

Dentons Flashpoint

Daily Global Situation Report

April 27, 2022

Global Situation Update: April 27, 2022

KEY TAKEAWAYS

Russia's Gazprom threatens to cut gas supplies to Poland and Bulgaria.

A loaf of bread now costs \$2 in Zimbabwe, a 100 percent increase since the Russian invasion of Ukraine.

The European Commission proposed new laws to curb excessive litigation aimed at silencing critical journalists and rights advocates.

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: April 27, 2022

WHAT WE'RE WATCHING

Wildfires are raging across the Western US and a combination of high humidity, gusty winds and soaring temperatures are causing them to worsen. Particularly severe in New Mexico, the wind-driven wildfires have destroyed hundreds of structures and forced thousands to flee mountain villages. Gov. Michelle Lujan Grisham has declared a state of emergency for five counties there.

As the summer months approach in the US, there is an elevated risk of even more wildfire activity due to an intense, multi-year drought. Water availability will be a concern and may lead to major cutbacks and disputes between states. Food production may also come under threat as fires shrink the supply and processing centers are destroyed. At a time of growing global food insecurity and roiled supply chains, the wildfires pose risks to business and the environment.



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

Global

Russia's Gazprom threatened to cut gas supplies starting today to Poland and Bulgaria. The suspensions would be the first since Russia insisted foreign buyers pay for gas in rubles.

- Russia is escalating its rhetoric, warning NATO states that arming Ukraine will lead to Russian military escalation, with not-so veiled threats to the **risk of nuclear war**, statements rejected as irresponsible by Western military and political leaders.
- Russian President Vladimir Putin met with UN Secretary General Guterres in Moscow. The talks did not result in a ceasefire or agreement for direct talks between Putin and Ukrainian President Zelensky. Putin rejected Kyiv's "*false claims*" of Russian atrocities and Ukraine's failure to come to terms to resolve **Russia's territorial claims** in Crimea and separatist-held territory in Eastern Ukraine.
- The WHO announced that last week saw the lowest global **COVID-19 death rate** since March 2020 but called on countries to continue testing as the world risks becoming "*blind*" to transmission.

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

Markets & Business

Palm oil futures jumped 10 percent while rival soybean oil hit a fresh record high as traders prepare for the start of Indonesia's export halt tomorrow.

- The **euro** dropped to its weakest since 2017 on Wednesday as investors increasingly concerned about the global growth and inflation outlook bought dollars.
- Russian internet group **Yandex** reported an adjusted net loss of 8.1 billion roubles (\$110 million) in Q1, a week after withdrawing its 2022 financial guidance. Yandex is not subjected to western sanctions.
- Belgium-based securities settlement house **Euroclear** has delayed paying a dividend, citing the need to set aside more capital to cover a swelling balance sheet due to Russian sanctions.
- US food company **Kellogg's** is suing the British government over new rules that would stop some of its breakfast cereals being displayed prominently in grocery stores because of their high sugar content.

Environment, Sustainability & Governance

Unilever will stop marketing food and beverages to children younger than 16 on social and traditional media as part of its principles for responsible marketing to children.

- Harvard University is setting aside \$100 million for an endowment fund and other measures to close the educational, social and economic gaps at the university that are **legacies of slavery and racism**.
- Shareholder proposals asking banks to take stronger action on climate change by ending new **fossil fuel financing activities** failed to get much support at investor meetings, garnering less than 15 percent support at both Citigroup and Bank of America meetings.
- A top South African official estimated that the country's efforts to wean itself off coal and focus on renewables, battery storage, electric vehicles and setting up a **green hydrogen economy** would require funding of over a trillion rand (\$63.70 billion) by 2030.

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

Africa

- The UN assesses that close to 2 million children are at risk of starving to death as the **Horn of Africa** faces one of its worst droughts in decades.
- The first “*local dialogue groups*” began in **Burkina Faso**, an endeavor by the military junta to calm jihadist violence by convening community and armed group leaders to dialogue; experts are skeptical that they will see success.
- The UN called for a probe into an outbreak of renewed violence by the Arab Janjaweed militia in Darfur over the weekend that killed 168. Lawyers reported that a prominent **Sudanese** opposition politician jailed since the military coup has been released.
- A loaf of bread now costs \$2 in **Zimbabwe**, a 100 percent increase since the **Russian** invasion of **Ukraine**.
- Up to 550 **Ethiopian** soldiers serving as peacekeepers in **Sudan** have reportedly sought asylum there out of fear that they will be persecuted for their Tigrayan ethnicity if they return home.



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

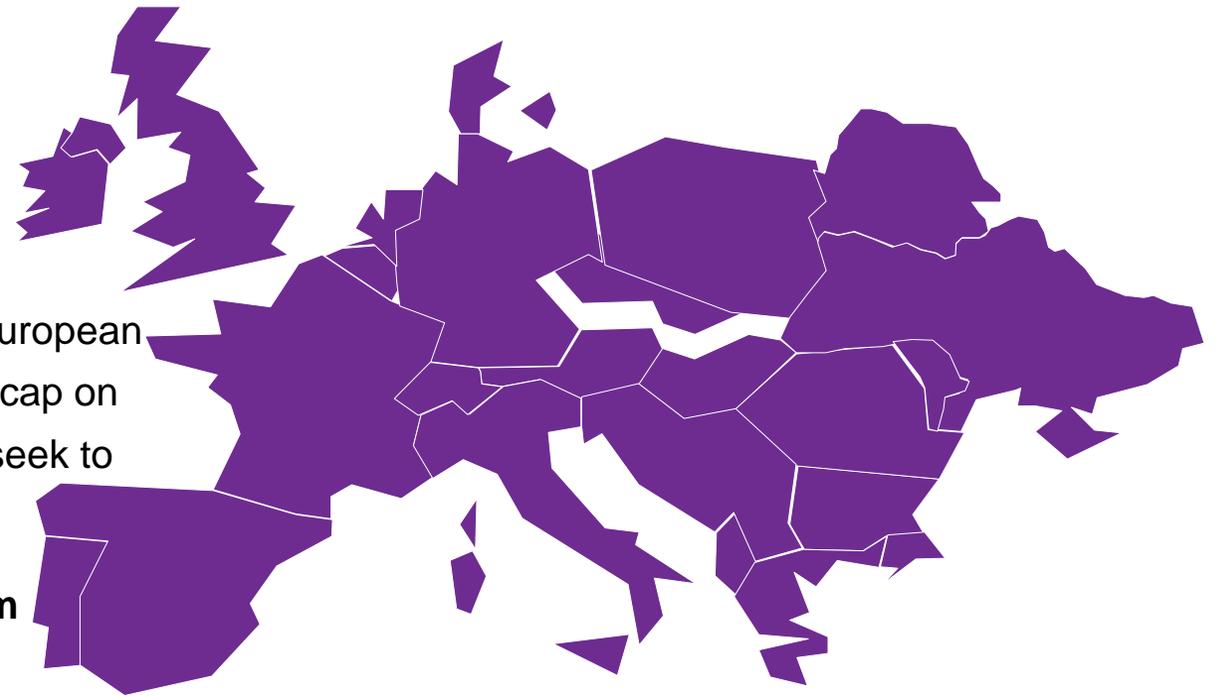
Asia

- A court in military-ruled **Myanmar** sentenced deposed leader Aung San Suu Kyi to five years in jail today after finding her guilty in the first of 11 corruption cases against her.
- A woman suicide bomber who killed three **Chinese** teachers in **Pakistan** was a teacher who had enrolled for a master's degree months before her attack, carried out on behalf of separatist group the Baloch Liberation Army, who opposes Chinese investment projects in Baluchistan.
- Finance sector professionals in Shanghai are preparing to move back to Hong Kong and other offshore centers after spending only a few years in the **Chinese** city as a harsh COVID-19 lockdown has hurt their business prospects and upended daily lives.
- Shanghai authorities have handed out millions of doses of Lianhua Qingwen, a traditional **Chinese** medicine they say helps fight COVID-19. Evidence is inconclusive on the effectiveness of such treatments, and there is outrage over their distribution.



Europe

- **Spain and Portugal** reached an initial agreement with the European Commission that allows both countries to place a temporary cap on the price of natural gas used to fuel power stations, as they seek to protect consumers from rising energy costs.
- Since a planned human rights dialogue session with **Vietnam** was postponed earlier this month, the **EU** has been under renewed pressure by human rights groups to get tough on the one-party state, which is often ranked as one of the worst abusers of human rights in Asia.
- With almost all votes in **Slovenia's** parliamentary election now counted, newcomer Robert Golob and his liberal green Freedom Movement, which was formed on January 26, 2022, won 41 of the 90 seats in Slovenia's parliament. Turnout was high at almost 70 percent. Analysts see the vote as a clear rejection of two years of an increasingly authoritarian regime.
- The **European** Commission proposed new laws to curb excessive litigation aimed at silencing critical journalists and rights advocates by governments and businesses, a form of harassment it said was on the rise from **Croatia to Poland**.



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 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



- Two **Iraqi** soldiers were killed by an ISIL-claimed suicide bombing during a raid north of Baghdad.
- **Lebanon** tasked its military to investigate how an overloaded migrant boat capsized last week, killing at least six, after survivors claimed the military was responsible.
- The Palestinian Authority reported that a Palestinian man had been killed by **Israeli** forces during a counterterrorism raid in the **West Bank**, the latest in a line of deaths amid simmering tensions.
- Five of the largest opposition groups in **Tunisia** announced a new coalition that they will run against incumbent President Saied in upcoming elections; Saied has moved over the last several months to consolidate power and opposition is seeking a last-ditch effort to dislodge him.
- **Egypt** reopened mosques for Ramadan night prayers, previously curtailed to prevent the spread 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

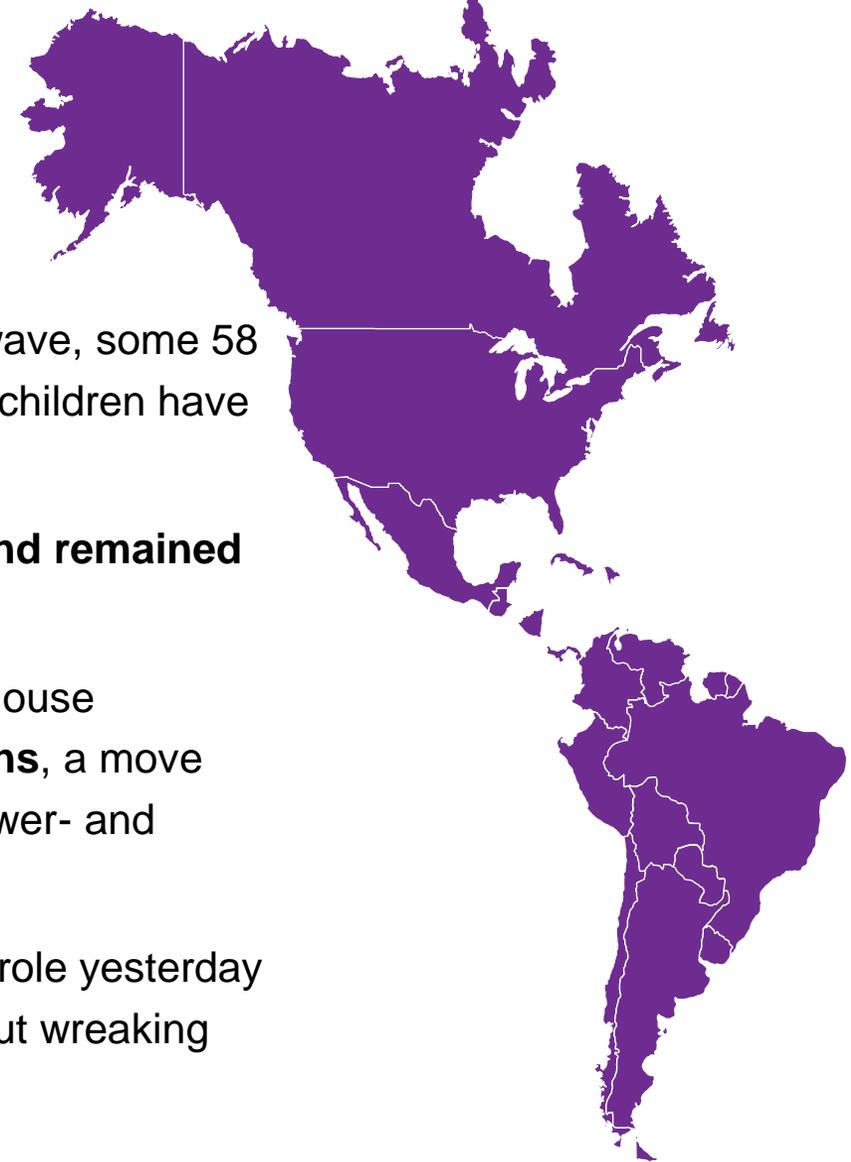
- **Ecuadorian** President Lasso predicted that the country could lower its deficit more than expected this year if oil prices remain high.
- The **Canadian** government will change its sanctions laws to allow for seized sanctions assets to be sold or redistributed to compensate victims or help rebuild a foreign state after war.
- Chinese-owned MMG Ltd's Las Bambas copper mine in **Peru** is considering a plan to evict indigenous communities that have camped on the property and forced a production halt. The mine has faced recurring disruptions from impoverished local communities demanding higher financial contributions from the mine.
- **Nicaragua** said the state would take possession of the headquarters of the Organization of American States in Managua, two days after Managua exited the group and expelled some of its members.



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

Americas: US

- Following the record surge in **COVID-19 cases** during the Omicron-driven wave, some 58 percent of the U.S. population overall and more than 75 percent of younger children have been infected with the coronavirus since the start of the pandemic.
- US orders for long-lasting goods increased in March, suggesting that **demand remained strong** despite global supply chain bottlenecks and surging inflation.
- President Biden gave his strongest indication yet in a private meeting with House Democrats that he is poised to take significant action to relieve **student loans**, a move that could include canceling tens of thousands of dollars in debt for some lower- and middle-income borrowers.
- **Federal Reserve** governor Lael Brainard was confirmed to the number two role yesterday as the central bank attempts to rein in the highest inflation in 40 years without wreaking havoc on the economy.



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

Jerusalem Once Again the Focal Point of Tensions Between Israelis and Palestinians

By Dan Arbell, Special Advisor to Dentons

In late March, on the eve of Ramadan, Israel announced that it would plan to keep Jerusalem's holy sites open for Muslim worshippers throughout the month as long as peace is kept. While the first week of Ramadan was relatively calm, a new wave of Palestinian "lone wolf" terrorist attacks against Israeli civilians, coupled with Israeli efforts to crackdown on Palestinian terrorist operatives in the West Bank, led to an escalation in tensions between Israelis and Palestinians.

During the second and third weeks of Ramadan, violence between the two sides has resumed with Temple Mount and the al-Aqsa Mosque once again at the center of attention – almost a year since the May 2021 confrontation between Israel and Hamas. The Biden Administration, Egypt, Qatar and other Gulf states are engaged in diplomatic efforts behind the scenes to deescalate tensions and prevent a widening of the conflict, and while tensions appear to have calmed for the moment, the renewed violence has starkly demonstrated the fault lines in Israel's coalition government, as well as put pressure on burgeoning Arab-Israeli ties.

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

Jerusalem's Holy Sites at the Center

On April 15, the second Friday of Ramadan and Passover Eve, clashes broke out between Muslim worshippers and Israeli security forces on Temple Mount. These clashes continued over a period of eight days, demonstrating once again how sensitive and delicate the situation is around the area, which houses Temple Mount, Judaism's holiest site, and the al-Aqsa Mosque, Islam's third holiest site. Muslim anger was directed at Jewish worshippers who ascended Temple Mount (legally, yet in unprecedented numbers).

At the peak of the clashes on April 22, several hundred Muslims entered al-Aqsa Mosque and reportedly began hurling rocks at Jewish worshippers standing nearby, as well as at Israeli security forces. This resulted in Israeli forces using tear gas and smoke grenades inside and outside the Mosque, causing injuries to several Palestinians and leading hundreds to be detained. The move led to harsh reactions in Jerusalem, the West Bank, the Gaza Strip and across the Arab world, with Palestinian and Arab leaders denouncing Israeli actions as "*altering the delicate status quo in Jerusalem*" and aiming to "*Judaize Temple Mount.*"

Jerusalem Once Again the Focal Point of Tensions Between Israelis and Palestinians

Israel, on the other hand, claimed it did not alter the status quo, arguing that out of tens of thousands of Muslim worshippers who were peaceful, only several hundred rioters in the Mosque staged a deliberate provocation aimed at “igniting Temple Mount” and that therefore Israel had no choice but to quell the riots with effective means. Israel also made efforts to prevent Jewish ultranationalists from marching inside the Old City through Damascus Gate, and at the recommendation of the Shin Bet and police, Prime Minister Bennett rerouted the procession and prevented ultranationalist Member of Knesset (MK) Itamar Ben-Gvir from entering the Old City.

Gaza and Lebanon Heat Up, Again

Ahead of Ramadan, Hamas and Palestinian Islamic Jihad (PIJ) were threatening to take action if Israel altered the status quo in Jerusalem. As the clashes in Jerusalem erupted, a series of rockets and missiles from Gaza were fired into Israel, for which Hamas did not take responsibility. The IDF retaliated by launching aerial attacks on Gaza and closing down crossing checkpoints between Gaza and Israel that are used for delivery of humanitarian assistance into Gaza, as well as points of entry for Gazans with Israeli work permits.

Israel’s underlying assumption continues to be that Hamas is not interested in a conflagration similar to May 2021, because it has much to risk economically as more residents are allowed to work in Israel. Nonetheless, the IDF has reportedly been preparing in recent days for the possibility of an escalation in Gaza, and another military campaign there.

Another alarming development is that on April 25, a rocket was fired into Israeli territory from southern Lebanon. The rocket fell in an open field in northern Israel without triggering the Red Alert system and the IDF retaliated by firing artillery shells toward the source of the rocket fire. Some analysts believe Hamas was behind this attack, which is an unusual escalation from Lebanon, but this assessment has not been confirmed.

US and Arab Reactions

As violence erupted in Jerusalem, US Secretary of State Blinken held calls with Israeli and Jordanian foreign ministers, as well as with Palestinian Authority (PA) President Abbas, stressing the need to deescalate the situation in Jerusalem, emphasizing the importance of upholding the historic status quo at Temple Mount and expressing

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

Jerusalem Once Again the Focal Point of Tensions Between Israelis and Palestinians

appreciation for Jordan's custodianship role in Jerusalem's Muslim holy sites. As concern in Washington grew, Blinken later in the week sent a senior-level State Department delegation to the region, led by Acting Assistant Secretary for Near Eastern Affairs Yael Lempert, for talks with senior officials in Jerusalem, Ramallah, Amman and Cairo, aimed at lowering tensions. This heightened level of American engagement demonstrates that while the US remains uninterested in proactively mediating Israeli-Palestinian peace talks, preventing open conflict is a top priority.

The clashes in Jerusalem also led to protests and acts of violence not only in the Occupied Territories but also across the Arab world. The clashes may have tested Israel's emerging ties with its Gulf and North African neighbors, as well as its improving ties with neighbors Egypt and Jordan. King Abdullah II took an unusually harsh line against Israeli actions on Temple Mount, spoke out against Israel's "*provocative actions*" in Jerusalem, adding Israel must respect "*the historic and legal status of al-Aqsa*" and stop all "*illegitimate measures that violate this status.*" Egypt called on Israel to exercise self-restraint and provide full protection for Muslim worshippers. Interestingly, President el-Sisi dispatched his son to Gaza to sway the Hamas leadership not to escalate the situation any further.

Bahrain, the UAE and Morocco, who normalized relations with Israel in 2020, as well as Saudi Arabia, Kuwait and Oman, all condemned Israel's handling of the events.

Domestic Israeli Politics

In early April, the Israeli governing coalition lost its razor-thin 61-seat majority in the Knesset, after Coalition Whip, MK Idit Silman, a member of Bennett's Yamina Party, announced she is leaving and will join the parliamentary opposition over concerns that the patchwork coalition was not sufficiently accommodating her party's nationalist priorities. The coalition currently holds 60 seats in the Knesset, which is currently out of session, and will face an immediate challenge to its ability to form a coalition when the legislature resumes – one it is likely to fail.

Following Silman's withdrawal, the clashes in Jerusalem led the Islamist Arab Ra'am Party, a part of the 8-party governing coalition, to announce it is suspending its participation in the coalition, the work of the Knesset committees and votes in the plenary. As the summer session will begin in mid-May, Ra'am's decision at this point is symbolic, but current tensions between party members indicate that the party will make the coalition's life more difficult in the weeks to

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

Jerusalem Once Again the Focal Point of Tensions Between Israelis and Palestinians

come. Ra'am has presented PM Bennett with a list of demands and the PM has yet to respond.

Future Flashpoints

With Passover and Easter over and Ramadan in its last week, it seems that the situation has been contained. Israeli officials have announced that Jewish worshippers will not be allowed to enter the al-Aqsa compound for the final days of Ramadan, including the Eid al-Fitr holiday, a move certain to lower the temperature as the month comes to a close. Nonetheless, more sensitive dates are coming up soon: the Muslim Laylat al-Qadr (April 29); Israel's Independence Day (May 5) and Jerusalem Day (May 29) and any of those dates may provide an opportunity for extremists on both sides to take provocative steps which can lead to an escalation. Diplomatic behind-the-scenes efforts by the US, Egypt, Gulf states and the UN continue, but at this point it is not clear whether they will be successful, and this year's renewal of tensions demonstrates that despite attempts to resolve discrete conflicts, deep divisions and grievances will remain between the two sides, making anything but a fragile détente unlikely.

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

Ukraine War Update: Nuclear Threats, Inconclusive Talks, Energy Blackmail

Russia is escalating its rhetoric, warning NATO states that arming Ukraine will lead to Russian military escalation, with not-so veiled threats to the risk of nuclear war, statements rejected as irresponsible by Western military and political leaders.

Political Developments

Russian President Vladimir Putin met with UN Secretary General Guterres in Moscow. In televised remarks, Putin told Guterres that he still hoped for negotiations to end the conflict but talks with Ukraine had been derailed by claims of atrocities committed by Russian forces in the town of Bucha. Putin claimed that the massacres in Bucha were not carried out by Russians. Also, Putin said Russia could not give Ukraine security guarantees without resolving territorial issues in Crimea and separatist territories in eastern Ukraine. Putin claimed Mariupol had been “*liberated*” and seemed unaware that fighting was on-going. Despite Putin’s comments, Russia’s military activities reflect Russia’s focus on establishing new facts on the ground by expanding territory under occupation through war.

Convening yesterday more than 20 nations at the Ramstein Air Base in Germany on behalf of Ukraine's defense, US Secretary of Defense Austin said the US was determined to make better use of the US European Command's coordination mechanism and would extend the forum for Ukraine's defense into a monthly contact group.

The German government on Tuesday confirmed reports that it approved a delivery of Gepard anti-aircraft tanks to Ukraine. German Defense Minister Christine Lambrecht said Ukrainian troops will be trained on German soil to use weapon systems provided by the US and Netherlands.

Russia said it was expelling three Swedish diplomats in a retaliatory move against Stockholm.

Ukraine War Update: Nuclear Threats, Inconclusive Talks, Energy Blackmail

Russia's security council secretary has warned that Ukraine will “*break up into several states*” if the west does not end its support for Kyiv's resistance to Russian forces.

Battlefield Developments

According to Ukraine's Defense Ministry, Russian forces have been penetrating deeper into eastern Ukraine as they seek to take control of the country's Donbas region. Ukrainian forces have been driven from the villages of Velyka Komyshevukha and Zavody in the Kharkiv region and Zarichne and Novotoshkivske in the Donetsk region.

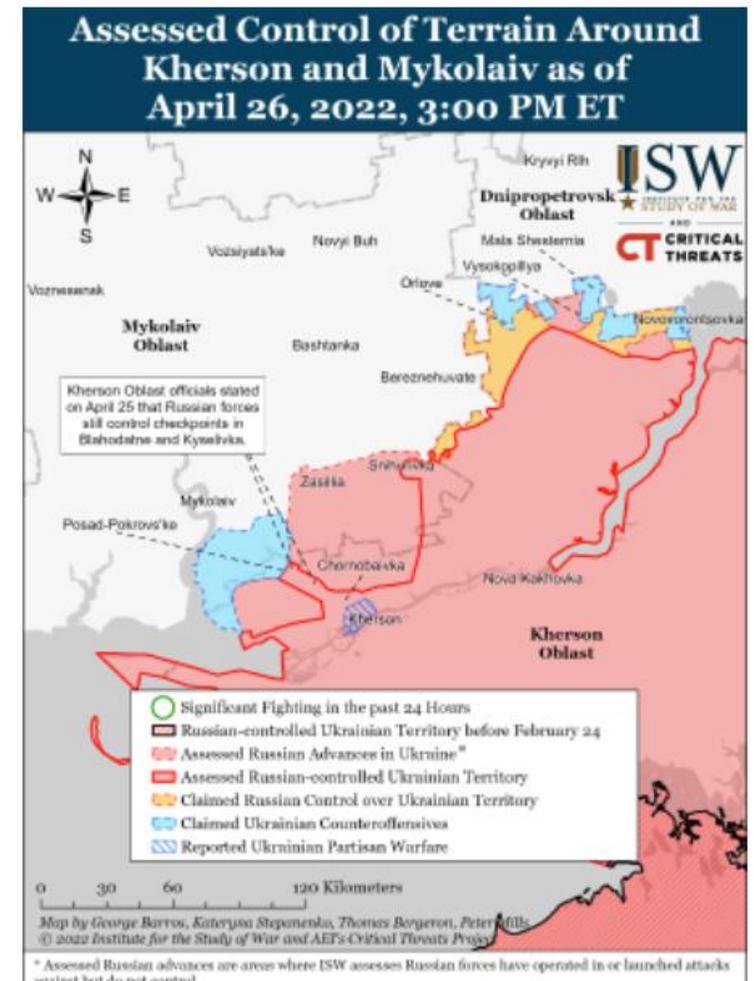
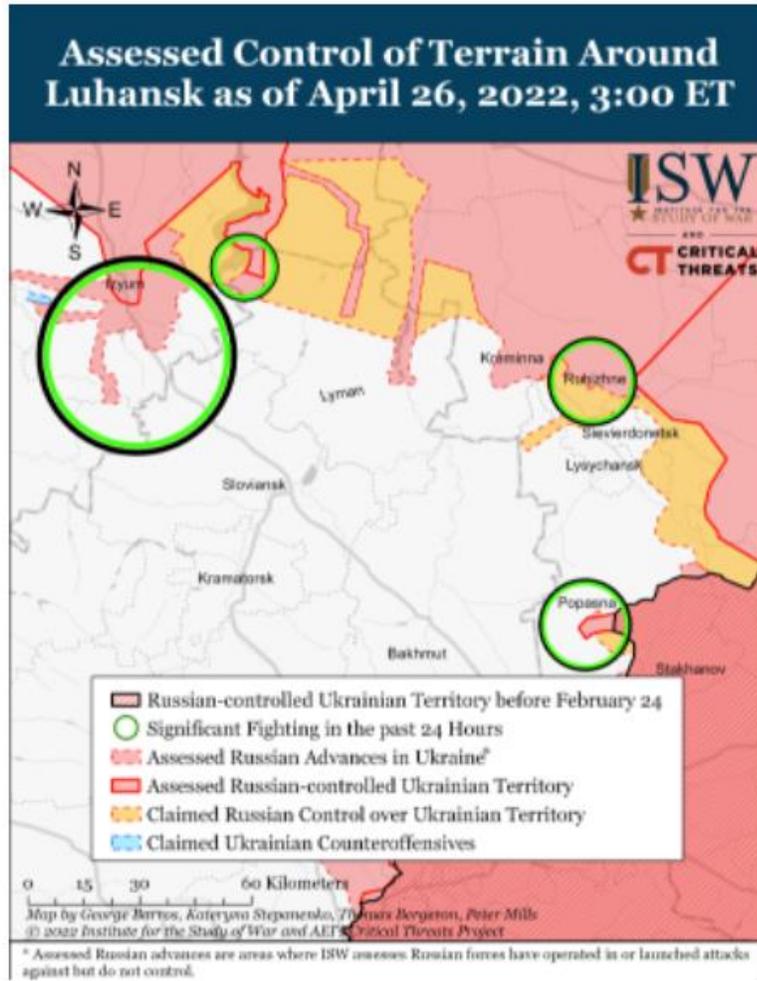
The Institute for the Study of War assessed that Russian troops are pushing down multiple roughly parallel roads within supporting distance of one another, allowing them to bring more combat power to bear than their previous practice had supported. Russian troops on this line are making better progress than any other Russian advances in this phase of the war.

Britain's defense ministry assessed that Ukraine retains control over the majority of its airspace, noting that Russia has failed to effectively destroy the country's air force or suppress its air defenses. Russian air activity is primarily focused on southern and eastern Ukraine, providing support to Russian ground forces, and secondarily targeting Ukrainian military assets and logistics infrastructure nationwide.



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

Ukraine War Update: Nuclear Threats, Inconclusive Talks, Energy Blackmail



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

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

Ukraine War Update: Nuclear Threats, Inconclusive Talks, Energy Blackmail

Russia's defense ministry claimed today its Kalibr missiles had struck an arms depot in Ukraine's Zaporizhzhia region housing US and European-provided weapons.

Russia launched two missile strikes and damaged a strategic bridge in Ukraine's Odesa region, according to Ukrainian railways and local officials, an event that could affect Ukrainian plans to expand exports through Danube ports.

According to Institute for the Study of War, Russia is staging false-flag attacks in Transnistria, Moldova, likely setting conditions for further actions on that front. Russia may also seek to destabilize Moldova itself. Comments by the head of the Donetsk People's Republic and other Russian officials and proxies raise the possibility that Putin might recognize the self-styled Pridnestrovian Moldavian Republic (PMR) in Transnistria as he recognized the Donetsk and Luhansk People's Republics. The PMR could then ask for additional Russian protection, and Putin could attempt to send some additional forces or capabilities to Transnistria. Any such activities would greatly raise tensions and fears in Moldova and neighboring Romania, putting additional pressure on NATO, possibly giving Putin a cheap "win," and distracting from Russia's slog in eastern Ukraine.

Russia warned Britain yesterday that if it continued to provoke Ukraine to strike targets in Russia then there would be an immediate "*proportional response*." Russia's defense ministry cited statements from Britain's armed forces minister James Heapey who said it was entirely legitimate for Ukraine to hunt targets in the depths of Russia to disrupt logistics and supply lines.

Series of blasts were heard in the early hours today in three Russian provinces bordering Ukraine and an ammunition depot in the Belgorod province caught fire around the same time.

Speaking after meeting allies and partners at Ramstein Air Base in Germany, US Defense Secretary Austin assessed the war in Ukraine has already weakened Russia's military capability. Since the invasion started, Russia's land forces have sustained "*pretty substantial*" casualties, as well as lost a lot of equipment and used a lot of precision-guided munitions.

Austin criticized Russia for its "*dangerous and unhelpful*" rhetoric about potential nuclear war aimed at spiking global fears that growing international pressure on Russia to end its invasion of Ukraine could escalate dramatically. "*Rattling of sabers and*

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

Ukraine War Update: Nuclear Threats, Inconclusive Talks, Energy Blackmail

dangerous rhetoric is clearly unhelpful and something that we won't engage in," Austin said.

Humanitarian Developments

The UN refugee agency said it expects some 8.3 million people to flee Ukraine this year. More than 12.7 million people have fled their homes in Ukraine in the past two months.

The United Nations' humanitarian agency said that it has doubled its aid appeal to \$2.25 billion as the humanitarian situation in the country worsens.

Russian President Vladimir Putin agreed *"in principle"* to United Nations and the International Committee for the Red Cross involvement in the evacuation of civilians from the Azovstal steel plant in Mariupol.

Economic Developments

Russia's Gazprom has threatened to cut gas supplies starting today to Poland and Bulgaria. The suspensions would be the first since Russia insisted foreign buyers pay for gas in rubles. Poland, and other EU countries, have refused to pay for natural gas in rubles,

which Russia is demanding to stabilize and boost its currency in the face of Western sanctions – also reflecting Russia's inability to receive payments in hard currencies.

European Commission President Ursula von der Leyen condemned the Russian move as economic blackmail, while saying the EU was prepared and has been working on securing alternative supplies.

Germany said it can end its dependence on Russian oil within days, after previously saying it would take till the end of the year. Polish and Bulgarian officials stated that their countries have identified alternative sources for gas supplies.

Italy is reportedly considering temporarily nationalizing a refinery owned by Russian multinational energy company Lukoil, as a response to possible sanctions on Russian oil. Lukoil, which is not the subject of sanctions, owns the ISAB refinery, Italy's largest oil refinery by capacity. It used to buy 30 percent-40 percent of its crude oil from Russia, with the remainder coming from international markets. Since the Russian invasion, it has been unable to obtain international credit, and has been sourcing almost all its crude oil from Russia.

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

Ukraine War Update: Nuclear Threats, Inconclusive Talks, Energy Blackmail

Germany is preparing for a change of control at the PCK refinery in Schwedt operated by Russian state-owned Rosneft which accounts for all of Germany's remaining Russian oil imports.

Russia may see its oil production fall by as much as 17 percent in 2022, per a Russian economy ministry's document. The scale of the production decline would be the most significant since the 1990s when the oil industry suffered from underinvestment.

Trafigura, one of the world's biggest energy traders, will cease all crude oil purchases from Russian state oil company Rosneft to avoid falling foul of EU sanctions. From May 15, oil purchases from Rosneft and Kremlin-backed Gazprom will only be permitted by the EU if they are deemed as "necessary" for ensuring critical energy supply for the region.

Drone company DJI Technology Co said it will temporarily suspend business in Russia and Ukraine to ensure its products are not used in combat, making it the first major Chinese firm to cite the conflict in halting sales in Russia.

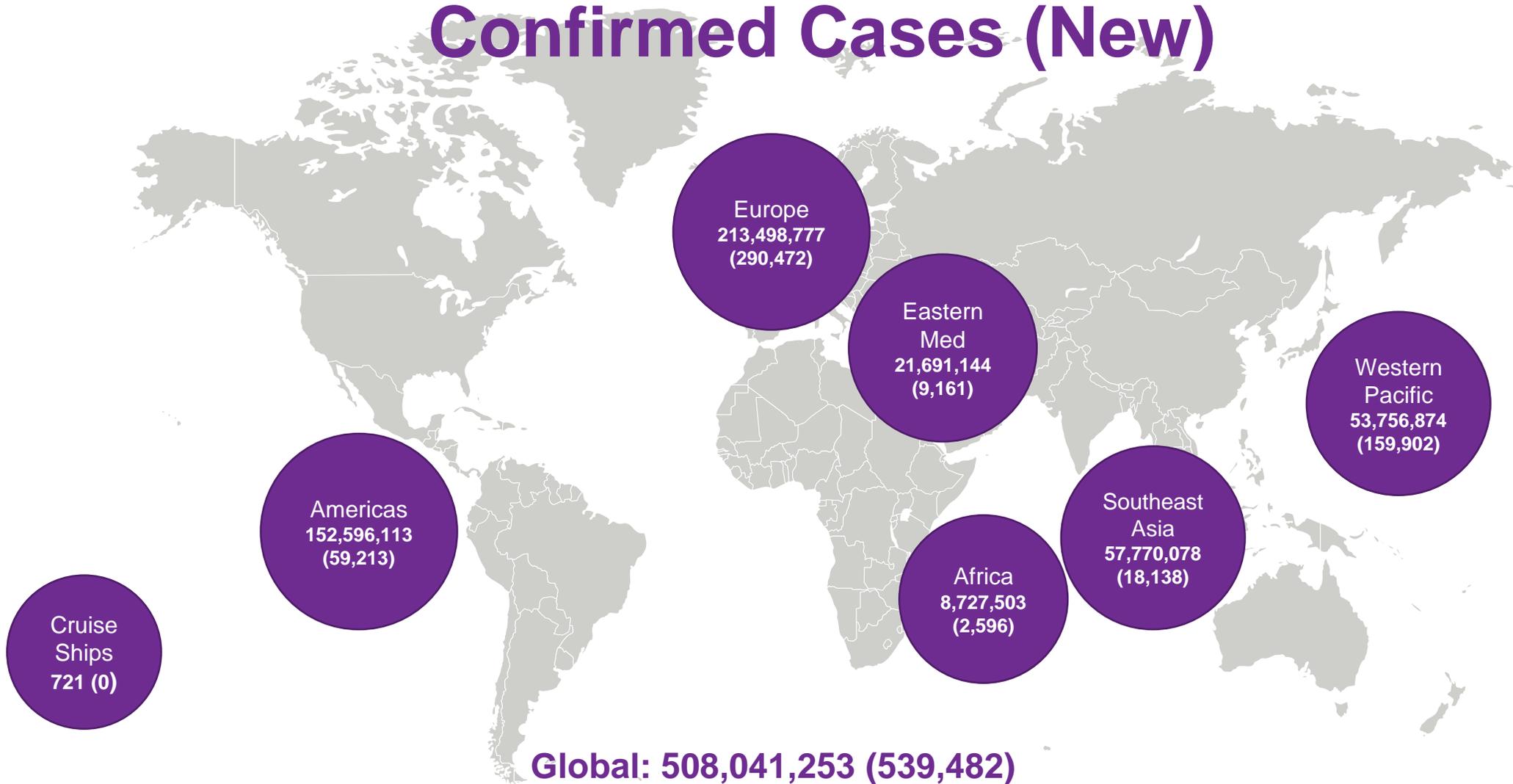
Poland has announced it will impose sanctions on 50 Russian entities and individuals. The sanctions come in addition to current European Union measures.

Swiss authorities have frozen some 9 billion Swiss francs (\$9.33 billion, €8.78 billion) in Russian assets.

Coronavirus Condition Updates

As of 7:38pm CEST, 26 April 2022

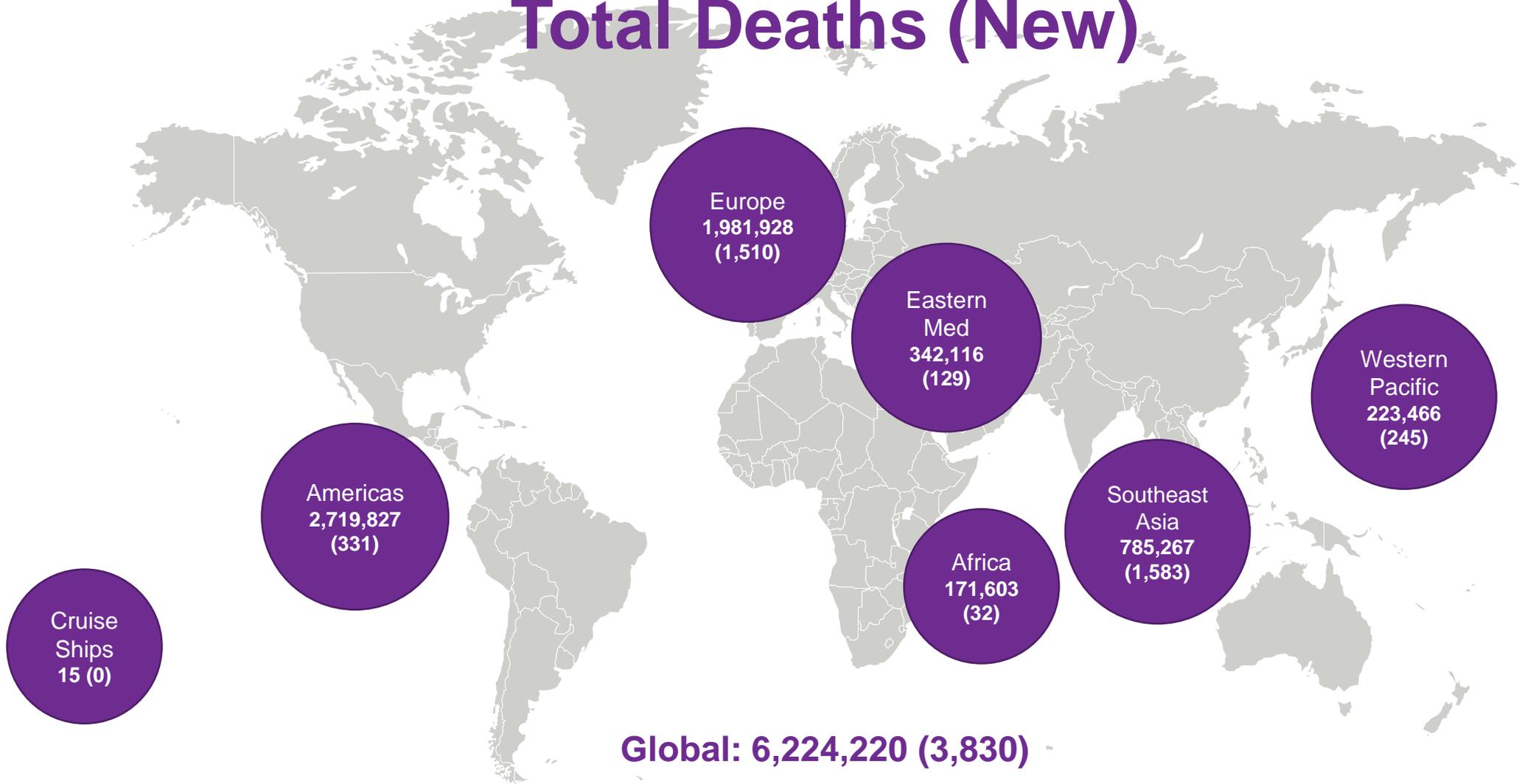
Confirmed Cases (New)



Reflects data as of 7:38 pm CEST on April 26, 2022.
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 7:38 pm CEST on April 26, 2022.
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