

Dentons Flashpoint

Daily Global Situation Report

July 23, 2021

Global Situation Update: July 23, 2021

KEY TAKEAWAYS

The Tokyo Olympics opens today with a ceremony with few spectators and spectacles.

A longer gap between doses of Pfizer's COVID-19 vaccine leads to higher overall antibody levels than a shorter gap.

Top US and Iraqi officials reportedly plan for exit of US combat troops by the end of 2021.

Global Situation Update: July 23, 2021

WHAT WE'RE WATCHING

Rainstorms during the usual dry season in southern Yemen have caused flooding and over a dozen deaths, with more rain expected through the week. The region often experiences severe flooding during other times of the year which frequently sparks calls for emergency self-rule from the major regional separatist group and feed infighting in the divided, war torn country.



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 191.7 million with 4.1 million deaths; more than 3.5 billion vaccine doses have been administered.

- The **Tokyo Olympics** opens today with a ceremony with no more than 1,000 spectators and scaled back spectacle absent mass choreography, dancers, actors and huge props.

COVID-19 Vaccine

A longer gap between doses of Pfizer's COVID-19 vaccine leads to higher overall antibody levels than a shorter gap, a British study found; however, there is a sharp drop in antibody levels after the first dose which increases vulnerability until the second dose.

- The EU listed **Guillain-Barré syndrome**, a rare but usually treatable nerve disorder associated with other vaccines, as a potential side effect of the **Johnson & Johnson vaccine**.
- **Vietnam's** foreign ministry said the country has entered talks with the US to start local **mRNA vaccine production**.
- In **Singapore**, where 75 percent of the population is vaccinated, three quarters of infections in the last four weeks were among vaccinated individuals. There were only seven severe cases requiring oxygen support, and six of them were unvaccinated and one was partially vaccinated.

COVID-19 Vaccine

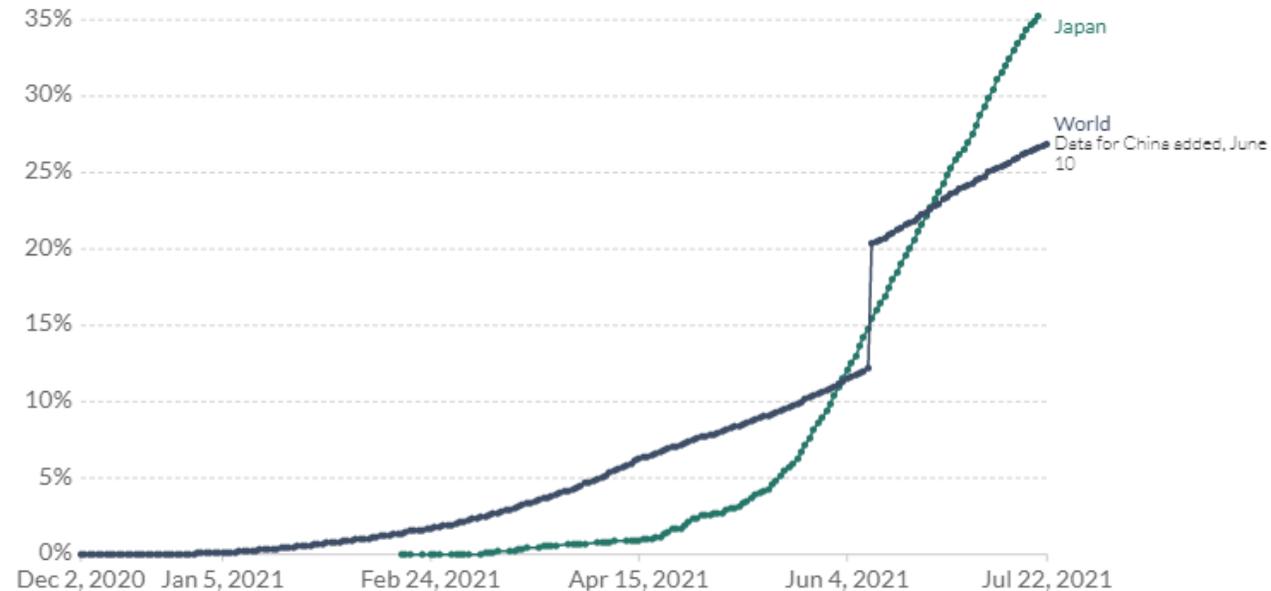
Japan's Prime Minister Suga will meet with Pfizer executives to seek faster vaccine deliveries to the Olympic host; Japan is hosting over 10,000 athletes from across the globe. Only 35 percent of Japanese have received at least one dose.

Share of people who received at least one dose of COVID-19 vaccine

Share of the total population that received at least one vaccine dose. This may not equal the share that are fully vaccinated if the vaccine requires two doses. This data is only available for countries which report the breakdown of doses administered by first and second doses.

Our World in Data

+ Add country



Source: Official data collated by Our World in Data - Last updated 23 July 2021, 09:10 (London time)

OurWorldInData.org/coronavirus • CC BY

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Markets & Business

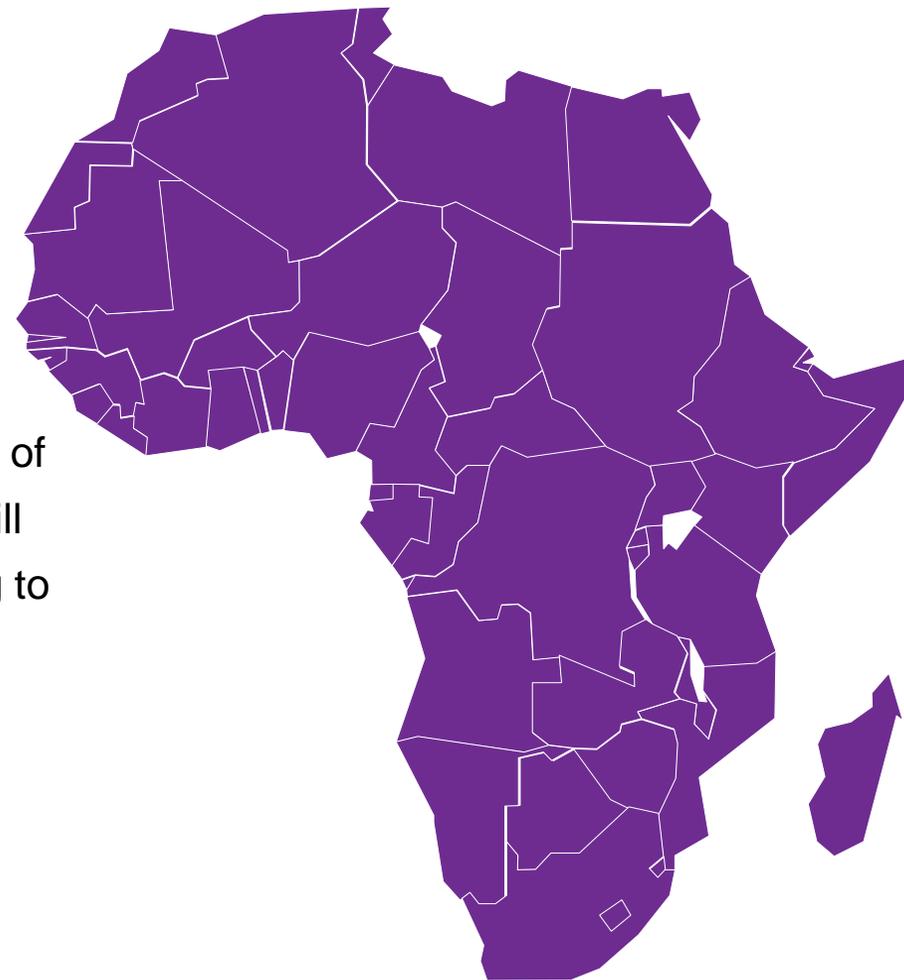
Internet-services provider Akamai Technologies reported a disruption Thursday that caused brief outages across a number of websites for airlines, financial companies and other firms.

- Bitcoin's recent selloff is undermining investor arguments that **cryptocurrency** serves as an inflation hedge.
- At a crucial shareholder meeting, the \$24 billion deal for electric carmaker **Lucid Motors** to go public via a SPAC was jeopardized as investors failed to show sufficient support.
- **Snapchat** parent Snap posted triple-digit revenue growth in the second quarter but warned that users are spending less time on the platform.
- **DR Horton**, America's largest homebuilder, saw quarterly sales and profits surge on robust housing demand and rising prices.
- **Intel** is expected to report a drop in second-quarter earnings due to the global semiconductor shortage.
- **Toyota** will temporarily halt production at a plant in Thailand due to parts shortages.
- Former CBS chief Joe Ianiello launched a \$300 million SPAC to seek acquisitions in **media and tech**.

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Africa

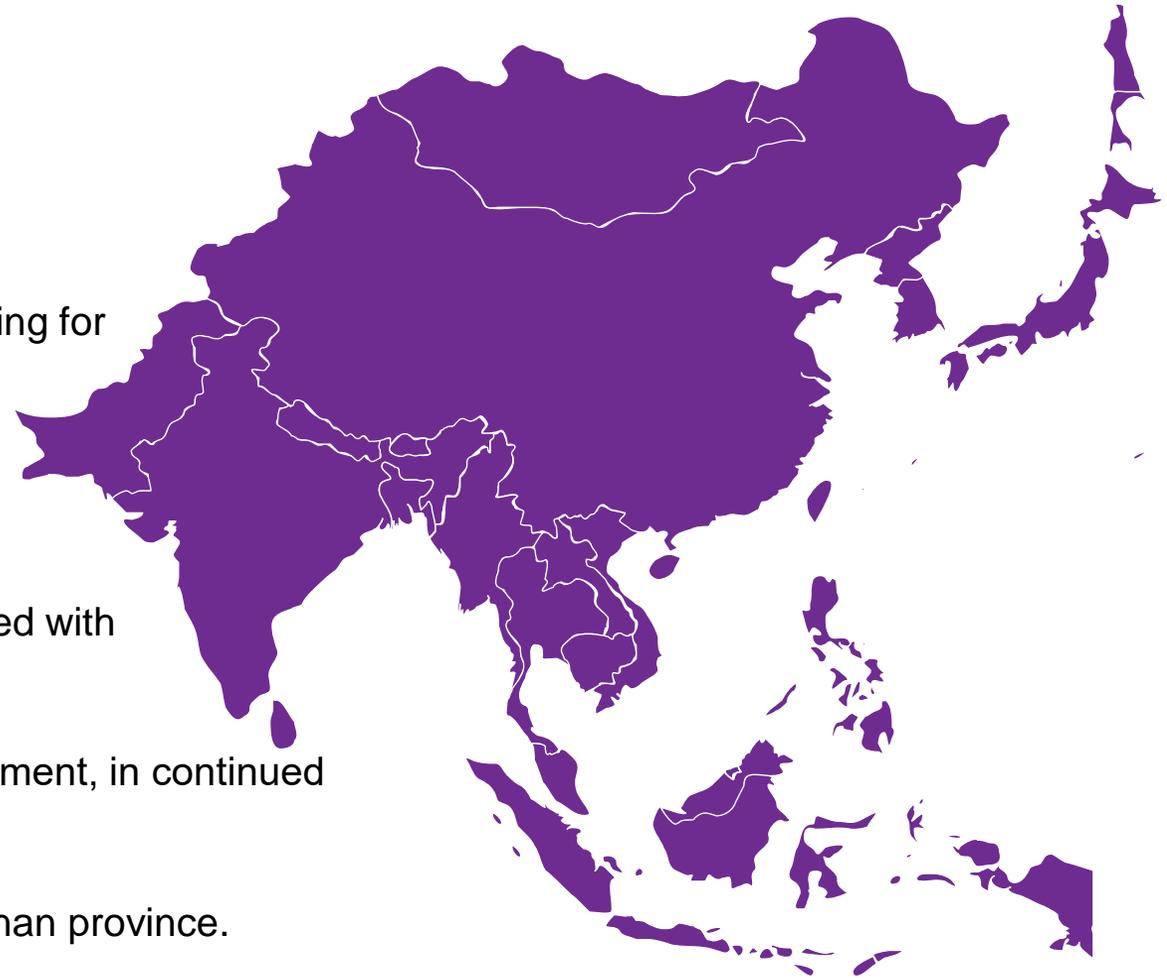
- **Rwandan** officials reportedly used the NSO Group's Pegasus software to tap the phones of several Ugandan officials; bilateral relations have been stormy for several years over mutual accusations of espionage and undermining. Rwandan activist Paul Rusesabagina will be issued a verdict next month in his terrorism trial, potentially leading to a life sentence.
- **Mali** opened an inquiry into the assassination attempt against interim president and coup leader Keita.
- Police in **Madagascar** arrested six for allegedly plotting to kill the president.
- A cyber-attack halted container operations in the **South African** port city of Cape Town. The South African government announced a probe into the deaths of more than 200 during recent protests and rioting.



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Asia

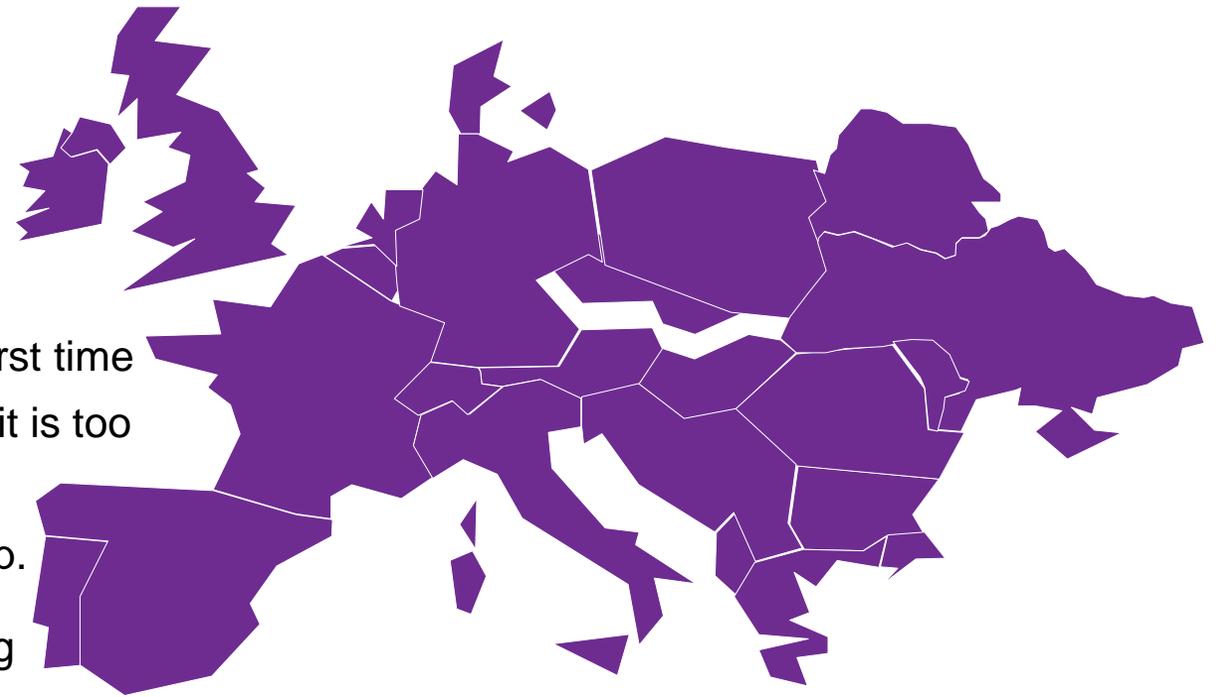
- **Malaysians** working across the border in Singapore are petitioning for the removal of quarantine requirements for the fully vaccinated.
- **New Zealand** has suspended a travel corridor with **Australia** for eight weeks, citing the Delta outbreak.
- Twelve pro-democracy student activists in **Thailand** were charged with royal defamation and sedition over a rally held last year.
- **Indian** farmers began a sit-in Thursday near the country's Parliament, in continued protest of new agricultural laws.
- **China** evacuated tens of thousands from flood-hit regions in Henan province.
- A **Hong Kong** court denied bail to several employees of the now-closed pro-democracy Apple Daily News facing national security charges.



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Europe

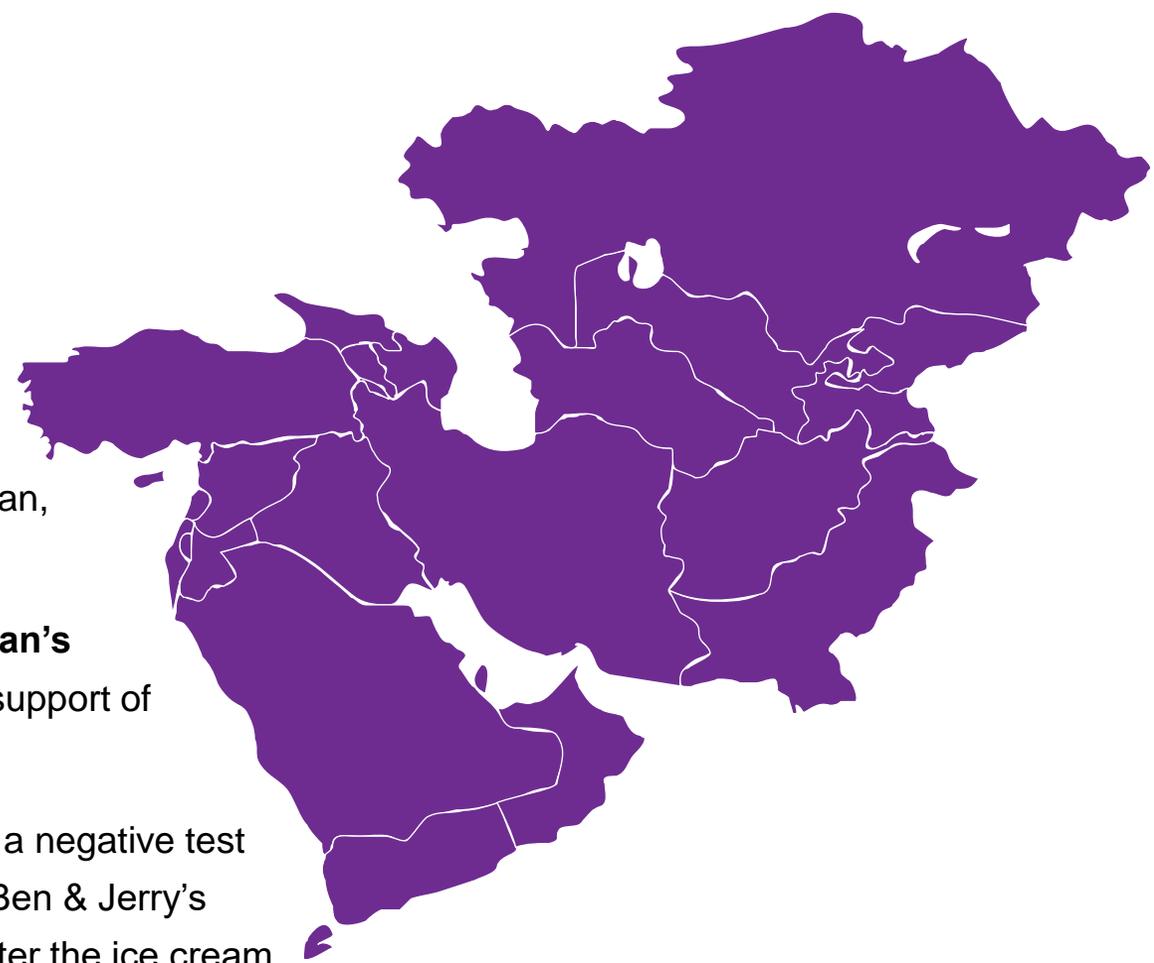
- The **UK** reported a daily dip in COVID-19 cases for the first time since the onset of the third wave; health experts warned it is too early to say if the outbreak has peaked. Ministers in the UK urged the public not to delete the NHS COVID-19 app.
- **Eurozone** consumer confidence dropped in July on rising concerns about COVID-19 resurgence.
- The **European** Central Bank's decision to tolerate further inflation before raising interest rates is sparking backlash from some policymakers, including the heads of the **German and Belgium** central banks.
- Some 2,000 medicines currently offered in **Northern Ireland** but made in Great Britain are set to be withdrawn as manufacturers grapple with post-Brexit regulations.



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Middle East

- Anti-government protests in **Iran** spurred by water shortages spread to Tehran, and monitors reported mobile internet blackouts. Iran announced the opening of a new oil export terminal on the Gulf of Oman, allowing it to bypass the Strait of Hormuz.
- The Taliban announced that they now control 90 percent of **Afghanistan's** borders. **US** officials said that they had launched several airstrikes in support of the Afghan government this week.
- **Israel** will reintroduce its Green Pass, which requires immunization or a negative test to enter most public spaces, due to concerns about the delta variant. Ben & Jerry's parent company, Unilever, said it remains "fully committed" to Israel after the ice cream company move to cease sales in the occupied **Palestinian** territories sparked controversy.
- **Saudi Arabia** announced that its hajj health program was a success, with no coronavirus cases detected among pilgrims thus far.
- Hospitals in **Lebanon** warned that they were days or hours from power blackouts due to fuel shortages and a fiscal crisis in the country.



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Americas

- **Colombian** police arrested 10 over attacks on President Duque's helicopter.
- **El Salvador** has ordered the arrest of former president Salvador Sanchez Ceren and nine top officials from a past administration as part of a money laundering and corruption probe.
- The **US** named a special envoy to **Haiti** to facilitate the transition.
- The **US** sanctioned **Cuba's** security minister and special forces leader, saying that sanctions on Cuban leaders over their protest crackdown were "*just beginning.*"
- YouTube removed videos posted **Brazilian** President Bolsonaro for spreading misinformation about the coronavirus.



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How do You Manage Risks?

The coronavirus pandemic has not just added a new layer of risk for business leaders to navigate, but has accelerated drivers of change, including disruptive technologies, political and economic realignments and cultural priorities on equality, justice and conservation, while increasing vulnerabilities that bad actors seek to exploit.

Dentons Intelligence and Security Services Group offers bespoke services to provide business leaders with the intelligence they need to understand and thrive in complex operating environments.

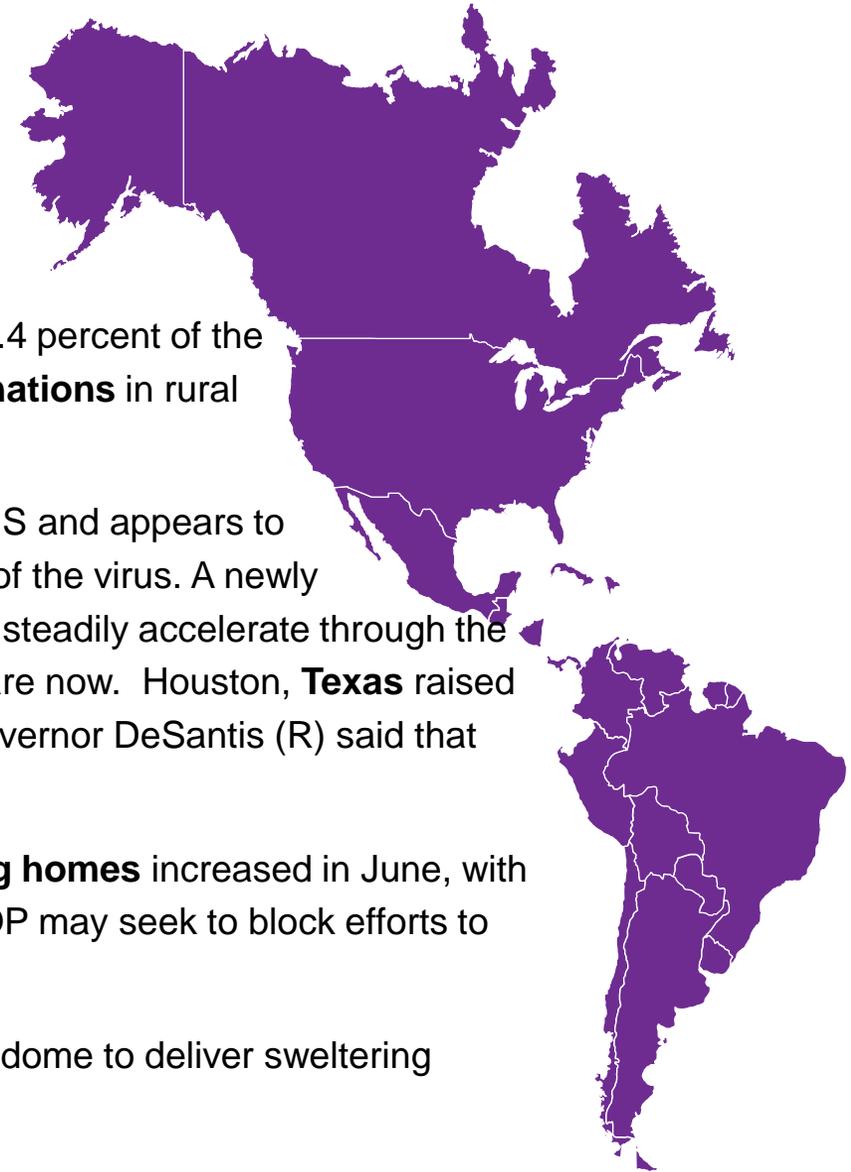
- ❖ due diligence and compliance investigations
- ❖ physical and cyber security assessments
- ❖ country and political risk assessments
- ❖ enterprise risk management and organizational resiliency advice
- ❖ crisis and incident response (physical security breaches and cyber incidents, insider threats and reputational impacts)

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

Americas: US

- Across the nation, 187.2 million have received at least **one dose of the vaccine**, or 56.4 percent of the total population. The Biden Administration committed \$100 million to help **boost vaccinations** in rural areas with low vaccination uptake.
- Per the CDC, the **Delta variant** now represents more than 83 percent of cases in the US and appears to carry a viral load that is more than 1,000 times that of those infected with earlier forms of the virus. A newly released model on **the current surge** driven by the Delta variant shows that cases will steadily accelerate through the summer and fall, peaking in mid-October, with daily deaths more than triple what they are now. Houston, **Texas** raised its COVID-19 threat level, with officials calling for a return to mask-wearing. **Florida** Governor DeSantis (R) said that the state will not reintroduce mask mandates or lockdowns.
- New weekly **jobless claims** rose unexpectedly last week to 419,000. **Sales of existing homes** increased in June, with prices rising to an all-time high of over \$360,000. Top Senate Republicans said the GOP may seek to block efforts to raise the **government's borrowing** limit this year when it is reinstated next month.
- **Extreme heat warnings** have been released for next week, with a coast-to-coast heat dome to deliver sweltering weather. The contiguous US will see highs running 10 to 15 degrees above average.
- The Justice Department charged 9 people with involvement in **China's** "Operation Fox Hunt" targeting overseas individuals facing charges in China. Top US and **Iraqi** officials reportedly plan to call for all US combat troops to leave the country by the end of 2021.

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Extreme Climate Events Raise Concerns about Climate Science Blind Spots

By Briana Boland

Though scientists have long warned that climate change would bring such dangers, the intensity of recent events – particularly the Pacific Northwest heatwave – have prompted some experts to question whether climate models are still accurately capturing the impacts of global warming.

A rapid series of extreme climate events across the world, from record heat in the US' Pacific Northwest to deadly floods in Germany and China, have served a reminder of the increased dangers to life and property as climate change increases the prevalence of extreme events. While predicting weather patterns and natural disaster is never a precise science, the climate events of 2021 are prompting new questions about whether current models may underestimate the prospects for future floods, fires, heatwaves, and other disasters. As countries around the world reassess climate commitments ahead of the November COP26 meeting in Glasgow, assessing the implications of 2021's climate

events may have key impacts for future climate policy – as well as for informing the risk outlook for future extreme climate events.

While it is be difficult to attribute individual events to climate change, the floods and heat of 2021 certainly represent the type of occurrences that climate scientists have warned of as global temperatures keep rising. But in the case of 2021 weather events, assessing causes may prove particularly important for future climate projections. In a recent report, Axios interviewed nine leading scientists on the possibility of a climate science blind spot, who provided some alarming responses, particularly on the significance of the Pacific Northwest heatwave. Assuming it was not a was not a fluke, some of the scientists raised concerns that the heatwave may indicate that climate models are not accurately capturing the processes that cause such events, meaning that even climate experts who are ringing alarms about the impact of climate change could be understating dangers. Moreover, the recent incidences underline the need for more work on early-warning systems, where the ability to predict climate disasters like the floods in Germany could save lives.

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Extreme Climate Events Raise Concerns about Climate Science Blind Spots

Regardless of whether the extreme events of 2021 indicate blind spots in leading climate models, the broad message of climate experts remains consistent: societies across the world must take action to cut emissions, remove CO2 from the atmosphere and build resiliency to natural disasters. However, the past week has also brought sobering news on the climate action front. Two new reports, one from the International Energy Agency (IEA) and one from the research firm BloombergNEF, highlight the shortfalls of pandemic-recovery spending when it comes to clean energy, underlining the reality that calls for a green economic recovery have not translated into policy. Moreover, the IEA analysis projects that global carbon emissions are on track for a new record – even if the climate provisions governments have included in recovery plans to date are successful.

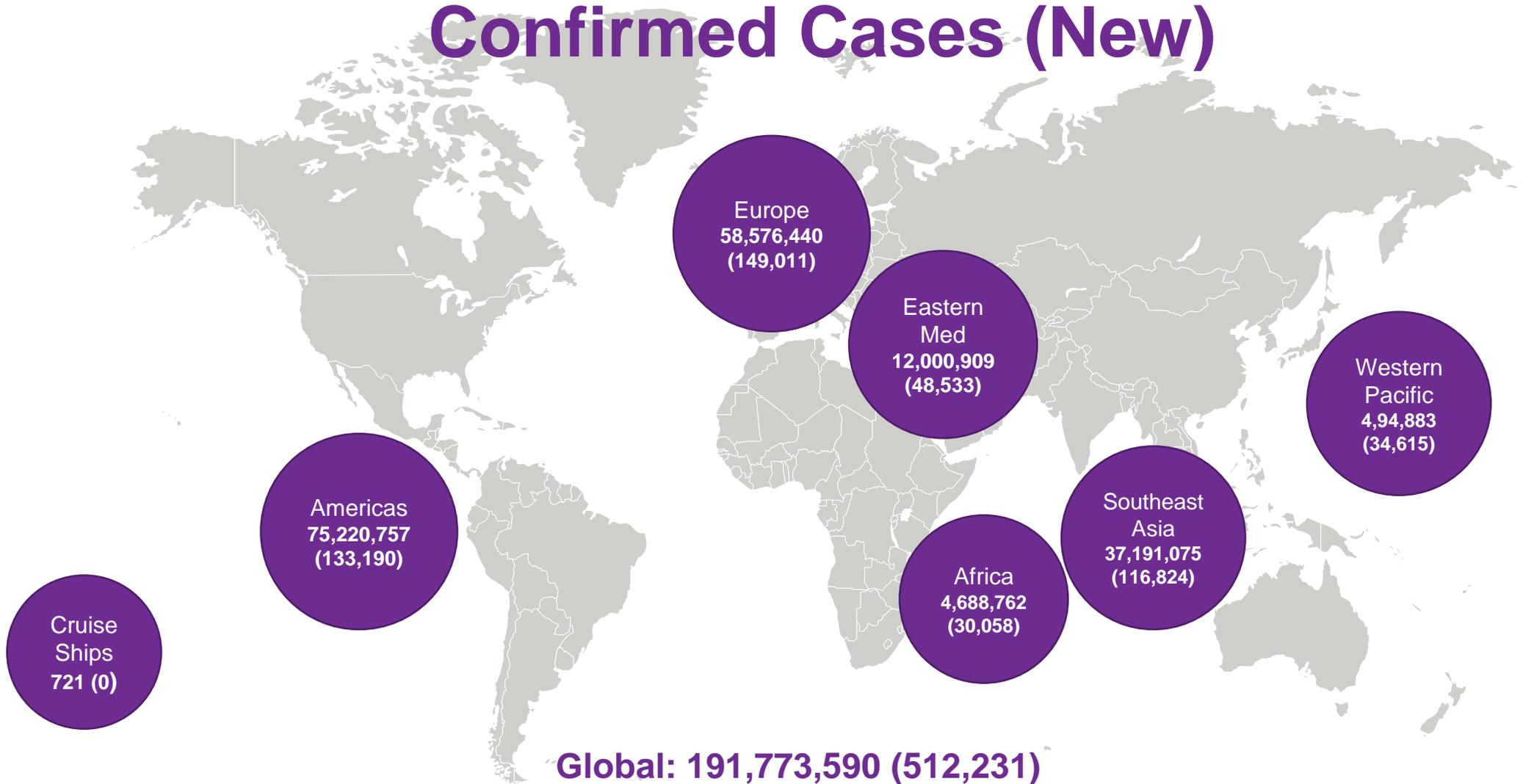
The extreme climate events of 2021 are likely to impact government policy, particularly as countries will have the opportunity to revisit climate action goals ahead of November's COP26 meeting. In Germany, the disastrous floods are expected to give further momentum to climate-focused political actors, with potential implications for September elections. Even in the US,

polling indicates growing support across parties for climate action; researchers from Third Way and the University of California at Santa Barbara recently conducted a survey that found a majority of Americans, in both red and blue states, support the goal of transitioning to 100 percent clean energy by 2035. But the presentation of extreme climate events may also blunt momentum for broad climate action across different countries. In China, for example, government officials have emphasized disaster management and crisis-planning efforts when addressing the Henan floods, rather than attributing the floods to the underlying impact of climate change. It is unsurprising that officials – in China and beyond – will focus on disaster mitigation while danger from extreme weather events is imminent. Once imminent threats have passed, however, governments may face broader pressure to address underlying causes. For businesses, the political impact of extreme weather events could come in the form of a renewed regulatory push aiming at curbing emissions, or, where governments are perceived by the public as moving too slowly on climate issues, increased pressure for private sector actors to take the lead on cutting emissions.

Coronavirus Condition Updates

As of 8:20 pm CEST on July 22, 2021

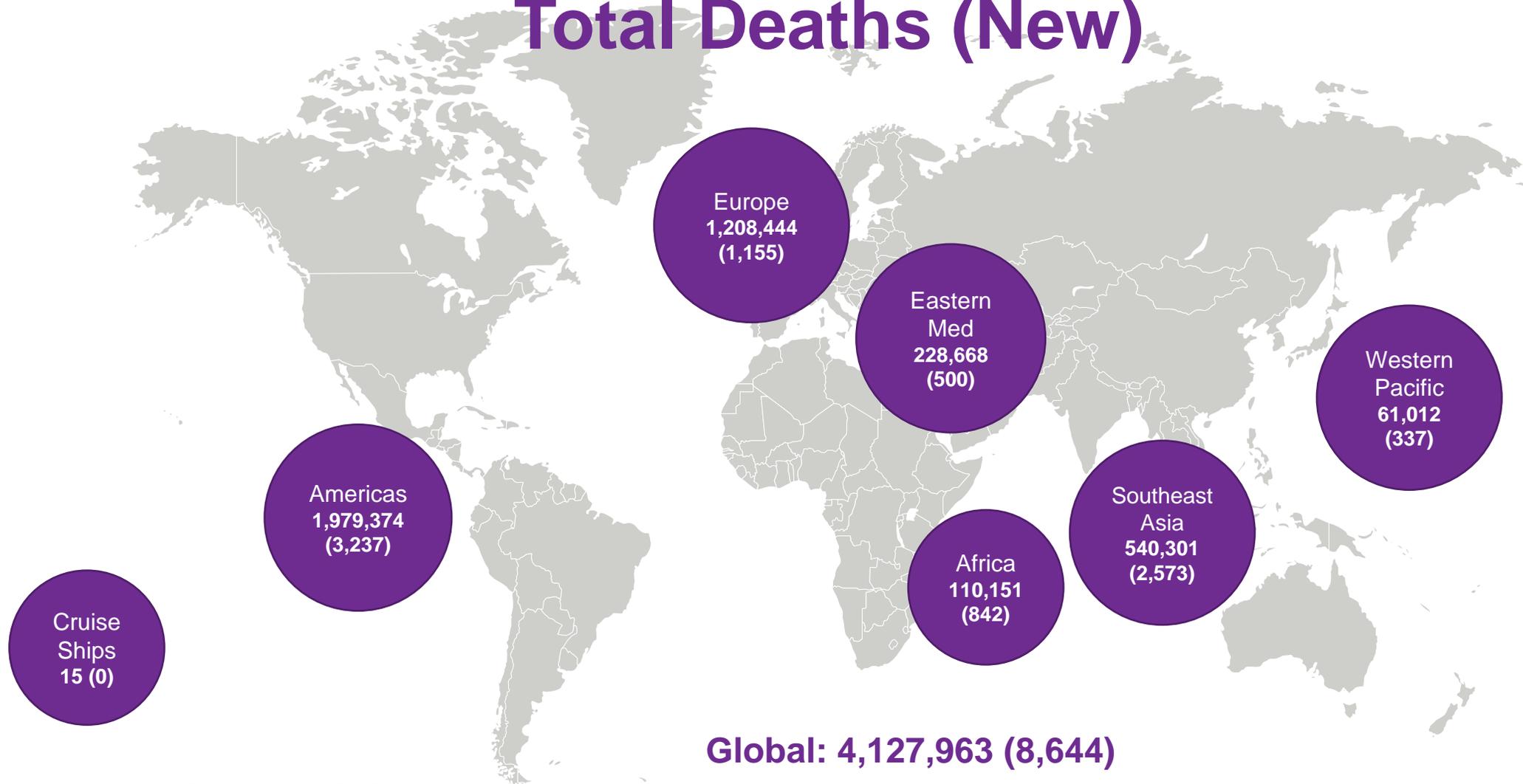
Confirmed Cases (New)



Reflects data as of 8:20 pm CEST on July 22, 2021.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 8:20 pm CEST on July 22, 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.

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