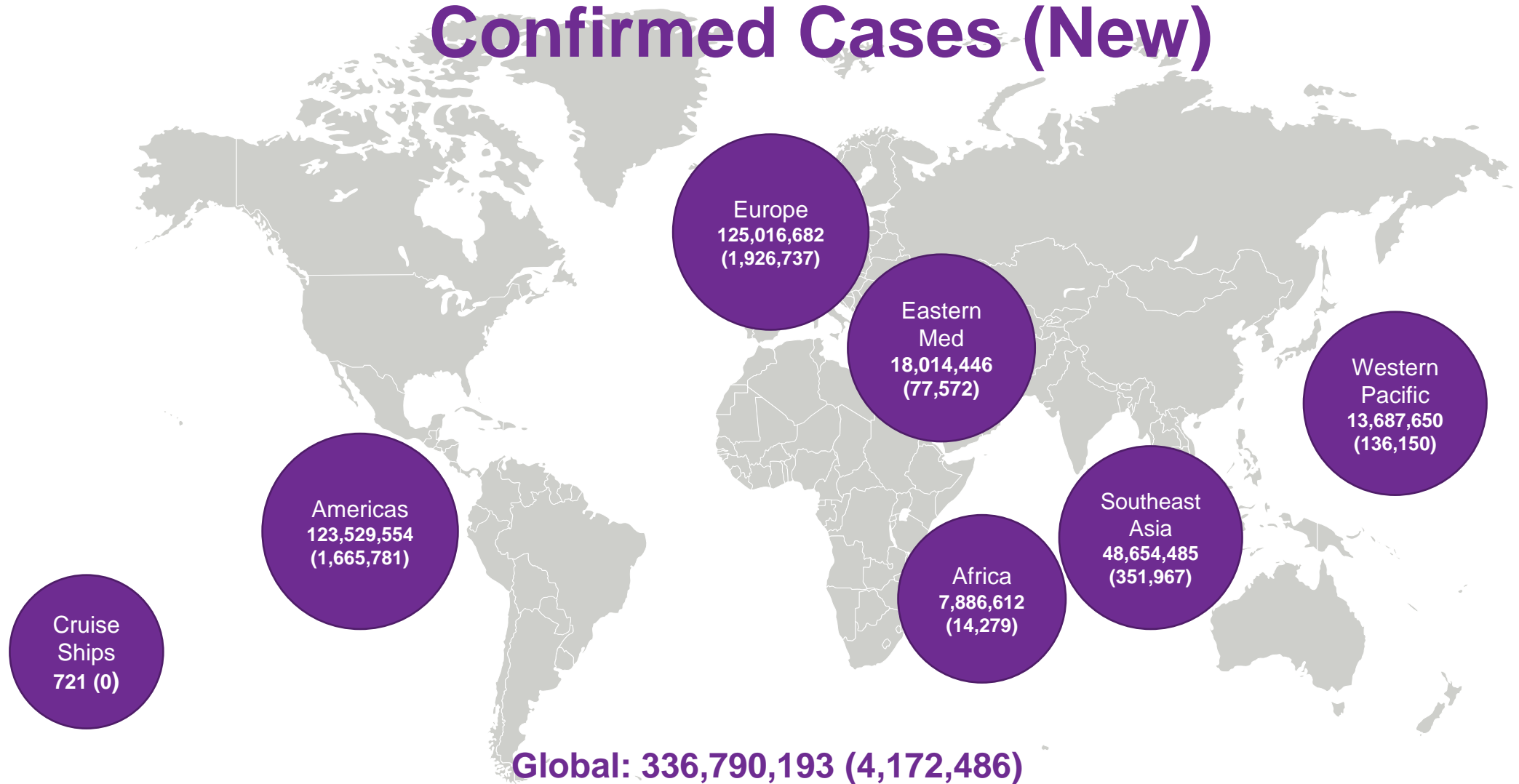
Burbio School Disruption Tracker

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Coronavirus Condition Updates

As of 4:42 pm CEST on January 209, 2022

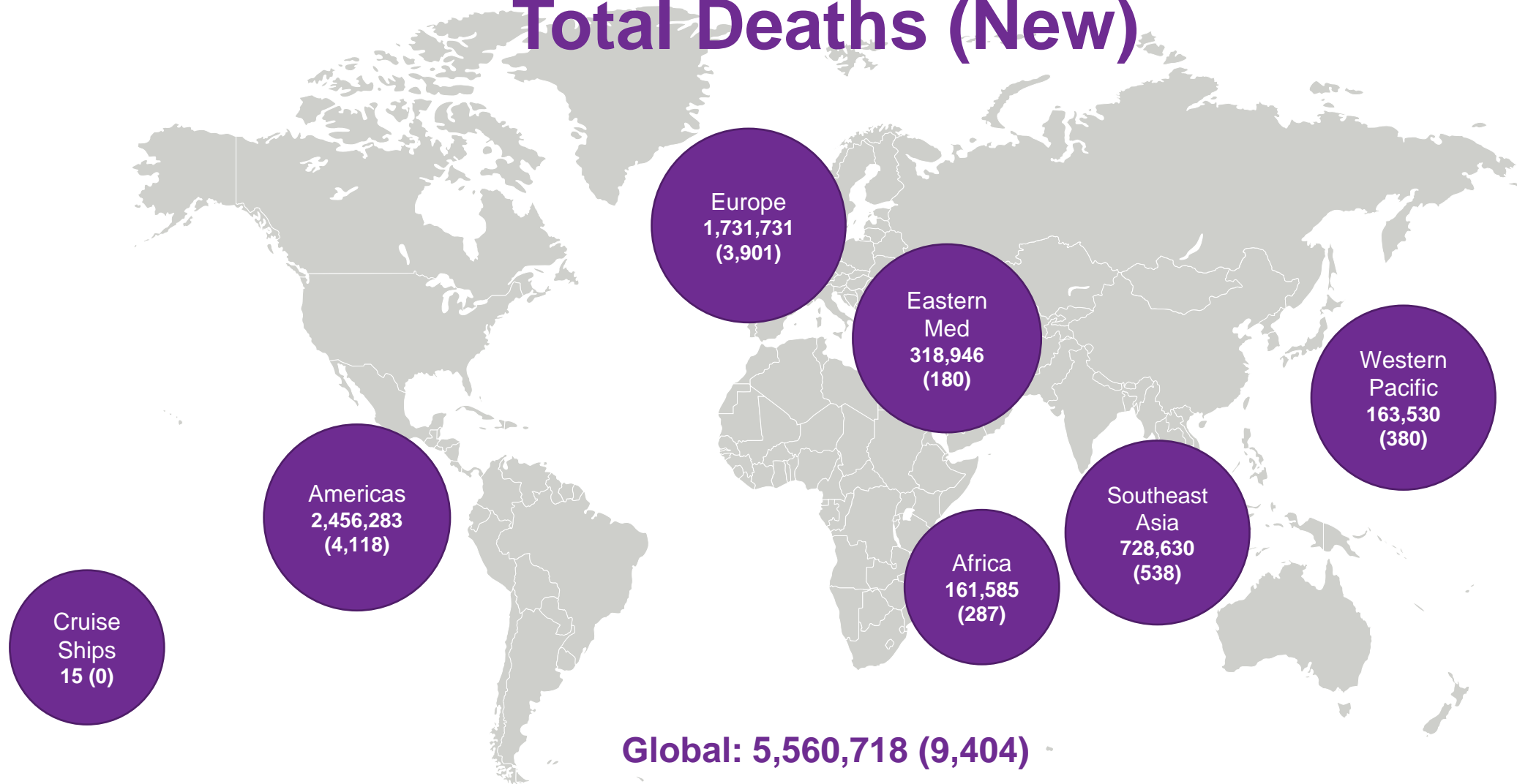
Confirmed Cases (New)



Reflects data as of 4:42 pm CEST on January 20, 2022.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 4:42 pm CEST on January 20, 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.

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