

Dentons Flashpoint

Daily Global Situation Report

June 28, 2021

Global Situation Update: June 28, 2021

KEY TAKEAWAYS

Johnson & Johnson vaccine recipients may need booster shots for protection against the Delta variant.

Mobile World Congress opens today, one more recovery indicator for international expos.

The US, Ukraine and 30 allied countries begin military exercises in the Black Sea and southern Ukraine, irking Russia.

Global Situation Update: June 28, 2021

WHAT WE'RE WATCHING

Today, a Ministerial Meeting of the Global Coalition to Defeat ISIS will meet in Rome, Italy. The meeting of the 83-member alliance will be co-hosted by US Secretary of State Antony Blinken and Italian Minister of Foreign Affairs Luigi Di Maio. The assembled foreign ministers will discuss ways to defeat ISIS in Iraq and Syria and especially in the Sahel and Mozambique in Africa.

The meeting takes place amid an uptick in ISIS attacks against Kurdish forces near Kirkuk in Iraq. There remain many issues for the coalition to resolve in Iraq and Syria, including what to do with thousands of jihadist prisoners. While in Italy, many of the foreign ministers will also discuss the current situation in Syria.



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

Global

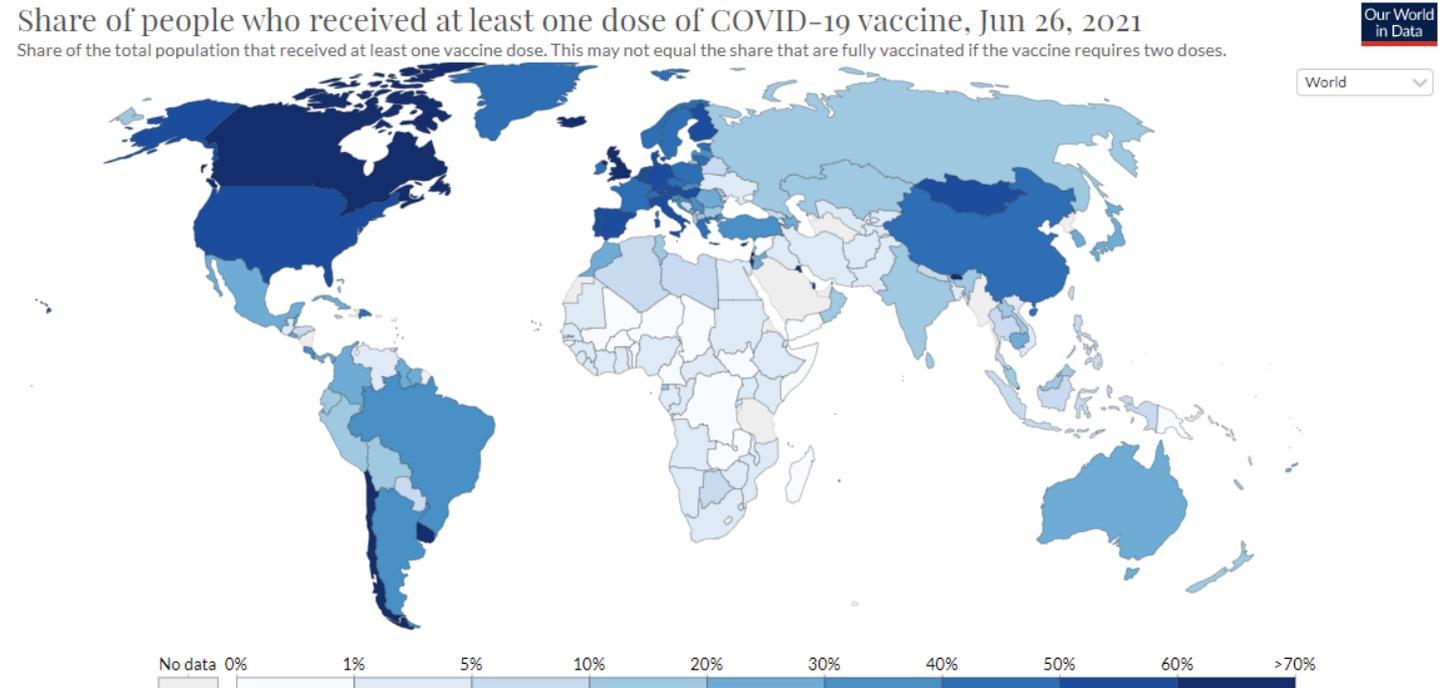
Globally, confirmed coronavirus infections topped 180.6 million with 3.9 million deaths; 2.6 billion vaccine doses have been administered.

- Vaccine alliance Gavi has said it will provide another \$775 million to help lower-income countries to prepare to deliver jabs with planning, technical assistance and cold chain equipment; the funds will finance the Covax program.

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

Global

The rapid spread of the Delta coronavirus variant has forced a growing number of countries to reimpose lockdowns and other public health restrictions. The WHO warned that Delta variant is the most transmissible of the variants identified so far and is spreading rapidly among unvaccinated populations.



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

COVID-19 Vaccine

Infectious disease experts are studying the need for booster shots of the Pfizer/BioNTech or Moderna mRNA-based vaccines for Americans who received Johnson & Johnson's one-dose vaccine due to the increasing prevalence of the more contagious Delta coronavirus variant.

- Huons Global Co Ltd **South Korean** consortium plans to begin production of a single-dose **Sputnik Light COVID-19 vaccine** from as early as September, planning 100 million doses of a month for export.
- **Germany** expects drugmaker **Moderna Inc** to deliver COVID-19 vaccines faster than expected, helping it ramp up vaccinations in coming months; 53 percent of Germans have received at least one dose of vaccine.
- The **European Medicines Agency** approved an additional manufacturing site in Italy for the production of the single-dose **Janssen COVID-19 vaccine**.
- **India** vaccinated an average of 6.4 million people a day against COVID-19 last week, nearly double the pace of the previous week after having made vaccinations free.
- **Singapore** authorities rejected a call by a group of doctors to halt the vaccination of people under the age of 18 amid an **investigation** into the death of a 13-year-old boy after he was given the second dose of a messenger RNA vaccine.

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

Markets & Business

Mobile World Congress opens today, a flagship conference for global mobile industry body GSMA. The 3-day event is expected to host in person 30,000 visitors from 143 countries and will have on-site COVID-19 testing.

- Britain's biggest sportswear chain **JD Sports Fashion** announced it will buy an 80 percent stake in online sports equipment retailer **Deporvillage SL** for 140.4 million euros (\$168 million).
- **UBS Group** will allow most staff to mix remote working with time spent in the office, taking a more relaxed approach than some US banks.
- **Glencore**, the London-listed miner and commodity trader, has agreed to acquire the 66.6 percent of Cerrejón in Colombia it does not already own from **Anglo American and BHP** for \$294m each in cash; Cerrejón is one of the world's biggest open-pit thermal coal mines.
- The UK's financial watchdog has ordered **Binance** to stop all regulated activities in Britain and imposed stringent requirements on one of the biggest cryptocurrency exchanges.

Africa

- Two improvised explosive devices were detonated in eastern city of Beni, **Democratic Republic of Congo**, on Sunday, one in a Catholic church and the other at a busy traffic intersection; no one has claimed responsibility.
- **Somalia's** Islamist al Shabaab group attacked military installations a town in the country's semi-autonomous state of Galmudug. The al Qaeda-allied al Shabaab has been fighting in Somalia for more than a decade to try to topple the country's central government and establish an Islamic state.
- **South Africa** will tighten COVID-19 restrictions for 14 days as current containment measures are insufficient to cope with the speed and scale of the third wave of new infections. It recorded almost 18,000 new cases on Saturday, approaching the peak of daily infections seen in a second wave in January.



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

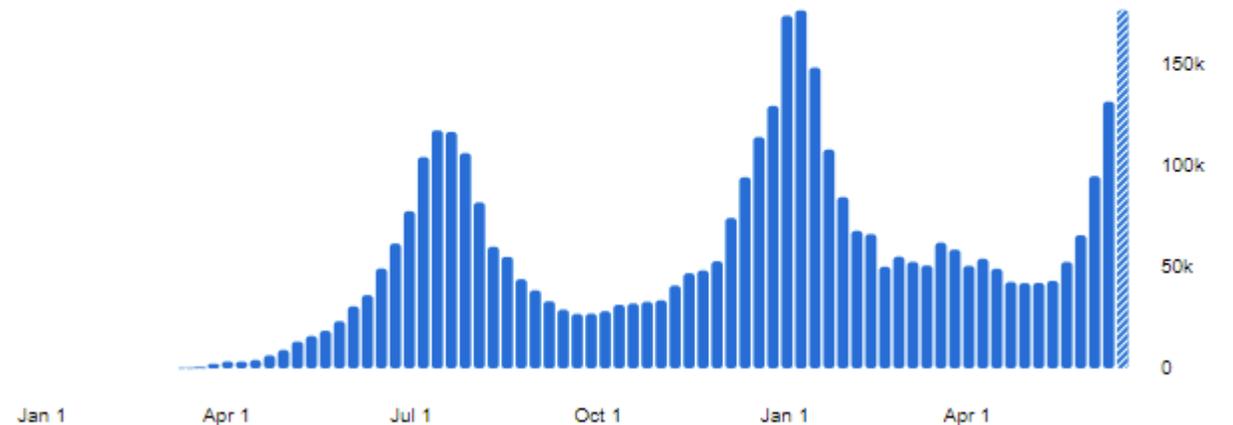
Africa

Africa is facing a fast-surgingly third wave of COVID-19 pandemic, with cases spreading more rapidly and projected to soon overtake the peak of the second wave the continent witnessed at the start of 2021.

COVID-19 cases have risen for five consecutive weeks since the onset of the third wave on 3 May 2021.

Africa

3,968,421
confirmed cases

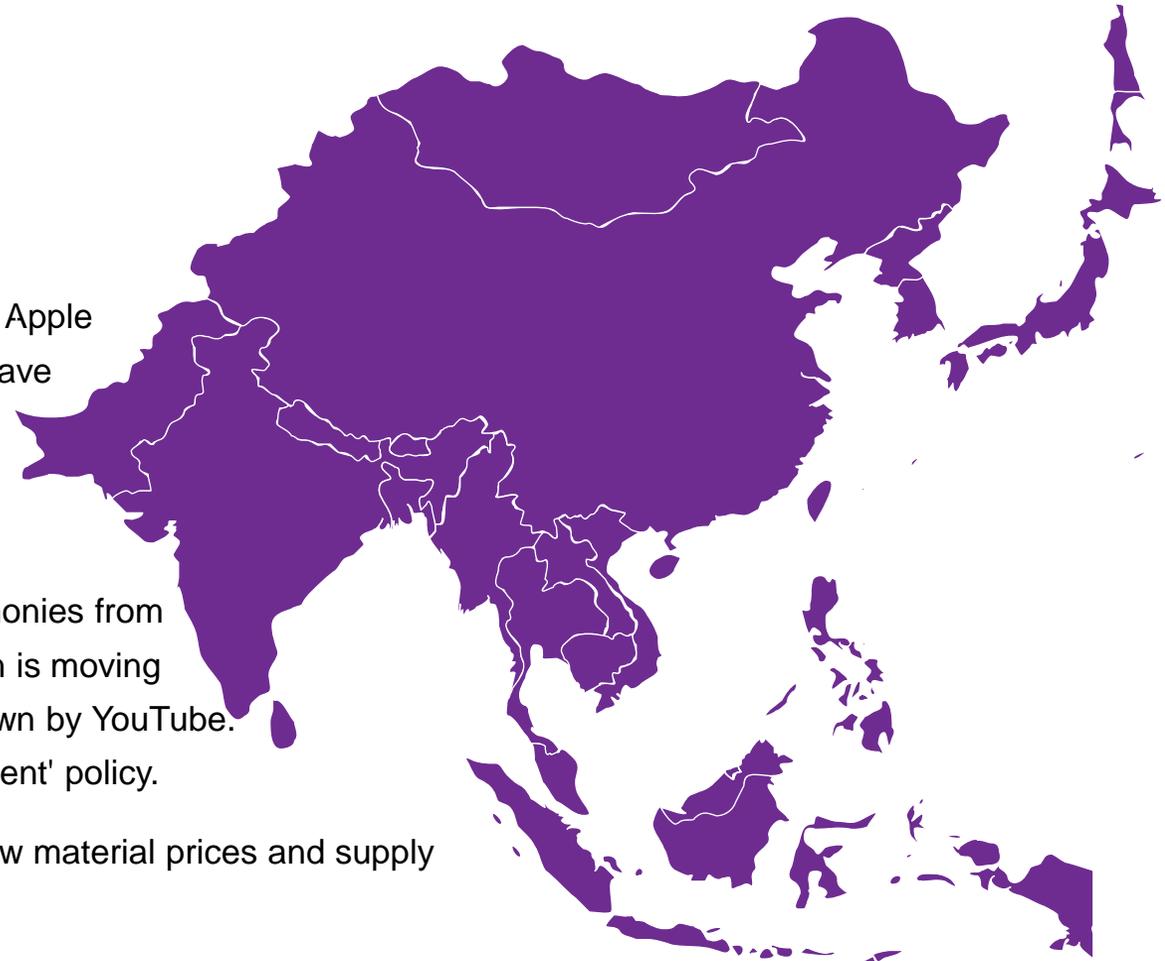


Source: WHO

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

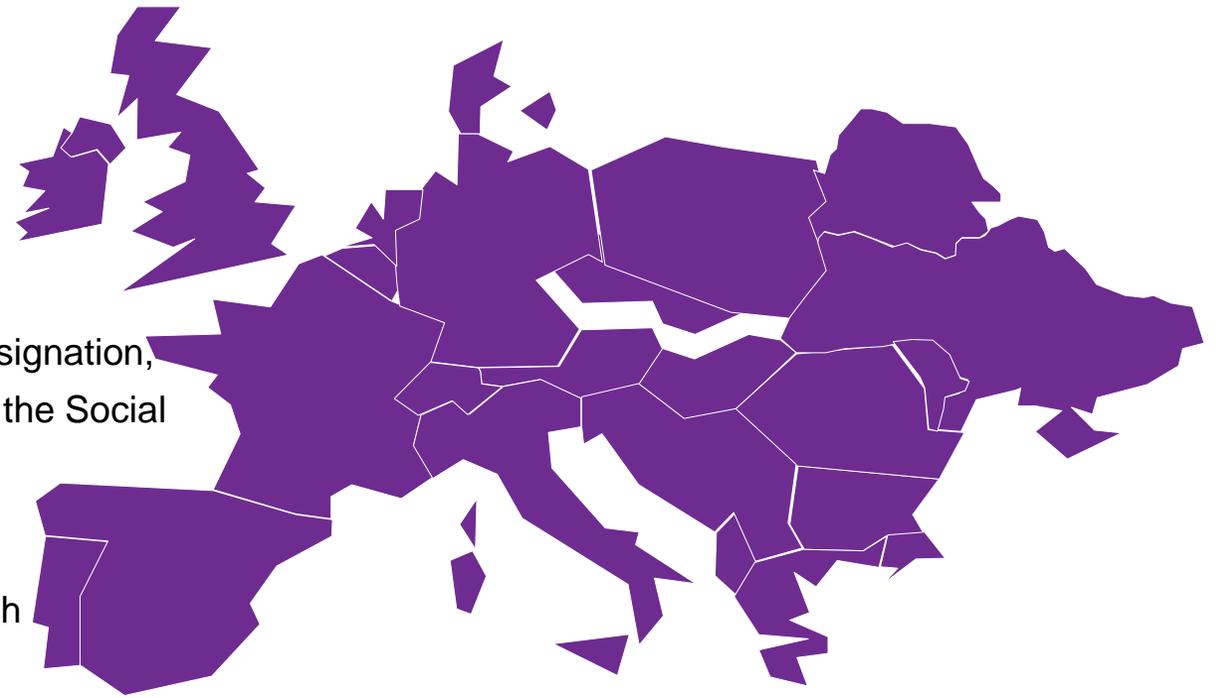
Asia

- **Hong Kong** police arrested a former senior journalist with the now-closed Apple Daily newspaper on a suspected national security offence as he tried to leave the city. **China's** foreign ministry rejected comments by **US** President Biden that the closure of Apple Daily newspaper signaled intensifying repression by Beijing.
- A human rights group that attracted millions of views on YouTube to testimonies from people who say their families have disappeared in **China's** Xinjiang region is moving its videos to little-known service Odysee after some videos were taken down by YouTube. YouTube removed the videos for breaching its 'cyberbullying and harassment' policy.
- Profit growth at **China's** industrial companies slowed in May as surging raw material prices and supply chain bottlenecks squeezed margins, according to official figures.
- **New Zealand** is considering making masks compulsory at high alert levels as well as compulsory scanning of QR codes to boost contact tracing in efforts to reduce the risk of coronavirus spreading. **Thai** authorities declared a month-long limited lockdown in the capital, Bangkok, and neighboring provinces, amid a spike in new cases attributed to the Delta variant. **Taiwan** announced new restrictions for people arriving from seven “*high-risk countries*”: **Bangladesh, Britain, Brazil, India, Indonesia, Israel and Peru.**



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

Europe

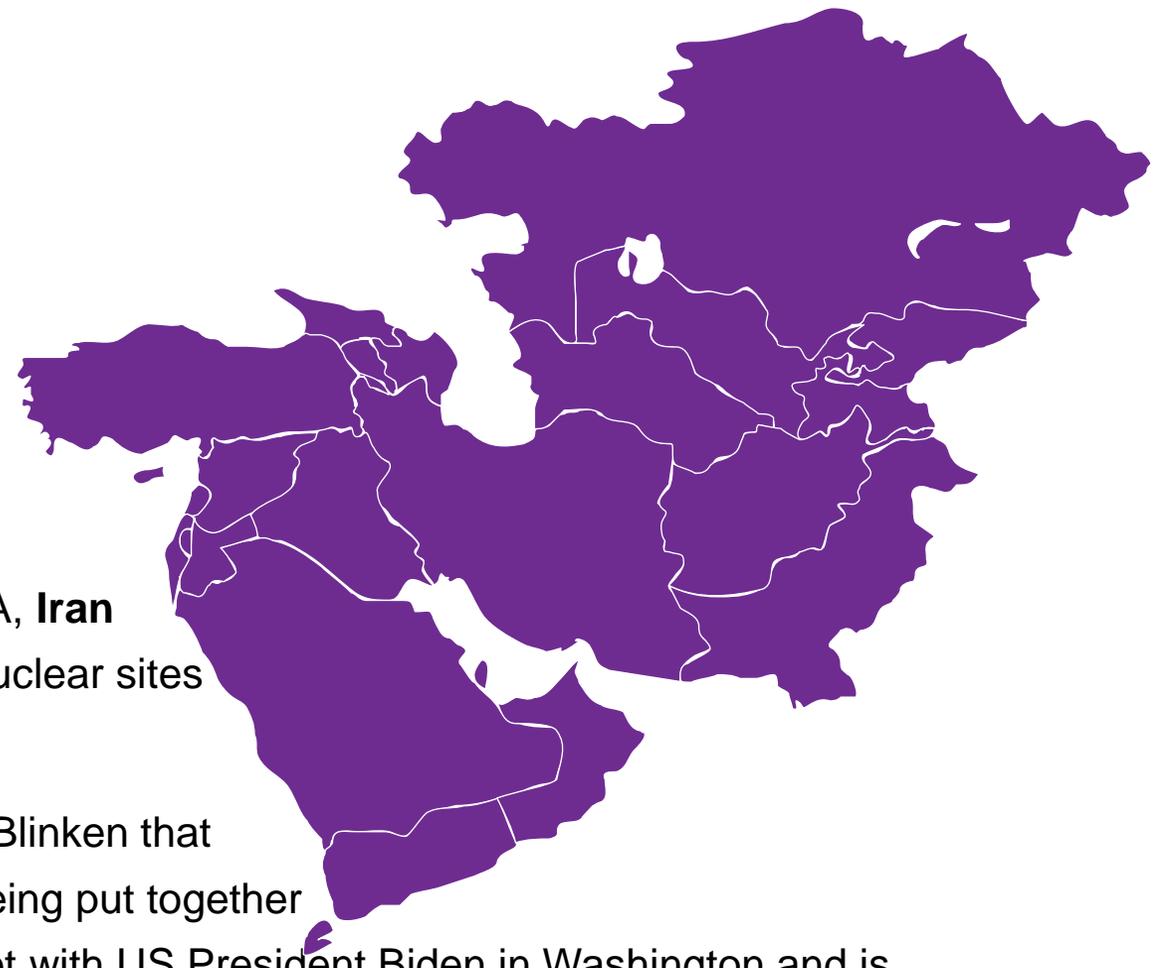


- **Swedish** Prime Minister Stefan Lofven handed in his notice of resignation, giving parliament's speaker the job of finding a new premier after the Social Democrat leader lost a vote of no-confidence last week.
- **Britain and Singapore** launched negotiations on a new digital trade agreement that could remove barriers, part of London's push to become what it calls a "*global tech powerhouse*" post-Brexit.
- The **French** far right again failed to win a single region in elections over the weekend, showing a lack of confidence in Marine Le Pen and her party ahead of next year's presidential election.
- **Ukraine and the US** began a military exercise involving more than 30 countries in the Black Sea and southern Ukraine today, despite **Russian** calls to cancel the drills.
- Passengers arriving in **Portugal** from **Britain** must quarantine for 14 days from Monday if they are not fully vaccinated against the coronavirus. **Russia** has introduced tough new restrictions including regional lockdowns and compulsory vaccinations as a third coronavirus wave sweeps the country; Russia recorded 20,538 coronavirus cases on Sunday, among its highest numbers since January. In the **UK**, the Wimbledon tennis tournament is set to start today after being cancelled last year because of the pandemic. **Iceland** has removed all domestic restrictions and will soon loosen testing requirements for fully vaccinated travelers.

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

Middle East

- The **US** conducted air strikes against **Iran**-backed militia in **Iraq and Syria** in response to drone attacks by the militia against US personnel and facilities in Iraq.
- With the expiration of the monitoring agreement with the IAEA, **Iran** has refused to hand over images from inside of some of its nuclear sites to the UN nuclear watchdog.
- **Israeli** foreign minister Yair Lapid told **US** Secretary of State Blinken that Israel has serious reservations about the **Iran** nuclear deal being put together in Vienna. Israel's outgoing president, Reuven Rivlin will meet with US President Biden in Washington and is expected to voice the same concerns.
- China Export and Credit Insurance Corp (SINOSURE) has selected **Dubai** International Financial Centre (DIFC) as the location for its first office in the Middle East. SINOSURE is a state-funded and policy-oriented insurance company established to promote **China's** foreign economic, trade development and cooperation on a non-profit basis.



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 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](#).

Americas

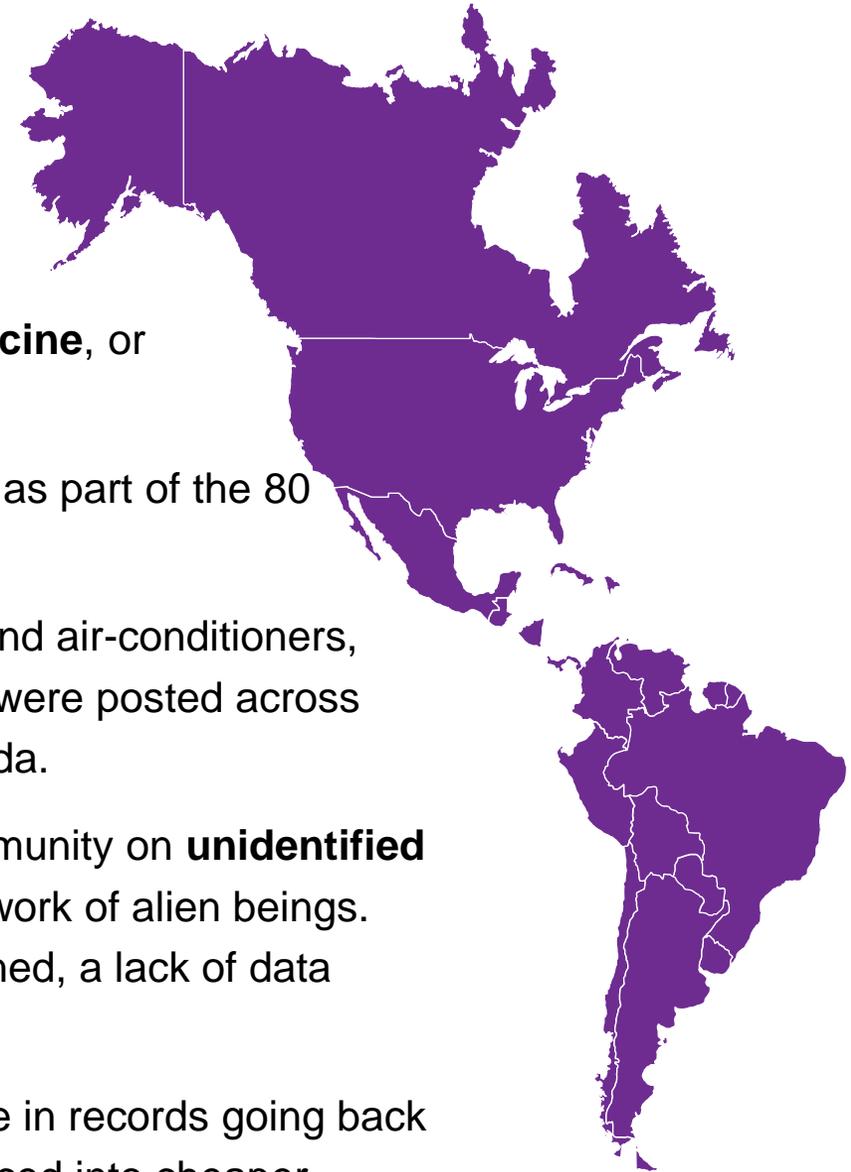
- **Peruvians** supporting socialist Pedro Castillo and right-wing rival Keiko Fujimori took to the streets over the weekend amid uncertainty over the result of a tight June 6 presidential election that has been held up by legal challenges.
- **Nicaraguan** police arrested the brother of detained opposition leader Cristiana Chamorro, accusing him of damaging the country's sovereignty and continuing the sweeping crackdown of political and business figures opposed to President Ortega.
- **Canadian** Prime Minister Trudeau asked Pope Francis to come to Canada to apologize for the Catholic Church's role running residential schools for indigenous children, after nearly 1,000 bodies were found in two mass graves.
- **Mexican** billionaire Ricardo Salinas Pliego said his banking business may begin using bitcoin, becoming the country's first bank to start accepting the cryptocurrency.



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

Americas: US

- Across the nation, 179.3 million have received at least **one dose of the vaccine**, or 54.0 percent of the total population.
- The US will provide 1.5 million doses of the Moderna vaccine to **Honduras**, as part of the 80 million doses earmarked for other countries.
- A **record heat wave** blistered the Pacific Northwest, sparking a run on ice and air-conditioners, while forcing many restaurants and bars to close. Excessive-heat warnings were posted across Oregon and Washington, stretching into parts of Idaho, California and Nevada.
- The US released a long-anticipated report prepared by the intelligence community on **unidentified flying objects (UFOs)**, finding no evidence that the objects were the handiwork of alien beings. But in almost all of the 144 cases that a team of government experts examined, a lack of data stymied their efforts to say definitively what they were.
- US households gained **\$13.5 trillion in wealth** in 2020, the biggest increase in records going back three decades; Americans paid off credit-card debt, saved more and refinanced into cheaper mortgages.



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

“Mix and Match” COVID-19 Vaccines Gain Popularity

“As the global drive to reach herd immunity continues, mix-and-match vaccine dosing will be a safe and effective way to administer vaccines and overcome logistical and hesitancy issues.”

As the global push for vaccination remains plagued by supply issues and safety concerns, several countries have turned to allowing or recommending people to “mix and match” vaccine doses, typically following up an AstraZeneca shot with a Pfizer or Moderna dose. Just last week, German Chancellor Angela Merkel publicly received a Moderna shot two months after her first dose of AstraZeneca in a likely bid to instill confidence in vaccine mixing. Believed to be perfectly safe (and perhaps even beneficial), the strategy may help to alleviate logistical and hesitancy issues in global vaccine campaigns.

The strategy is based on several concerns. Several countries have permitted vaccine-mixing to combat concerns over links between the AstraZeneca vaccine and rare

cases of blood clots or heart inflammation; while most drug regulators maintain that the risk is far outweighed by the benefits of the vaccine, allowing mixing and matching likely allays public concerns and potentially safety-related hesitancy. Others have permitted switching doses due to supply issues; South Korea last week announced that healthcare workers who had received a first dose of AstraZeneca could receive the Pfizer vaccine as a second dose due to production disruptions delaying new shipments. Still others have okayed the strategy due to likely efficacy concerns surrounding other vaccines: both Bahrain and the United Arab Emirates allowed residents who received the Chinese-developed Sinopharm vaccine, which is the primary vaccine used in both countries’ vaccine drives, to receive a “booster” shot

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

“Mix and Match” COVID-19 Vaccines Gain Popularity

of Pfizer vaccine. The Sinopharm vaccine was found to be 79 percent effective in preventing symptomatic COVID-19 infection in a multi-country study; however, it is speculated that the Sinopharm vaccine was found to provide insufficient protection, prompting the decision to administer Pfizer boosters.

Mixing and matching vaccine doses is a strategy already used in other vaccine regimens, including in Ebola research, and scientists expect that the strategy is perfectly safe. Preliminary research found that the strategy provides sufficient protection, and may even provide a stronger immune response than traditional, matched vaccine regimens due to an effect known as a “*heterologous prime and boost*” wherein different vaccines stimulate slightly different parts of the immune system or teach it to recognize different parts of the pathogen. A Spanish study conducted in May found that participants given a first dose of AstraZeneca followed by a second dose of Pfizer generated a robust immune response and a similar study in UK found a similar result; it is not clear yet whether the immune response is stronger than a full Pfizer regimen, but the scientists theorize that it is stronger than a full AstraZeneca one. The UK study also found that the mix-and-match strategy resulted in a

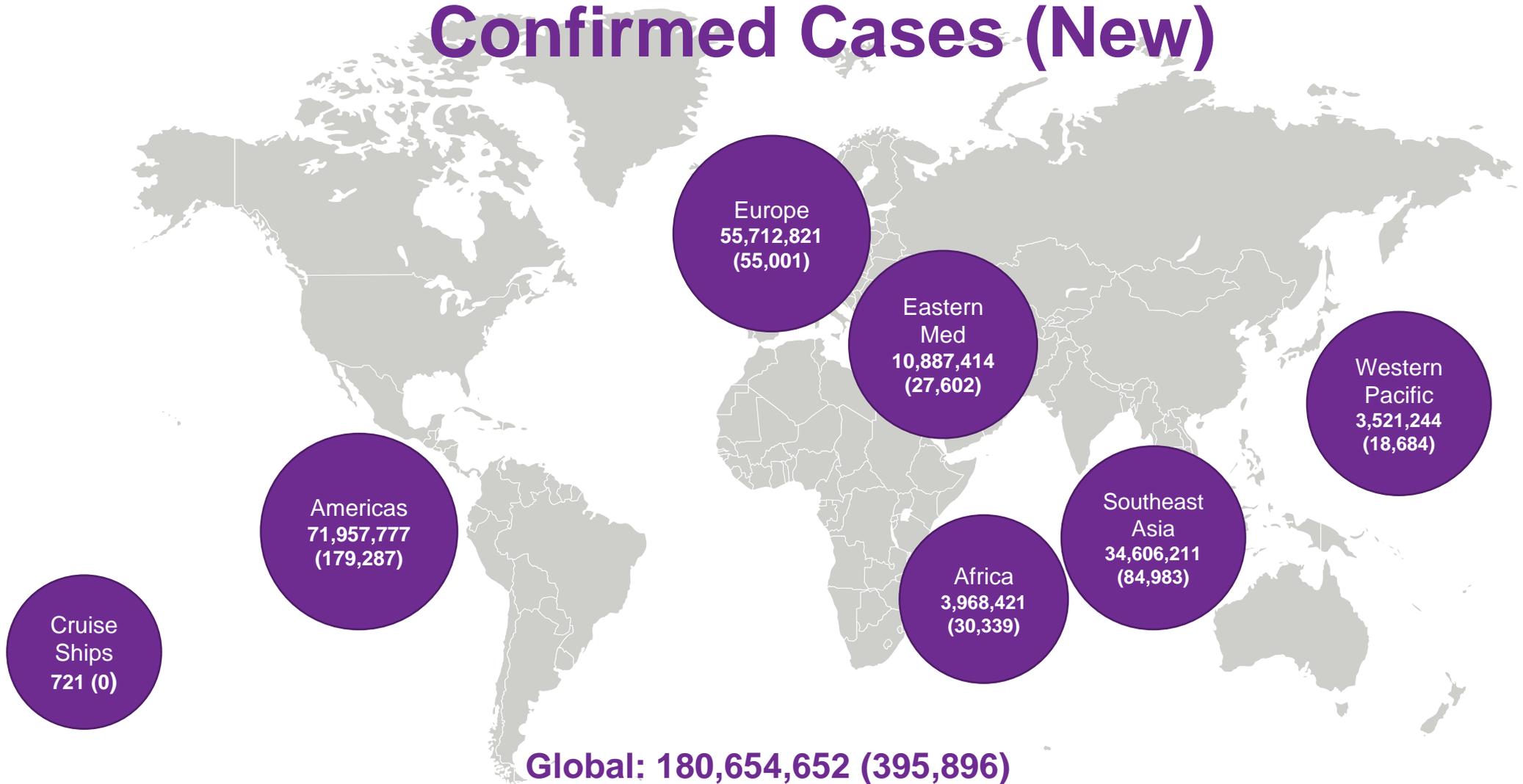
higher incidence of vaccine side effects, which may signal a more robust immune response - however, that result was not replicated in the Spanish study. The UK study, called “Com-Cov,” will publish more results as it continues to research different combinations of vaccines, and a Russian team is testing their Sputnik V with the AstraZeneca vaccine (although the Sputnik V is already likely to work in combination, as the shot itself is unique among COVID-19 vaccines in comprising two shots of different formulations, rather than two of the same).

As the global drive to reach herd immunity continues, mix-and-match vaccine dosing will be a safe and effective way to administer vaccines and overcome logistical and hesitancy issues. The approach will likely become relevant even in countries that have seen significant success with vaccinations; as booster shots appear more and more necessary, it is likely that the US, for example, will not discriminate by brand in distributing booster shots, and the proven success and safety of the strategy could instill confidence in recipients as mix-and-match boosters become necessary.

Coronavirus Condition Updates

As of 11:30 am CEST on June 28, 2021

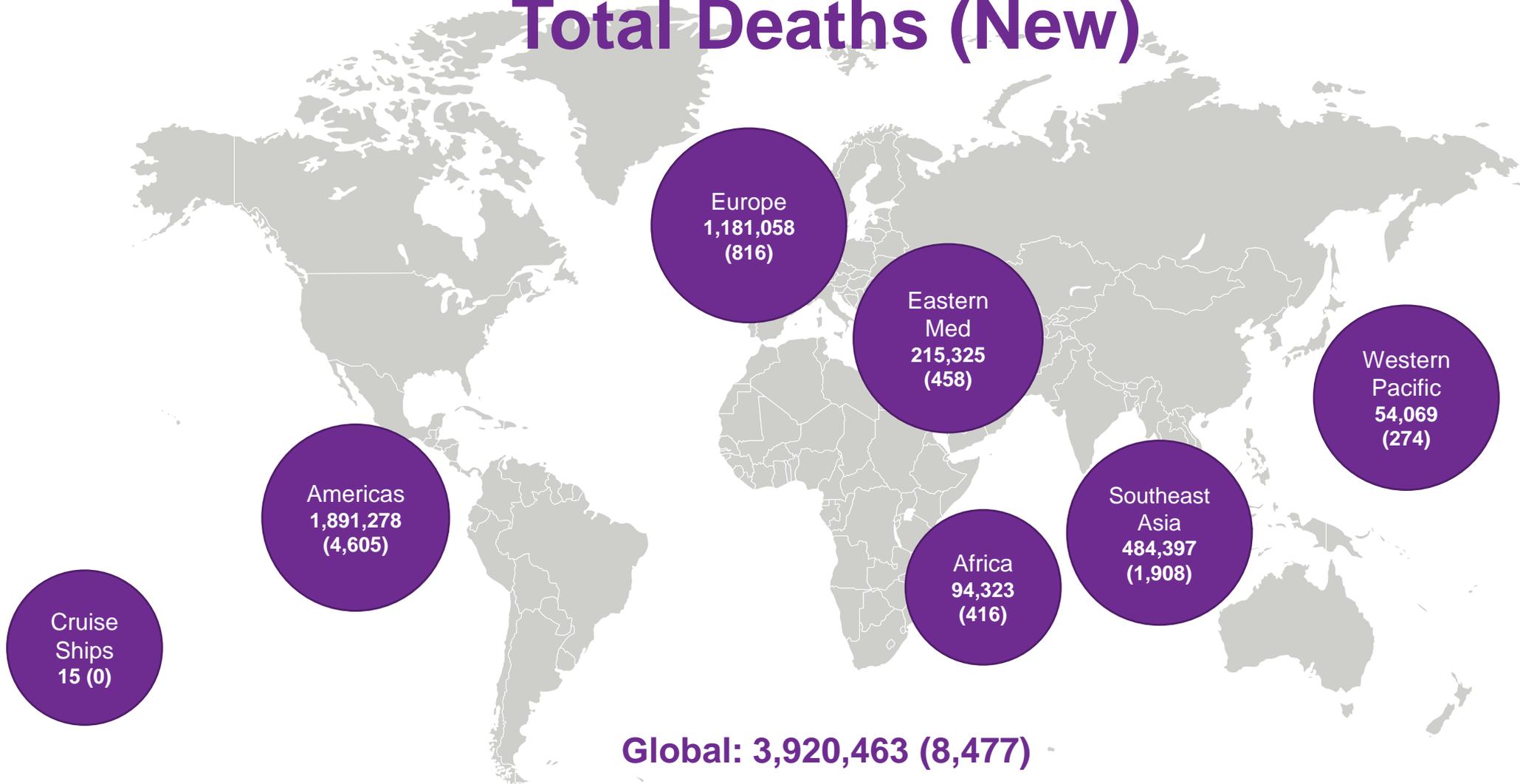
Confirmed Cases (New)



Reflects data as of 11:30 am CEST on June 28, 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 11:30 am CEST on June 28, 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