

Dentons Flashpoint

Daily Global Situation Report

September 16, 2021

Global Situation Update: September 16, 2021

KEY TAKEAWAYS

China is cracking down on financial blogs and social media, a move that risks exacerbating the difficulty of obtaining reliable economic data.

The EU and US will commit to cutting methane pollution by 30 percent in the next ten years.

The US, UK and Australia announced a security alliance to strengthen defense in the Pacific.

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: September 16, 2021

WHAT WE'RE WATCHING

Final preparations are underway for Russian parliamentary elections to be held this Sunday. They are expected to be the least competitive in decades, as Kremlin authorities have imposed a harsh crackdown on a wide spectrum of opposition candidates.

Although the balance of power in the Duma is unlikely to meaningfully change, there are signs Russians are dissatisfied with President Putin and his ruling party, United Russia. Only 27 percent of respondents in a recent Levada Center poll stated they are prepared to vote for the party. In the short term, there are elevated risks of domestic instability and nation--wide protests, especially if Russian authorities are caught engaging in flagrant forms of vote-rigging and corruption. These will likely dissipate as the Kremlin continues to crush all forms of domestic dissent.



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Global

The OECD said that economic growth in the G20 slowed in the second quarter as governments faced resurgence of the Delta variant; India's economy contracted particularly sharply.

- Data from an independent study Kaiser Permanente Southern California, released by Pfizer ahead of a US FDA decision on boosters, suggests that **Pfizer's vaccine efficacy** wanes naturally between six to eight months after the second dose. New data from **Moderna** also shows that the protection it offers wanes over time, supporting the case for booster doses.
- The FDA issued a neutral statement that currently approved vaccines provide sufficient protection against COVID-19 ahead of a review on **booster shots**.
- The EU and US are planning to commit this week to cutting **methane pollution** by 30 percent in the next ten years, a pact that draws attention to methane emissions ahead of COP26.
- The Pan American Health Organization warned that as increasing numbers of adults are getting vaccinated, **children** – who are not yet eligible for vaccination – are accounting for a **growing percentage of COVID-19 hospitalizations and deaths**.

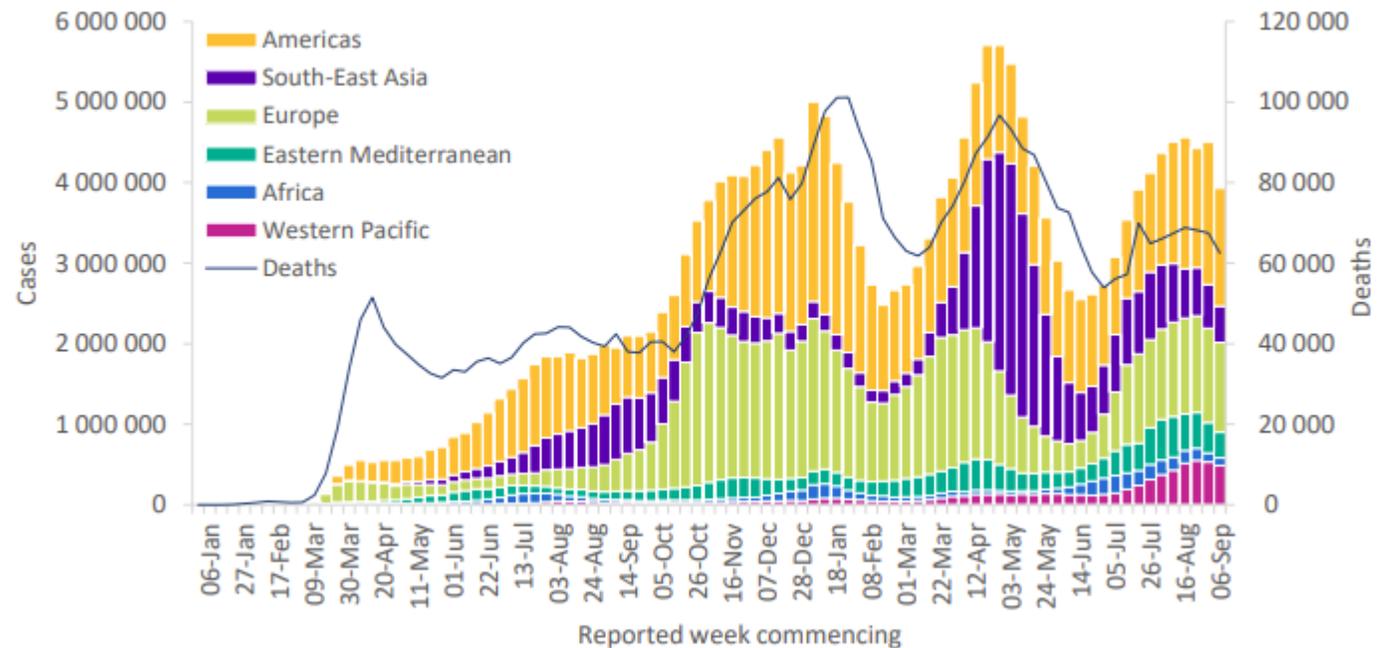
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Global

Globally, confirmed coronavirus cases topped 225.6 million with 4.6 million deaths; more than 5.5 billion vaccine doses have been administered.

With nearly 4 million new cases reported globally in the past week, this represents the first substantial decline in weekly cases in more than two months.

Figure 1. COVID-19 cases reported weekly by WHO Region, and global deaths, as of 12 September 2021**



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Markets & Business

China's leading ride-hailing app, Didi Chuxing, has seen its number of daily users fall 30 percent since its IPO in New York in June, followed by Chinese regulatory action restricting Didi from signing up new customers.

- **Expo 2020 Dubai** will require proof of vaccination or a negative test for entry.
- US President Biden met with business leaders including the CEOs of **Microsoft** and **Disney** to rally support for corporate vaccine mandates.
- **DoorDash** is suing New York City over a law that would require the delivery service to share more customer data with restaurants, calling it a breach of consumer privacy.
- **Walmart** is working with **Ford** and **Argo AI** to test an autonomous-vehicle delivery service in Miami, Austin and DC.
- Taiwan's **Gogoro** will go public in the US via a special-purpose acquisition vehicle merger with **Poema Global Holdings** that values the battery-swapping pioneer at more than \$2.3 billion.
- **Robinhood** kicked off a nationwide marketing campaign aimed at attracting more users among college students.

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Africa

- Transition talks between military junta leaders in **Guinea** and political, business and community leaders extended into a second day. ECOWAS leaders will meet today to discuss steps forward on the coup.
- Police in the **Democratic Republic of the Congo** shut down a protest by the political opposition against the national electoral commission, which they argue are implementing changes that will give the ruling party an unfair advantage in 2023 polls.
- **Zimbabwe** will require vaccinations for civil servants.
- **Nigeria** said its Twitter ban, enforced in June, will come to an end soon.
- **French** President Macron announced that French military forces had killed Islamic militant Adnan Abu Walid al-Sahrawi, the leader of Islamic State in the **Greater Sahara**.



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Asia

- **North Korea** claimed that the missiles fired on Wednesday were a test of a new "*railway-borne missile system*" designed as a potential counter-strike to any forces that threaten the country.
- **Cambodia** reopened schools as the country's vaccination drive nears national targets.
- The **US, UK and Australia** announced a security alliance to strengthen defense in the Pacific and assist Australia in acquiring nuclear-powered submarine fleet using US and UK tech.
- Growth in **China's** industrial output rose at its weakest pace in a year in August, while retail sales growth also slowed. China has launched a crackdown on financial blogs and social media, a move that risks exacerbating the difficulty of obtaining reliable economic data. China kicked off the National Games of China with an opening ceremony in Xian, a major event that will test the country's COVID-19 measures ahead of the Beijing Winter Olympics. Chinese state media reported that top diplomat Yang Jiechi called for more dialogue with the **US** at a virtual meeting with Republicans and Democrats. China reported that it has vaccinated 90 percent of students aged 12-17.



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How do You Manage Political Risk?

Today, the economic and political changes affecting international business are more complex than ever. Conflicts, coups and the coronavirus pandemic continue to impact governments and people worldwide and shape the business landscape in 2021.

Dentons offers business leaders routine and one-off political risk assessments on specific interests. Many clients also retain our team of attorneys and former intelligence and military professionals, equipped with the latest big data analytics tools, deep substantive knowledge and extensive networks of contacts, to provide services, including:

- ❖ Political and country risk forecasts and analysis
- ❖ Market-entry assessments
- ❖ Legislative and government action forecast
- ❖ Comprehensive project analysis
- ❖ Coronavirus vaccine tracker and return-to-work monitoring
- ❖ Investment risk analysis

All interaction with Dentons is attorney-client privileged

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

Europe

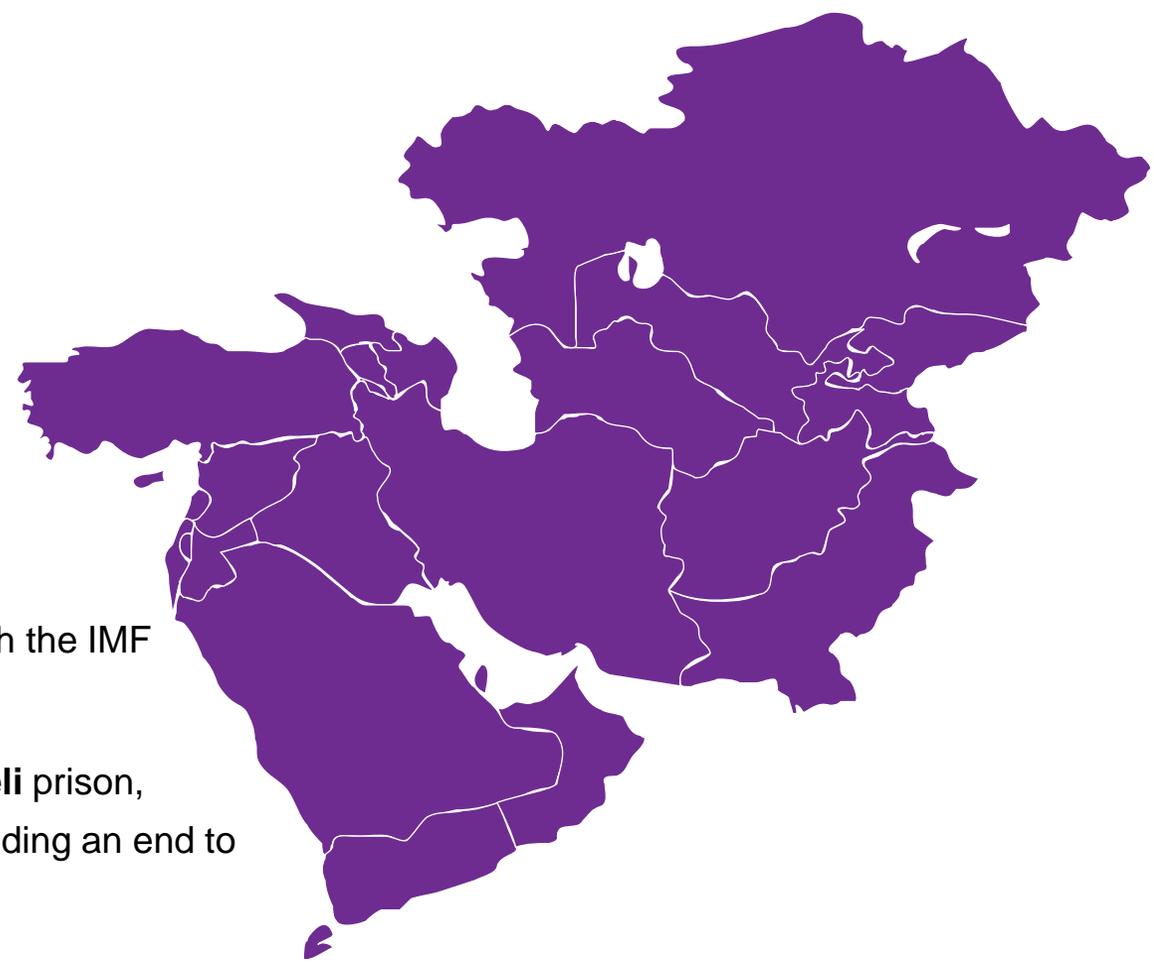


- **Portugal** has now vaccinated over 80 percent of its population.
- **French** authorities have suspended around 3,000 health workers who have not been vaccinated against COVID-19.
- The **European** Commission unveiled a new international infrastructure initiative called “Global Gateway,” in an effort to make the EU a “*more active global player*” amid heightened geopolitical competition. The EU confirmed that it will move forward with a ban on goods produced with forced labor, a move widely seen as directed at **China**. Eurozone labor costs fell for the first time in a decade, despite continued growth in consumer price inflation and falling unemployment.
- Olaf Sholz of the Social Democrats, currently the candidate leading polls to succeed Angela Merkel, is set to be questioned by MPs over a money-laundering scandal just days before **Germany’s** election.
- **Bulgaria** will hold a third parliamentary election this year on November 14, after two prior attempts failed to produce a government.
- In a cabinet reshuffle, **UK** Prime Minister Johnson appointed former trade minister Liz Truss as the new foreign minister and moved former foreign minister Dominic Raab to justice minister and deputy prime minister, following criticism of Raab for taking vacation during the seizure of Kabul. The UK loosened testing requirements for vaccinated travelers entering England.

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Middle East

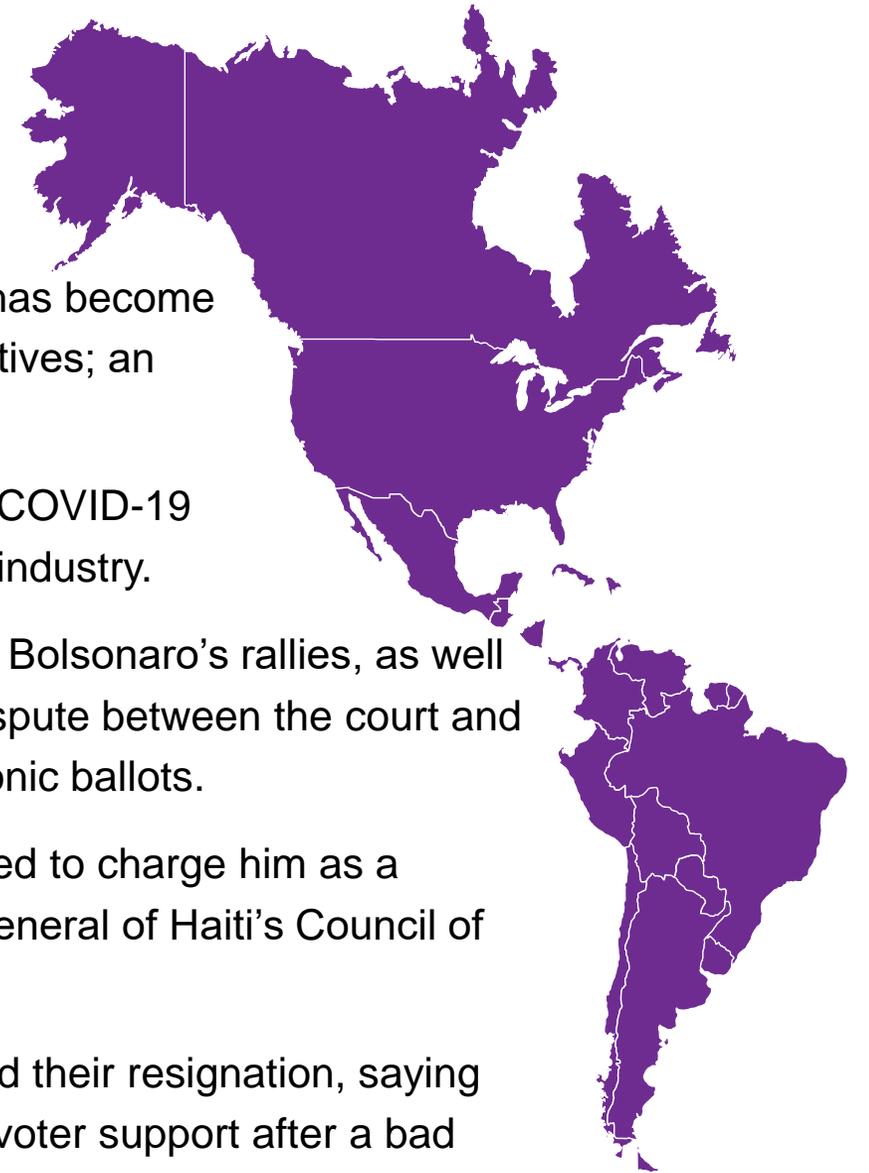
- **Iran** admitted to removing several IAEA monitoring cameras from nuclear sites, saying that other parties were not upholding their end of the agreements. Iran's new government replaced its chief nuclear negotiator with a hardline diplomat who opposed the 2015 deal.
- Per a new draft policy, **Lebanon** will soon resume aid negotiations with the IMF and debt restructuring talks with creditors under the new government.
- **Palestinian** prisoners, emboldened by a recent escape from an **Israeli** prison, canceled a planned hunger strike after their demands, reportedly including an end to collective punishments, were met.
- **Tunisian** President Saied claimed that the country is run by a secret "mafia" and pledged to fight corruption, rejecting dialogue with "traitors" and raising anxieties that Saied is using the specter of corruption to extend his emergency powers beyond the constitution.
- **Pakistani** Prime Minister Khan called on world powers to give the Taliban time on human rights and take an incentive-based approach with the group. A group of **Afghan** diplomats from the deposed government issued a joint statement urging world leaders to deny the Taliban recognition. The Taliban shut down an anti-money laundering unit in the Afghan central bank.



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Americas

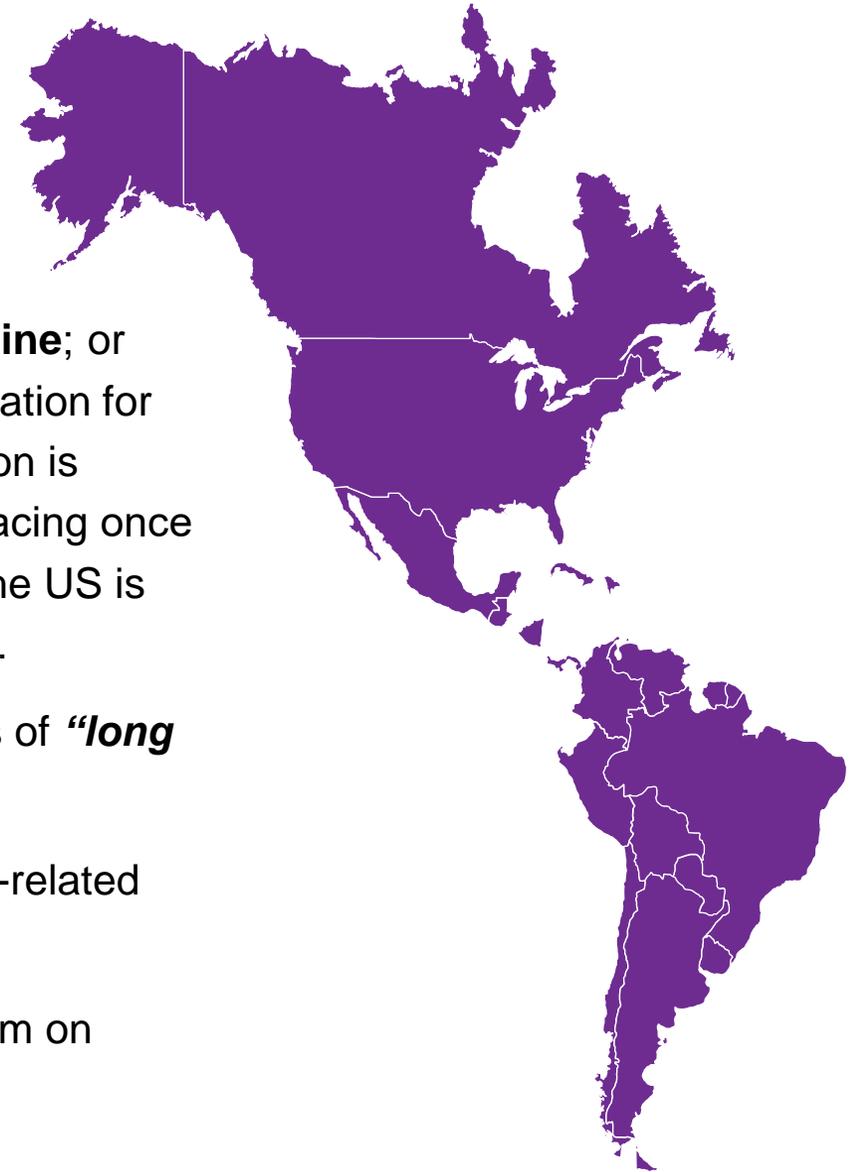
- **Canadians** voted early in record numbers ahead of a snap election that has become a tight race between Prime Minister Trudeau's Liberals and the Conservatives; an expected spike in mail-in ballots has not occurred.
- **Cuba** will seek WHO authorization for three of its domestically-produced COVID-19 vaccines. **Panama** plans to vaccinate visitors in a bid to boost a tourism industry.
- **Brazil's** electoral court will investigate the funding of several of President Bolsonaro's rallies, as well as charges of campaigning outside the legal time frame, amid a public dispute between the court and Bolsonaro, who has spread misinformation about the legitimacy of electronic ballots.
- After **Haiti's** Prime Minister Henry dismissed the prosecutor who attempted to charge him as a suspect in the assassination of the former prime minister, the secretary general of Haiti's Council of Ministers resigned.
- **Argentina's** hard left interior minister, and several other officials, tendered their resignation, saying their departure would make it easier for the center-left coalition to regain voter support after a bad loss in midterm elections.



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Americas: US

- Across the nation, 210.4 million have received at least one dose of the **vaccine**; or 63.4 percent of the total population. Los Angeles will require proof of vaccination for entry into bars, nightclubs and large outdoor events. The Biden Administration is developing a “*new system for international travel*” that will include contact tracing once COVID-19 **travel restrictions** are further eased; a senior official also said the US is “*considering*” vaccination requirements for foreign nationals entering the US.
- The National Institutes of Health is investing almost \$470 million into studies of “**long Covid.**”
- Nearly 3 million Americans bought **health insurance** during a special Covid-related enrollment period.
- President Biden will convene a virtual meeting of the Major Economies Forum on Friday to discuss plans to combat **climate change** with other world leaders.



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Visualizing Risk: Mapping Growing Flood Danger

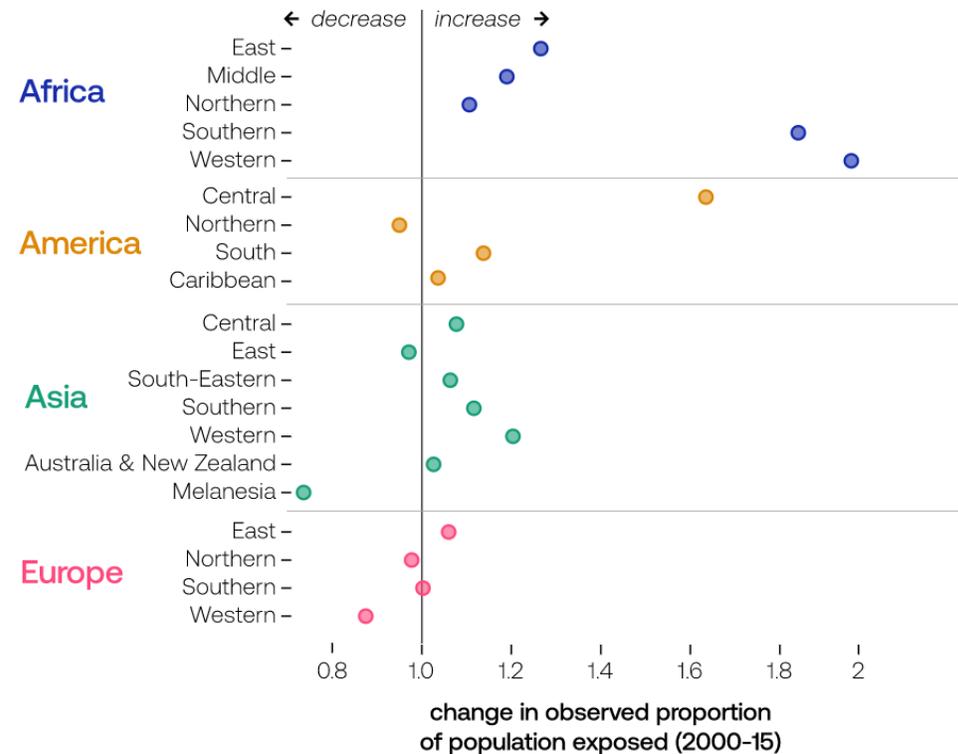
By Briana Boland

From Germany, to Henan, to New York City, the past few months have brought a series of shocking floods that are changing the political conversation around disaster management and prompting more and more individuals to reconsider their own exposure to flood risk. Top climate authorities, including the Intergovernmental Panel on Climate Change (IPCC) are warning that flood events are only likely to increase and intensify with additional global warming, putting further populations at risk of displacement. Amid heightened concerns about flood danger, a growing number of researchers with both private and public institutions are dedicating increased attention to mapping past and potential future flood damage.

One such project, the [Global Flood Database](#), maps historical flood events to examine trends in flood risk and gain insight on future threats to population centers. In an August article published in *Nature*, the researchers behind the Global Flood Database highlighted the importance of investing in flood adaptation and tracking threats posed to population centers, given the fact that flooding affects more people than any other environmental hazard.

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Africa has the highest increase in proportion of population exposed



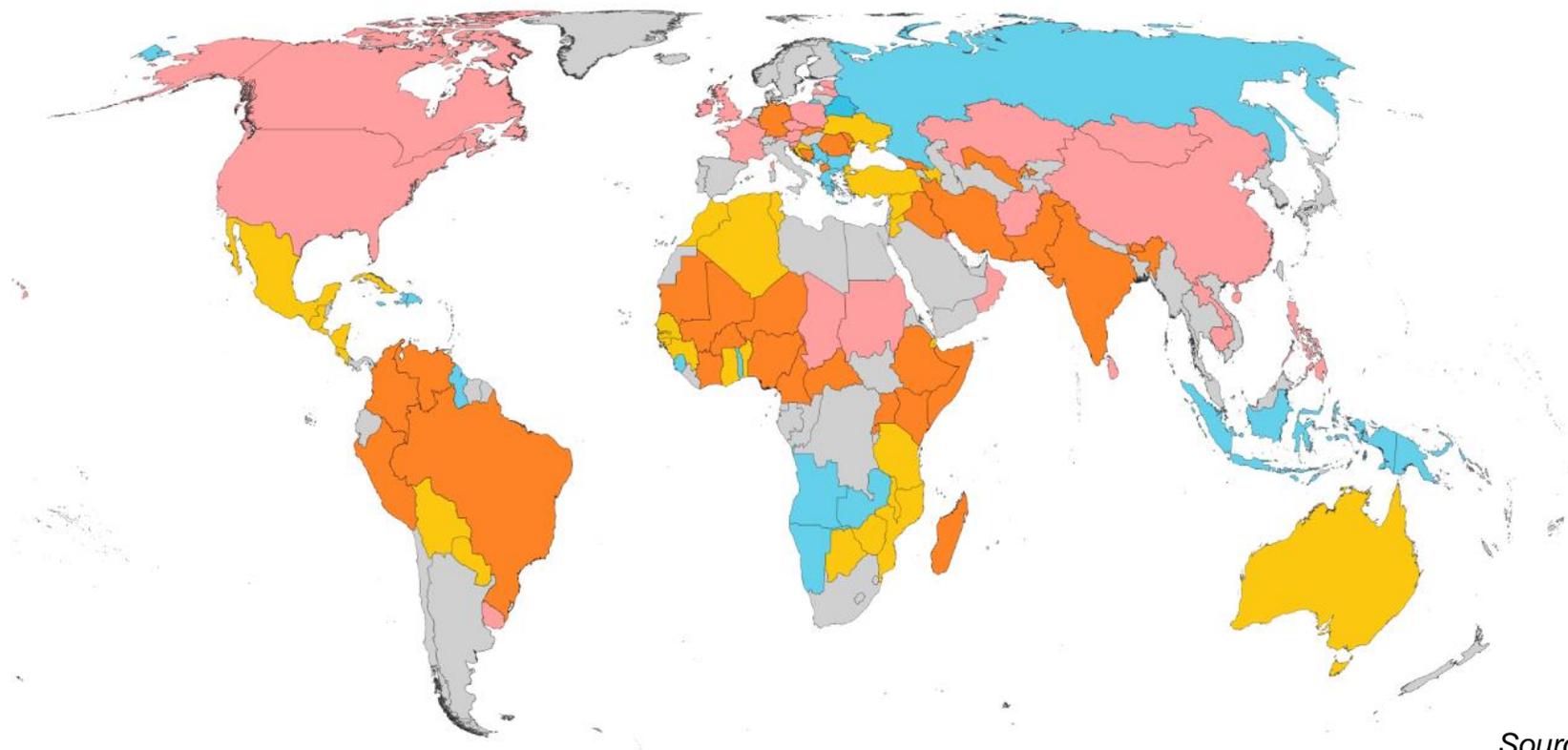
Source: Global Flood Database

Visualizing Risk: Mapping Growing Flood Danger

Southern Asia and Sub-Saharan Africa will continue to experience increases in flood exposure

Change in the proportion of population exposed to floods observed by satellites 2000-2015, and expected by 2030 according to models

- Increasing in future (2010-2030)
- Increasing in past (2000-2030)
- Increasing in past & future
- Little change or decreasing in past and future
- Insufficient data/high uncertainty



Source: Global Flood Database

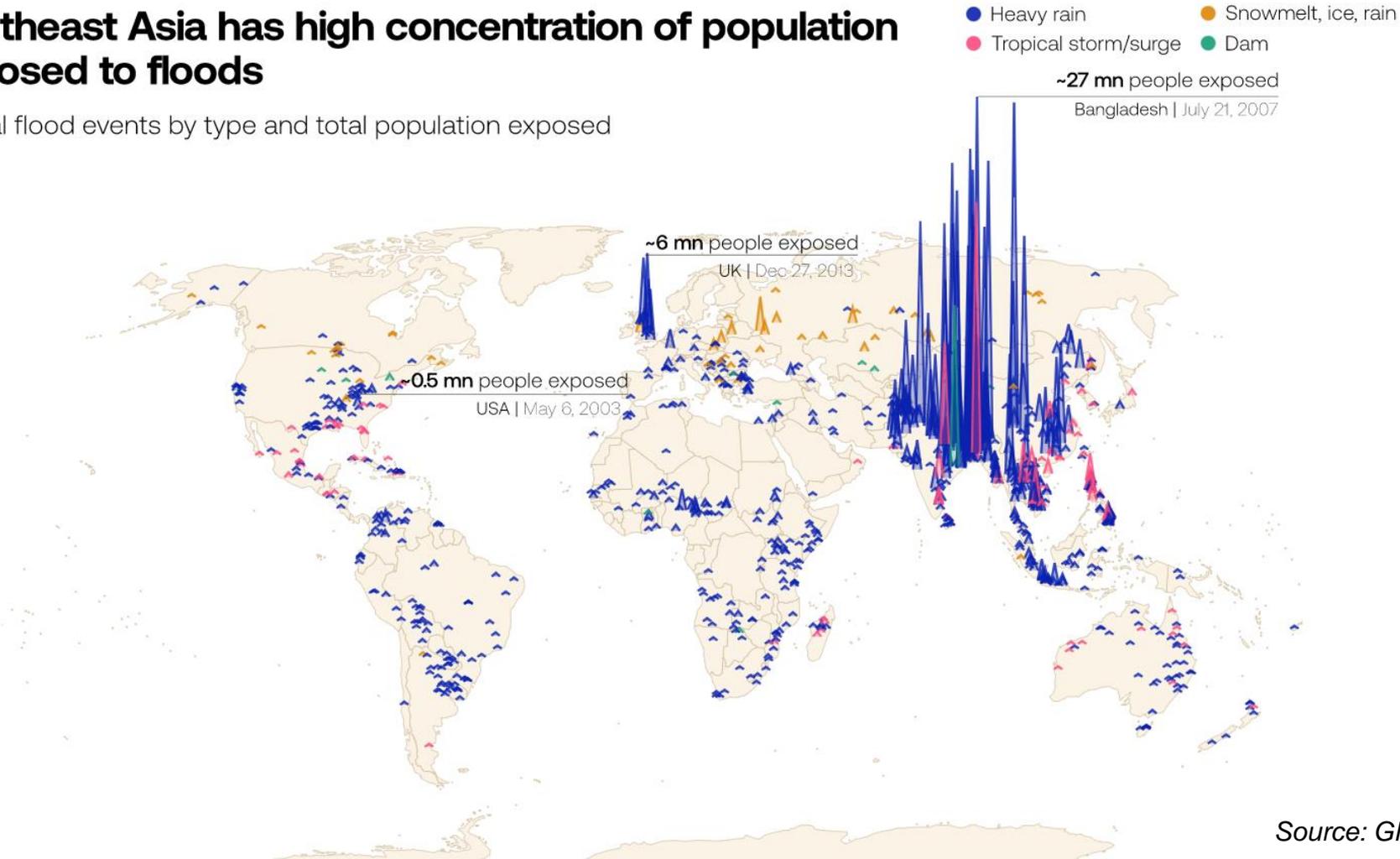
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Visualizing Risk: Mapping Growing Flood Danger

Southeast Asia has high concentration of population exposed to floods

Global flood events by type and total population exposed



Source: Global Flood Database

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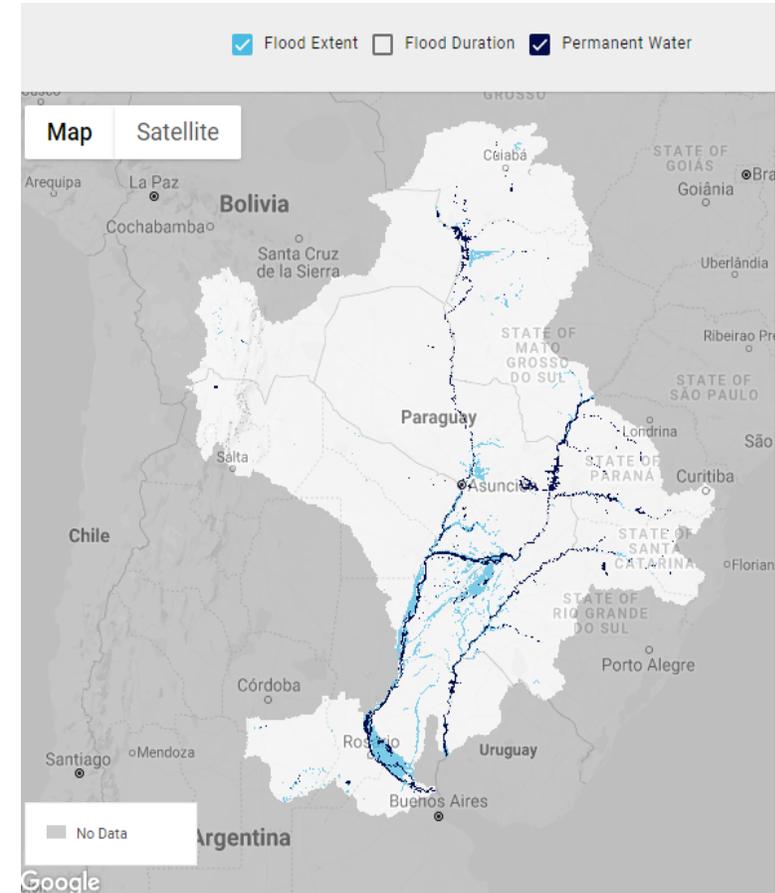


Visualizing Risk: Mapping Growing Flood Danger

As flood risk mapping technology becomes more sophisticated, it will become an increasingly important tool for governments, individuals, and businesses alike. The Global Flood Database envisions a long list of uses for their data: improving flood hazard models, identifying human settlement growth in high risk areas, pricing financial instruments including insurance and municipal bonds, and planning for changes in government tax bases. Given the pervasive impact of flooding, public and private institutions alike have interests in protecting assets and people, prompting a growing number of flood mapping projects to market their services to both governments and businesses.

While the Global Flood Database is open for public use, other private organizations are expanding the niche of flood mapping services. Weather intelligence and climate security company Tommorrow.io, for example, launched a new flood risk index this month, which is marketed as a tool for municipal governments and private businesses to better prepare for severe flooding events. In offering customizable risk analysis services tailored to the needs of a certain organization, tools like the Tommorrow.io flood risk index joins more established flood risk mapping companies like Fathom, expanding the for-profit climate intelligence sector alongside non-profit initiatives like the Global Flood Database and First Street Foundation.

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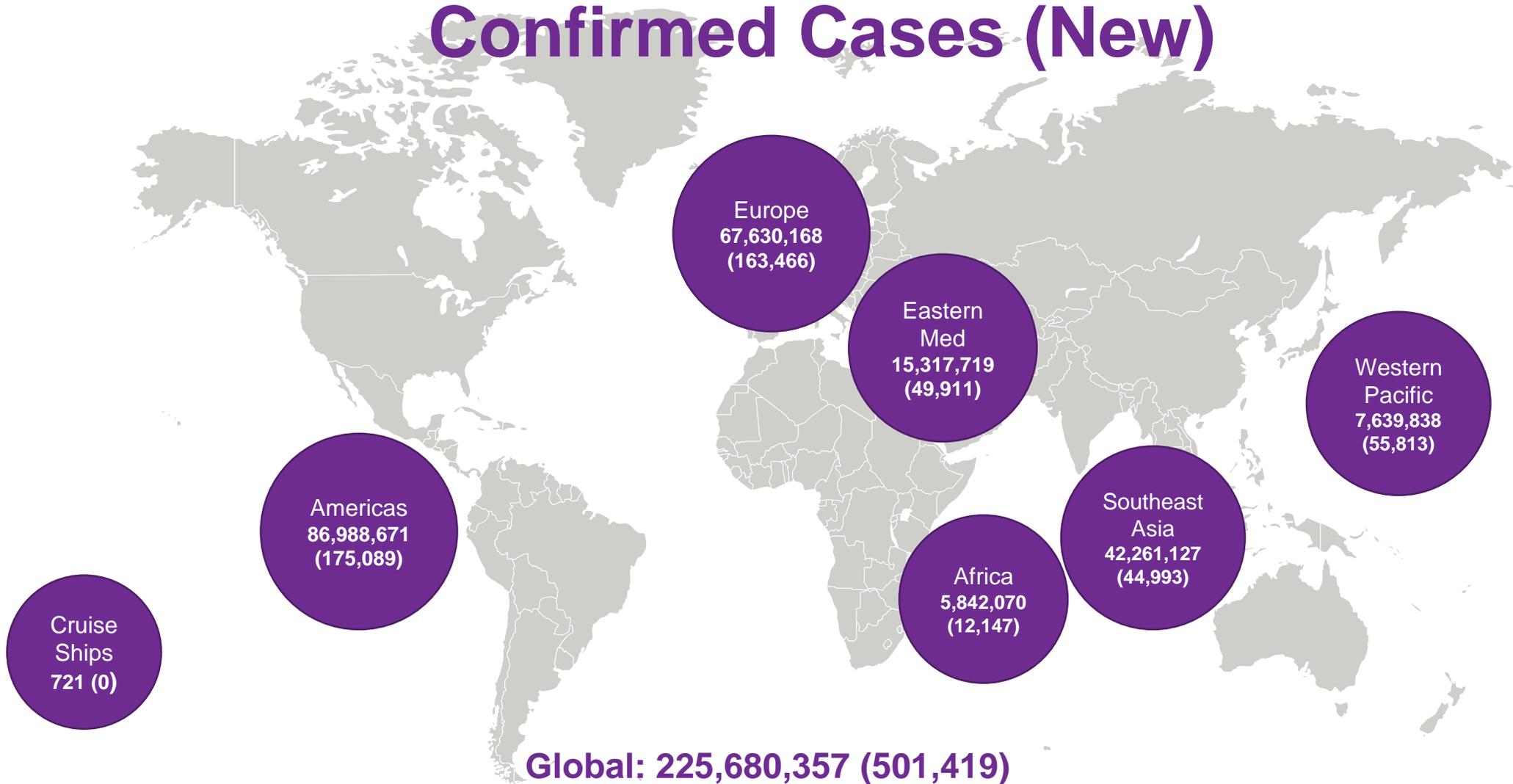


Historical maps from the Global Flood Database come with the heading: “Want to learn more about how this dataset can support ongoing humanitarian, government, community, and insurance efforts? Reach out to us.”

Coronavirus Condition Updates

As of 4:34 pm CEST on September 15, 2021

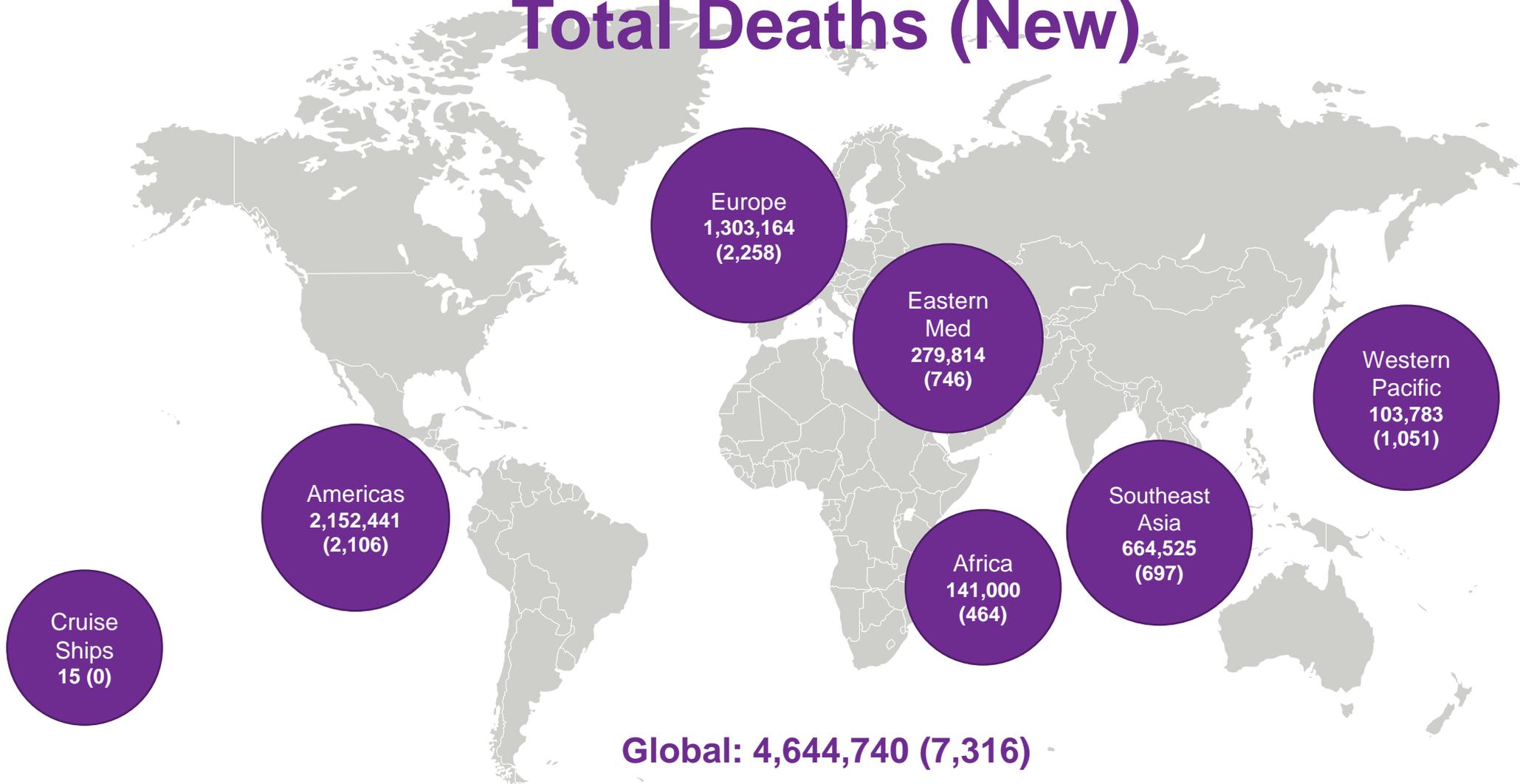
Confirmed Cases (New)



Reflects data as of 4:34 pm CEST on September 15, 2021.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 4:34 pm CEST on September 15, 2021
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.

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.

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