

Dentons Flashpoint

Daily Global Situation Report

August 6, 2021

Global Situation Update: August 6, 2021

KEY TAKEAWAYS

Wells Fargo, Blackrock and Amazon announce delays to back-to-office plans.

Moderna said that its vaccine maintained 93 percent efficacy after six months, but that booster shots would likely be needed before winter.

Iran's hardline new president Ebrahim Raisi was officially sworn in; the US called for Raisi to resume nuclear talks immediately.

Global Situation Update: August 6, 2021

WHAT WE'RE WATCHING

Today, leaders of a recent protest in Ghana are planning how to spread the growing movement to other regions of the country with demands for a new constitution and greater economic opportunities. On Wednesday, the social media campaign '#FixTheCountry' brought thousands of Ghanaians onto the streets of Accra to pressure the government for social and economic reforms and a better standard of living.

The size of the demonstration this week was unprecedented in what is often considered Africa's most politically stable country. The protest movement aims to gather one million signatures to demand a new constitution that favors ordinary Ghanaians.



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 200.1 million with 4.2 million deaths; more than 3.9 billion vaccine doses have been administered.

- China is updating its **lab animal testing regulations** in the wake of the COVID-19 pandemic.
- Pandemic-battered health systems in Europe and the US are braced for widespread **influenza outbreaks** this winter, as economies reopen, and coronavirus restrictions are lifted.
- Hot and humid conditions for the **Tokyo Olympics** are underlining the challenges posed to sport by climate change. Yesterday, Olympic organizers reported that 29 people tested positive for COVID-19, two short of the previous day's record 31 cases. That brings the total since July 1 to 382. There were no athletes among the 29 cases.

COVID-19 Vaccine

Novavax further delayed its submission of COVID-19 vaccine data for regulatory approval.

- **Moderna** said that its vaccine maintained 93 percent efficacy after six months, but that booster shots would likely be needed before winter.
- A South African study shows high COVID protection from **Johnson & Johnson vaccine**, offering offered 91 percent to 96.2 percent protection against death, 67 percent efficacy against infection when the Beta coronavirus variant dominates and about 71 percent when the Delta variant dominates.
- **Moderna, Pfizer, AstraZeneca and Johnson & Johnson** sold \$18.6 billion worth of vaccines in the first half of 2021; by the end of the year, sales are expected to reach \$60 billion.
- The **US** Food and Drug Administration could have a plan for **booster shots** by early September, focusing on people 65 and older, immunocompromised groups and those who got the shots early last winter.

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

Markets & Business

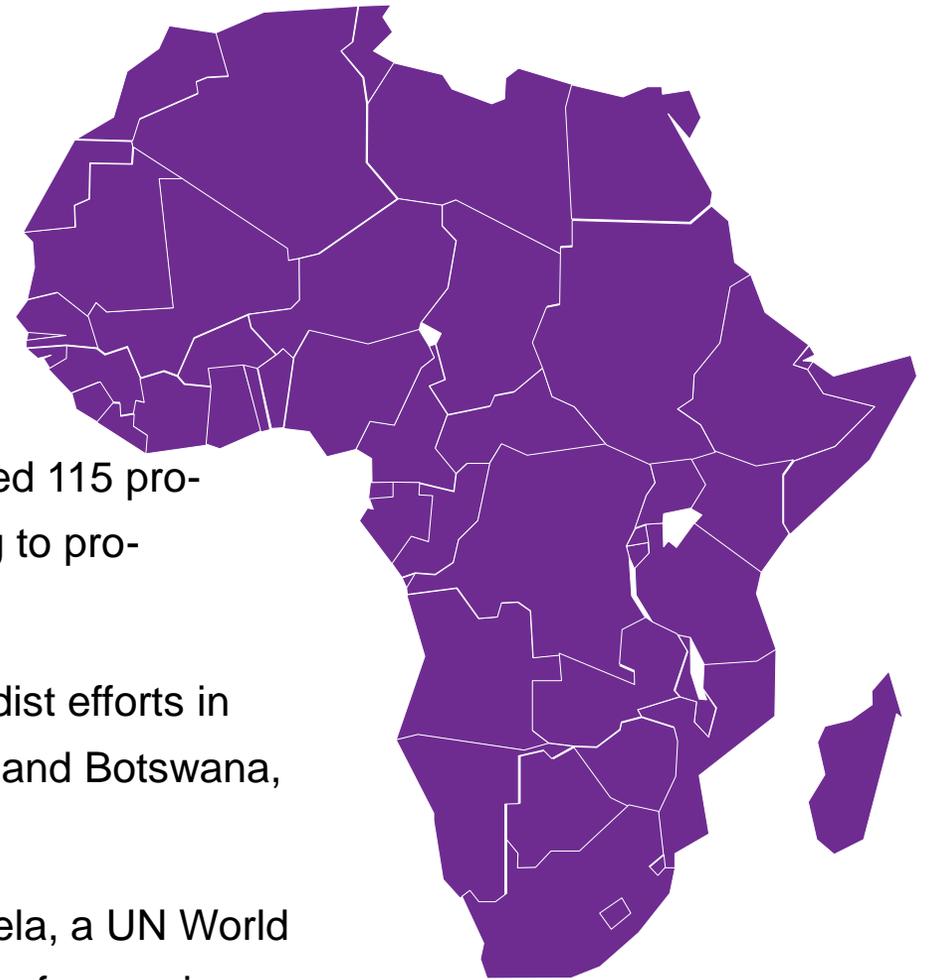
Apple plans to install software on iPhones in the US to monitor for child abuse imagery.

- **Amazon** is pushing its back-to-office plans for corporate employees to January 2022. **Blackrock and Wells Fargo** delayed reopening from September to October.
- Crowd-sourced review company **Yelp** added new features to show businesses' COVID-19 vaccine requirements.
- The **US Cybersecurity and Infrastructure Security Agency** is enlisting the help of major tech companies, including **Amazon, Google, and Microsoft**, to help fight cyber threats.
- Chinese telecommunications company **Huawei Technologies** reported a revenue drop by almost a third in the first half of 2021, with U.S. sanctions gutting its handset business.
- **Exxon Mobil** is reportedly considering making a net zero by 2050 pledge.
- India proposed scrapping a law that taxed companies retroactively and offered to refund disputed amounts, which could potentially settle its multibillion tax dispute with **Cairns Energy** and **Vodafone**.

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

Africa

- A **Sudanese** court sentenced six paramilitary members to death for killing six people at a pro-democracy protest two years ago.
- Amnesty International reported that the **Nigerian** government has killed 115 pro-Biafra activists between March and June of this year while responding to pro-independence clashes.
- **South Africa** deployed ground and naval forces to aid in counter-jihadist efforts in the northern Cabo Delgado region of Mozambique, joining Zimbabwe and Botswana, who also have forces on the ground.
- Tigrayan forces reportedly took control of the **Ethiopian** town of Lalibela, a UN World Heritage Site. Witnesses in **Sudan** continue to report dredging corpses from a river bordering Sudan, and Tigray, indicating the scale of the civil conflict there. The USAID estimated that only 10 percent of aid appropriated for Tigray is reaching the region.



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

Africa

Senegal, which until July had recorded fewer than 44,000 COVID-19 cases and 1,166 deaths, has registered more than 20,000 cases and 250 deaths since the start of July, according to health ministry figures.

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.

Our World
in Data

LINEAR LOG



Source: Johns Hopkins University CSSE COVID-19 Data

CC BY

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

大成 DENTONS

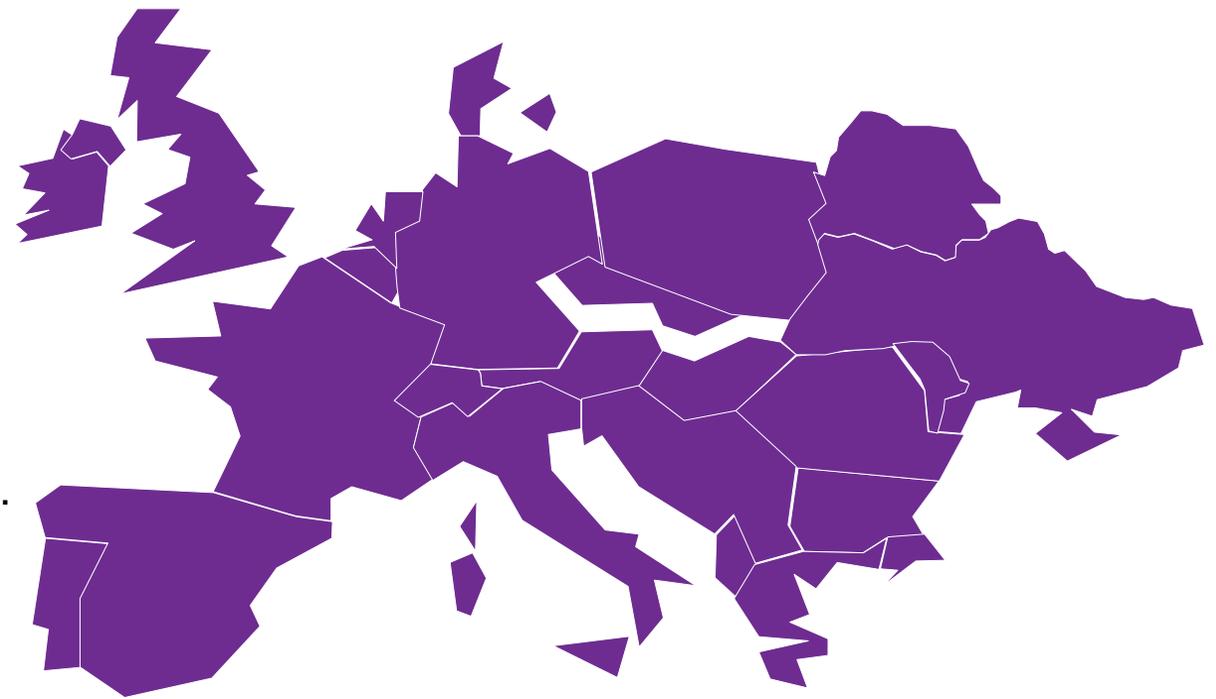
Asia

- **Australia** will introduce a Magnitsky-style sanctions law imposing financial sanctions and travel bans on " *perpetrators of egregious acts of international concern.*"
- Troops patrolled the streets and shops were closed in Srinagar, the main city of **Indian Kashmir**, on the second anniversary of the region's loss of autonomy.
- The annual US-China Business Council survey showed that **China** fell slightly as a strategic priority for American companies over the past year amid heightened political tensions. China pledged to retaliate against the US for the arms sale to **Taiwan**.
- **Australia's** state of Victoria imposed a snap seven-day lockdown as the Delta variant spread among the largely unvaccinated population. **South Korea** will extend its social distancing curbs by two weeks. **US** President Biden told a forum of **Pacific island** leaders that their countries would benefit from US donated COVID-19 vaccines distributed without political strings.



Europe

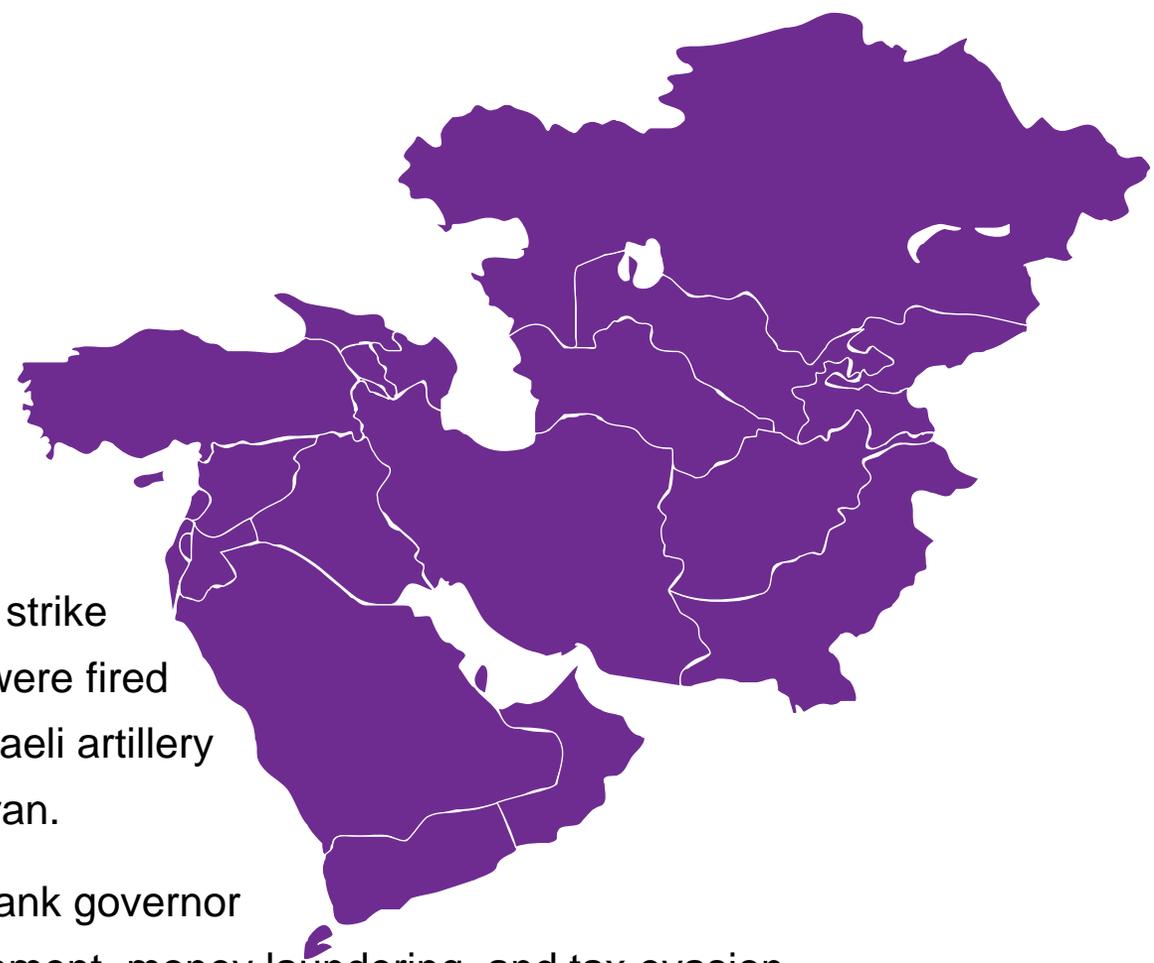
- The Bank of **England** set out a roadmap for gradually decreasing its pandemic-era support to the UK economy, forecasting a “*modest tightening*” over the next 2-3 years.
- Eleven people in the **UK** were arrested over online racial abuse towards England’s soccer players.
- **France’s** Constitutional Council endorsed President Macron’s “*health passport*” law requiring health workers to be vaccinated and restricting access to restaurants and some public transportation.
- The **Belarusian** sprinter who defected in Tokyo arrived in **Poland**. Poland accused Belarus of sending a growing number of migrants over the border in retribution. The International Olympic Committee revoked the accreditation of two Belarus coaches who cut short sprinter Krystsina Tsimanouskaya's **Tokyo Games** and removed them from the athletes’ village.
- Hundreds of people were evacuated by boat from an island near Athens as **Greece** faced a fourth day of wildfires with emergency services forecasting strong winds and searing temperatures.



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

Middle East

- **Iran's** hardline new president Ebrahim Raisi, a protégé of Ayatollah Khomeini, was officially sworn in; the **US** called for Raisi to resume nuclear talks immediately.
- **Israeli** Defense Minister Gantz said that Israel is prepared to strike **Iran**, following the Mercer Street attack. At least 10 rockets were fired towards Israel from southern **Lebanon** on Friday, drawing Israeli artillery fire as cross-border hostilities increased amid tensions with Iran.
- A **Lebanese** prosecutor requested documents from central bank governor Riad Salameh for investigations into accusations of embezzlement, money laundering, and tax evasion.
- The UN Security Council will discuss the deteriorating oil tanker in Houthi-controlled Red Sea waters off of **Yemen**, which the Houthis have not allowed to be examined or cleaned up but are not expected to take action.



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:

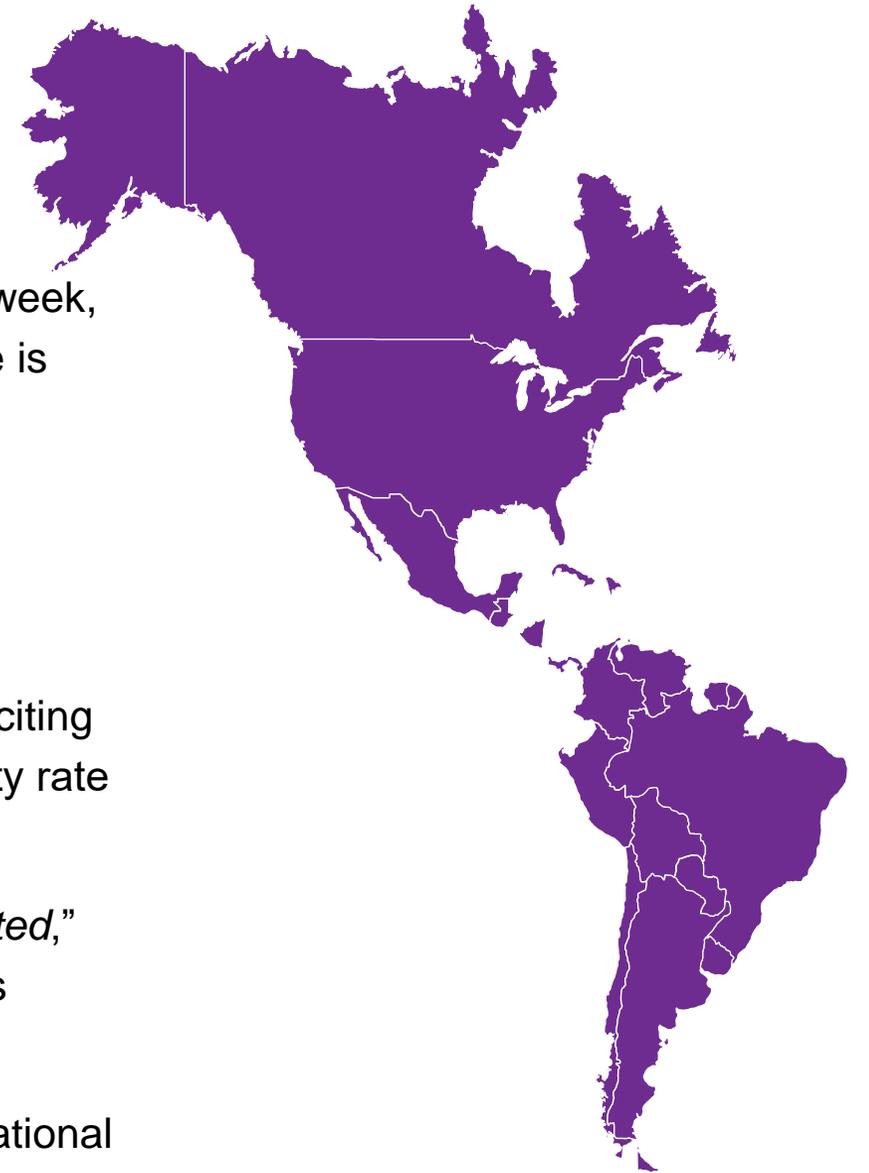
- ❖ Ransomware tabletop exercises
- ❖ Post-tabletop action reports
- ❖ Maturity assessments for preparedness
- ❖ Supply-chain attack simulation
- ❖ Comprehensive incident response plan
- ❖ Threat analysis and monitoring

All interaction with Dentons is attorney-client privileged

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

Americas

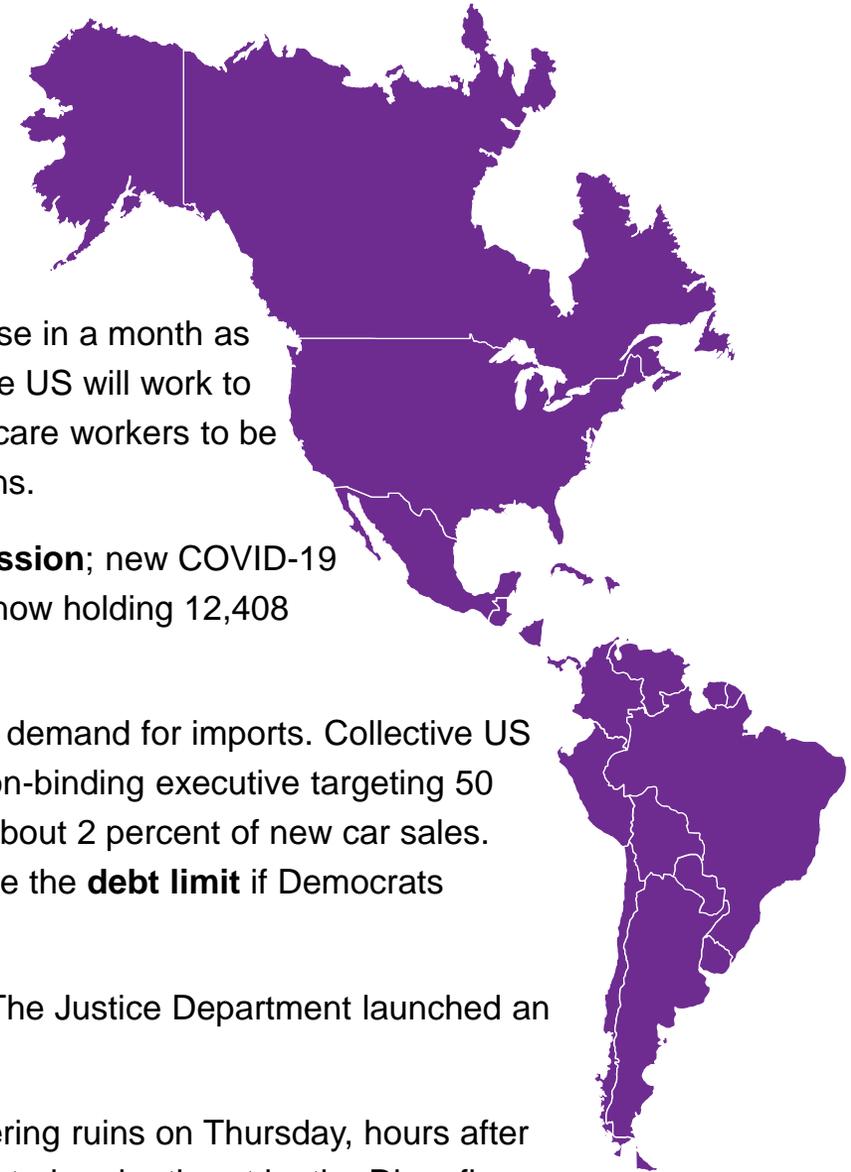
- **Canada** is set to stay the course on reopening to American tourists next week, despite rising COVID-19 cases in the **US**. Prime Minister Trudeau said he is considering a vaccine mandate for federal employees. In June, Canada unexpectedly posted its largest trade surplus since 2008.
- **Mexican** President Obrador announced that he will host talks between **Venezuelan** President Maduro and the opposition.
- **Mexican** President Obrador called for top electoral judges to step down, citing institutional “rot” and the need for broad elections reform. Mexico’s poverty rate rose to nearly 44 percent by the end of 2020.
- In an open letter to President Bolsonaro entitled “*Elections will be respected,*” hundreds of **Brazilian** business leaders denounced his recent statements casting his respect for the 2022 election into doubt.
- **Haiti's** government has requested help from the UN to conduct an international investigation into the killing last month of President Jovenel Moise.



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

Americas: US

- The number of COVID-19 **vaccine doses** administered in the US saw its biggest daily increase in a month as the Delta variant continues to drive concerns about virus spread. Dr. Fauci announced that the US will work to give **booster shots** to immune compromised individuals. **California** will require all its healthcare workers to be vaccinated against COVID-19 by the end of September in an effort to slow a surge in infections.
- More than 80 percent of US counties have **substantial or high levels of COVID-19 transmission**; new COVID-19 cases reached a six-month high. Florida is at the heart of the latest surge, with its **hospitals** now holding 12,408 COVID patients, the highest level since the pandemic began.
- The monthly **trade deficit** in June grew to record levels as strong domestic recovery boosted demand for imports. Collective US **unemployment** fell to its lowest level of the pandemic in July. President Biden promoted a non-binding executive targeting 50 percent **zero-emissions models for new cars** sold in 2030; EVs currently only account for about 2 percent of new car sales. Senate Minority Leader McConnell (R-KY) threatened that Republicans would not vote to raise the **debt limit** if Democrats proceed with their plans for a \$3.5 trillion reconciliation package.
- Civil rights leaders are planning marches on August 28 to push for protecting **voting rights**. The Justice Department launched an **investigation** into the practices of Phoenix police.
- Greenville, a historic California gold-rush town in the Sierra Nevada Mountains was in smoldering ruins on Thursday, hours after the Dixie fire, the state's largest **wildfire**, engulfed the town of 800. Nearby Colfax has evacuated under threat by the River fire.
- The US will offer a temporary “*safe haven*” for **Hong Kongers** in the US who fear returning home.



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

Americas: US

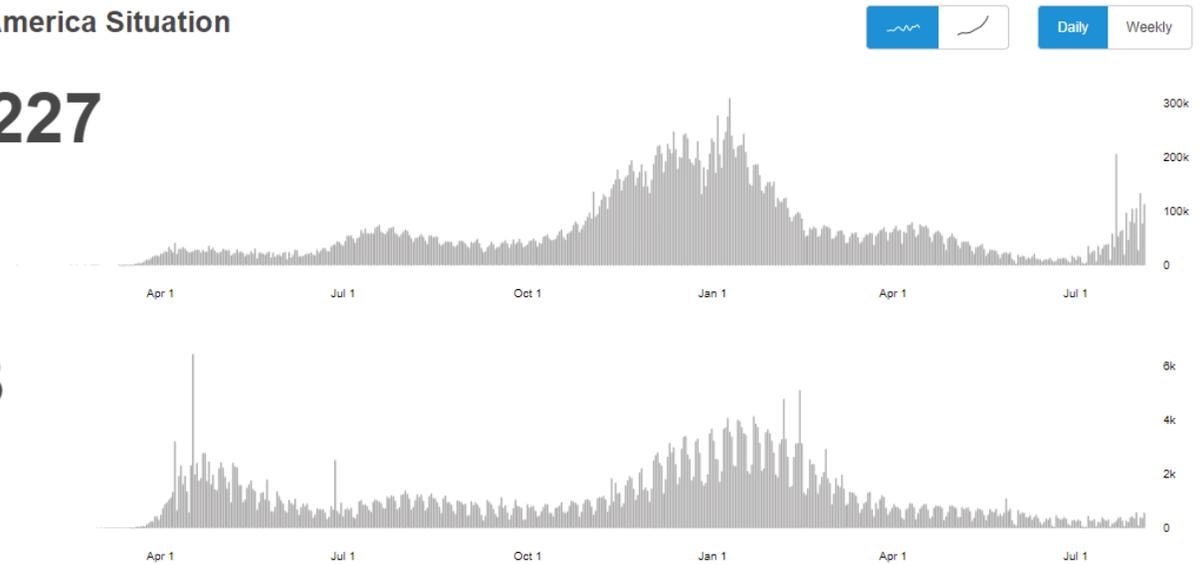
Daily new COVID-19 cases have climbed to a six-month high in the US, with more than 100,000 infections reported nationwide yesterday as the Delta variant takes its toll in Florida and other states with lower vaccination rates.

United States of America Situation

35,125,227
confirmed cases

609,613
deaths

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.

Hunger Hotspots: Food Insecurity on the Rise Amid Conflict, Fiscal Crises, Disrupted Supply Chains

By Anni Coonan

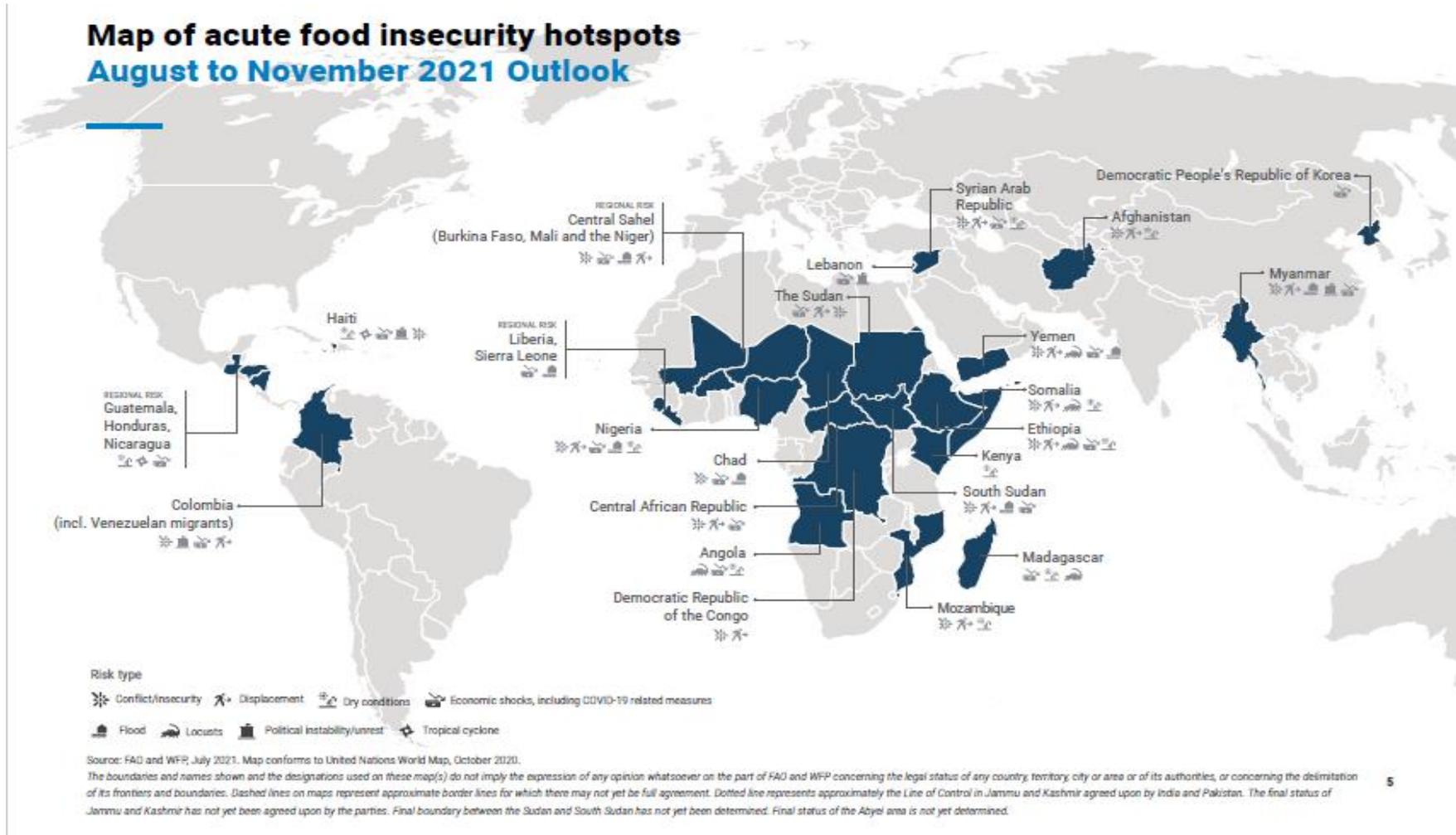
Last week, the UN Food and Agriculture Organization (FAO) and the World Food Programme (WFP) jointly published a new report warning of severe impending hunger crises in 23 “hunger hotspots” throughout the world. Primarily driven by conflict, the intensifying food crises in these countries - mostly in Africa and the Middle East - demonstrate a continuing trend of rapidly increasing global food insecurity, both in scale and severity. In addition to escalating conflict, the accelerating pace of extreme climate events, and rising food costs throughout the world will exacerbate food insecurity in the world’s poorest regions and impact supply chains even in higher-income markets.

The new FAO/WFP report finds that 23 “hunger hot spots” are likely to face acutely deteriorating food situations in the next four months, and found acute hunger to be increasing at an alarming rate year over year - in 2020, about 150 million people were facing “crisis” conditions or worse, a full 20 million more than 2019, with the negative trend expected to continue. The most common drivers of this rising food insecurity are armed conflict, economic shocks (including due to COVID-19), and environmental hazards, all three of which have been on the rise during the last year. New hotspots include Ethiopia, where the Tigrayan conflict has created what is

likely the worst food crisis since the 2011 Somali famine and Madagascar, where almost 30,000 are at risk of famine due to the country’s worst drought in 40 years; other areas of critical risk include South Sudan, Yemen, and Nigeria. The FAO and WFP call for urgent humanitarian aid to counter these crises, but also note that bureaucracy and the factors that contribute to hunger themselves, such as armed conflict, poor governance, and environmental disasters, will also continue to complicate the delivery of aid, even when it is fully funded.

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

Hunger Hotspots: Food Insecurity on the Rise Amid Conflict, Fiscal Crises, Disrupted Supply Chains



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

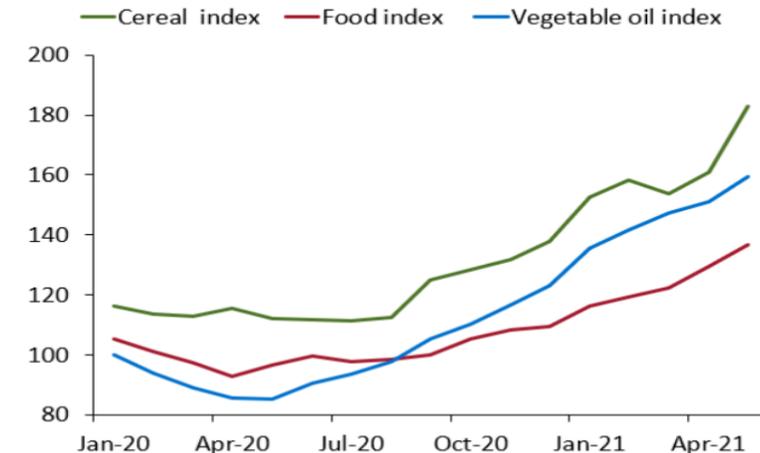
Hunger Hotspots: Food Insecurity on the Rise Amid Conflict, Fiscal Crises, Disrupted Supply Chains

Beyond drivers of broad-scale food crises, complex web of lingering pandemic-related supply chain disruptions, increasingly frequent environmental concerns, and rising food costs worldwide will increasingly impact food availability throughout the world, including in high-income, food-secure nations. Country-specific disruptions have proliferated throughout the supply chain: unseasonable frosts in Brazil and anti-government protests in Colombia, driven in part by pandemic-era shortcomings, will increase costs of coffee in the coming months; labor shortages in especially labor-intensive supply chain bottlenecks, such as meatpacking, which experienced especially severe COVID-19 spikes as an industry, and agriculture, still struggling to recoup workers amid immigration pauses; and across all industries, the rising costs of shipping containers (some estimates put July 2021 container costs over 200% higher than average) will decrease supplies and increase costs for consumers. These disruptions have contributed to recent spikes in global consumer food prices; although the IMF reports that consumer food prices have moderated since the panic of the first COVID-19 lockdowns, rising raw materials costs and transport costs are likely to drive prices up in the near term. This price hike will disproportionately

affect low-income, import-dependent countries, including many in the already food-insecure regions of Africa and the Middle East, and compound fiscal crises like the one in Lebanon, where food imports have almost become prohibitively expensive.

Soaring prices

International food prices for producers are increasing due to factors related to the pandemic and weather events.
(food price indices, 2016=100)



Source: IMF Primary Commodity Price System database.

IMF

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

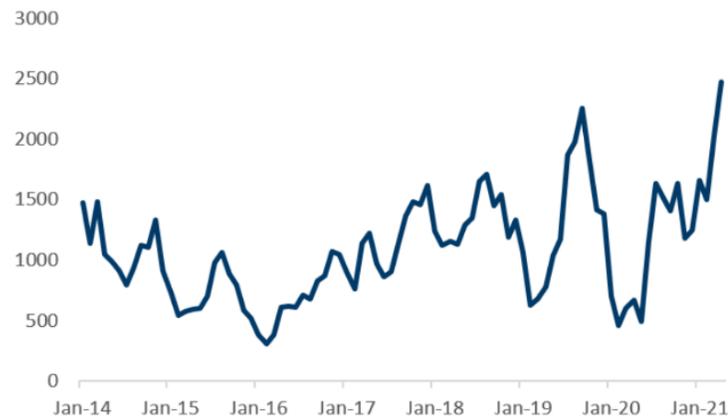
大成 DENTONS

Hunger Hotspots: Food Insecurity on the Rise Amid Conflict, Fiscal Crises, Disrupted Supply Chains

Costlier to bring food from farm to fork

Ocean freight rates have been steadily rising for more than a year.

(Dry Baltic Index)



Source: Haver.

IMF

that goes to the out-of-home dining industry to grocery stores, as individual consumers rushed for lockdown provisions. While this adjustment was accomplished with remarkably few serious shortages, any new lifting or renewing of dining and gathering restrictions amid uncertainty over the Delta variant and vaccine protection will force the food supply chain to make adjustments, potentially affecting supply. On a global scale, the patchwork of work and gathering restrictions contributed to labor shortages and bottlenecks of goods at every step; while most countries will likely seek to avoid disruptive full lockdowns when at all possible, severe COVID-19 spikes and new variants will continue to complicate supply chains of all kinds.

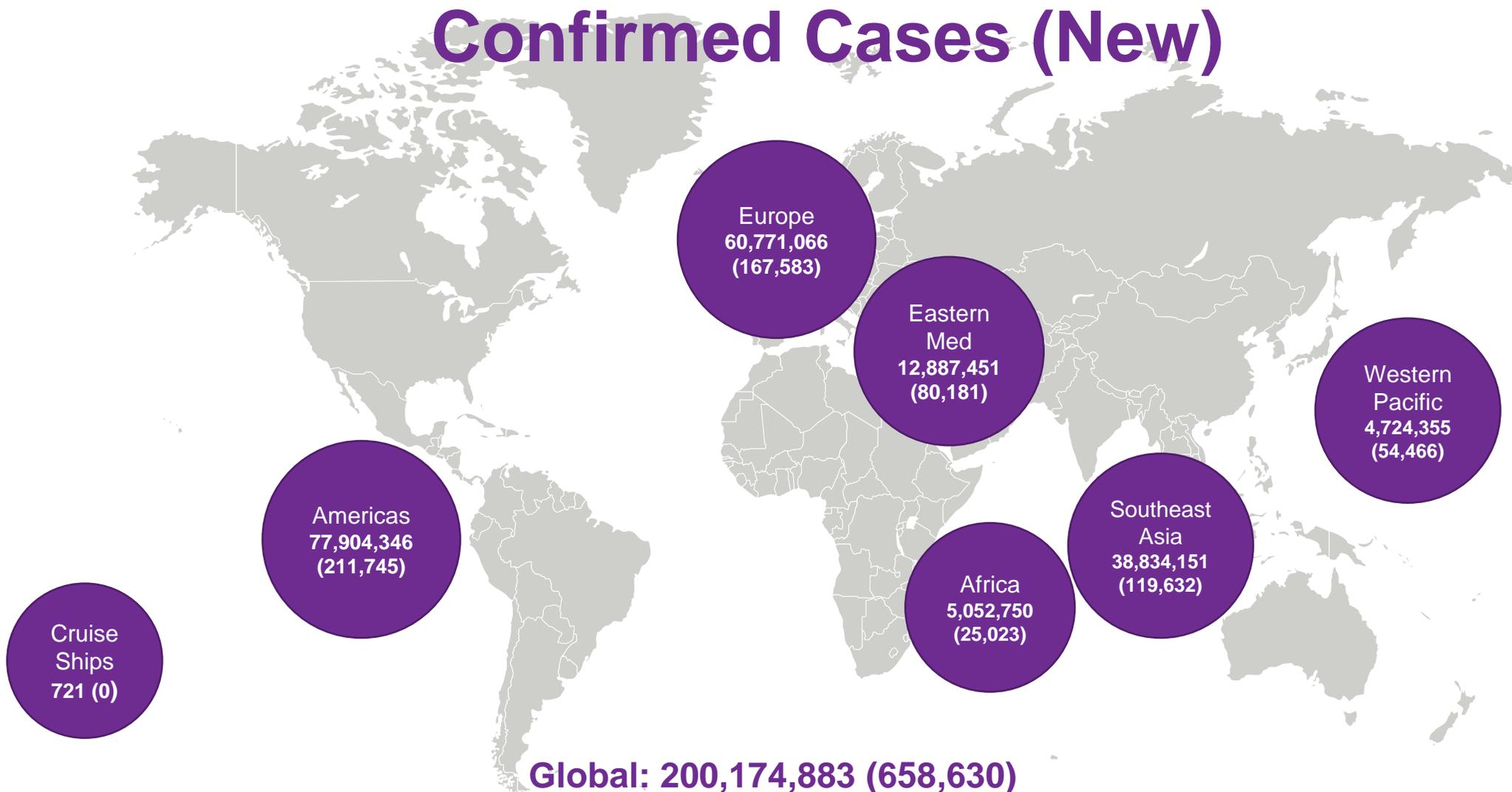
The constantly evolving state of the pandemic and new restrictions will also confuse the food supply chain. In March of 2020, the food industry saw disruptive backups as restaurants almost entirely shut down, leaving shippers scrambling to divert the nearly 50% of food

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 6:08 pm CEST on August 5, 2021

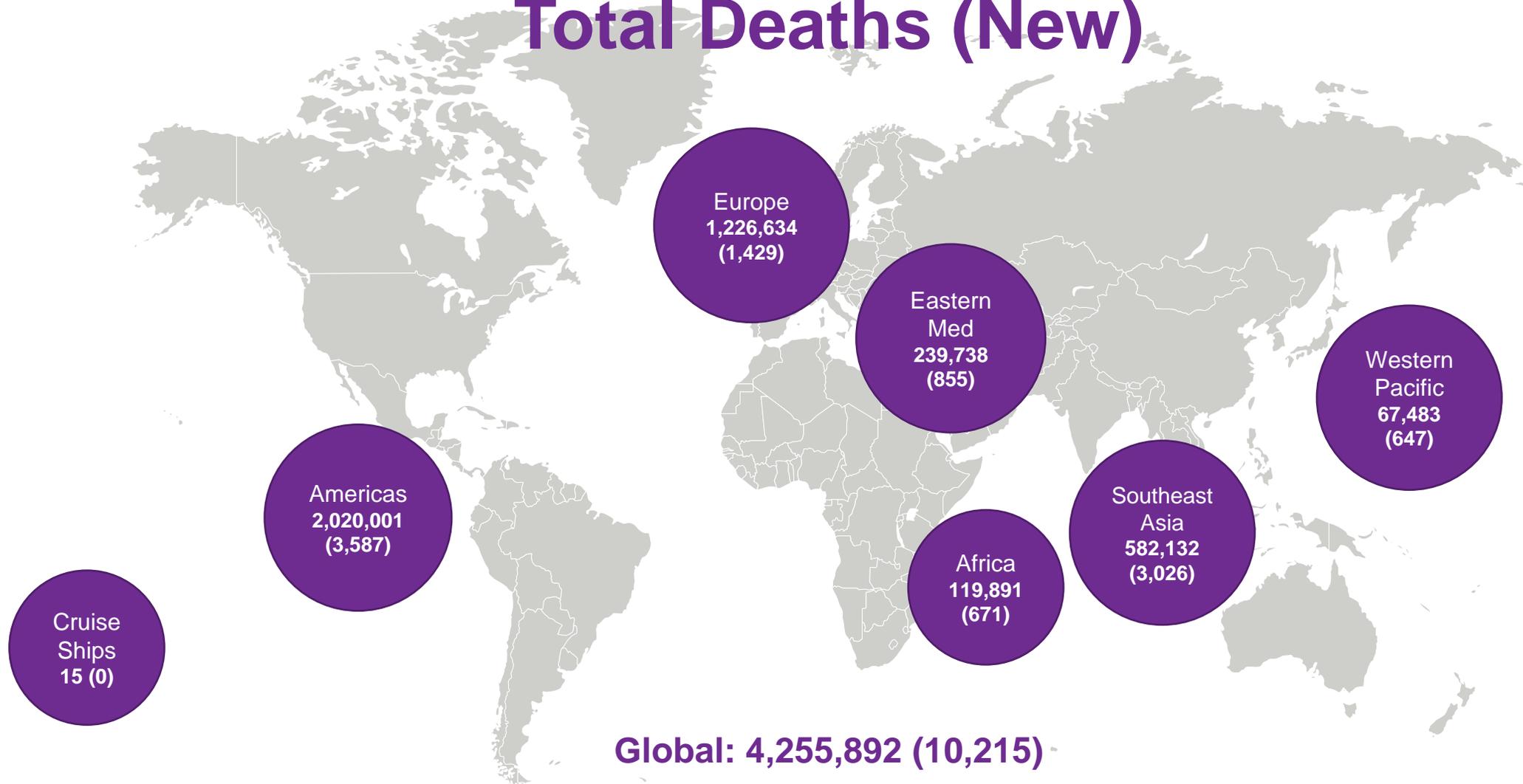
Confirmed Cases (New)



Reflects data as of 6:08 pm CEST on August 5, 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 6:08 pm CEST on August 5, 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