

Dentons Flashpoint

Daily Global Situation Report

August 16, 2021

Global Situation Update: August 16, 2021

KEY TAKEAWAYS

The Taliban seize control of Afghanistan as the government collapses and foreigners flee.

Protesters marched in cities across France for a fifth consecutive weekend against the COVID-19 health pass.

A 7.2 magnitude earthquake devastates Haiti.

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

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WHAT WE'RE WATCHING

Today, political parties in Canada are gearing up for a snap election called for September 20. Prime Minister Justin Trudeau said yesterday that he needs a new mandate to ensure voters approve of his handling of the COVID-19 pandemic and the progressive agenda of his Liberal government. He hopes to secure a parliamentary majority for his third term that will prioritize climate change, child-care, housing, transit and more.

There is a risk, of course, that voters will react angrily to an election called amid rising coronavirus cases and an expected fourth wave of infections. The snap election may also be perceived as an overly opportunistic push by the Liberal party to secure a parliamentary majority. The outcome of this election will determine if Canada's progressive agenda proceeds and, thus, will impact business regulations and standards for the near future.



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Global

Globally, confirmed coronavirus cases topped 206.9 million with 4.3 million deaths; more than 4.4 billion vaccine doses have been administered.

- More than 60 countries issued a joint statement calling on the Taliban keep border crossings and airports in **Afghanistan** open to allow Afghans and international citizens to depart.
- The closure of a terminal at the world's third-busiest container port, Chinese Ningbo-Zhoushan port last week, added to turmoil in ocean shipping which could persist into next year, posing a threat to global economic growth as chronic delays and **soaring transport costs** may leave demand unmet and push up consumer prices.

COVID-19 Vaccine

At Christian Aid Week in London, former British prime minister Gordon Brown called on the US, British and Italian leaders to host an emergency summit before the UN General Assembly to end vaccine inequality and send more shots to Africa and other low-income nations.

- **Turkey's** domestic COVID-19 **vaccine candidate, VLP**, has completed phase 2 trials; phase 3 trials will start in September.
- **Taiwan** has rejected an application for the production and emergency use of Taiwanese **UBI Pharma Inc's COVID-19 vaccine candidate**, in a setback for the island's push to attain self-sufficiency.
- The **US** has sent more than 134,000 **Pfizer/BioNTech COVID-19 vaccine** doses to four **Caribbean nations**, bringing the total of donated jabs to more than 100 million.

Markets & Business

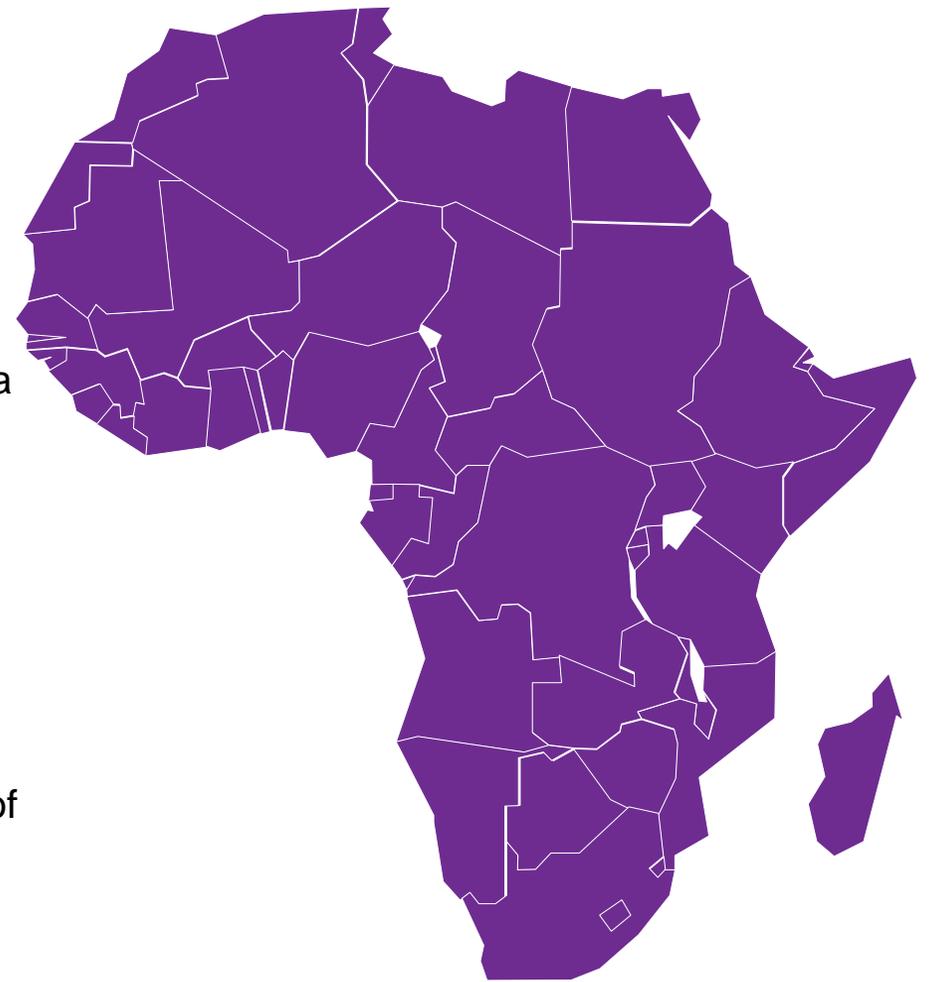
China's securities regulators punished 19 institutional investors as authorities tighten scrutiny over price-setting behaviors under a more liberalized tech-focused STAR Market in Shanghai.

- Defense firm **Cobham** has agreed to buy **Ultra Electronics** in a deal valuing its UK-listed rival at 2.57 billion pounds (\$3.56 billion).
- **Hyatt Hotels Corp.** plans to buy resort company **Apple Leisure Group** from its private-equity owners for \$2.7 billion.
- **Cisco** has announced it would move its US Midwest hub to Chicago's Old Main Post Office, where it will launch a post-pandemic hybrid work model.
- **Disney** signed up 12 million subscribers to its flagship streaming service in the most recent quarter, doubling its customer base from a year ago and outpacing rivals such as Netflix.

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Africa

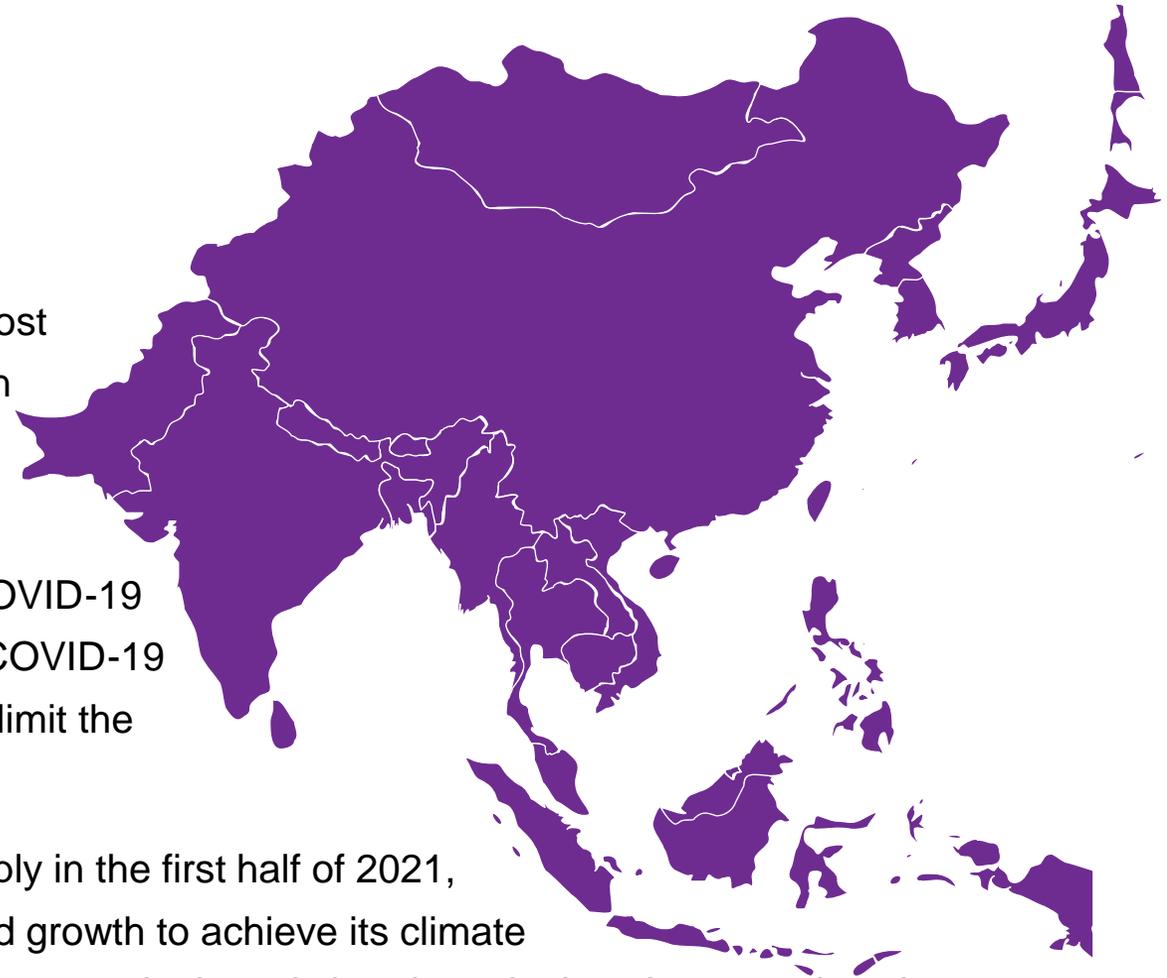
- Opposition leader Hakainde Hichilema secured a landslide victory over incumbent Edgar Lungu in **Zambia's** presidential election. Hichilema, 59, a former CEO at an accounting firm before entering politics, now faces the task of trying to revive Zambia's economy.
- **Ivory Coast** detects its first case of the Ebola hemorrhagic virus since 1994.
- **Nigerian** authorities on Sunday imposed a curfew in parts of central Plateau state, a day after a suspected Christian militia attacked a convoy of 90 Muslims, killing at least 23.
- **Algerian** police arrested 36 people including three women after the lynching of a man suspected of having started one of the country's deadly forest fires.



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Asia

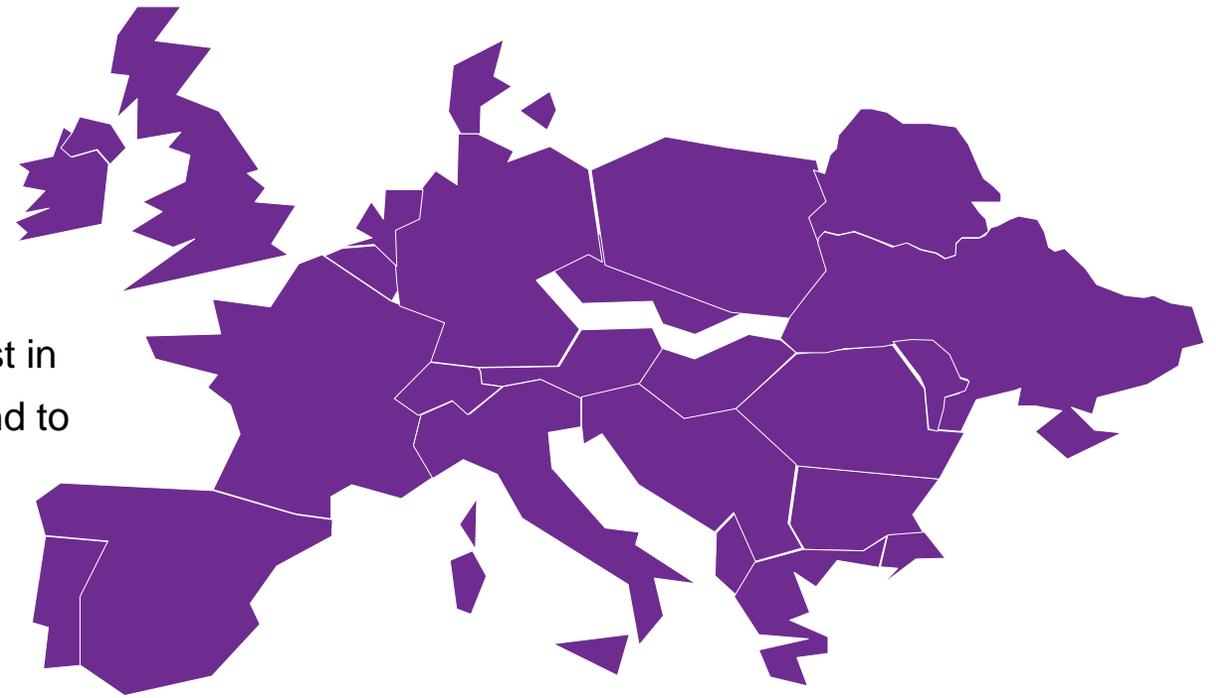
- **Malaysia's** Prime Minister Muhyiddin Yassin resigned, after he lost his majority due to infighting in the ruling coalition; King Al-Sultan Abdullah appointed him to head a caretaker government, saying now is not a good time to hold elections.
- **Australia** has purchased about 1 million doses of Pfizer Inc's COVID-19 vaccine from **Poland**. Sydney recorded its deadliest day of the COVID-19 pandemic on Monday as troops and police set up roadblocks to limit the movement of people.
- **China's** expansion of coal-powered steel mills accelerated sharply in the first half of 2021, exposing the government's reluctance to sacrifice industry-fueled growth to achieve its climate goals, per new Finish study. China's factory output and retail sales growth slowed sharply and missed expectations in July.
- The **Japanese** government will extend its "*state of emergency*" lockdown in regions including Tokyo to the middle of September.



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Europe

- **British** employers plan to increase staff numbers by the most in more than eight years over the coming months and few intend to lay off staff when government support ends next month.
- **Russia's** daily COVID-19 deaths hit a new record of 819 on Saturday, a day after Moscow's health department reported the highest number of monthly deaths in the city since the start of the pandemic.
- Protesters marched in cities across **France** for a fifth consecutive weekend against the COVID-19 health pass for daily activities, but in lesser numbers than a week ago.
- All 16- and 17-year-olds in **England** will be offered their first COVID-19 vaccine dose by August 23.
- **Serbian** health authorities will offer a third booster shot of to people with compromised immune systems, health workers or those who were vaccinated more than six months ago.



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Europe

Russia has confirmed 6,621,601 cases of coronavirus and 171,305 deaths. While Russian COVID-19 new infections have appeared to peak, the daily death toll reached record heights over the weekend. Russia saw more than 530,000 excess deaths between the start of the pandemic and the end of June 2021, according to official data.

Moscow Mayor Sergei Sobyenin has cancelled rules requiring employers in the capital to ensure at least 30 percent of unvaccinated staff work remotely. Guidelines to employers to regularly test employees for coronavirus and take temperature checks have also been scrapped.

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Daily new confirmed COVID-19 cases

Shown is the rolling 7-day average. The number of confirmed cases is lower than the number of actual cases; the main reason for that is limited testing.

LINEAR LOG



Source: Johns Hopkins University CSSE COVID-19 Data

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Our World in Data

Daily new confirmed COVID-19 deaths

Shown is the rolling 7-day average. Limited testing and challenges in the attribution of the cause of death means that the number of confirmed deaths may not be an accurate count of the true number of deaths from COVID-19.

LINEAR LOG



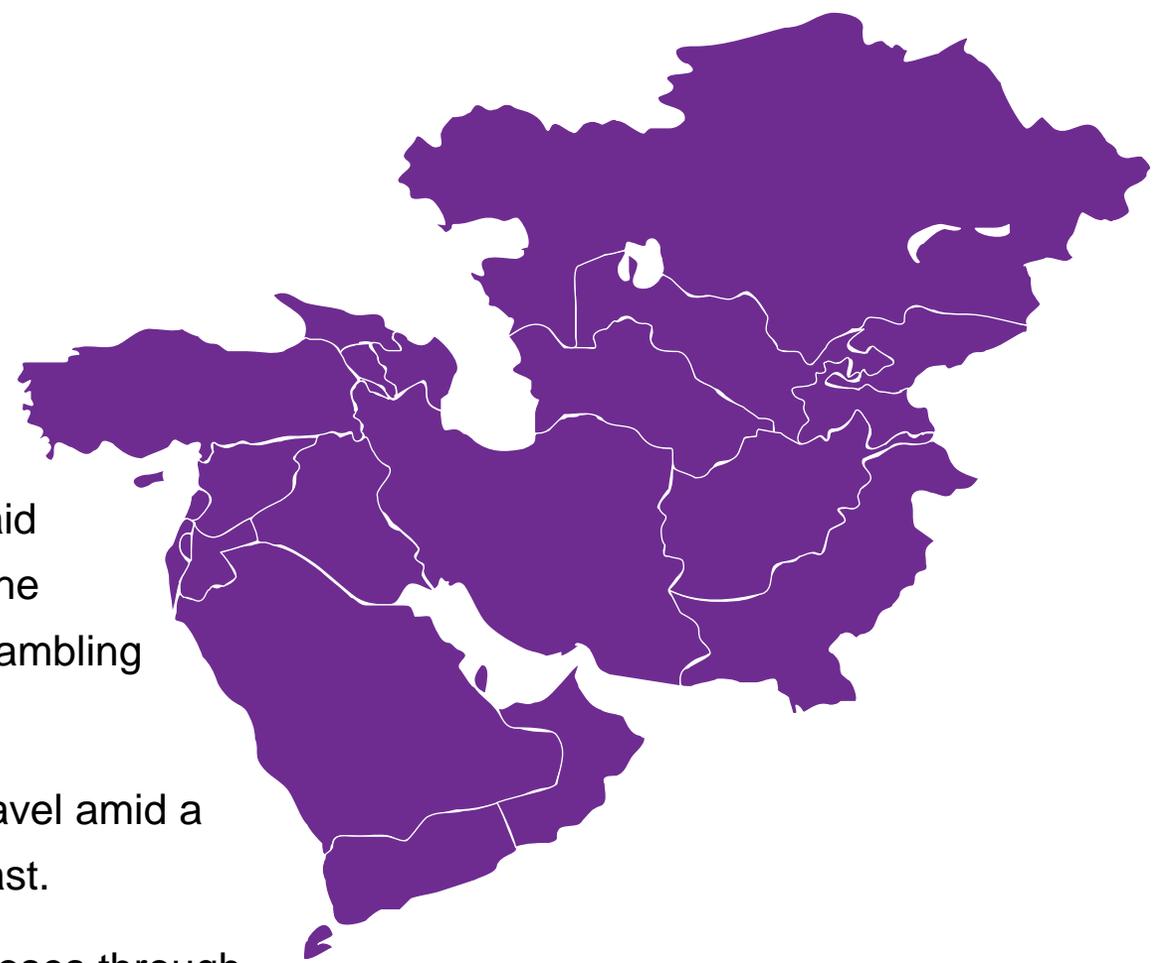
Source: Johns Hopkins University CSSE COVID-19 Data

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Our World in Data

Middle East

- The **Afghan** government collapsed, and the Taliban entered Kabul, taking over the country two decades after they were overthrown by a US-led invasion. Afghani President Ghani said he had left the country to avoid bloodshed and clashes with the Taliban. Countries and international aid organizations are scrambling to evacuate their citizens and local employees.
- **Iran** is to impose a one-week lockdown and a ban on road travel amid a fifth COVID-19 surge in the worst-hit country in the Middle East.
- **Egypt** received 1.7 million AstraZeneca COVID-19 vaccine doses through the global COVAX initiative.



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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:

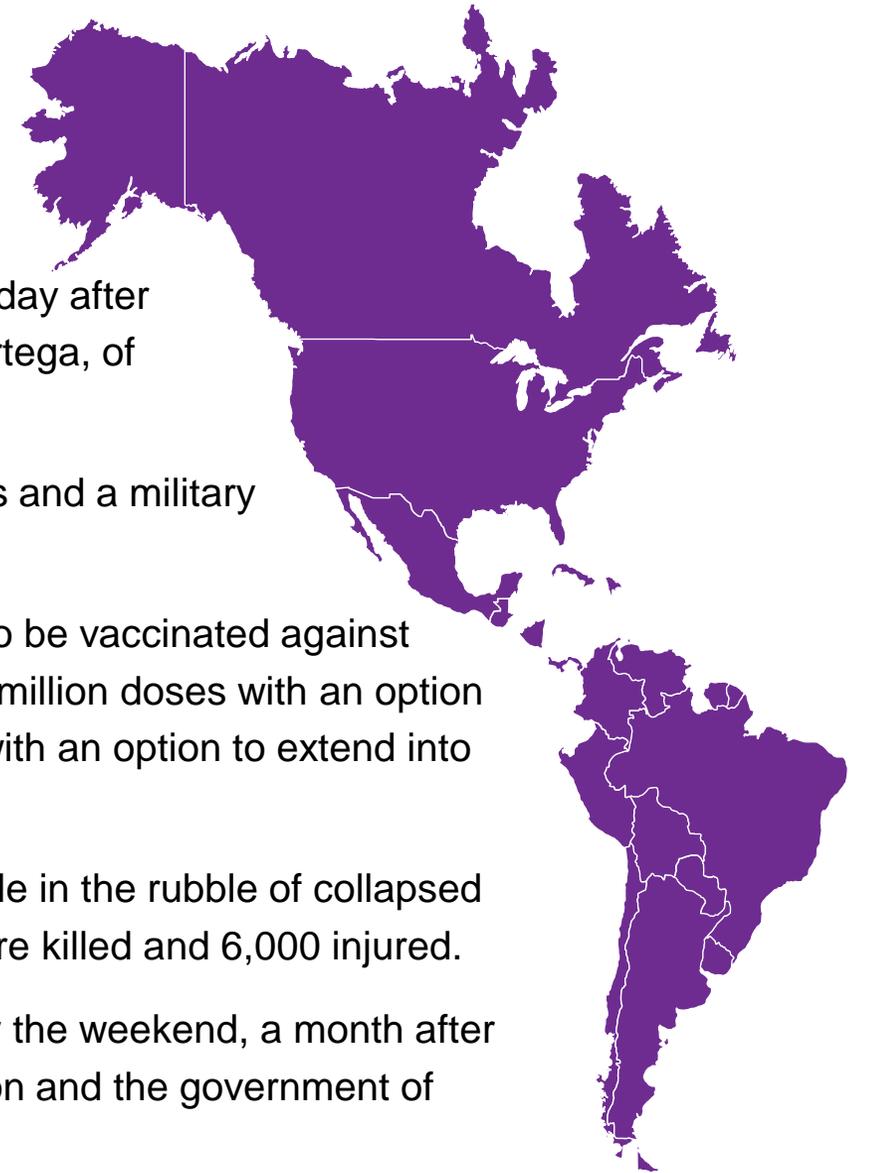
- ❖ Ransomware tabletop exercises
- ❖ Post-tabletop action reports
- ❖ Maturity assessments for preparedness
- ❖ Supply-chain attack simulation
- ❖ Comprehensive incident response plan
- ❖ Threat analysis and monitoring

All interaction with Dentons is attorney-client privileged

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

Americas

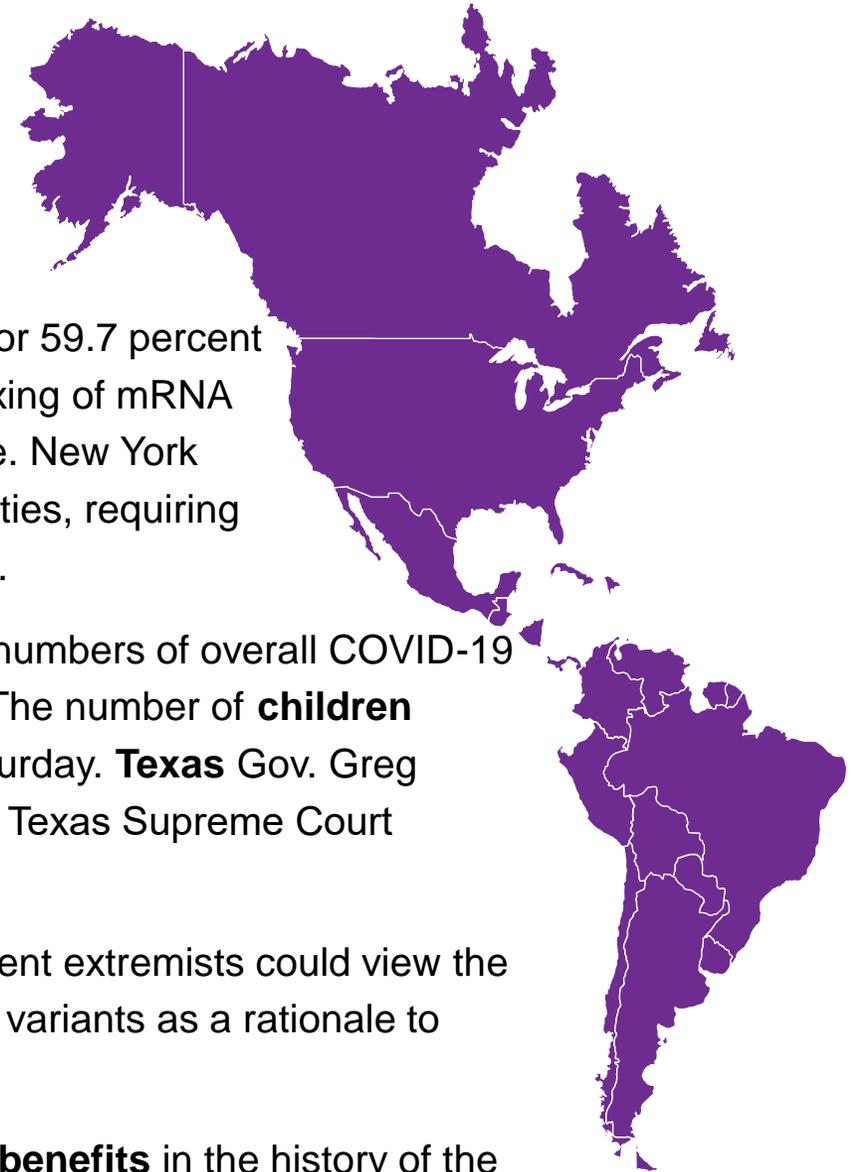
- **Nicaraguan** police arrested the general manager of newspaper La Prensa, a day after raiding its offices and accusing the publication, which is critical of President Ortega, of customs fraud and money laundering.
- The **US** imposed imposing sanctions on two **Cuban** Ministry of Interior officials and a military unit over the government's crackdown on protesters last month.
- **Canada** will soon require all federal public servants and many other workers to be vaccinated against COVID-19. Canada sealed a long-term deal with Moderna, buying at least 40 million doses with an option for 65 million more if needed. Deliveries would take place in 2022 and 2023, with an option to extend into 2024.
- **Haiti** was struck by a 7.2 magnitude earthquake on Saturday that buried people in the rubble of collapsed buildings and sent seawater rushing through streets. At least 1,300 people were killed and 6,000 injured.
- **Venezuelan** opposition leader Freddy Guevara was released from prison over the weekend, a month after his arrest and days after the start of talks in Mexico City between the opposition and the government of President Maduro.



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Americas: US

- Across the nation, 198.1 million have received at least one dose of the **vaccine**, or 59.7 percent of the total population. With **booster shots** starting for vulnerable Americans, mixing of mRNA vaccines will be permitted for the third shot if their original vaccine is not available. New York became the first big US city to put into effect a **vaccine mandate** for indoor activities, requiring people to show proof of vaccination on a new app or their paper vaccination card.
- **Arkansas, Florida, Louisiana, Mississippi, and Oregon** have reported record numbers of overall COVID-19 hospitalizations this month. Field hospitals are opening to manage the overflow. The number of **children hospitalized** with COVID-19 in the US hit a record high of just over 1,900 on Saturday. **Texas** Gov. Greg Abbott's ban on mask mandates will be allowed to stand, at least temporarily, the Texas Supreme Court decided.
- Department of Homeland Security, in a new **terrorism warning** bulletin, said violent extremists could view the reimposition of COVID-19-related restrictions following the spread of coronavirus variants as a rationale to conduct attacks.
- The Biden Administration has approved the largest increase to **food assistance benefits** in the history of the Supplemental Nutrition Assistance Program, a subsidy program to assist poor families to buy food.



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Children and the Delta Variant

With the Delta variant of COVID-19 spiking throughout the US and the school year beginning, anxieties around children and the Delta variant of the coronavirus are also on the rise.

Increased transmission among adults is driving increased infection and hospitalization for children, most of whom are too young to be vaccinated themselves, causing many to wonder whether the Delta variant is inherently more dangerous to children than previous iterations of the virus. While the data on whether the variant causes more severe illness in children is uncertain, increased infections among the young will threaten school reopenings, further charge vaccination and masking initiatives, risk increased long-term complications from “long COVID” and a rare inflammatory condition and threaten broader reopening efforts.

Adolescent cases and hospitalization from COVID-19 are undoubtedly on the rise: by last week, child hospitalizations reached an all-time pandemic high, and in the last week of July, children’s infections represented one fifth of total new infections in the US. What is less clear is whether this jump in cases and hospitalizations is due

to the Delta variant causing more severe illness than previous mutations. While several studies have suggested that the variant causes more severe cases that are likelier to require hospitalization, resist existing treatments, or result in death, doctors stress that these studies are preliminary. Many argue that it is likelier that increased adolescent hospitalization from the Delta variant is due to the simple arithmetic of a more transmissible variant: more children are being hospitalized, because more children are falling ill, because a more virulent variant is being transmitted throughout the population at large - not because the new Delta variant is specifically better able to infect children.

Regardless of the likelihood that increased hospitalization rates are not due to a more severe illness, the rise in cases among children will have impacts on reopening and long-term health outcomes. Anecdotally, several doctors interviewed by the media cite their main

Children and the Delta Variant

worry not as children experiencing severe illness from the Delta variant (children are, after all, still far less likely to die of COVID-19 than other age groups), but of the potential long-term effects of long-COVID. The effects, which encompass symptoms as broad as brain fog and fatigue to gastrointestinal issues and heart palpitations, are poorly understood in all age groups, and could cause lifelong health problems in children. Similarly concerning is a rare but severe inflammatory disease that has emerged in a handful of children after their recovery from COVID-19; multisystem inflammatory syndrome in children (MIS-C), has infected over 4,000 children in the US, resulting in 37 deaths. While there is no reason to think that the Delta variant is more likely to lead to long COVID or MIS-C, rising COVID-19 case numbers will inevitably lead to more of these rare complications, and more children dealing with lifelong legacies of their infection.

The effects of the Delta variant in children will become increasingly relevant as school year begins and the variant continues to drive a case surge in the US. Schools are becoming a contentious site of debate on appropriate COVID-19 precautions and restrictions on personal choices. While health officials strongly recommend wearing

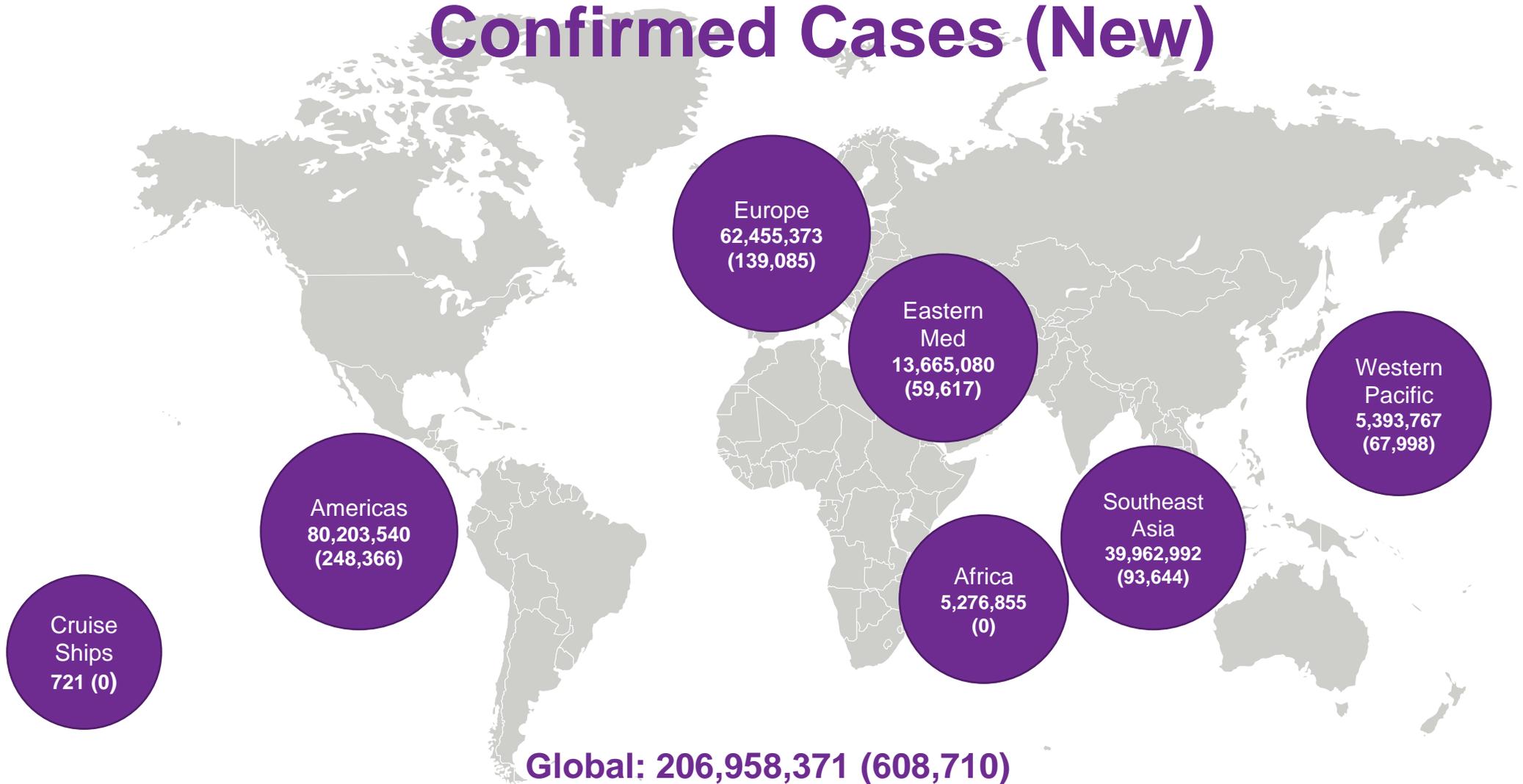
masks indoors, and there is growing popular support for vaccine requirements in several instances (just last week, the nation's largest teacher's union backed a vaccine mandate for educators), the implementation of these recommendations have been mixed. In the southeast, where the Delta surge has been most severe, most schools do not require - or even permit - masks, and vaccine mandates for teachers are unlikely. The FDA has also not approved any vaccines for children under 12. The agency has vowed to "move fast" to approve the jabs for children, and the green light may come in the fall, but it is unlikely that children will be quickly vaccinated, based on trends for teenagers. By the end of July, only 25 percent of those aged 12-18 were considered fully vaccinated (compared to 51 percent of all adults), and children, who are less able to get their own vaccines and for whom parents may be even more apprehensive, are unlikely to get vaccinated at a faster rate. While the majority of schools will likely continue plans to reopen in person, increased risk of illness and parent anxiety will lead to more schools and parents opting for online schooling. Increased health risks for children risk compounding the negative (and uneven) effects of remote schooling, extending the pandemic-era pressures on working parents, and scuttling back-to-the-office plans.

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Coronavirus Condition Updates

As of 12:23 pm CEST on August 16, 2021

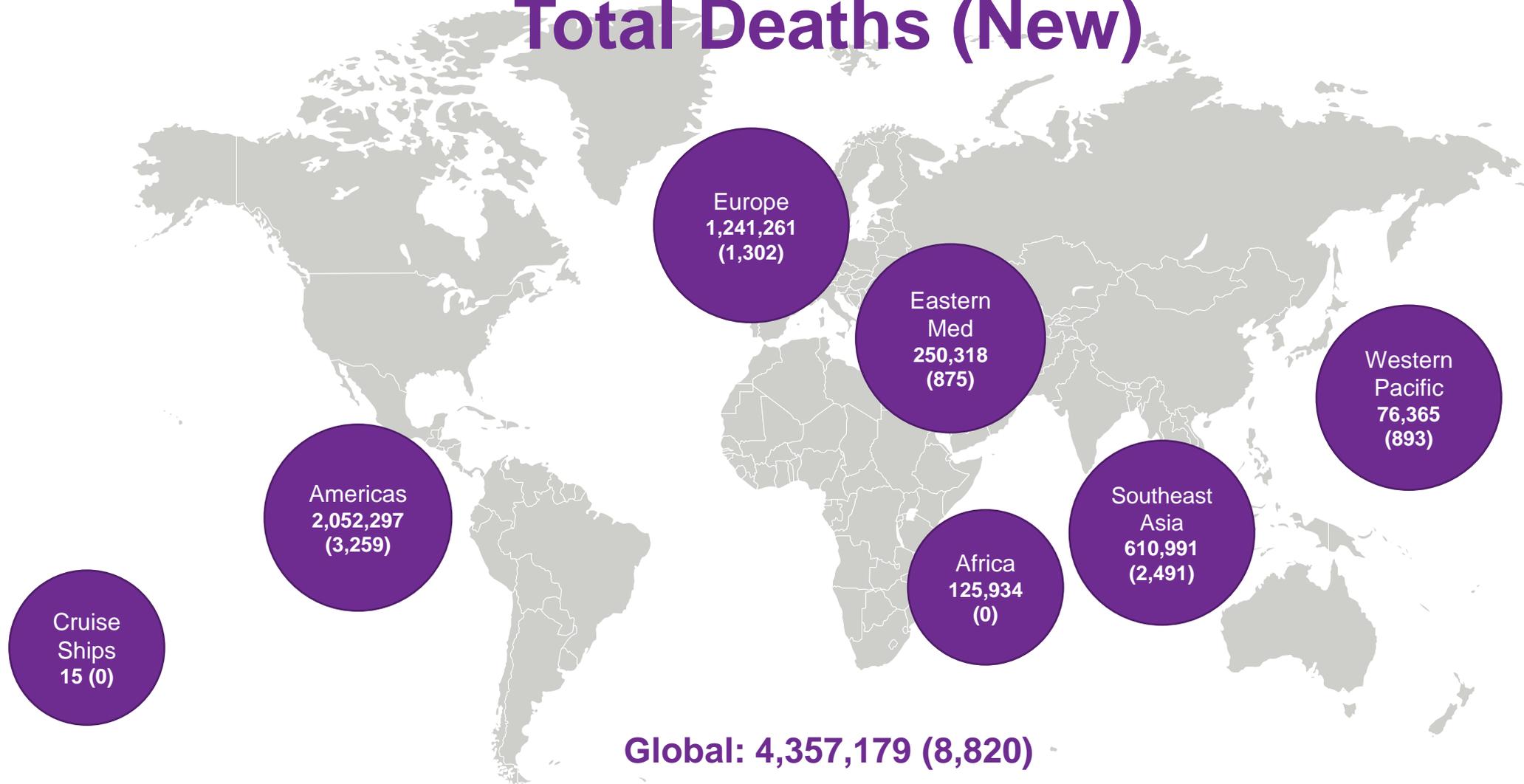
Confirmed Cases (New)



Reflects data as of 12:23 pm CEST on August 16, 2021; Africa Region update not yet available.
Data Source: World Health Organization

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Total Deaths (New)



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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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