

Dentons Flashpoint

Daily Global Situation Report

January 18, 2022

Global Situation Update: January 18, 2022

KEY TAKEAWAYS

The CEOs of major US air carriers warn of an impending "*catastrophic*" aviation crisis with the deployment new 5G service.

Public trust in governments running the world's democracies has fallen to new lows over their handling of the pandemic.

Britain is supplying anti-tank weapons and Canada sent a contingent of special forces to help Ukraine defend itself from a potential invasion by Russia.

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WHAT WE'RE WATCHING

The Saudi-led coalition hit the Houthi controlled capital in Yemen in response to drone attacks yesterday that struck Abu Dhabi and killed three and injured six. Approximately 20 'suicide drones' crashed into fuel trucks located near critical oil infrastructure as well as Abu Dhabi airport. The Houthi rebel group in Yemen claimed responsibility for the attacks.

The strikes deep inside the Emirates follow the recapture of key districts in Yemen's Shabwa province from the Houthis this week by the UAE-backed, pro-government Giants Brigade. The Houthis lashed out in an effort to relieve pressure on Shabwa, but coalition counter-attacks could trigger tit-for-tat drone or ballistic missile strikes that threaten official targets like airports and energy infrastructure across the region, and thus global markets.



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

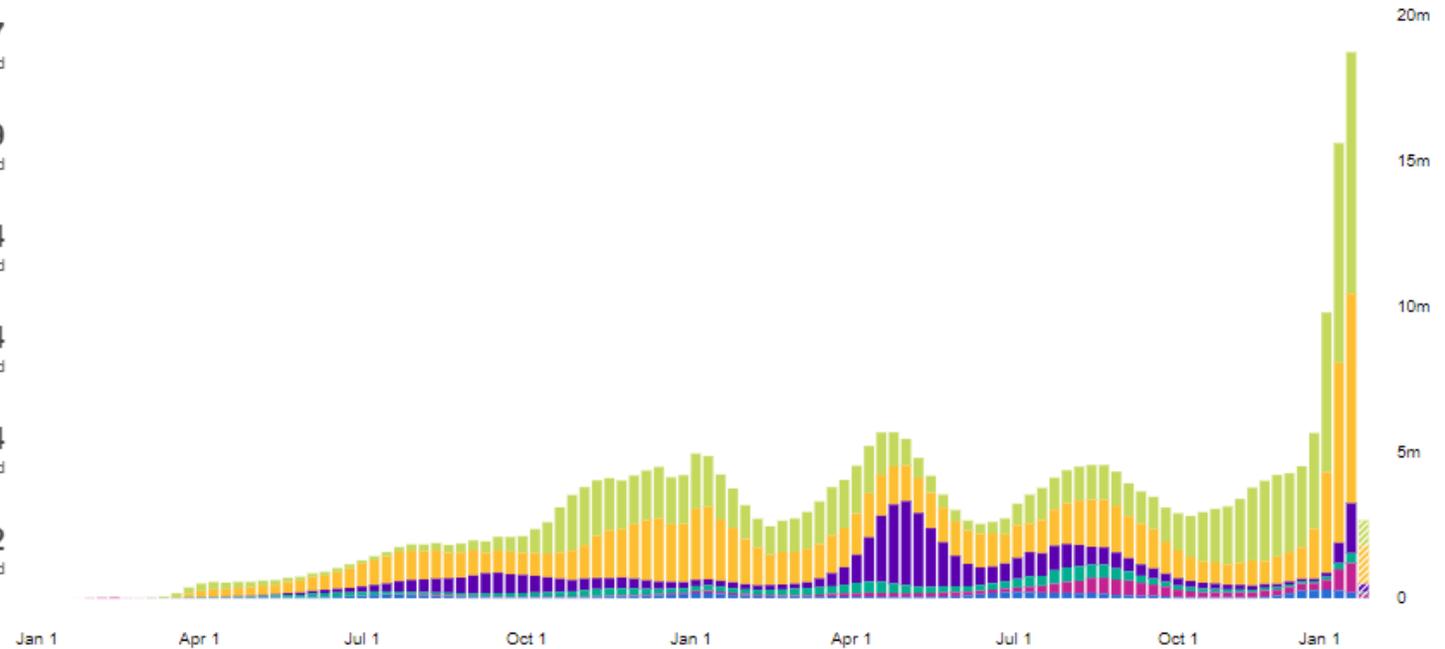
Global

Situation by WHO Region

Line graph icon | Daily | Weekly | Cases | Deaths | Count

Europe	120,007,077	confirmed
Americas	119,648,309	confirmed
South-East Asia	47,723,964	confirmed
Eastern Mediterranean	17,807,464	confirmed
Western Pacific	13,279,664	confirmed
Africa	7,812,182	confirmed

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



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Global

Globally, confirmed coronavirus cases topped 326.2 million with 5.5 million deaths; almost 9.3 billion vaccine doses have been administered.

- A fourth shot of **COVID-19 vaccine boosts** antibodies to even higher levels than the third jab but it is not enough to prevent Omicron infections, according to a preliminary study in Israel.
- Tickets for the **Winter Olympics** set to begin on February 4 will be distributed to "*targeted*" groups of people and will not be sold to the general public, per Chinese organizers, citing the "severe and complex" COVID-19 situation and the need to protect the safety of Olympics personnel and spectators.
- **Public trust** in governments running the world's democracies has fallen to new lows over their handling of the pandemic and amid a widespread sense of economic pessimism, per a global survey by the Edelman Trust Barometer.
- The world's poorest countries face a \$10.9 billion surge in **debt repayments** this year after many rejected international relief effort and instead turned to the capital markets to fund their responses to the coronavirus pandemic. The World Bank estimates that 74 low-income nations will have to repay an estimated \$35 billion to official bilateral and private-sector lenders during 2022, up 45 percent from 2020.

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Markets & Business

The CEOs of major US passenger and cargo carriers warned of an impending "catastrophic" aviation crisis in less than 36 hours, when AT&T and Verizon are set to deploy new 5G service.

- France's **TotalEnergies** and Japan's **Inpex Corp** have agreed to sell their interests in Angola's Block 14 B.V. to **Angolan Company Somoil** for an undisclosed sum. Both companies stated the decision stems from strategies to focus on assets with low costs and low emission.
- UK **Vertical Future**, which grows crops without soil and with artificial light, has secured 21 million pounds (\$29 million) in "Series A" fundraising in the emerging vertical farming sector, which offers sustainable growing technics for vegetables closer to the point of consumption.
- **Shanghai Pudong Development Bank Co**, a Chinese lender unveiled a plan to issue debt to fund real estate acquisitions - the first bank to do so - while Beijing sought to reassure investors about the broader impact of defaults on bond markets.
- Britain's payments regulator fined five payments companies including **Mastercard** a total of 33 million pounds (\$45.01 million) for cartel behavior involving prepaid cards issued to vulnerable people on welfare benefits.

Environment, Sustainability & Governance

International brands including Coca Cola and PepsiCo called for a global pact to combat plastic pollution that includes cuts in plastic production.

- An **underwater volcano** off Tonga erupted on Saturday causing catastrophic damage to Tonga's outer islands and triggering 1.2-metre tsunami waves and evacuation orders across the South Pacific islands. The impact of the huge eruption was felt as far away as Fiji, New Zealand, the US and Japan. Heavy ashfall is preventing full international relief efforts.
- Experts advising on the **EU's sustainable finance taxonomy** are concerned a draft plan to include gas and nuclear relies too heavily on promises to make those fuels green in future, rather than assessing their real impact today.
- According to a study published in the journal *Nature Food*, **fossil fuel emissions** are hurting crop yields in East Asia, causing some \$63 billion in annual losses, with China, South Korea and Japan are seeing diminished yields in wheat, rice, and maize.

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Africa

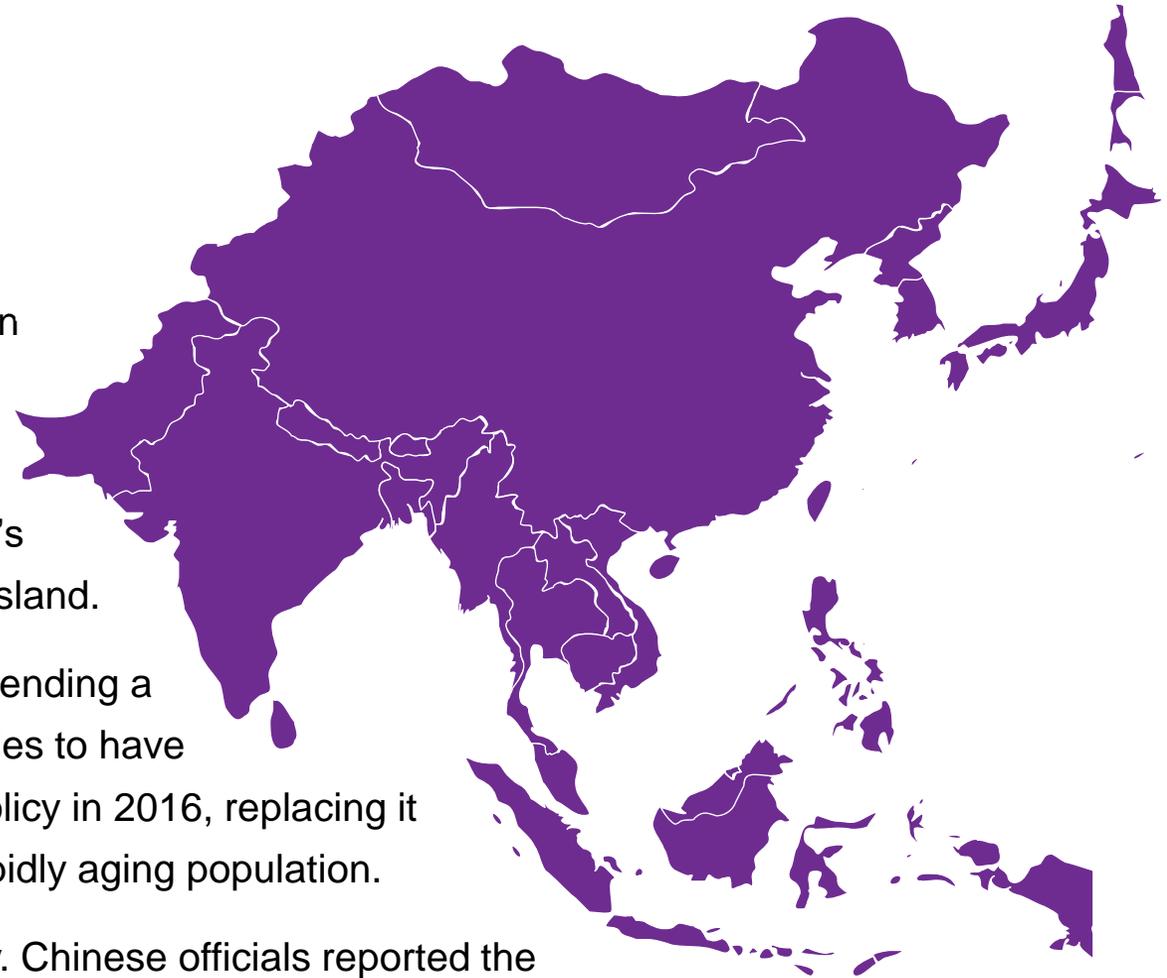
- **Somalia's** government spokesperson was wounded on Sunday in an explosion at a road junction set off by a suicide bomber in the capital Mogadishu. The al-Qa'ida-linked al-Shabaab claimed responsibility.
- In **Sudan**, protest organizers in the capital Khartoum announced two days of strikes and civil disobedience after security forces used gunfire and teargas on Monday to disperse demonstrations against a coup, killing seven people. Sudan's Sovereign Council plans to establish an anti-terrorism force to counter "*potential threats*" posed by the massive uprising against the coup leadership.
- **Mali's** interim government asked to review a defense agreement with **France**, as tensions grow over Mali's growing autocracy and hosting of **Russian** mercenaries. France has thousands of troops in Mali and neighboring Sahel countries in West Africa as part of an anti-jihadist force.



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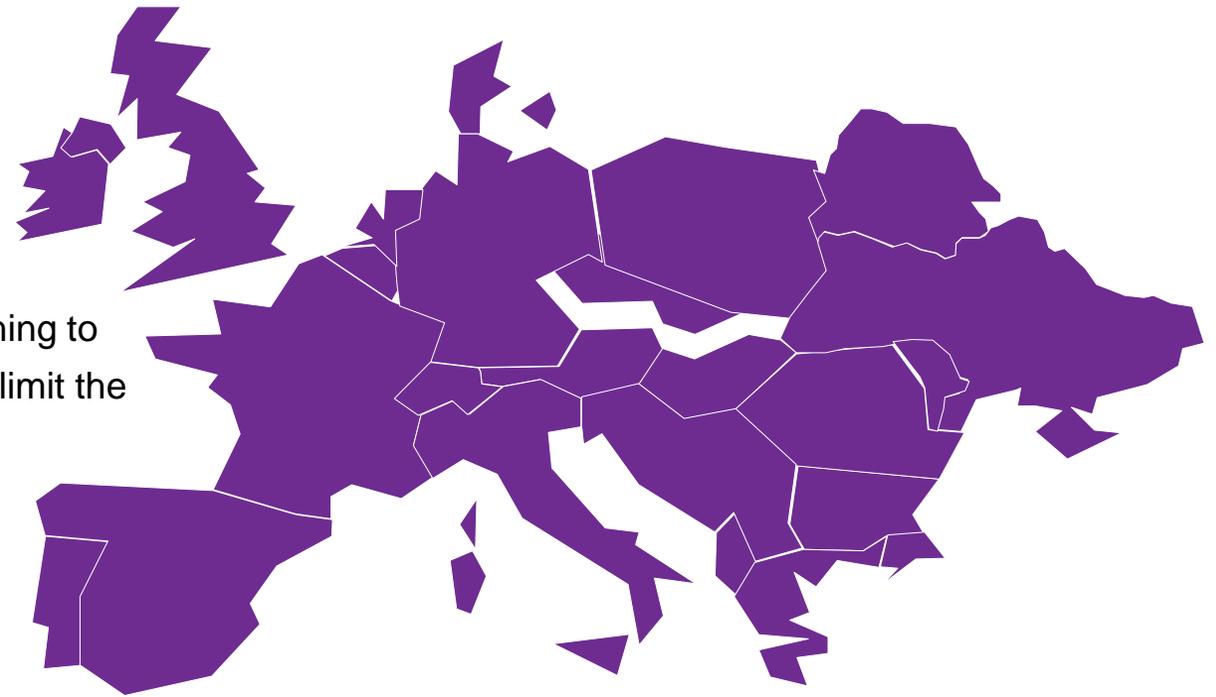
Asia

- **North Korea** fired two suspected short-range ballistic missiles on Monday from an airport in its capital city of Pyongyang, **South Korea's** military reported, the fourth test this month.
- Indonesia's parliament has approved a bill to relocate the nation's capital from Jakarta to a jungled area of Kalimantan on Borneo island.
- Mainland **China's** birth rate dropped to a record low in 2021, extending a downward trend that led Beijing last year to begin allowing couples to have up to three children. China dropped its decades-old one-child policy in 2016, replacing it with a two-child limit to try to avoid the economic risks from a rapidly aging population.
- **Australia** suffered its deadliest day of the pandemic on Tuesday. Chinese officials reported the Tianjin Omicron outbreak, a key port city in Northern **China**, was gradually declining, as new cases in the past three days were mainly in people who had been quarantined. Chinese cities are on high alert on potential spread of the virus during the Lunar New Year holiday which started yesterday.



Europe

- Boris Johnson's government has confirmed reports that it is planning to involve the military in operations in the **English** Channel to try to limit the number of migrant crossings in small boats.
- **Saudi Arabia's** planned purchase of Polish refining assets is set to gain control over two thirds of Poland's oil supply, eroding **Russia's** control as the previously dominant supplier.
- **Britain** said on Monday it had begun supplying **Ukraine** with anti-tank weapons to help it defend itself from a potential invasion by **Russia**. **Canada** has deployed a small contingent of special forces operators to Ukraine. Russian military forces and hardware began arriving in **Belarus** for joint drills starting in February, amid soaring tensions between East and West over Ukraine. The "Allied Resolve" exercises will be held near Belarus's borders with NATO members **Poland and Lithuania**, and its southern flank with Ukraine. Russia rejected US charges that Russia is preparing a pretext to invade Ukraine.
- The number of people with COVID-19 in **French** hospitals rose by the biggest one-day increase since early November 2020 - before the start of the country's vaccination campaign. **Poland** is experiencing a fifth wave of COVID-19 infections, the health minister warning that the spread of the Omicron variant could send daily case numbers soaring to levels not yet seen in the country. **Denmark** registered a record number of coronavirus infections, as cinemas, museums and other cultural institutions reopened after a month-long COVID-19 lockdown. The **Czech Republic** reported the biggest single-day rise since December 1.



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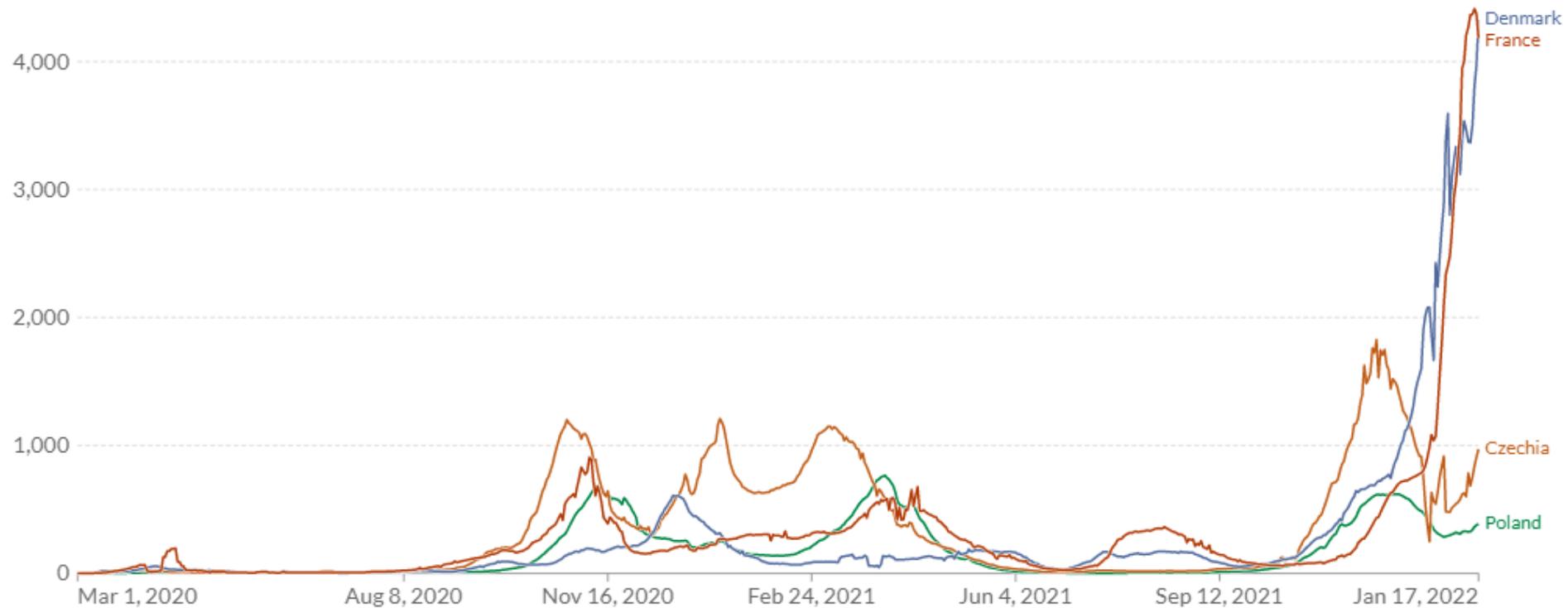
Europe

Daily new confirmed COVID-19 cases per million people

7-day rolling average. Due to limited testing, the number of confirmed cases is lower than the true number of infections.

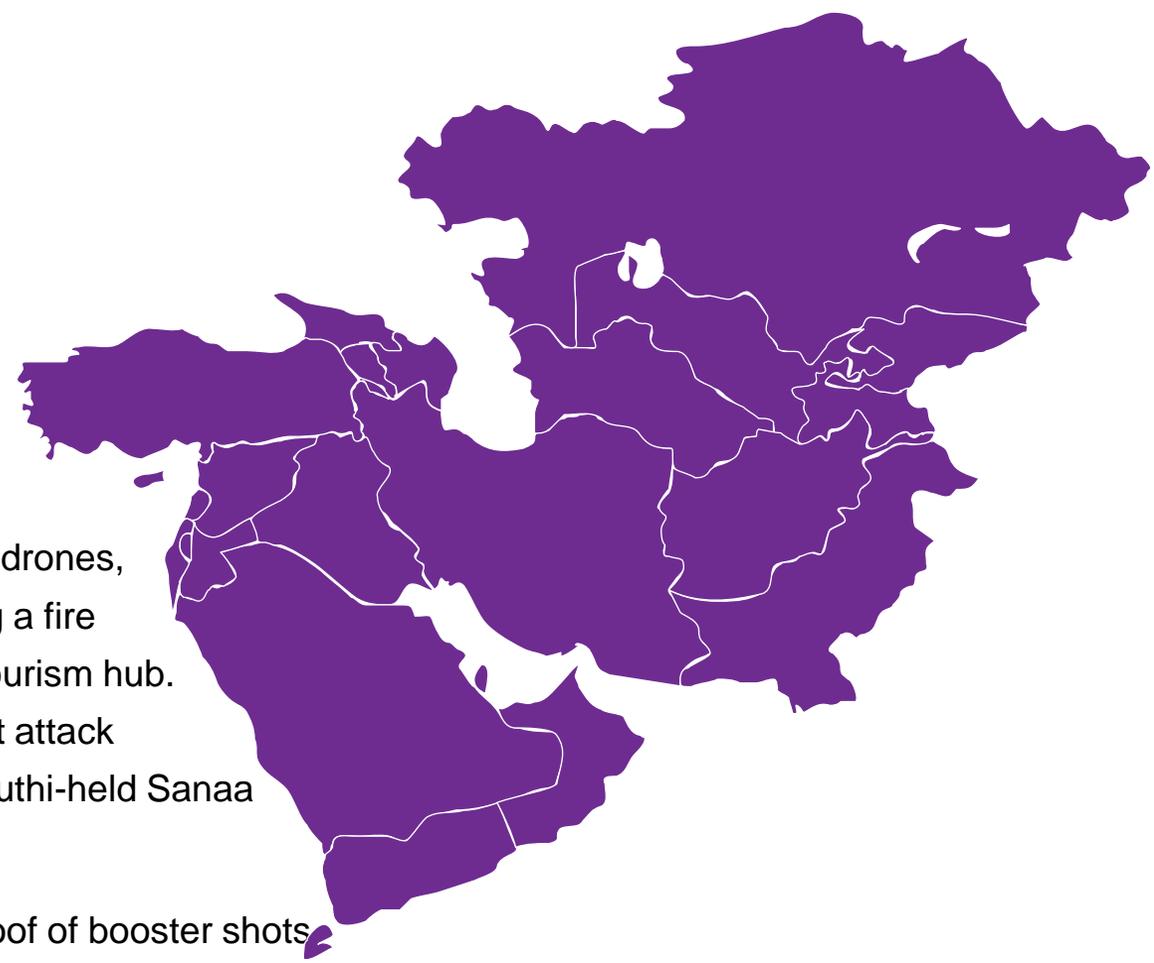
Our World
in Data

LINEAR LOG



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Middle East



- The **US** pushing for **Libya** to hold elections by June after the country missed a December deadline to elect its first president since the 2011 ouster and killing of longtime dictator Muammar Qaddafi.
- **Iranian-backed Yemeni** Houthis attacked the **UAE** using missiles and drones, setting off explosions in fuel trucks that killed three people and causing a fire near the airport of Abu Dhabi, capital of the region's commercial and tourism hub. **Saudi Arabia's** Foreign Minister strongly condemned a Houthi terrorist attack targeting civilian areas and facilities, and the Saudi-led coalition hit Houthi-held Sanaa with air strikes following an attack.
- In the **UAE**, Abu Dhabi is requiring people entering the city to show proof of booster shots.
- **Israel** will continue to offer a fourth COVID-19 vaccine shot despite its only partial effectiveness against the Omicron variant.
- In **Lebanon**, relatives of the victims of the Beirut's Port blast in August 2020 blocked roads and entrances at the Palace of Justice, protesting on Monday amid growing anger and frustration over what they see as "procrastination" that is hampering the official investigation into the blast.

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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.

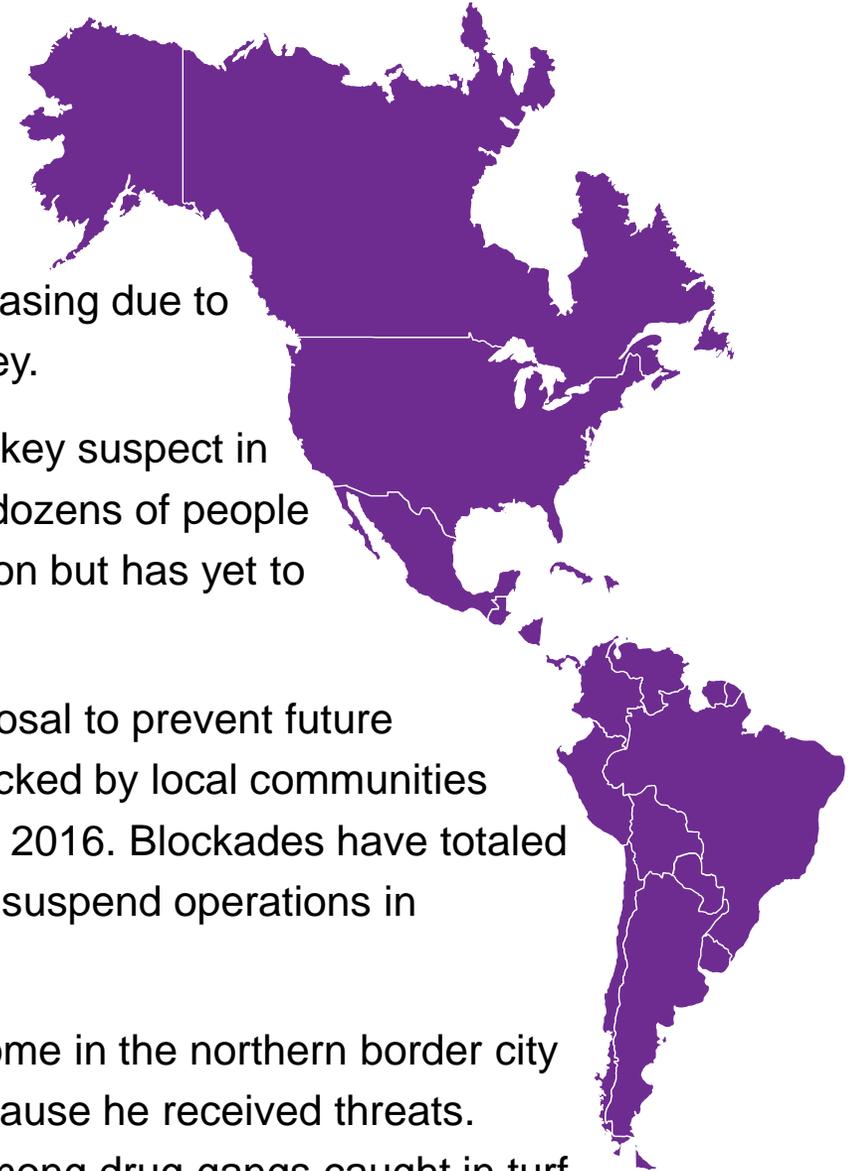
Dentons tabletop sessions are fluid, and designed to enhance preparedness with services, including:

- ❖ 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](#).

Americas



- **Canadian** firms see labor shortages intensifying and wage pressure increasing due to demand growth and supply chain constraints, per a Bank of Canada survey.
- **Jamaican** authorities have detained a former **Haitian** senator who was a key suspect in the murder of Haitian President Jovenel Moise in July. Haiti has arrested dozens of people following the July murder that left a political vacuum in the Caribbean nation but has yet to charge anyone.
- Leaders of a group of **Peruvian** communities rejected a government proposal to prevent future blockades affecting the Las Bambas copper mine. The road has been blocked by local communities since Las Bambas, owned by China's MMG 1208.HK began operations in 2016. Blockades have totaled over 400 days on and off since then and most recently forced the mine to suspend operations in December.
- A **Mexican** photojournalist died after being shot in the head outside his home in the northern border city of Tijuana. He had recently entered a government protection program because he received threats. Tijuana has become one of Mexico's most violent cities due to conflicts among drug gangs caught in turf wars over trafficking routes.

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Americas: US

- Top US health officials are urging caution amid reports of **coronavirus cases peaking** in some areas and the pandemic may soon become endemic. Reports of false negative results from **rapid tests** is driving down confidence amid growing reports of people who later got back positive PCR results and have infected others.
- Soaring freight costs and Omicron-related labor shortages are creating a new round are creating **shortages at supermarket** across the US.
- A tense hostage situation at Congregation Beth Israel in Colleyville, Texas ended on Saturday after the hostage-taker died in a shooting. Described as an “**act of terror**” by the White House, the attacker was demanding the release of Aafia Siddiqui, a Pakistani neuroscientist detained in Afghanistan for trying to kill US military officers, suspected of having ties to al-Qaeda, serving an 86-year prison sentence in Texas.
- A **winter snowstorm** creeping up the East Coast into Canada grounded planes and stranded motorists. Nearly 100,000 homes and businesses between Georgia and Maine lacked electricity. Georgia saw its first snow in four years.



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CES Round-Up: Innovations in the Metaverse, Smart Cars and More

By Anni Coonan

From January 5 to January 8, Las Vegas hosted the annual Consumer Electronics Show (CES), the first iteration of the industry-leading technology showcase to take place in person since the onset of the coronavirus pandemic. Although moods were dampened by a wave of cancellations as the Omicron variant spiked transmission throughout the US and poor showings for the tech-heavy Nasdaq, CES participants unveiled several consequential new technologies, demonstrating new trends in the tech and electronics industry.

Metaverse Takes Center Stage

Innovations related to the metaverse - a network of virtual worlds powered by technologies including virtual reality (VR), augmented reality (AR) and the internet of things (IoT) - were a major trend at CES 2022. While some of the announcements bordered on absurd (see, for example, Samsung's NFT displays, which essentially function as TV monitors), many demonstrated the direction of the metaverse industry. Wearable technology that provides an augmented or virtual reality experience was a major trend: Chinese electronics maker TCL unveiled smart glasses that allow users to take pictures, use GPS navigation, and see virtual work monitors.

Microsoft announced a partnership with Qualcomm to develop lightweight AR glasses, and Mojo Vision is partnering with Adidas to develop sports contacts that display real-time performance data, like heart rate or speed (pending FDA approval). Several companies also announced products attempting to improve on mainstream VR headsets, which are expensive and can be cumbersome; Sony's forthcoming Playstation VR2 will integrate sensory functions with a more sensitive headset and handheld sensors allowing users to more easily manipulate their avatars, and Panasonic announced its MeganeX VR headset, which is half as heavy as the current industry leader Oculus headset by Meta.

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CES Round-Up: Innovations in the Metaverse, Smart Cars and More

Electric Vehicles Continue a Strong Year

Electric vehicles, and the integration of computer technology with cars, were a star of CES 2022. Sony announced the establishment of a subsidiary dedicated to exploring entry into the e-vehicle space; Mercedes-Benz showed off a new electric vehicle with a record-setting 620 mile range (boosted by solar panels on the roof); Chrysler and Chevy both debuted new EV models; and Cadillac unveiled a new autonomous two-person EV. In a slightly less practical vein, BMW unveiled a prototype car wrapped in “e-ink” that can change color on demand. Following a year that saw record-breaking valuations and orders for EV leaders like Tesla and Lucid, as well as an increasing shift to EVs for logistics as well as individual use, the strong EV showing at CES demonstrates the sustained focus on the EV industry.

Smart Home Ecosystem Grows

Spurred by a two-year period where technology consumers spent an unprecedented amount of time in their homes, “smart home” technology was another major focus on CES 2022. The dominant theme of many new technologies was interoperability, as consumers

increasingly demand seamless transitions from handheld to installed tech. CES saw a flood of smart home cameras and doorbells, all equipped with Bluetooth technology, two-way audio, and other innovations. Smart home lighting also made a strong showing, with one notable standout being a Smart Health Monitoring lightbulb by Sengled that monitors sleep, heart rate, and other biometric data via radar. Home security was among the most dominant smart home sectors: camera maker Arlo introduced a smart home defense system with sensors capable of detecting motion, changes in light, and water levels, and hear smoke and CO2 alarms, while Bosch’s Spexor security system adds air purity sensors to that list; and Ring added glass break sensors to its already broad portfolio of home security technology. In addition to smart locks, Masonite unveiled the first smart front door, which integrates power, lights, sensors, a video doorbell, and a smart lock into the door system. Following a year in which Amazon introduced Astro, which provides Alexa services on a moving, camera-equipped body, is poised to become the first residential robot, and the Ring Always Home Camera - essentially a residential, interior security drone - 2022 is poised to be a strong year for smart home technology.

CES Round-Up: Innovations in the Metaverse, Smart Cars and More

Computer Chips Make Technological Gains

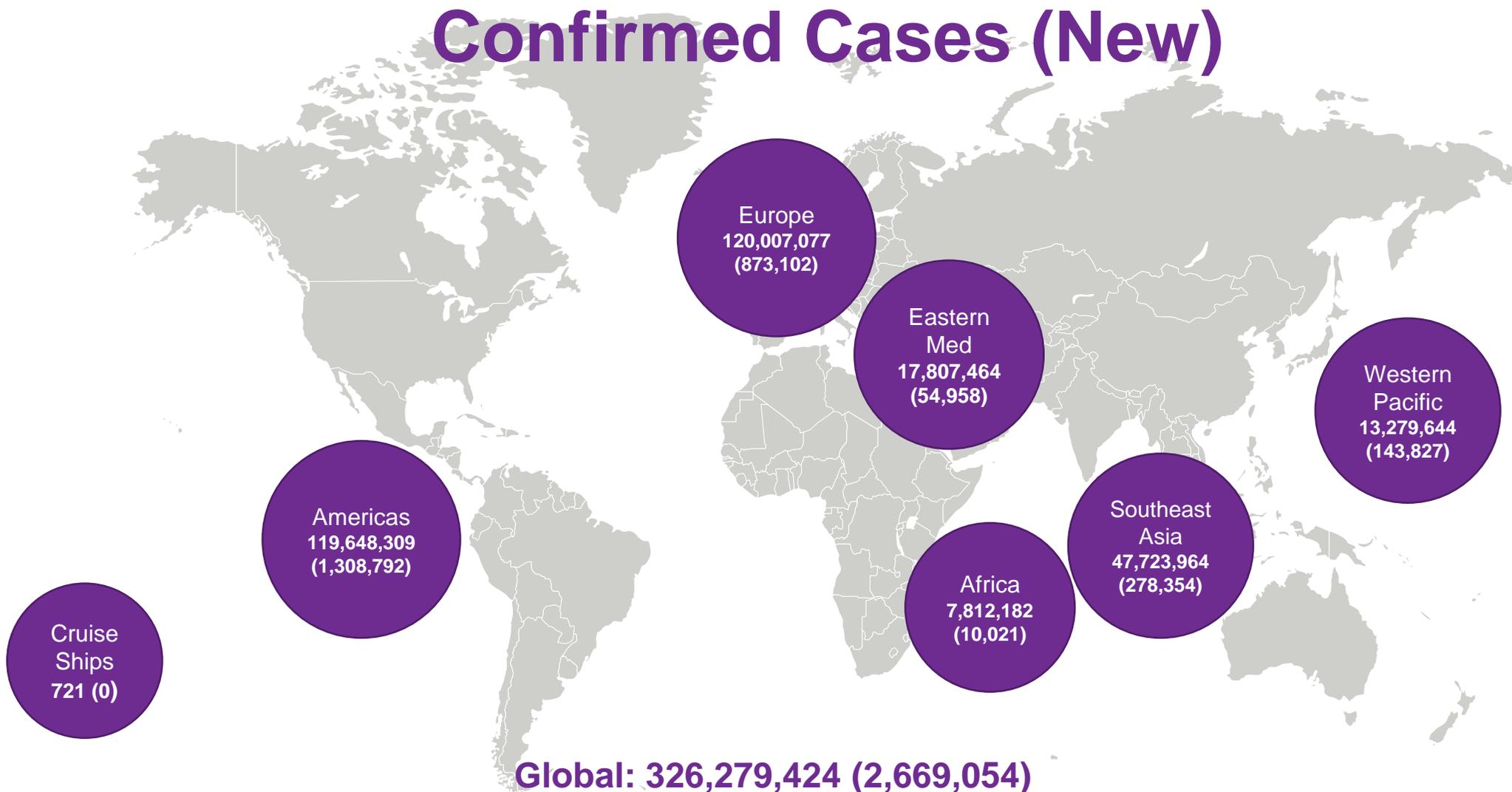
Despite a difficult year for production, several new generations of computer chips were unveiled at CES. Major chipmakers Nvidia and AMD unveiled new consumer chips aimed at gamers, while Intel dropped a total of 50 new chip designs, all based on its new generation of Alder Lake chip designs, as well as its first standalone graphics processor. The deluge of new designs confirm Intel's leadership in PC chips and position it to continue competing with Apple on creative work and laptop chips, despite continued disruption to chip production that delayed the Raptor Lake generation of chips that Intel debuted at last year's virtual CES.

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Coronavirus Condition Updates

As of 4:35 pm CEST on January 17, 2022

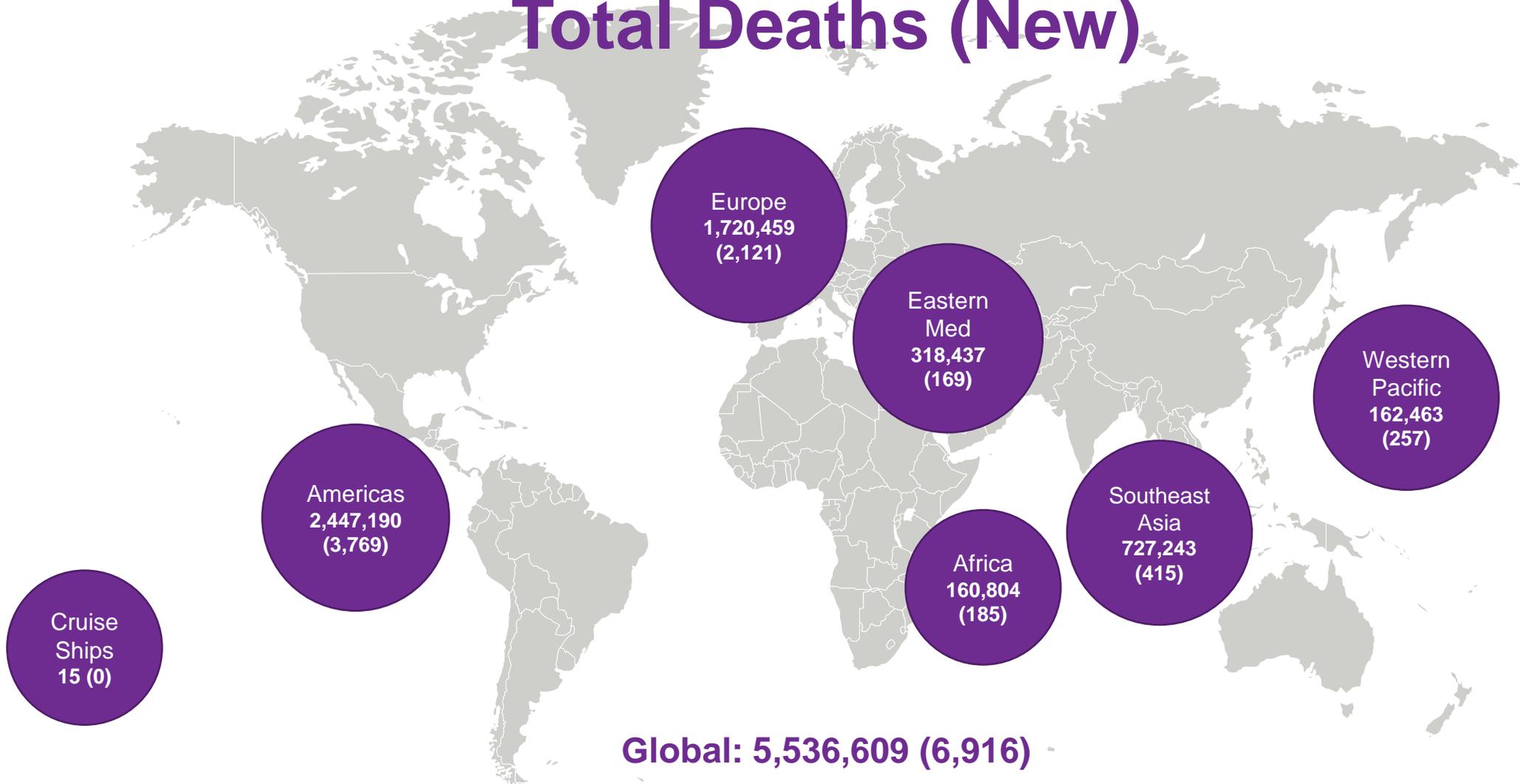
Confirmed Cases (New)



Reflects data as of 4:35 pm CEST on January 17, 2022.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 4:35 pm CEST on January 17, 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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