

Dentons Flashpoint

Daily Global Situation Report

November 17, 2021

Global Situation Update: November 17, 2021

KEY TAKEAWAYS

The US and Japan announced a new trade partnership to boost cooperation on labor, environment and digital trade issues.

Pfizer filed for US authorization of its experimental antiviral COVID-19 pill.

FedEx has permanently shut down its pilot base in Hong Kong.

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: November 17, 2021

WHAT WE'RE WATCHING

Russia carried out an antisatellite missile test on Monday, destroying one of its own satellites in orbit and generating over 1,500 pieces of debris. The debris has posed an immediate risk to crew on the International Space Station, who were forced to take shelter for several hours on Monday.

The antisatellite test has added another dimension to US-EU-Russian tensions, which have steadily increased over several months. Moscow's close ally, Belarus, will likely be the target of new EU sanctions due to Minsk facilitating a migrant crisis on the bloc's eastern border. In Ukraine, NATO is warning Russia against "potential aggressive actions" as Moscow concentrates troops and equipment on Kyiv's eastern border.

Finally, Russia is threatening retaliation as Germany suspended approval of the Nord Stream II pipeline, sending gas prices spiking across Europe. In the short to medium term, Moscow will likely increase their use of energy as a geopolitical tool as a result of the Nord Stream decision.



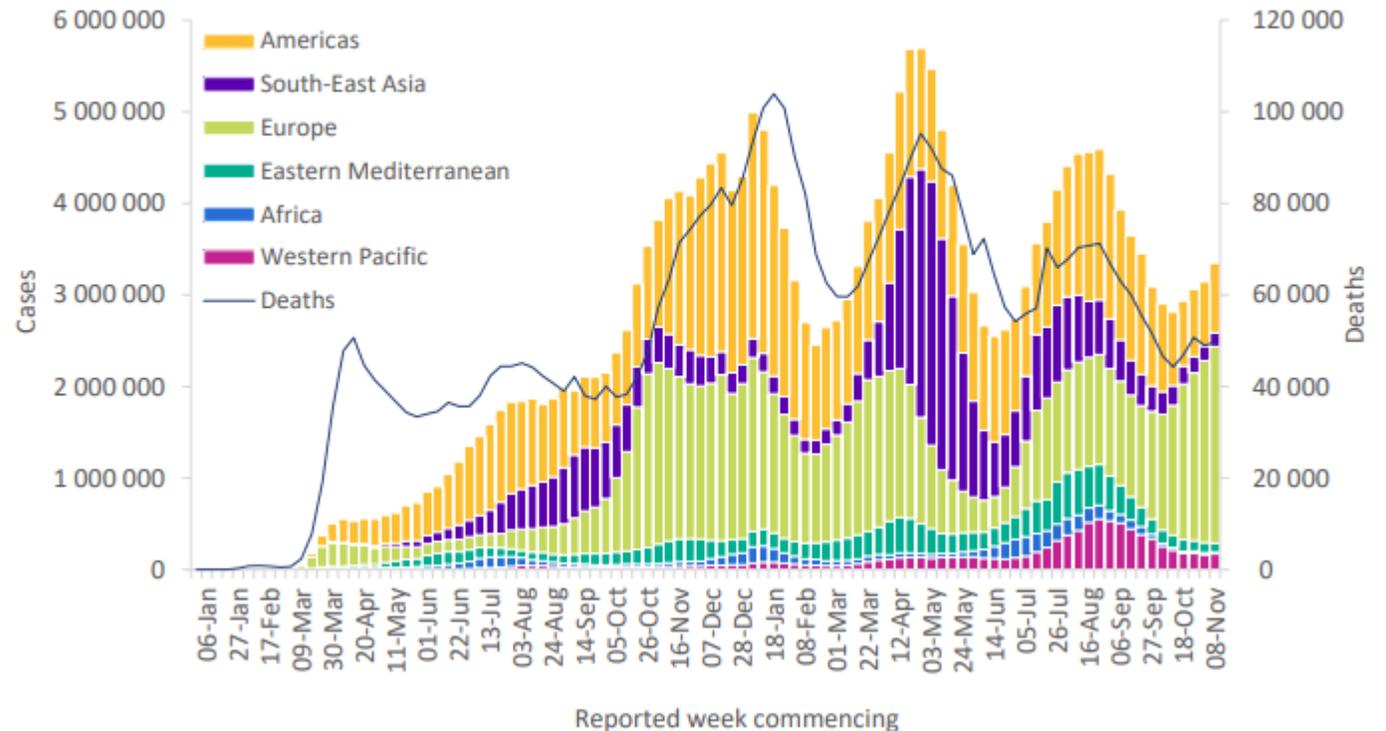
Note: This report is based on sources and information deemed to be true and reliable, but Dentons makes no representations to same.

Global

Globally, confirmed coronavirus cases topped 253.6 million with 5.1 million deaths; almost 7.3 billion vaccine doses have been administered.

- During the week 8 to 14 November 2021, the increasing trend in new global weekly cases continued, with over 3.3 million new cases reported – a 6 percent increase as compared to the previous week. The Americas, European and Western Pacific regions all reported increases in new weekly cases. The European Region also reported a 5 percent increase in new deaths.

Figure 1. COVID-19 cases reported weekly by WHO Region, and global deaths, as of 14 November 2021**



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

Markets & Business

MSCI's main emerging market currency index saw its biggest fall since mid-August as drop-offs in Turkey's lira and a rising dollar sparked a selloff.

- **Etsy, Spotify, and Snapchat** all appeared to suffer a brief global outage on Tuesday; **Google** said it was experiencing issues with its Cloud, which counts all three platforms as clients.
- Dutch opposition politicians threatened **Shell** with exit penalties following the announcement of a plan to drop its dual share structure and move its tax base to the UK.
- **Walmart** reported stronger-than-expected Q3 sales and raised its forecast for Q4, despite expected supply chain issues.
- Electric vehicle maker **Rivian** overtook **Volkswagen** in value, and **Lucid** overtook **Ford**, despite a lack of sales.
- **FedEx** has permanently shut down its pilot base in Hong Kong, citing uncertainty about when the city will return to normal amid the pandemic.

Environment, Sustainability & Governance

Major multilateral organizations will launch a new initiative next week, the Impact Management Platform, which is aimed at developing a system of standards for companies, investors and financial institutions to measure their impact on global sustainability.

- The global markets will need four times the nickel and double the copper in the next 30 years to facilitate a **decarbonized world**, per a BHP Group executive speaking at the FT Commodities Asia Summit.
- Singapore's Pavilion Energy Trading & Supply Pte Ltd announced it has jointly developed with suppliers QatarEnergy and Chevron Corp a method to calculate **greenhouse gas emissions** for liquefied natural gas cargoes.
- The International Group of Liquefied Natural Gas Importers, an international liquefied natural gas launched a framework for rules to declare cargoes **carbon neutral** as it seeks to make the practice of offsetting emissions a last resort.
- The EU has drafted a law to ban imports of foods including beef and coffee from areas at risk of deforestation, in a landmark regulation designed to protect the world's most **vulnerable forests**.

Africa

- Hundreds of protestors took to the streets of **Burkina Faso's** capital Ouagadougou on Tuesday, calling for President Roch Kabore to resign for failing to reign in the militants in the country's north and east.
- A **Nigerian** judicial panel confirmed that Nigerian security officials shot and killed unarmed protesters during demonstrations at Lekki Gate, a flashpoint of anti-military #EndSARS protests last year. One of Nigeria's main oil and gas unions issued a 14-day strike warning over a number of labor disputes.
- Islamic State claimed responsibility for a suicide bombing in **Uganda's** capital Kampala, which forces the evacuation of parliament and killed three people.
- Climate change and security in **Ethiopia, Sudan and the Sahel** top the agenda during US Secretary of State Blinken's trip to **Kenya, Nigeria and Senegal** this week.



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

Asia

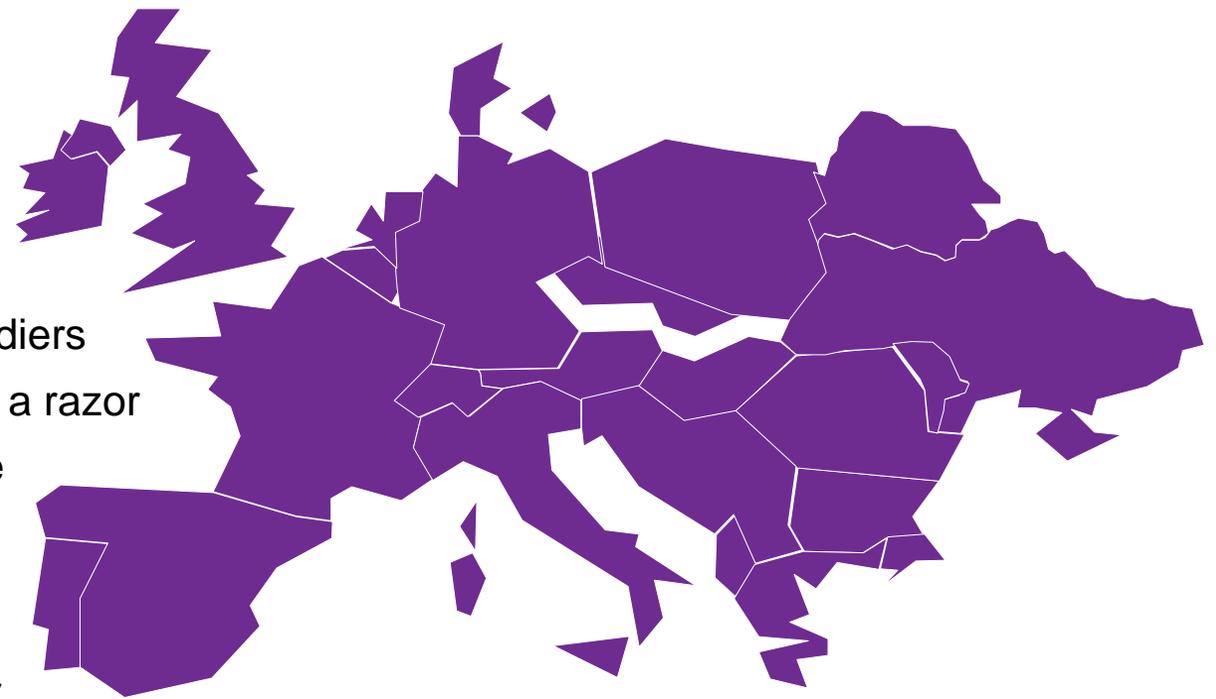
- The **US and Japan** announced a new trade partnership to boost cooperation on labor, environment and digital trade issues, with an emphasis preserving a “free and open Indo-Pacific,” pushing back against **China's** state-driven economic policies.
- **Indian** regulators have closed six of the 11 coal-fired power plants within a 300km radius of New Delhi, as persistent toxic smog continues to imperil the health of the capital’s residents.
- **Myanmar** will reopen its land borders with **China and Thailand** starting next month, due to its improved COVID-19 vaccination rate. **Japan’s** government announced that 75 percent of the entire population has now been vaccinated. **Hong Kong’s** Disneyland theme park was shut down today after a visitor tested positive for coronavirus.
- **Philippine** President Rodrigo Duterte’s daughter Sara Duterte-Carpio agreed to be the running mate of Fernando Marcos Jr. (aka Bongbong Marcos) in next year’s presidential election. A group opposing the candidacy Marcos is petitioning the election commission to bar him from running because he has been convicted for tax evasion.
- **Australia's** prime minister identified more than 60 areas of technology as critical to the national interest and promised millions of dollars in funding to keep strategic rivals from controlling industries from cyber security to medicine.



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

Europe

- The **Estonian** government summoned 1,700 reserve soldiers for an unannounced exercise which will include installing a razor wire barrier along 40 km of its border with **Russia**, as the migration crisis in nearby **Belarus** intensifies.
- The **Armenian** defense ministry reported that Armenia and **Azerbaijan** had agreed to a ceasefire at their border after **Russia** urged them to step back from confrontation.
- **UK** inflation surged to a 10-year high last month as household energy bills rocketed, bolstering expectations that the Bank of England will raise interest rates next month.
- **Poland** reported the highest number of daily new COVID-19 infections since last April, as the third wave gathers steam in the country already facing political and economic challenges.
- **Russia's** Sputnik V vaccine has demonstrated 96.3 percent efficacy against COVID-19 during the vaccination campaign in Belarus, per Russia's RDIF sovereign wealth fund.



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

Middle East



- **US** diplomats reported that **Iran** had resumed the production of equipment for advanced centrifuges.
- **Bahrain's** Oil & Gas Holding Company (nogaholding) said it aims to expand beyond fossil fuels and become a general energy company.
- The government of **Qatar** denied accusations from Amnesty International of migrant worker exploitation ahead of the 2022 World Cup.
- A **US** official said that the Biden Administration remain “committed” to a proposed sale of F-35s to the **UAE**. The US Deputy Treasury Secretary visited the UAE and discussed illicit finance and money laundering with UAE banking executives.
- The **UK** advised against all but essential travel to **Lebanon** due to ongoing national instability. **Iraq** approved an agreement to send Lebanon 500,000 tons of gas oil.

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

Americas

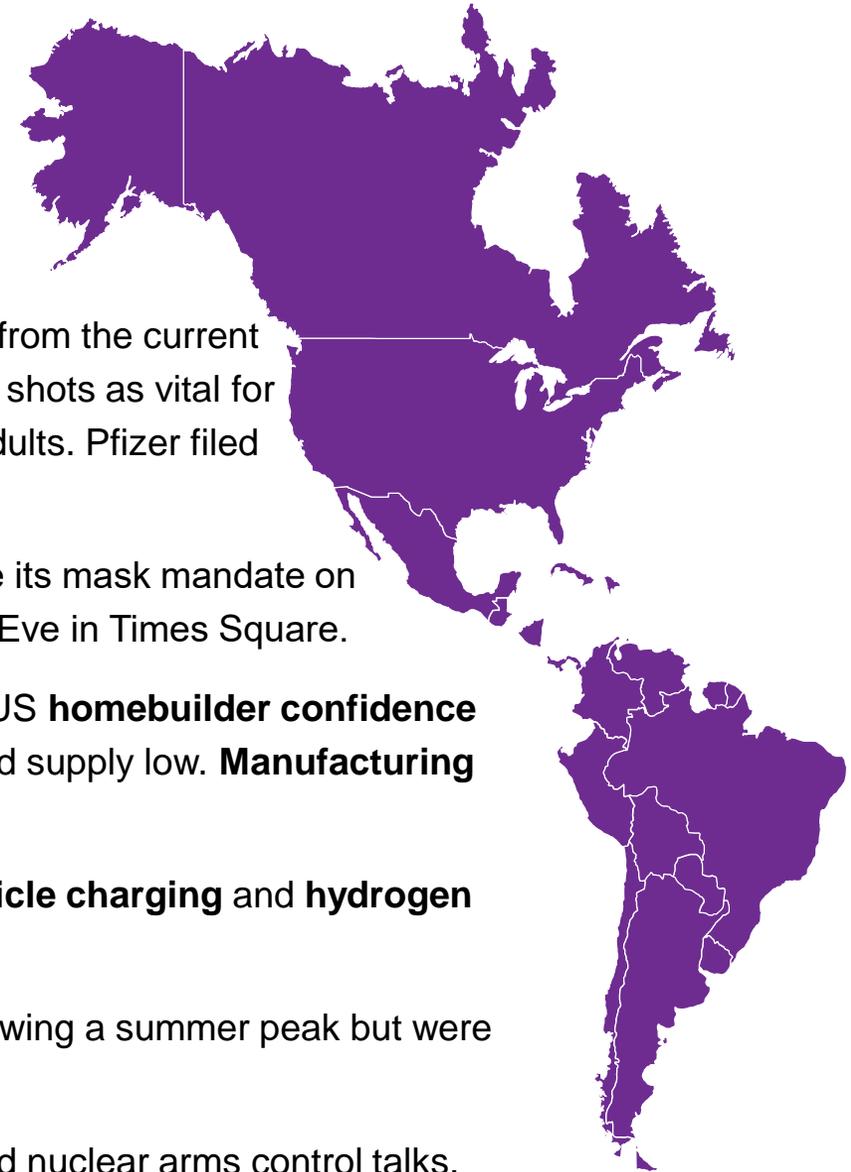
- The **US** banned “*all elected officials*” from **Nicaragua**, including President Ortega and his family, from entering the US in a new round of sanctions following elections the US denounced a “rigged.”
- **Peru’s** central bank governor said that Peru is joining a global quest to develop digital national currencies.
- **Chilean** ultra-conservative presidential candidate Jose Antonio Kast rose quickly in the polls in recent days, becoming the frontrunner in Sunday’s elections.
- Floods and landslides that have killed at least one person have cut all rail access to **Canada's** largest port in the city of Vancouver.



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

Americas: US

- Dr. Anthony Fauci said it is possible for COVID-19 to be reduced to an endemic illness from the current health emergency next year if the country ramps up **vaccination rates**, seeing booster shots as vital for reaching that point. The FDA has promised a quick review of Pfizer's **booster** for all adults. Pfizer filed for US authorization of its experimental antiviral **COVID-19 pill**.
- The **District of Columbia**, which has one of America's strictest mask policies, will ease its mask mandate on Monday. **New York City** will allow only fully vaccinated people to celebrate New Year's Eve in Times Square.
- US **retail sales** surged in October as many consumers began holiday shopping early. US **homebuilder confidence** rose to its highest point in six months in November as buyer demand remained high and supply low. **Manufacturing** hit its highest level since 2019 on rising demand and recovery from Hurricane Ida.
- California approved a three-year \$1.4 billion plan to help the state expand **electric vehicle charging** and **hydrogen refueling infrastructure**.
- US arrests at the **US-Mexico border** dropped for a third straight month last month following a summer peak but were still high compared to past Octobers.
- During the virtual **US-China** summit on Monday, Presidents Biden and Xi agreed to hold nuclear arms control talks, national security adviser Jake Sullivan confirmed Tuesday.



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

High-Level Biden Administration Trade Tour Signals Latest Phase in “Pivot to Asia” Strategy

By Scott Muir

Since taking office, President Joe Biden has repeatedly said the US will build a new economic framework in the Indo-Pacific region. This week, his Administration is taking substantial steps to enact that foreign policy goal of promoting a liberal economic order in the world’s most populous and economically dynamic region.

Biden’s top trade officials are visiting five US allies in Asia to define shared interests and objectives and deepen collaboration on cutting-edge issues such as supply chain resilience, semiconductors, cooperation on the digital economy and common technology standards. With the American public and lawmakers on Capitol Hill not presently amenable to sweeping free trade agreements, there are important questions about what exactly Washington can offer partners across the region. If this high-level working tour of the Indo-Pacific offers actionable steps for US allies to secure agreements on specific issues, then the “Pivot to Asia” strategy will demonstrate that it offers new opportunities for American businesses, workers and those countries that cherish free trade.

Japan

Hours before President Biden’s virtual meeting with Chinese President Xi Jinping on Monday, US Secretary of Commerce Gina Raimondo and US Trade Representative Katherine Tai touched down in Tokyo. The lack of a big announcement from the White House about a diplomatic blitz of Asia is a reminder that the Administration in Washington prefers a quiet approach to strengthening ties in the region. To begin her first official visit to Asia, Raimondo met with Japanese government ministers and business leaders alongside Tai, and they announced a review of the US tariffs on steel and aluminum imports from Japan introduced under the Trump Administration. The move was not

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

High-Level Biden Administration Trade Tour Signals Latest Phase in “Pivot to Asia” Strategy

politicized with pointed statements against Beijing but serves as an understated signal that Washington acknowledges Tokyo's concerns about metals dumping by its powerful neighbor across the sea. During the visit, both sides agreed to establish the Japan-US Commercial and Industrial Partnership, which will aim to improve industrial competitiveness in each country, shore up supply chains, and work to combat climate change.

Singapore

Yesterday, Secretary Raimondo landed in Singapore, marking the third trip there by a high-level US official since July. Singapore is a key player in America's “Pivot to Asia” strategy as just two months ago US Vice President Kamala Harris outlined the Biden Administration's vision for the future of the Indo-Pacific region from the prosperous island city-state. Although Singapore does not have a formal treaty with the US, it enjoys long-standing economic and military agreements with Washington, alongside the growing cooperation on the digital economy and supply chain resiliency. Raimondo spoke to the Singaporean prime minister and her counterparts about the US-Singapore Partnership for Growth and

Innovation (PGI) created this year and both sides agreed to push for free and fair economic policies across Asia. While in Singapore, Raimondo will also attend the Bloomberg New Economy Forum, an elite event with decision-makers across every sector from around the world in attendance. At one of the sessions, she will meet with ministers from Australia and New Zealand and discuss challenges to an open global economy. Singapore's position as a beachhead from which the US can project economic influence across Asia is likely to grow further in the years ahead.

South Korea

America's push for renewed leadership in Asia will be on display in South Korea tomorrow when US Trade Representative Tai arrives in Seoul. It will be the first time since 2011 that the top American trade official visits South Korea, the sixth largest trading partner of the US. Tai will co-chair a meeting of the US-Korea Free Trade Agreement and high on the agenda will be how to secure global supply chains, especially for semiconductors. She will stay in the country for five days and also discuss key bilateral trade issues.

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

High-Level Biden Administration Trade Tour Signals Latest Phase in “Pivot to Asia” Strategy

Malaysia

Meanwhile, Sec. Raimondo will arrive in Malaysia tomorrow as part of the first cabinet-level Biden Administration visit to the country. In Kuala Lumpur, she will make the case for why Washington’s new Indo-Pacific economic framework is more advantageous than the Trans-Pacific Partnership agreement. Raimondo will meet with the Malaysian prime minister and top trade officials in Kuala Lumpur to convey the Biden Administration’s vision for the region. While in Malaysia, a major semiconductor supplier, she will also hold a semiconductor roundtable meeting and tour a semiconductor manufacturing facility.

India

The multi-nation trade tour of Asia by top Biden Administration officials will conclude in India, where Trade Representative Tai will co-host the first US-India Trade Policy Forum meeting in four years. Each side will discuss ways to promote trade and investments and remove tariffs put in place by the previous US president. Talks on agricultural trade will be had, but most importantly there will be

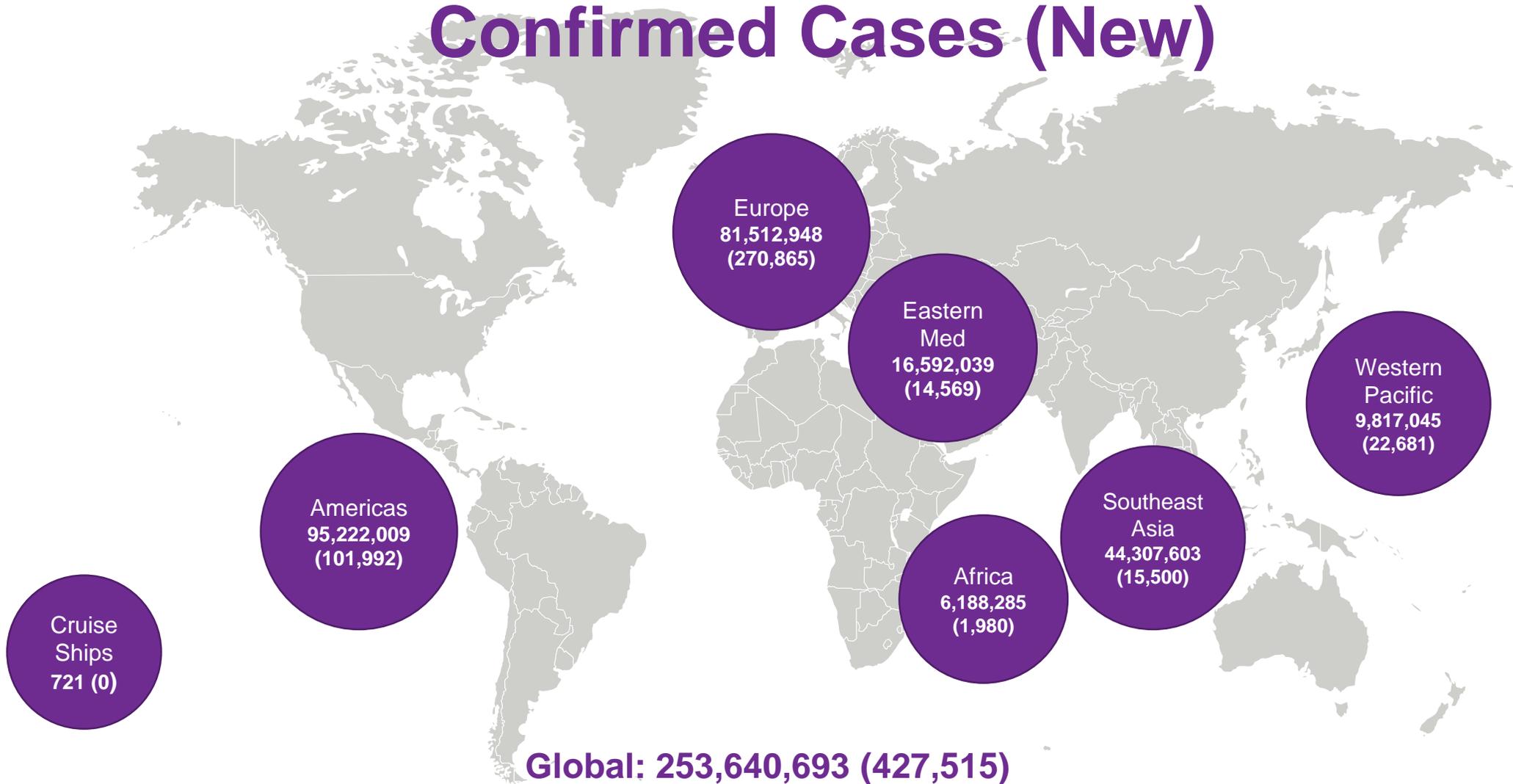
negotiations on how New Delhi and Washington can cooperate on initiatives and investments in the booming digital economy and on major issues such as intellectual property rights. The world’s most first and second most populous democracies will work toward a common understanding of how to regulate digital businesses in order to grow more closely aligned on economic issues of the future, alongside the burgeoning security alliance known as the ‘Quad’ (US, India, Japan, Australia).

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

Coronavirus Condition Updates

As of 5:28 pm CEST on November 16, 2021

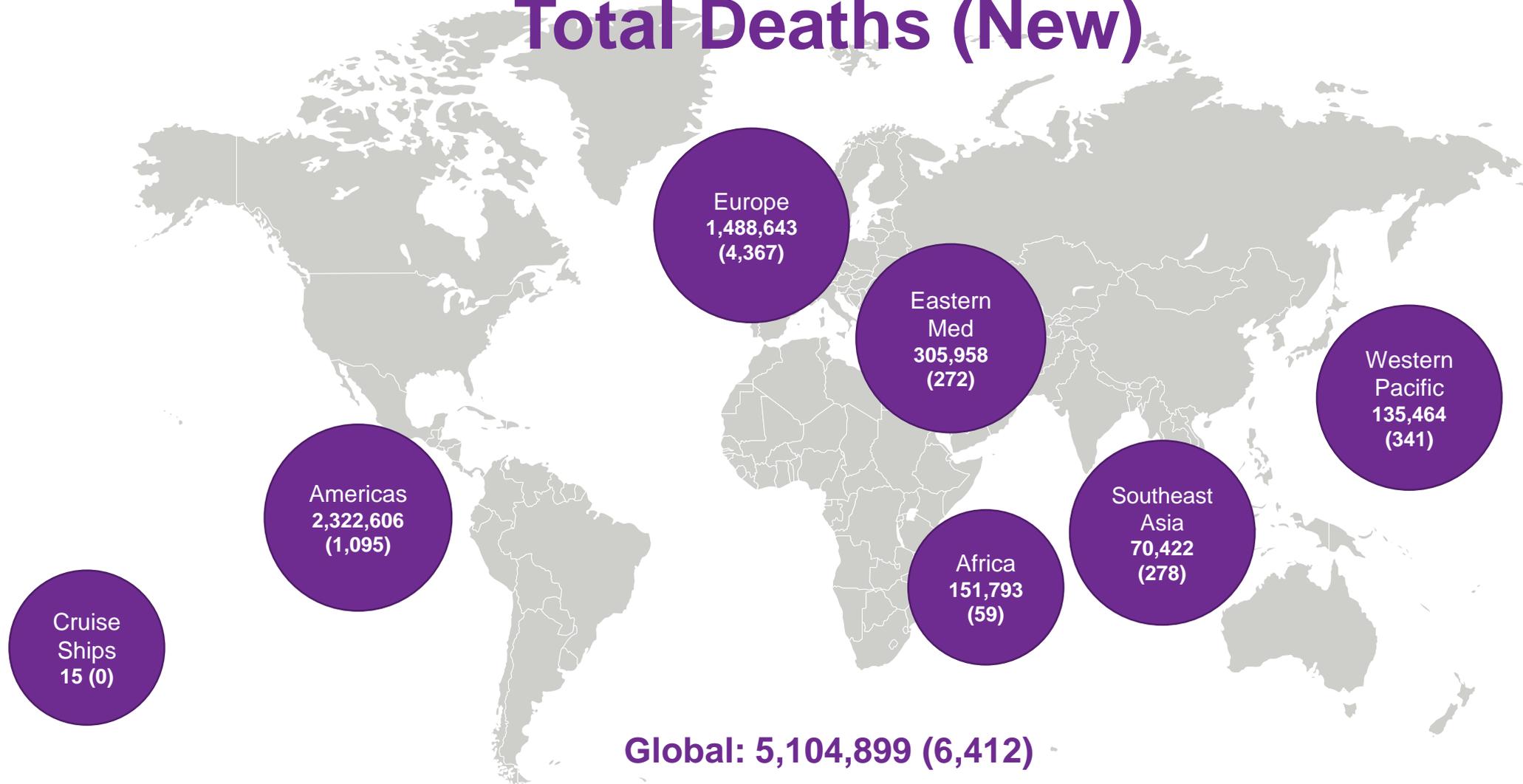
Confirmed Cases (New)



Reflects data as of 5:28 pm CEST on November 16, 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 5:28 pm CEST on November 16, 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