

Dentons Flashpoint

Daily Global Situation Report

December 23, 2021

Global Situation Update: December 23, 2021

KEY TAKEAWAYS

OSCE brokered an agreement to restore a full ceasefire between the Ukrainian government forces and Russia-backed separatists in eastern Ukraine.

Nigeria destroyed nearly one million expired doses of AstraZeneca vaccine.

Japan upgraded its growth projections for the next fiscal year.

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: December 23, 2021

WHAT WE'RE WATCHING

Libya's national elections scheduled for 24 December 2021 are now delayed. Election officials say it is impossible to hold them with ongoing disputes over electoral law and armed militias massing. New dates may be announced soon, but the political and security environment will become more volatile in the coming weeks as the internationally backed peace process and fate of the interim government are in doubt.

A one-month delay to 24 January is most likely for the three major presidential candidates: former commander of the Libyan National Army (LNA) Khalifa Haftar, parliament speaker Aguila Saleh and interim Prime Minister Abdul Hamid Mohammed Dbeibah. Militias across the country are taking up positions near several strategic locations to intimidate candidates. Foreign business is not a target of these militias, but businesses operating on the ground are likely to face occasional and temporary operational disruptions.



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 275.2 million with 5.3 million deaths; almost 8.3 billion vaccine doses have been administered.

- The **antiviral drug remdesivir** can help keep unvaccinated people at risk of severe COVID-19 out of hospitals, according to a study that found the treatment reduced hospitalization and death by 87 percent when given soon after diagnosis.
- Per new research to be published in Nature Medicine, **artificial intelligence** (AI) can predict with unprecedented accuracy whether a healthy person will get **breast cancer**, in an innovation that could seriously disrupt how scientists and doctors think about the disease.

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

Global

Getting a third dose of either Pfizer or Moderna's COVID-19 vaccine offers a "significant increase" in protection against the Omicron variant in elderly people, according to a Danish study.

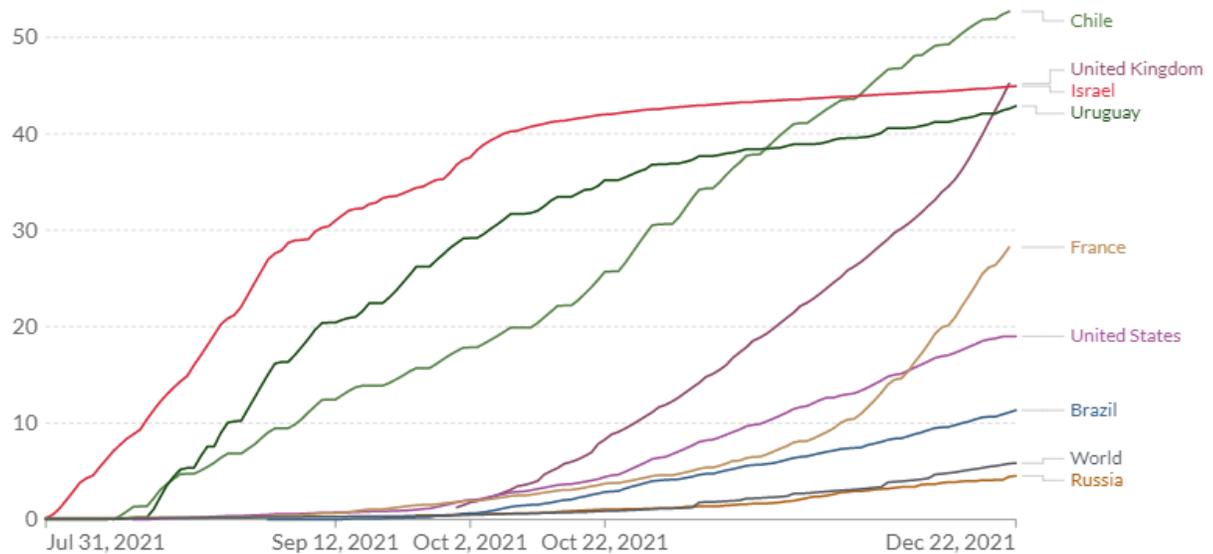
COVID-19 vaccine booster doses administered per 100 people

Total number of vaccine booster doses administered, divided by the total population of the country. Booster doses are doses administered beyond those prescribed by the original vaccination protocol.

Our World in Data

LINEAR LOG

+ Add country



Source: Official data collated by Our World in Data - Last updated 23 December 2021, 07:20 (London time)

OurWorldInData.org/coronavirus • CC BY

Source: New York State Government

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

大成 DENTONS

Markets & Business

Amazon's cloud-computing operation Wednesday suffered its third outage in a month, briefly shutting down a vast number of online services critical to everyday life and highlighting again the vulnerabilities of an increasingly interconnected web.

- **Royal Dutch Shell's** Nigerian subsidiary **SPDC** has declared force majeure on exports of Nigerian Forcados crude oil after the obstruction of a tanker path by a malfunctioning barge.
- **Wells Fargo & Co** said it has delayed its plans for employees to return to the office. **Bank of America Corp and Citigroup Inc** are among banks that have recently told New York City employees they may work from home during the holidays.
- **Fortum** and German subsidiary **Uniper** unveiled plans to build two wind farms in Finland with a combined capacity of 380 megawatts.
- Australian clean energy company **Ark Energy**, owned **Korea Zinc**, will buy **Epuron Holdings**, acquiring 4.2 gigawatts of proposed wind and solar developments and a portfolio of sites with 4.8 GW of capacity, to help decarbonize its zinc metal processes and to power green hydrogen production.
- **Intel** has apologized for a ban on using components from Xinjiang in response to attacks from Chinese nationalist media, becoming the latest multinational in the crossfire in China's battle with the US over human rights issues.

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

Environment, Sustainability & Governance

UBS Asset Management has excluded Exxon Mobil and four other "*unresponsive*" energy companies from its climate aware range of funds, including one managed for UK pension scheme NEST.

- The US Department of Energy launched the **Office of Clean Energy Demonstrations**, which will support demonstration projects which aim to prove the effectiveness of new technologies at scale, in clean energy technologies including clean hydrogen and carbon capture.
- Russia's largest oil producer, Rosneft, said that its board had approved a new strategy aiming to hit **net zero emissions by 2050**.
- Azerbaijan's state energy firm SOCAR aims to achieve **net zero carbon emissions in early 2022** in extracting oil and gas at its own sites.

Africa

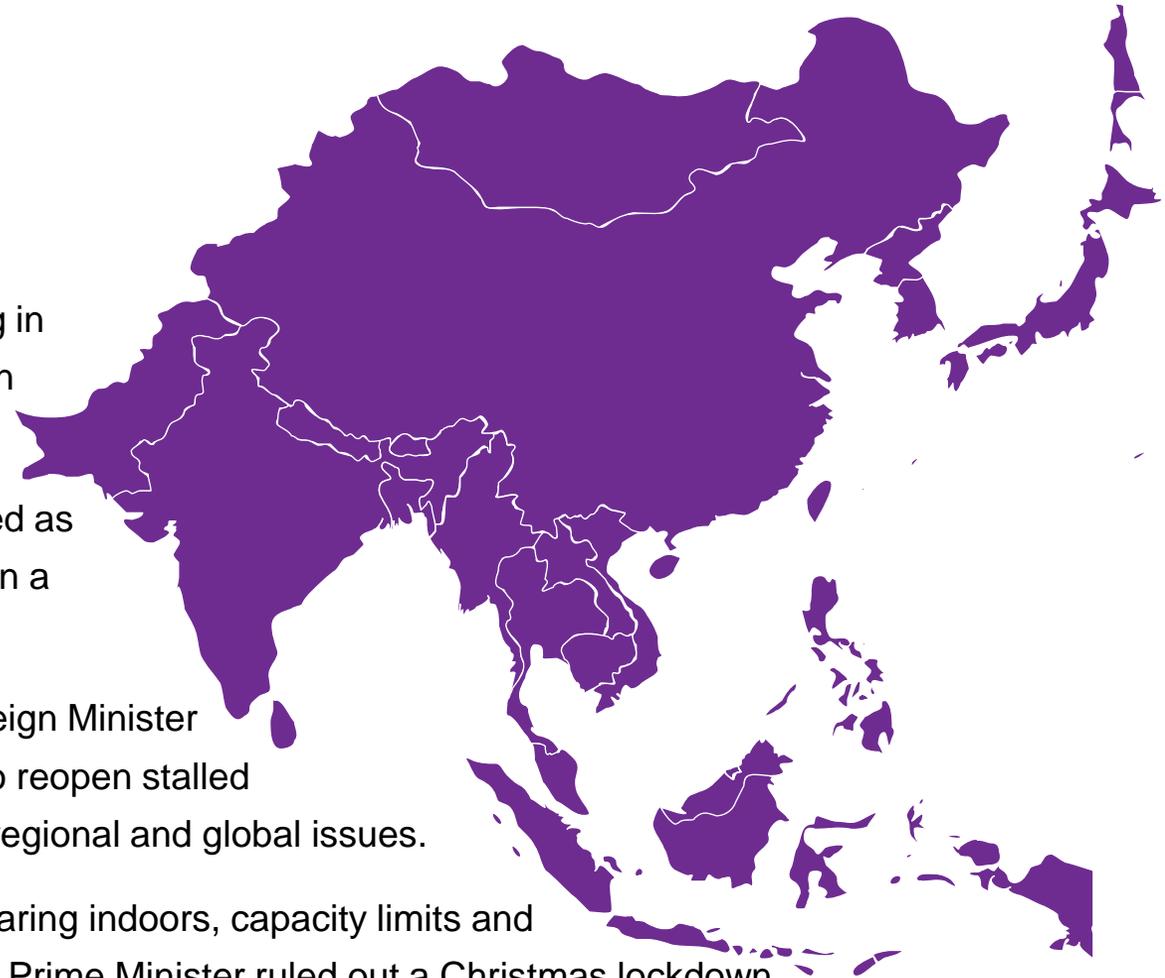
- **Nigeria** destroyed nearly one million expired doses of AstraZeneca vaccine. African countries have long accused higher-income nations of donating vaccine doses that are too near expiration to distribute.
- The UN called for independent investigations following several reports of rape perpetrated by **Sudanese** security officials during anti-government protests.
- The **Malawi** parliament barred unvaccinated members of parliament from attending sessions.
- **Zambia** expects to agree a debt restructuring plan with creditors around the middle of next year after reaching a preliminary understanding for a program with the IMF.
- The **US** is objecting to **Turkish** sale of armed drones to **Ethiopia**, noting "*profound humanitarian concerns*" over the sales, which could contravene US restrictions on arms to Addis Ababa. Turkey dismissed criticism that it plays a destabilizing role in Africa and has said it is in touch with all sides in Ethiopia to urge negotiations.



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

Asia

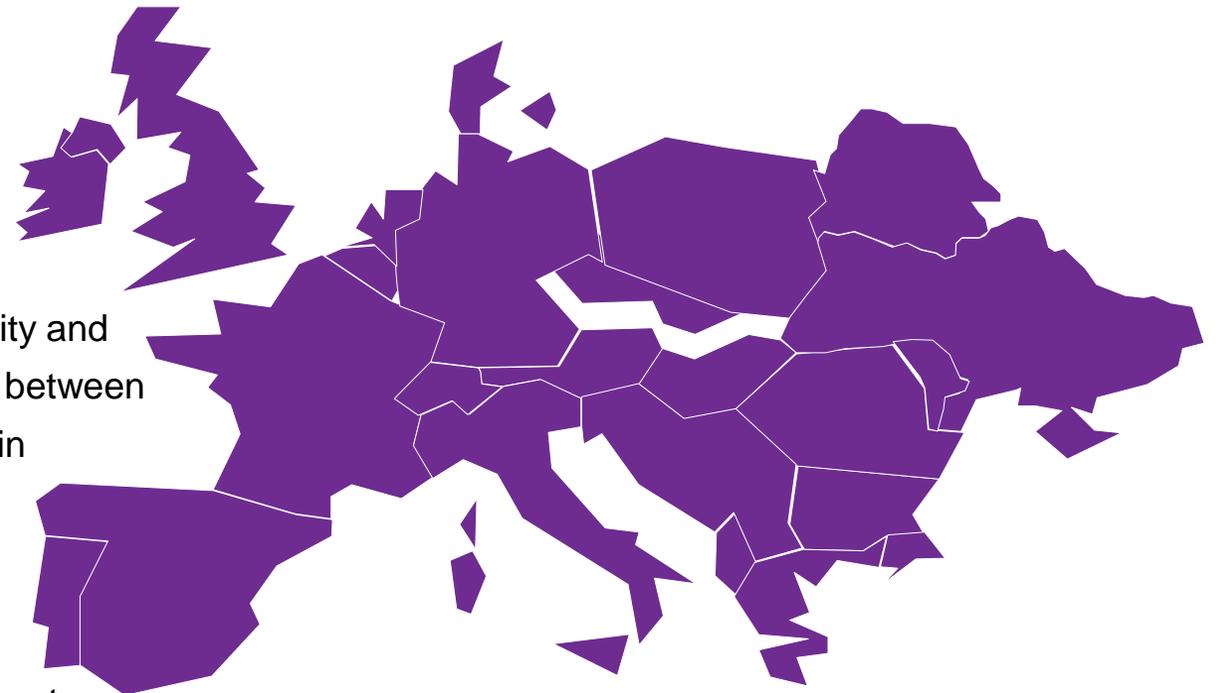
- **Japan** upgraded its growth projections for the next fiscal year starting in April, expecting GDP to hit a record even amid risks from the Omicron variant and supply constraints.
- Ferdinand Marcos Jr., the son of late **Philippine** dictator, has emerged as the clear favorite for next year's presidential election, taking more than a 20-point lead over his closest rival in polling.
- **South Korea and China** will hold talks today at the Vice Deputy Foreign Minister level, first such meeting since June 2017, with talks exploring ways to reopen stalled denuclearization talks with **North Korea** and discuss other bilateral, regional and global issues.
- **Australia** reintroduced COVID-19 curbs such as mandated mask wearing indoors, capacity limits and QR code check-ins to cover most of the population, one day after the Prime Minister ruled out a Christmas lockdown.
- **China** locked down 13 million people in the central city of Xi'an, as the country battles to contain coronavirus outbreaks that threaten its economic recovery in the run-up to the 2022 Winter Olympics; the lockdown is one of the most severe imposed in China since authorities restricted movement in Wuhan in early 2020.
- **South Korea** marked its deadliest day of the pandemic as social distancing curbs were reinstated to curb a sharp surge in the virus.



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

Europe

- Negotiators from **Ukraine, Russia** and the Organization of Security and Cooperation in **Europe** (OSCE) agreed to restore a full ceasefire between the Ukrainian government forces and Russia-backed separatists in eastern Ukraine.
- **Germany** took **Russia's** RT Deutsch off the air, days after the new German-language broadcast launched; German authorities ruled that it did not have the license it needed to operate in the country.
- **France** plans to launch litigation against the UK on post-Brexit fishing licenses in early January.
- **Britain** reported more than 100,000 new daily COVID-19 cases for the first time since widespread testing was introduced, representing a 59 percent increase over a week period.
- **Spain** will make it compulsory to wear a face mask outdoors again.
- **Germany** will impose limits on private gatherings, close night clubs and discos and ban spectators at football matches from December 28.
- **Bulgaria** is offering cash reward to boost vaccination rates among seniors.



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

How do You Manage Risks?

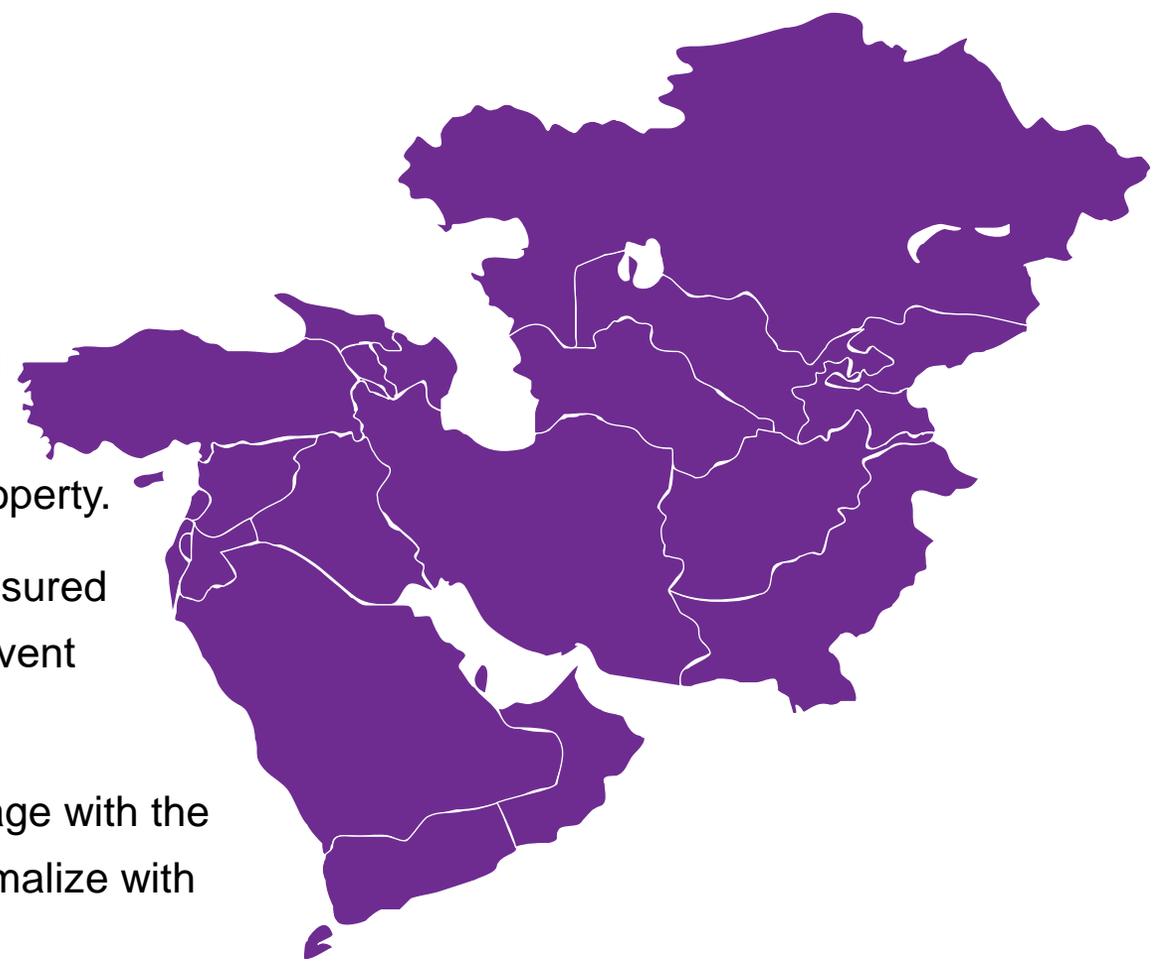
The coronavirus pandemic has not just added a new layer of risk for business leaders to navigate, but has accelerated drivers of change, including disruptive technologies, political and economic realignments and cultural priorities on equality, justice and conservation, while increasing vulnerabilities that bad actors seek to exploit.

Dentons Intelligence and Security Services Group offers bespoke services to provide business leaders with the intelligence they need to understand and thrive in complex operating environments.

- ❖ due diligence and compliance investigations
- ❖ physical and cyber security assessments
- ❖ country and political risk assessments
- ❖ enterprise risk management and organizational resiliency advice
- ❖ crisis and incident response (physical security breaches and cyber incidents, insider threats and reputational impacts)

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

Middle East



- The UN peacekeeping force in **Lebanon**, UNIFIL, denounced attacks against peacekeepers in southern Lebanon following videos of local residents throwing stones and defacing UN property.
- On a visit to **Israel**, US National Security Advisor Sherman assured Israel that the **US** is prepared to pursue “*other options*” to prevent nuclearization if **Iran** talks fall through.
- **Russia and Turkey** upped pressure on **Syrian** Kurds to engage with the Syrian government in Damascus amid a regional push to normalize with President al Assad.
- Compulsory vaccination for most public activities came into force in **Tunisia**.
- **Libya’s** electoral commission proposed January 24 for delayed presidential polls, although experts are skeptical that date could be achieved.

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

Americas

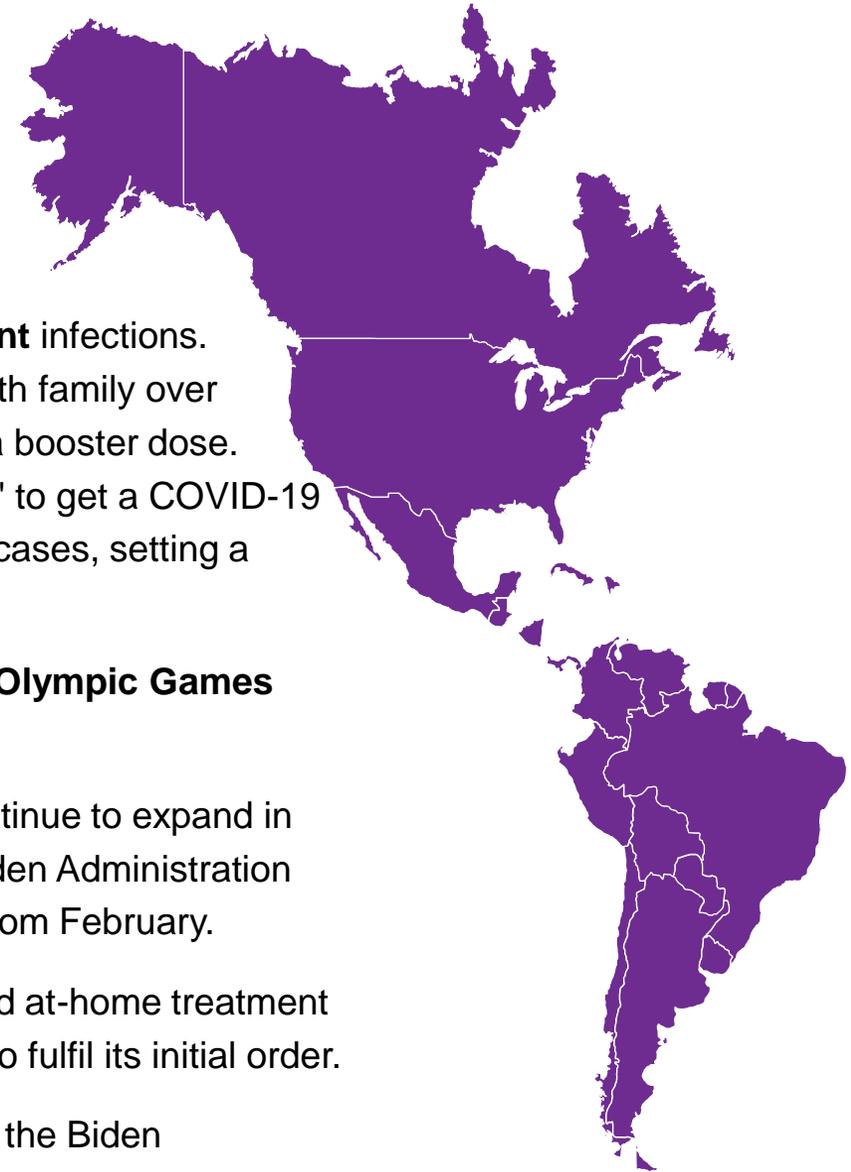
- **El Salvador** reelected an attorney general that has spurred friction with the **US** over his decision to end a US-backed anti-corruption effort.
- **Peruvian** protesters agreed to unblock a road used by a copper mine until December 30 after several weeks of protests against the lack of indigenous benefits for mineral resources; it is unclear if the mine will restart operations in that window.
- **Canada** announced that it will expand programs to support people and businesses hit by COVID-19 ahead of an Omicron surge.
- **Panama** has detected its first case of the Omicron variant of COVID-19.



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

Americas: US

- The US has surpassed its summer Delta variant peak with the surge of **Omicron variant** infections. Dr. Fauci advised that Americans vaccinated and boosted against COVID-19 can be with family over the holidays but attending **large gatherings is not safe**, even for those who received a booster dose. California will require healthcare workers and workers in "*high-risk congregate settings*" to get a COVID-19 **vaccine booster** by February 1. New York reported more than 28,000 new COVID-19 cases, setting a **record for daily cases** for the fifth time in six days.
- National Hockey League to announce that its players will not participate in the **Beijing Olympic Games** because of Omicron infections among the team.
- US **consumer confidence** improved in December, suggesting the economy would continue to expand in 2022 despite a resurgence in COVID-19 infections and reduced fiscal stimulus. The Biden Administration extended the freeze on **student loan repayments** until May 1, moving the date back from February.
- The FDA authorized **Pfizer's antiviral pill** for use at home, making it the first authorized at-home treatment for COVID-19. However, the White House cautioned it will take more than six months to fulfil its initial order.
- The **Supreme Court** will hold a special hearing on January 7 to consider challenges to the Biden Administration's pandemic efforts to impose a nationwide vaccine-or-testing requirement for large employers and a separate coronavirus **vaccine mandate** for health-care workers.



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

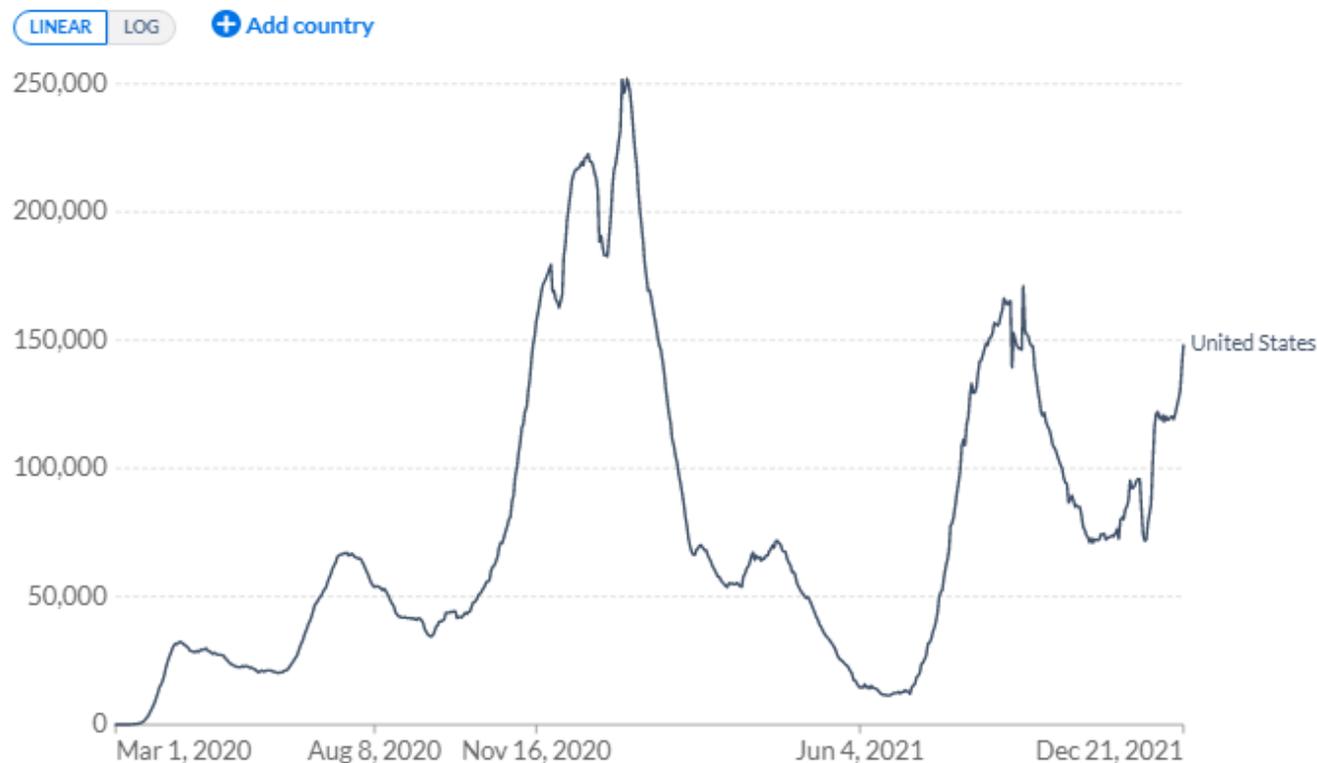
Visualizing Risk: America's Omicron Surge

The Omicron variant has arrived in the US, bringing with it a surprise COVID-19 wave that has prompted spiking case rates and new federal, state and local measures. In the last two weeks, COVID-19 positive rates have risen sharply across the country, driven by east coast hotspots. In major hotspots Washington, DC, and New York City, cases have increased 440 percent and 342 percent, respectively, since two weeks ago, leading smaller but still significant jumps in other major urban areas. As holiday travel ramps up, similar case rates are likely to spread throughout the country.

Daily new confirmed COVID-19 cases

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

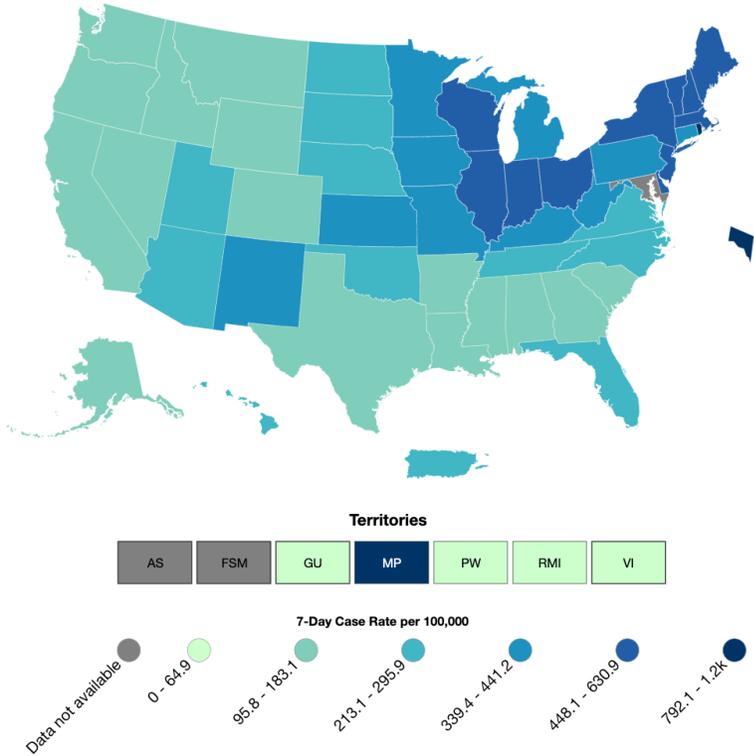
CC BY

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

大成 DENTONS

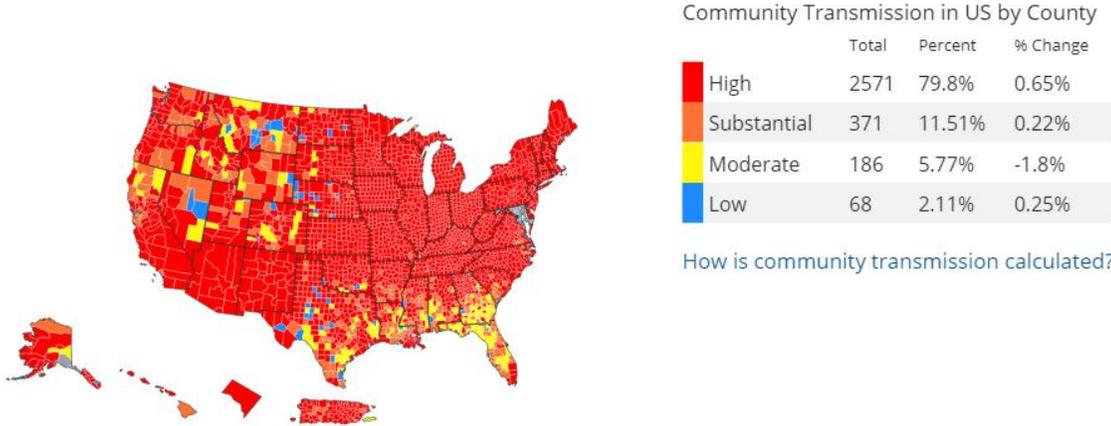
Visualizing Risk: America's Omicron Surge

US COVID-19 7-Day Case Rate per 100,000, by State/Territory



Although climbing cases are currently concentrated in the east coast, community transmission is high throughout the country, and the surge has prompted the resumption of indoor mask mandates, virtual schooling, and other measures throughout the country. Washington DC reinstated its newly-lifted indoor mask mandate, while Boston (where cases have increased 72 percent in the last two weeks) will now require proof of vaccination for certain indoor businesses, including gyms. Meanwhile, Bloomberg reports that school closures have risen 82 percent throughout the country.

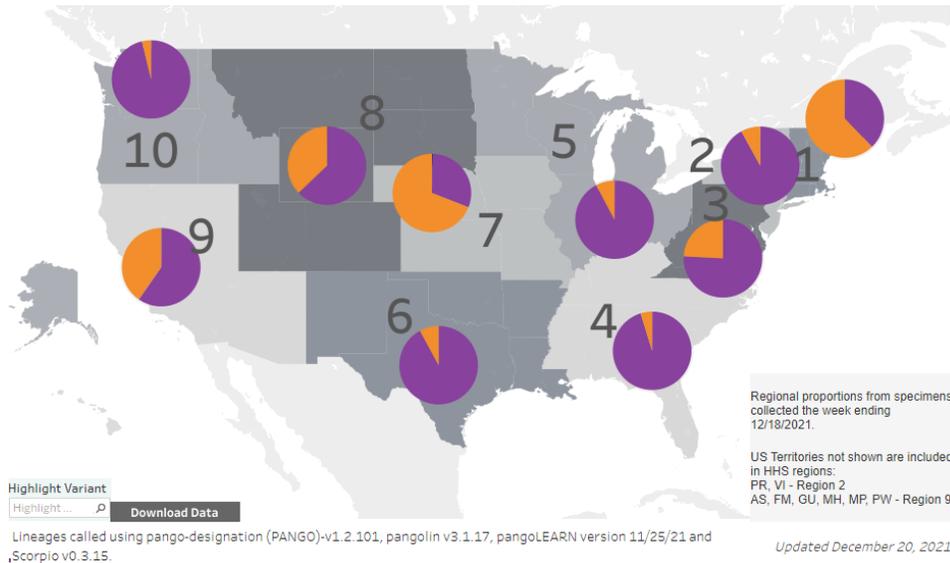
Level of Community Transmission of All Counties in US



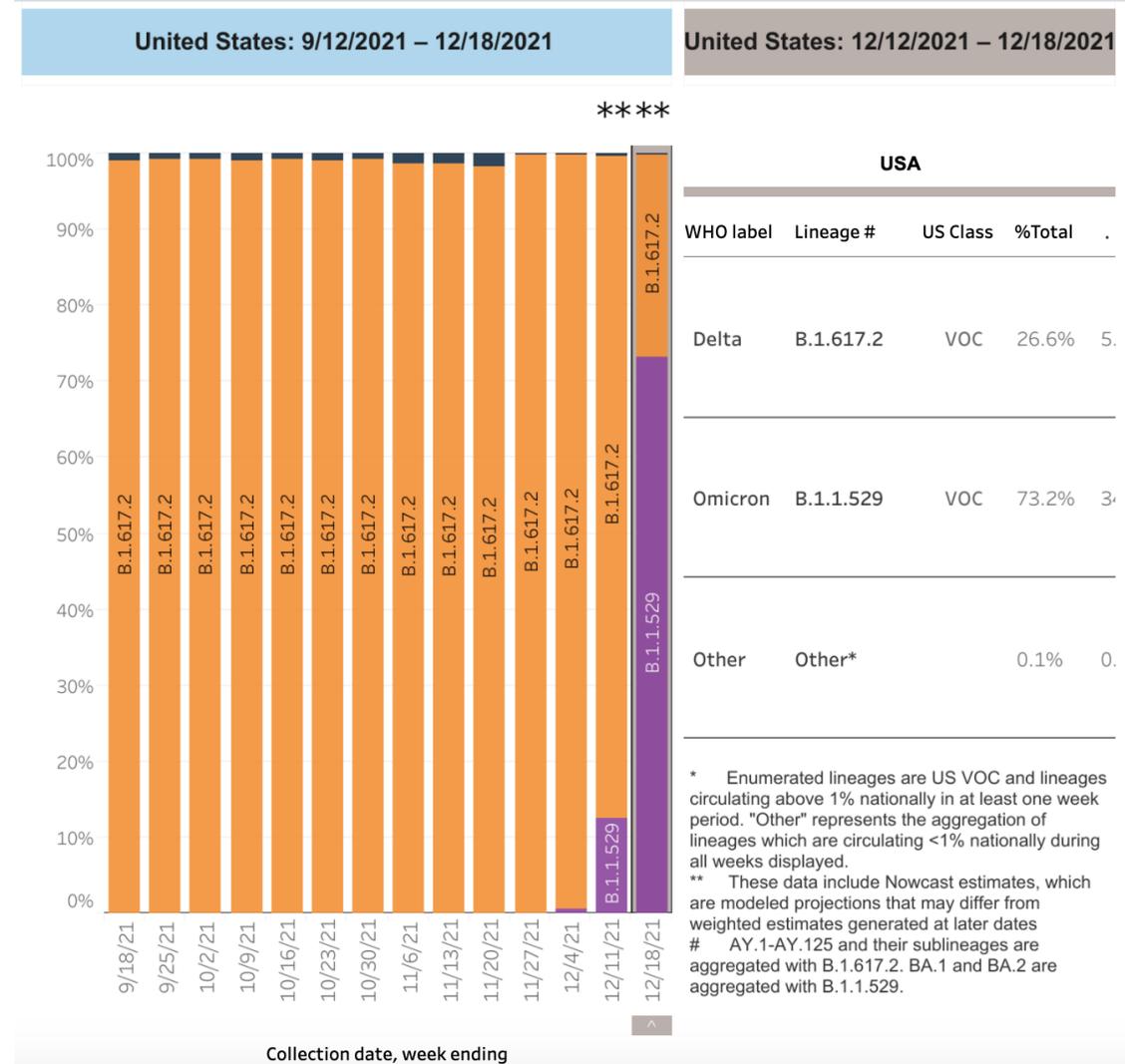
Note: This report is based on sources and information deemed to be true and reliable, but Dentons makes no representations to same.

Visualizing Risk: America's Omicron Surge

The rapid rise of positive case rates is widely attributed to the highly transmissible nature of the Omicron variant. Comprising less than one percent of cases in the US at the beginning of the month, Omicron accounted for at least 73 percent of sequenced virus samples in the US in the data set ending on December 18. The sharp increase reflects trends seen in other countries where Omicron has taken root (namely South Africa), driven by the extreme transmissibility of the variant.



Source: CDC Nowcast.



Visualizing Risk: America's Omicron Surge

Despite alarming case rates, America's Omicron wave appears to be mirroring early observations that while highly transmissible, the variant is less likely to cause severe illness or death. New hospitalizations and deaths in the US have not risen as sharply as cases. While this may reflect the lag between infection (which has risen just in the last two weeks) and hospitalization or fatality, it would also mirror a similar trend in South Africa.

Prevalent Hospitalizations of Patients with Confirmed COVID-19, United States August 01, 2020 – December 19, 2021

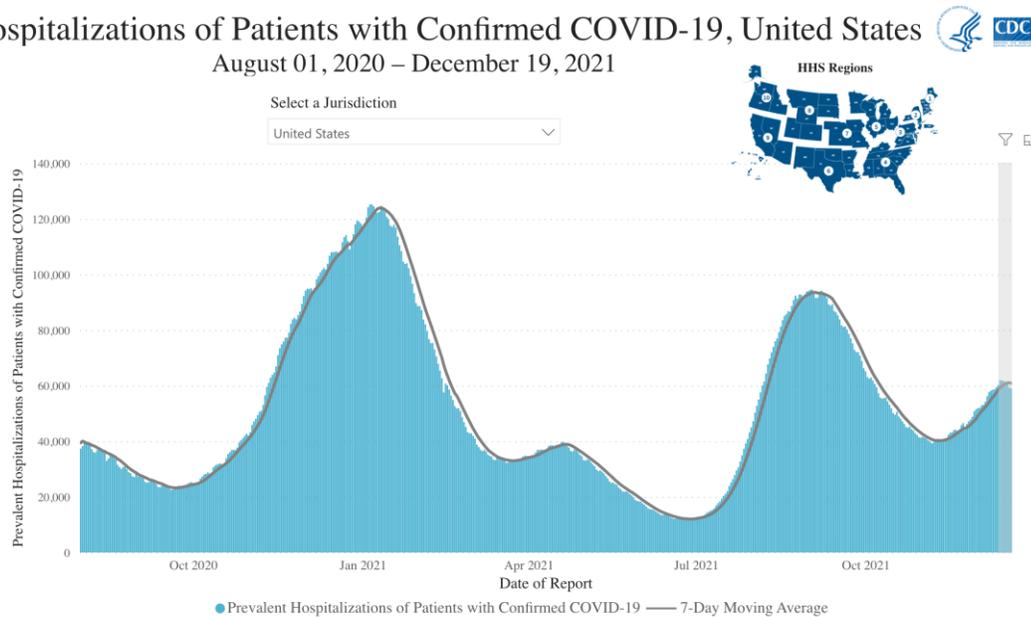
60,907
Current 7-Day Average
Dec 13, 2021 – Dec 19, 2021

58,452
Prior 7-Day Average
Dec 06, 2021 – Dec 12, 2021

124,031
Peak 7-Day Average
Jan 05, 2021 – Jan 11, 2021

+4.2%
Percent change from prior 7-day avg. of Dec 06, 2021 – Dec 12, 2021

-50.9%
Percent change from peak 7-day avg. of Jan 03, 2021 – Jan 09, 2021



Based on reporting from all hospitals (N=5,261). Due to potential reporting delays, data reported in the most recent 7 days (as represented by the shaded bar) should be interpreted with caution. Small shifts in historic data may occur due to changes in the CMS Provider of Services file, which is used to identify the cohort of included hospitals. Data since December 1, 2020 have had error correction methodology applied. Data prior to this date may have anomalies that are still being resolved. Last Updated: Dec 21, 2021

Unified Hospital Dataset, White House COVID-19 Team, Data Strategy and Execution Workgroup

Daily new confirmed COVID-19 deaths per million people



7-day rolling average. Due to limited testing and challenges in the attribution of the cause of death, confirmed deaths can be lower than the true number of deaths.



Source: Johns Hopkins University CSSE COVID-19 Data

CC BY

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



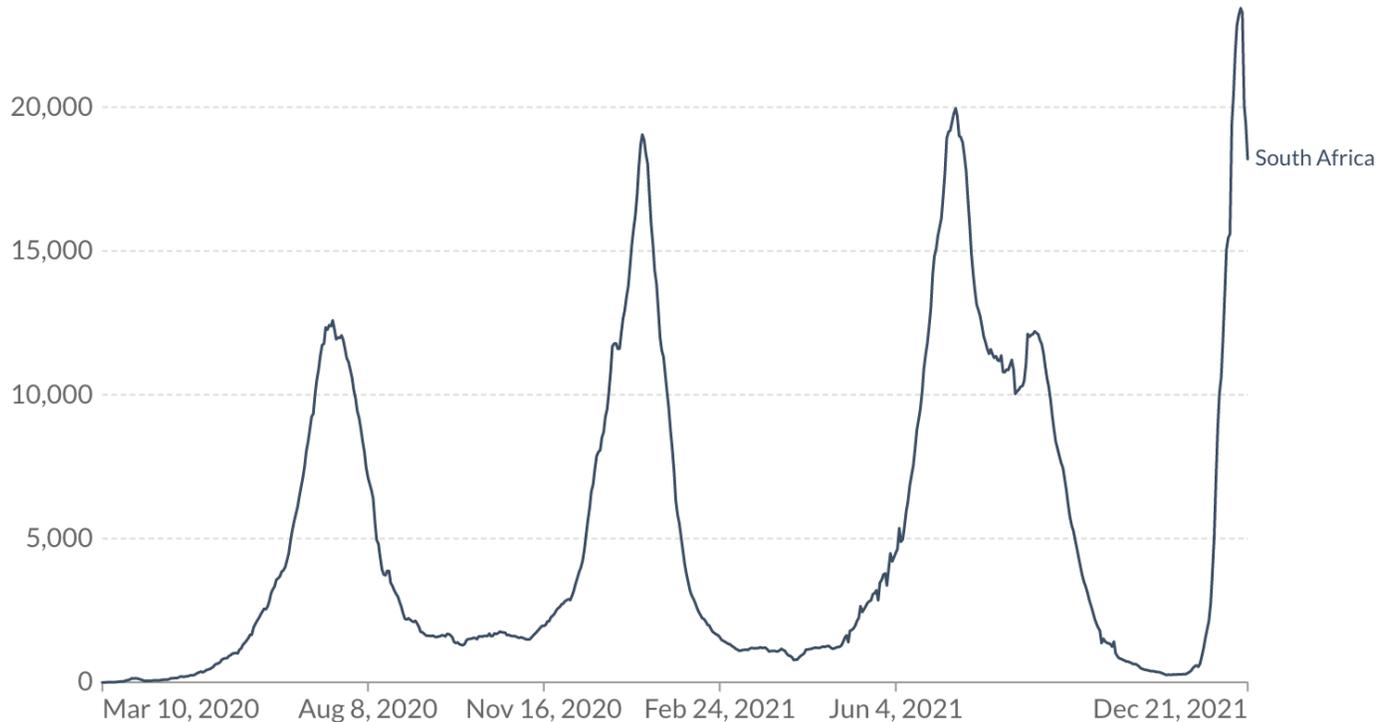
Visualizing Risk: America's Omicron Surge

Daily new confirmed COVID-19 cases

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

LINEAR LOG [+ Add country](#)



Source: Johns Hopkins University CSSE COVID-19 Data

CC BY

Many scientists are predicting that the Omicron wave will peak in January, largely based on trends from South Africa, where the variant was first identified. South Africa's Omicron wave began in earnest in mid-November, and after hitting a pandemic high of 27,000 new cases on Thursday, December 16, new cases have fallen steadily since. If the variant follows the same path in the US, cases will continue to rise for the next 2-4 weeks before receding in mid- to late January.

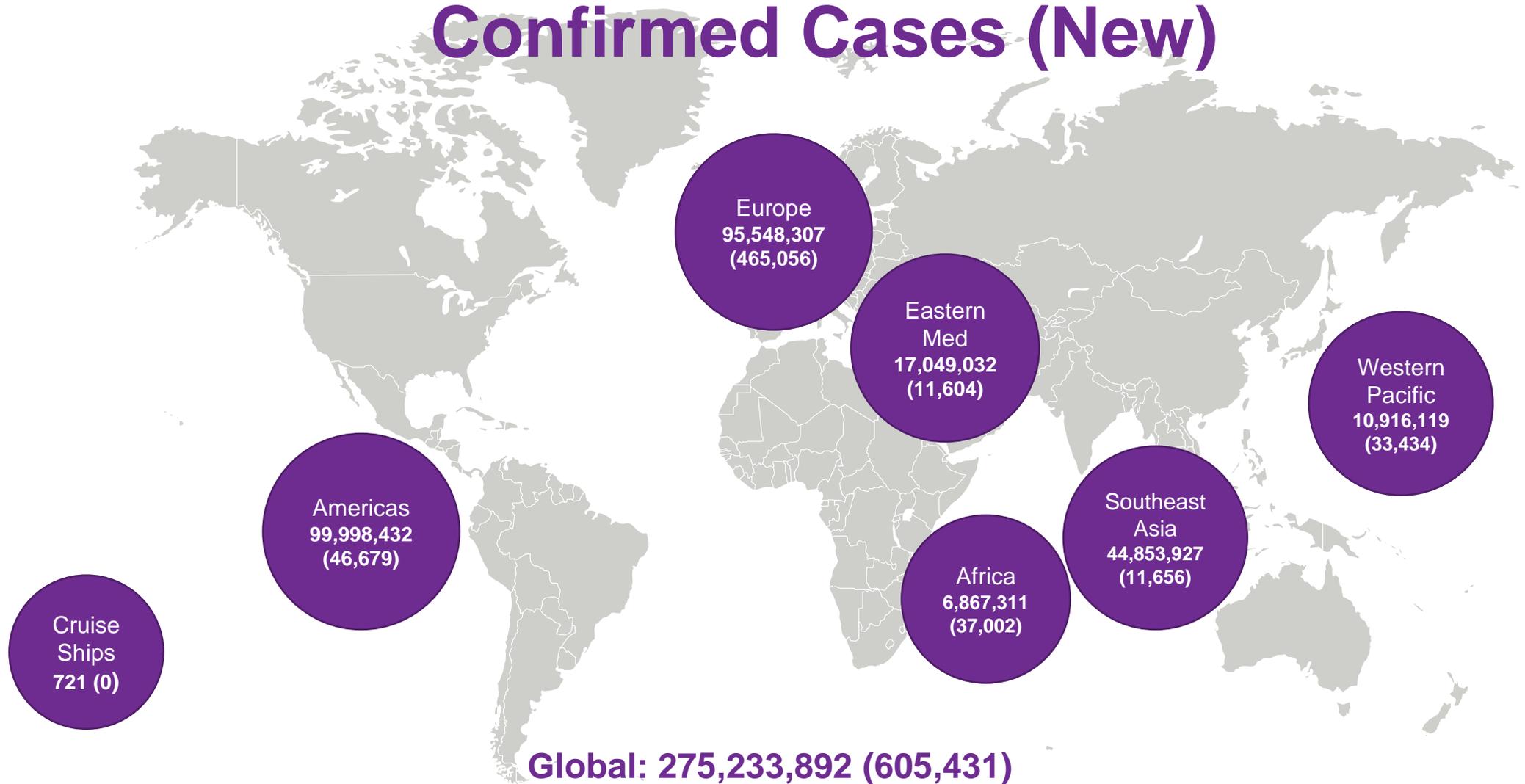
Note: This report is based on sources and information deemed to be true and reliable, but Dentons makes no representations to same.

大成 DENTONS

Coronavirus Condition Updates

As of 7:05 pm CEST on December 22, 2021

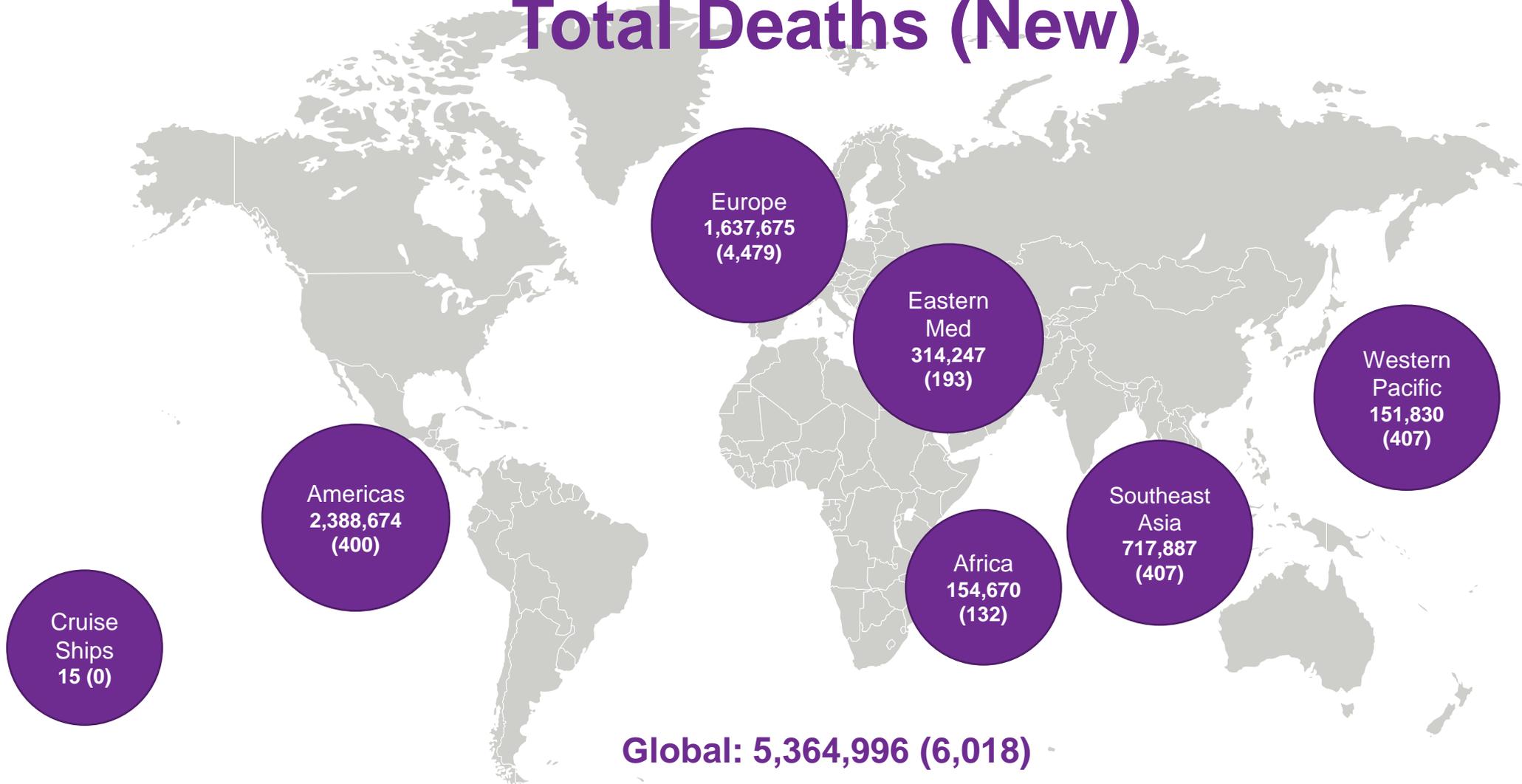
Confirmed Cases (New)



Reflects data as of 7:05 pm CEST on December 22, 2021.
Data Source: World Health Organization

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

Total Deaths (New)



Reflects data as of 7:05 pm CEST on December 22, 2021.
Data Source: World Health Organization

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

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.

Karl Hopkins

Partner and Global Chief Security Officer
Dentons
Washington, DC

D +1 202 408 9225
karl.hopkins@dentons.com

Melissa Mahle

Senior Analyst
Dentons
Washington, DC

D +1 202 408 6383
melissa.mahle@dentons.com