

Dentons Flashpoint

Daily Global Situation Report

November 8, 2021

Global Situation Update: November 8, 2021

KEY TAKEAWAYS

New international travel rules go into affect as the US opens borders to travelers from 33 countries.

Iraqi Prime Minister survives assassination attempt.

At COP26 today, governments will focus on delivering practical solutions needed to adapt to climate impacts, while addressing loss and damage.

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

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WHAT WE'RE WATCHING

Final results from Nicaragua's general elections are streaming in today, although the outcome was never in question. A series of crackdowns by President Ortega and his Sandinista Front party have ensured they will continue to control the presidency and National Assembly in Managua for years to come. Days before the election, Ortega named his wife as co-president laying the groundwork for her succession and a family dynasty.

The election is widely criticized by rights groups and international observers and the illegitimate results will likely lead to increasing international isolation as the Ortega regime refuses to improve democratic governance. Consequently, Nicaragua's economic struggles will likely be exacerbated by worsening trade relations. The political crisis and its economic consequences will likely result in heightened risks for businesses. The business environment is not likely to improve over the next year.



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Global

Globally, confirmed coronavirus cases topped 249.5 million with 5 million deaths; almost 7.0 billion vaccine doses have been administered.

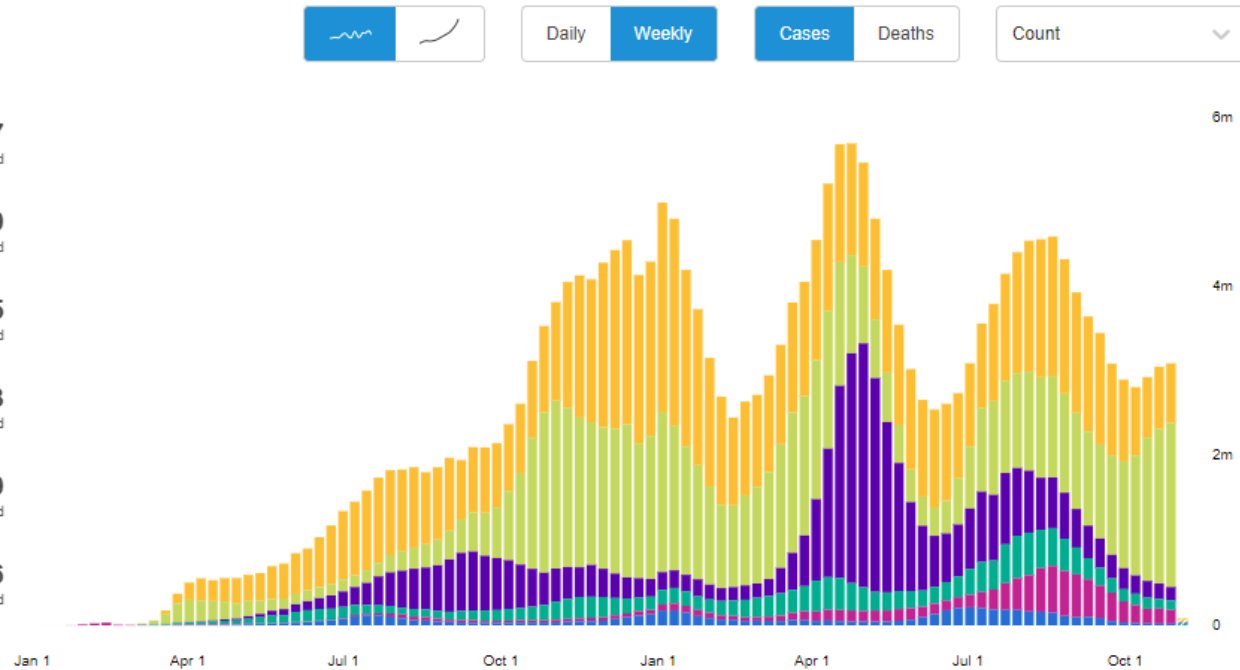
- At COP26 today, governments will focus on delivering practical solutions needed to adapt to **climate impacts**, while addressing loss and damage.
- Soaring food prices and crises in countries such as Afghanistan are pushing up acute hunger to record levels, with 45 million on the edge of **famine**, according to the UN.
- A new detailed study on household transmission of COVID-19 in the UK suggests that a vaccinated person who shares a home with somebody with symptomatic COVID-19 has a 25 percent chance of catching the virus in **breakthrough cases**.

Global

Situation by WHO Region

Americas	94,357,477	confirmed
Europe	78,756,289	confirmed
South-East Asia	44,139,625	confirmed
Eastern Mediterranean	16,476,343	confirmed
Western Pacific	9,605,809	confirmed
Africa	6,171,616	confirmed

Source: World Health Organization
Data may be incomplete for the current day or week.



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Markets & Business

UK and European gas prices surged after no sign that Russia is preparing to increase supplies, despite promises from President Vladimir Putin that no later than today Gazprom would begin filling its storage sites in Europe.

- **Walt Disney Co** announce a month of Disney+ for \$1.99 for a limited period, as the entertainment giant seeks to stem a slowdown in paid user growth at its streaming service.
- **British Airways** plans to reinstate most of its transatlantic network by the start of next summer.
- **PwC** will create 20,000 jobs in China over the next five years as part of \$1.25 billion investment that will double the size of its presence in the country.
- **SoftBank Group Corp** reported a quarterly loss on Monday, as its Vision Fund unit took a \$10 billion hit from a decline in the value of its portfolio companies and as China's regulatory crackdown on tech firms weighed. SoftBank founder Son has promised a ¥1tn (\$8.8 billion) share buyback program over the next 12 months.
- French authorities have opened an investigation into **Sanjeev Gupta's** business empire, deepening the challenge facing the UK metals magnate.

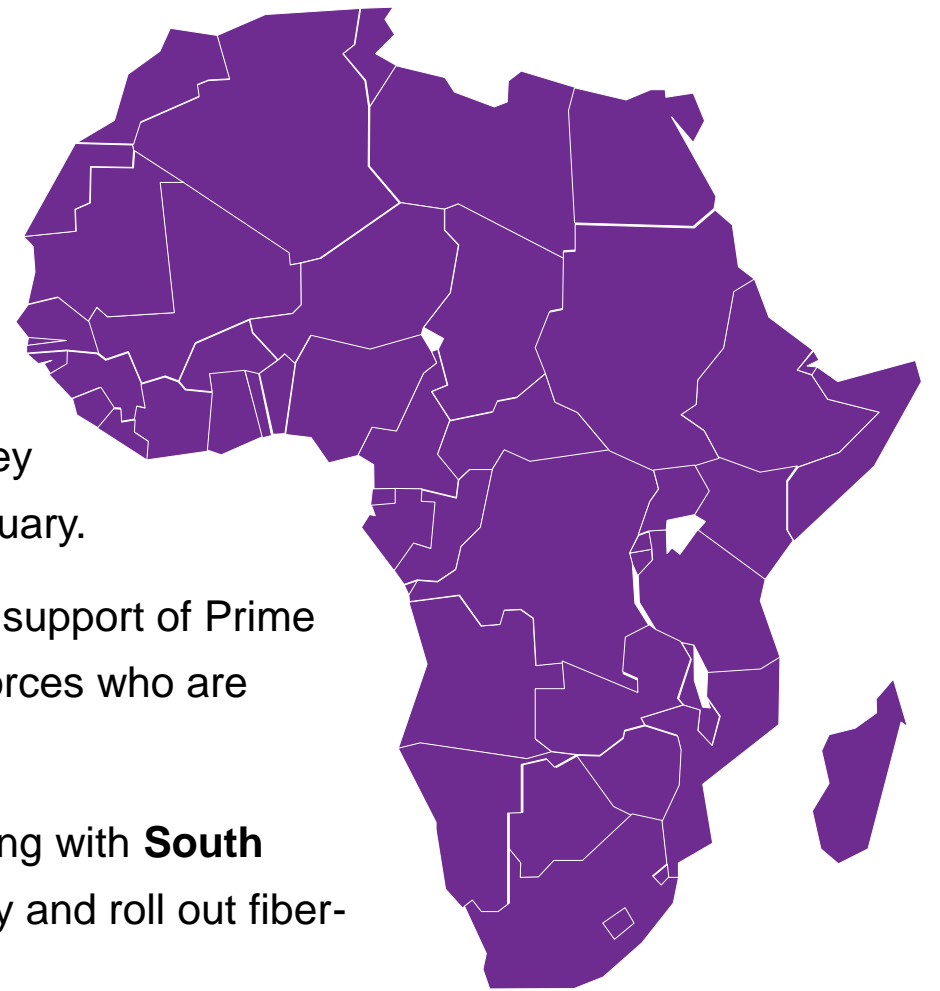
Environment, Sustainability & Governance

The Bank of England said it will introduce new rules for its 20 billion-pound (\$26.9 billion) corporate bond-buying scheme this month which will favor companies doing more to reduce their impact on the climate.

- The European Investment Bank and Allianz Global Investors announced plans to raise 500 million euros (\$577.55 million) for the **Emerging Market Climate Action Fund** aimed at bolstering climate mitigation and adaptation in developing countries.
- An arm of **Korea Zinc** has won nearly A\$21 million (\$16 million) in funding from the Australian government and Queensland state to start producing green hydrogen for fuel cell trucks at the company's zinc refinery in the state.
- **BHP** has reached a deal to divest up to \$1.35 billion from two coal mines in Australia, as the world's biggest miner continues its retreat from fossil fuels.

Africa

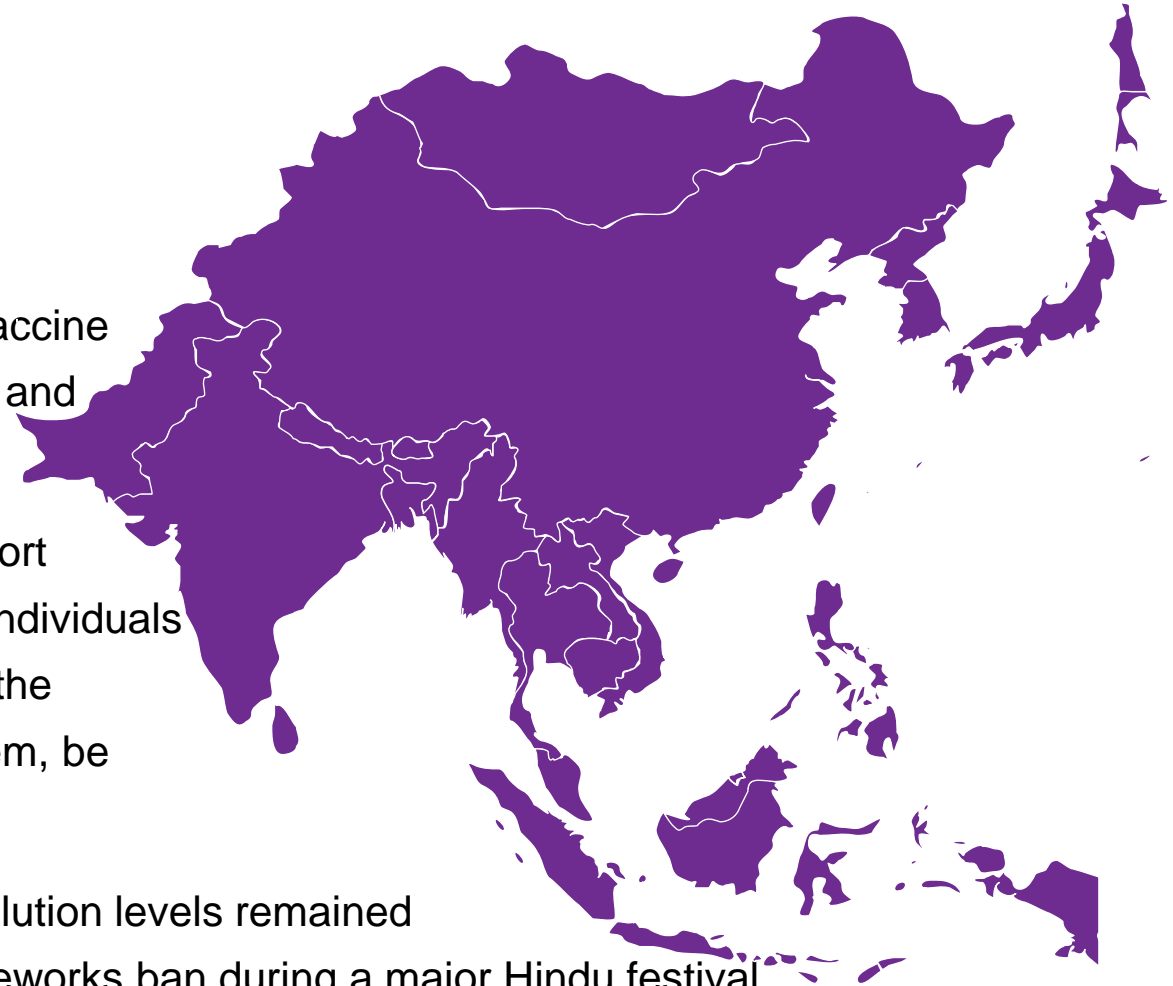
- Economic Community of West African States (ECOWAS), West Africa's main political and economic bloc, imposed sanctions against **Mali's** transitional leaders after they informed the organization that they would not be able to hold presidential and legislative elections in February.
- Tens of thousands of **Ethiopians** rallied in Addis Ababa on Sunday in support of Prime Minister Abiy Ahmed's government as federal troops fight rebellious forces who are threatening to march on the city.
- The World Bank Group's International Finance Corporation is partnering with **South Africa's** Liquid Intelligent Technologies to expand data center capacity and roll out fiber-optic cable on the continent.



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Asia

- **China** had given 1.072 billion people complete COVID-19 vaccine doses or 75.96 percent of the nation's population. **Australia** and **Indonesia** started issuing booster shots.
- **Chinese** government announced it will hold those who support "**Taiwan** independence" criminally liable for life. Blacklisted individuals will not be allowed to cooperate with entities or people from the mainland, nor will their companies, or entities which fund them, be allowed to profit from the mainland.
- **India's** capital was blanketed by toxic air on Saturday as pollution levels remained dangerously high for a second day after revelers defied a fireworks ban during a major Hindu festival.
- Leaders of the **Asia-Pacific** trade group APEC will focus on the region's economic recovery from the coronavirus pandemic, emphasizing supply chain support and decarbonizing economies, at virtual talks that begin today.



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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.

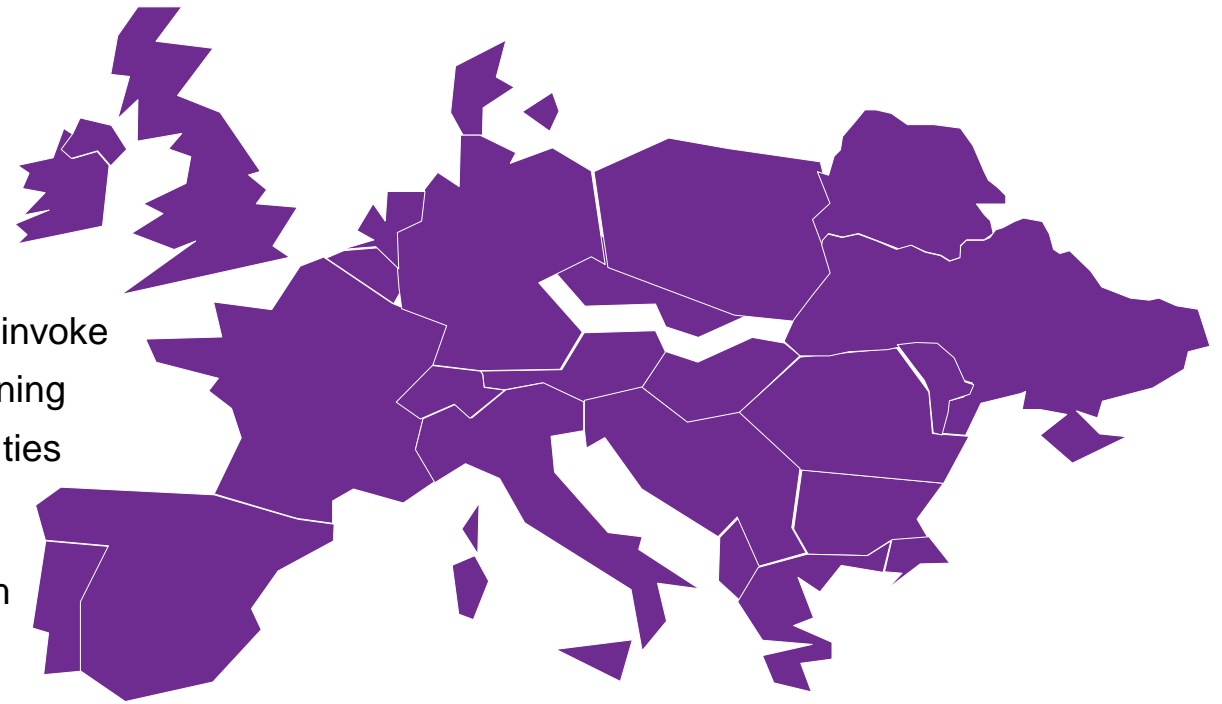
Dentons Intelligence and Security Services Group offers bespoke services to provide business leaders with the intelligence they need to understand and thrive in complex operating environments.

- ❖ 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](#).

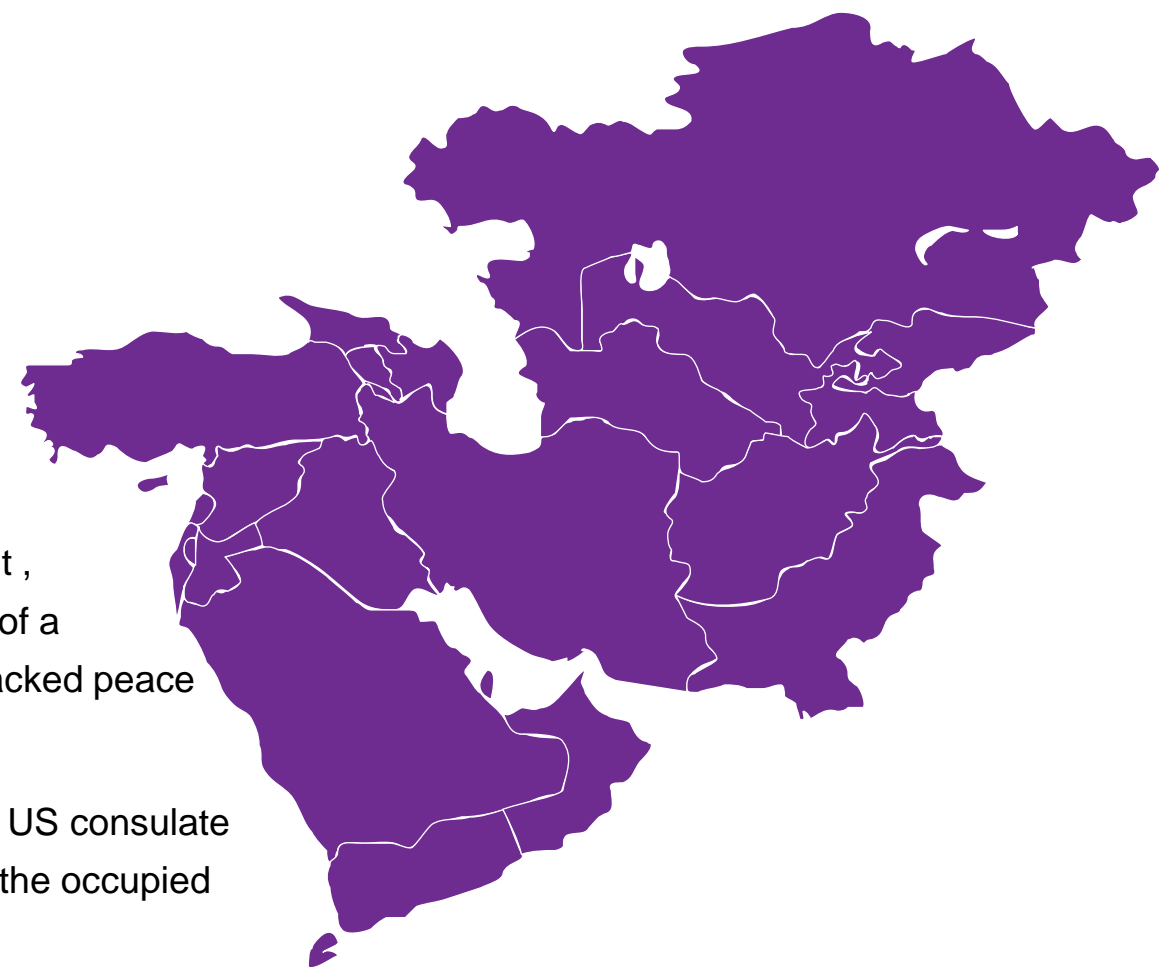
Europe

- **Ireland** said on Sunday the British government appears ready to invoke Article 16 emergency unilateral provisions in its Brexit deal governing Northern Ireland's trading arrangements, a move that would sour ties with Dublin, the **EU and the US**.
- **Austria** will bar those not fully vaccinated against COVID-19 from cafes, restaurants and hairdressers effective today.
- In **Greece**, new measures start Tuesday restricting access to cafes and restaurants, state services and banks to those who are either vaccinated or have a negative test.
- **Germany's** coronavirus infection rate has risen to its highest level since the start of the pandemic.
- Around 3,000 **Georgian** protesters held a rally in support of jailed former president Mikheil Saakashvili outside the prison where he says he is on hunger strike. Georgia's state security service said the protests were part of a planned coup devised and directed by Saakashvili.
- **Polish** authorities accused **Belarus** of trying to spark a major confrontation as footage on social media showed hundreds of migrants walking towards the Polish border.



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Middle East



- **Iraqi** Prime Minister al-Kadhimi escaped unharmed from an armed drone assassination attempt in Baghdad, weeks after a general election disputed by Iran-backed militia groups.
- Abdulhamid al-Dbeibah, the head of **Libya's** national unity government , announced plans to run for president next month, an apparent breach of a pledge to remain neutral when he took office in March under an UN-backed peace process.
- **Israel** stepped up its public opposition to a plan by the **US** to reopen a US consulate for Palestinians in Jerusalem, suggesting such a mission should be in the occupied **West Bank**.
- **Iran's** military launched an annual exercise near the mouth of the Gulf on Sunday, a few weeks before resumption of talks between Tehran and western governments to revive a 2015 nuclear deal.
- **Kuwait's** government submitted its resignation to the ruling emir; the government has been locked in a standoff with opposition lawmakers who have insisted on questioning Prime Minister Sheikh Sabah al-Khalid al-Sabah in the elected parliament.

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Americas

- The US government has seen proof that at least some members of the group of American and Canadian missionaries kidnapped in **Haiti** last month are alive,
- **Costa Rican** children aged five and up must get COVID-19 vaccinations, according to a new health ministry mandate.
- Encouraged by news that the **US and Mexico** will reopen shared land-border crossings, closed for the last 20 months in measures aimed at curbing the spread of COVID-19, hundreds of migrants have arrived at Mexican border cities like Tijuana, hoping to seek US asylum.



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Americas: US

- Across the nation, 223.6 million have received at least one dose of the **vaccine**; or 67.4 percent of the total population. A US federal appeals court issued a stay over the weekend, freezing the Biden administration's efforts to **mandate** workers at companies with at least 100 employees be vaccinated against COVID-19 or be tested weekly. Today is the deadline for federal workers to be vaccinated, with thousands of holdouts have requested **exemptions** on religious grounds.
- Today, **new international travel rules** go into affect as the US opens borders to travelers from 33 countries who have proof of vaccination and a recent negative coronavirus test, with airports preparing for long lines and delays.
- The House of Representatives passed a **\$1 trillion infrastructure bill** to repair the nation's airports, roads and bridges, sending the bill to Biden's desk for signature into law this week.
- The Biden Administration announced the Department of Energy's Carbon Negative Earthshot, a plan to slash the **cost of carbon removal** to \$100 a ton by the end of the decade, either through Direct Air Capture (DAC) or helping forests and other natural systems capture and store the gas.



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China Bulletin: The Sixth Plenum Foreshadows a “New Era” for CCP Policy

By Briana Boland

This week, the Chinese Communist Party’s (CCP) Central Committee is holding its sixth plenary session, a three-day meeting that will set the stage for the critical twice-per-decade 20th Party Congress in 2022, during which President Xi’s third term at the head of the CCP is set to be ratified.

The sixth plenum comes at a key moment of both continuity and change for CCP policy and ideology. Over the past year, numerous policy initiatives – often broadly termed as “regulatory crackdowns” – have shaken up national industries and tightened Party control of an increasing number of aspects of everyday life, from children’s education to data privacy. This multifaceted crackdown, aimed at an array of underlying goals including tightening data governance to promoting social “common prosperity,” is interpreted by many analysts as an indication of significant shift in the CCP’s planned future strategy. At the same time, the sixth plenum will set the stage for continuity in the form solidifying President Xi’s position at the head of the party, framing his importance as a defining figure for the CCP’s future.

Every CCP Central Committee, nominally China’s most important center of government power, serves for five years and holds seven plenary sessions. In the past, sixth plenary sessions have typically focused on ideology and party-building (the sixth plenum of the last Central Committee, for example, designated President Xi as the “leadership core” of the CCP in 2016), providing important indicators of the underlying goals and strategy that informs upcoming policy. This year’s sixth plenum goes further in its significance for party ideology by deliberating a resolution on the “*major achievements and historical experience of the Party’s 100 years of endeavors.*” Such a “resolution on history” has only been passed twice before, once in 1945 under Mao Zedong and once in 1981 under Deng Xiaoping. A new historical resolution under Xi underscores his

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unchallenged position in the Party and provides a clear indication of his perception of his own role as a defining force in the country's future, on par with Mao and Deng.

The sixth plenum's resolution is set to reinforce Xi's efforts to eradicate “historical nihilism,” perspectives on CCP history that are seen (by the CCP) as negative or harmful. Ahead of the Party's centenary last summer, for example, millions of online posts were deleted for “historical nihilism,” highlighting the scope of CCP efforts to maintain control of historical narratives. However, the central significance of the sixth plenum's resolution on history is in what it says about the CCP's framework for the future – and how party history will be portrayed to support the country's future goals. Specifically, the passage of a new resolution on history will help frame a new Xi Jinping-led era of Chinese society that leaves behind the “opening and reform era” that began under Deng Xiaoping. The idea of a “New Era” in China is not new - President Xi has been discussing it for years. As Xi prepares for a third term, the current period is a critical time to lay out a roadmap for the “New Era.” Statements from the sixth plenum and party congress in 2022 are thus being closely watched for any insight on key areas of

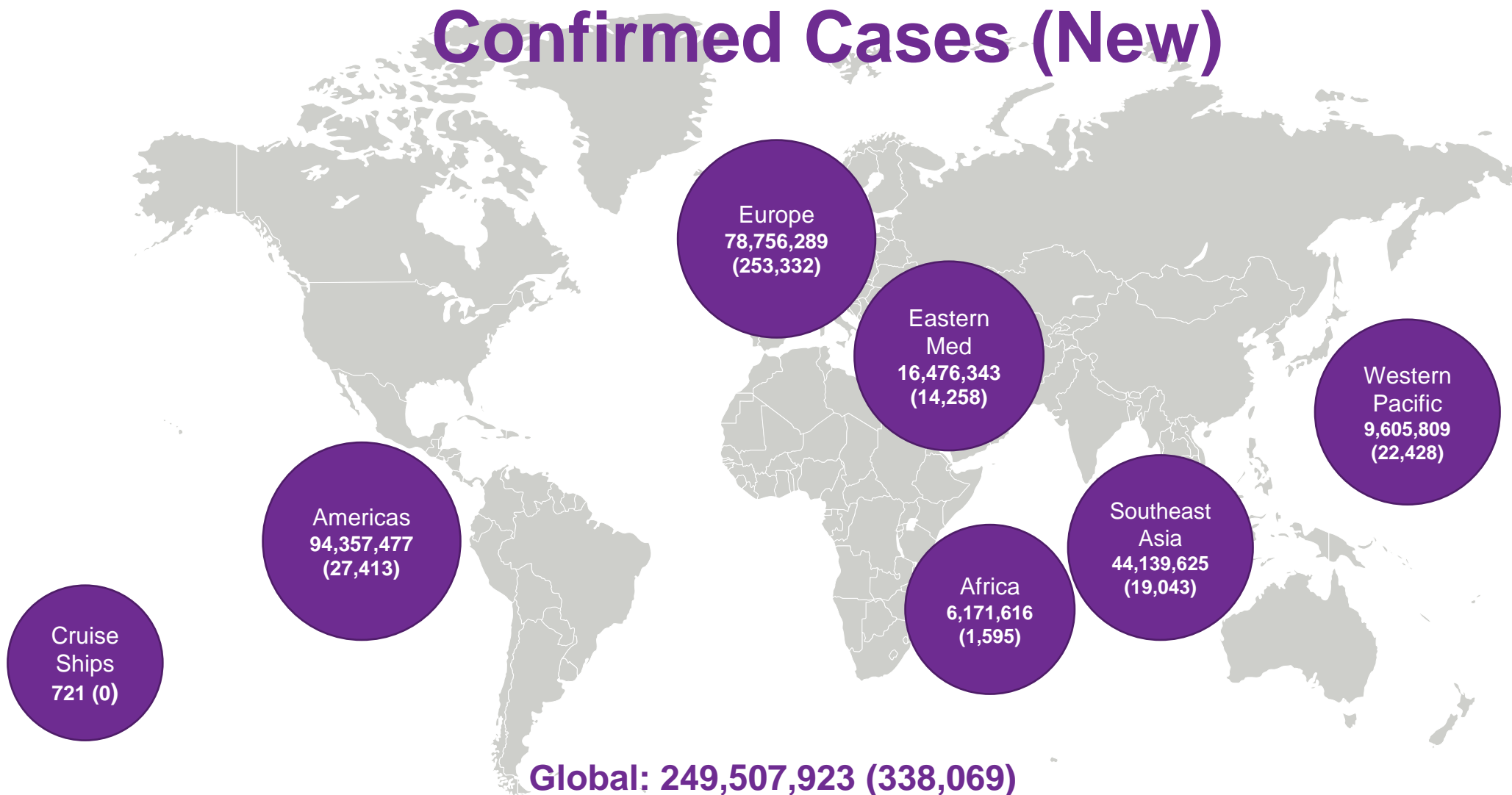
uncertainty, such as how long President Xi plans to rule and how far the CCP will take regulatory crackdowns in its effort to steer Chinese society.

For companies operating in China, insight on the CCP's fundamental goals is critical for informing expectations of the Chinese business environment. Over the past year, many industry leaders and analysts have been surprised by developments like Jack Ma's fall from grace or the failure of Didi's international public listing. Through the lens of change in China's underlying policy strategy, such events can be seen as part of a wider shift away from an economic model that prioritized growth and attracting foreign capital over other policy agendas. High-level CCP statements on the China's direction as a society trickle down to concrete policy moves that change the country's economic environment. The sixth plenum and upcoming 2022 party congress therefore provide key information on the ideological framework behind Xi's “New Era” which will inform CCP policy for years to come.

Coronavirus Condition Updates

As of 12:03 am CEST on November 8, 2021

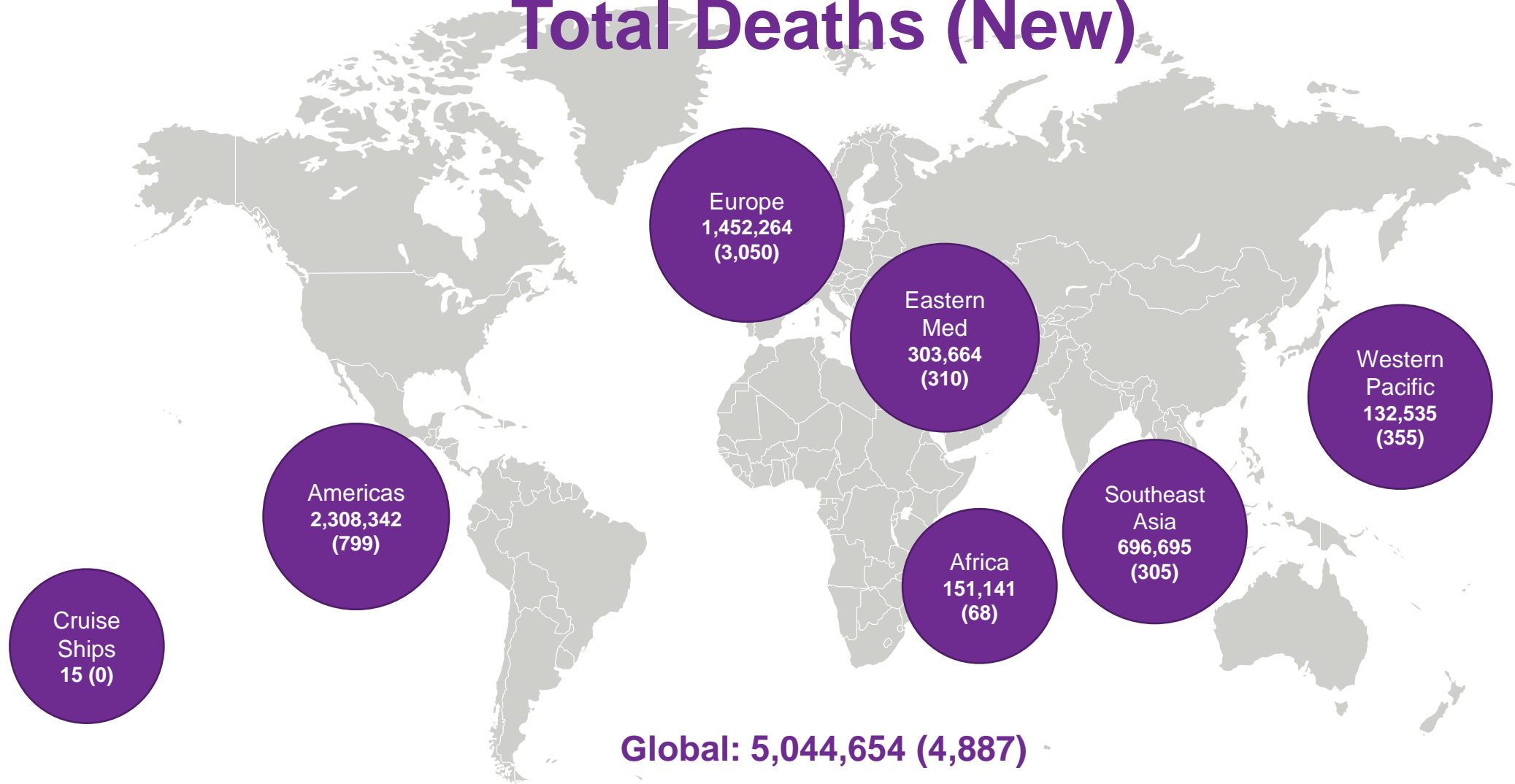
Confirmed Cases (New)



Reflects data as of 12:03 am CEST on November 8, 2021.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 12:03 am CEST on November 8, 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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