

# Dentons Flashpoint

## Daily Global Situation Report

September 2, 2021

# Global Situation Update: September 2, 2021

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## KEY TAKEAWAYS

A majority of US employers (52%) are planning or considering adopting vaccine mandates for workers by the end of the year.

Insurance losses for Hurricane Ida are estimated at about \$20 billion.

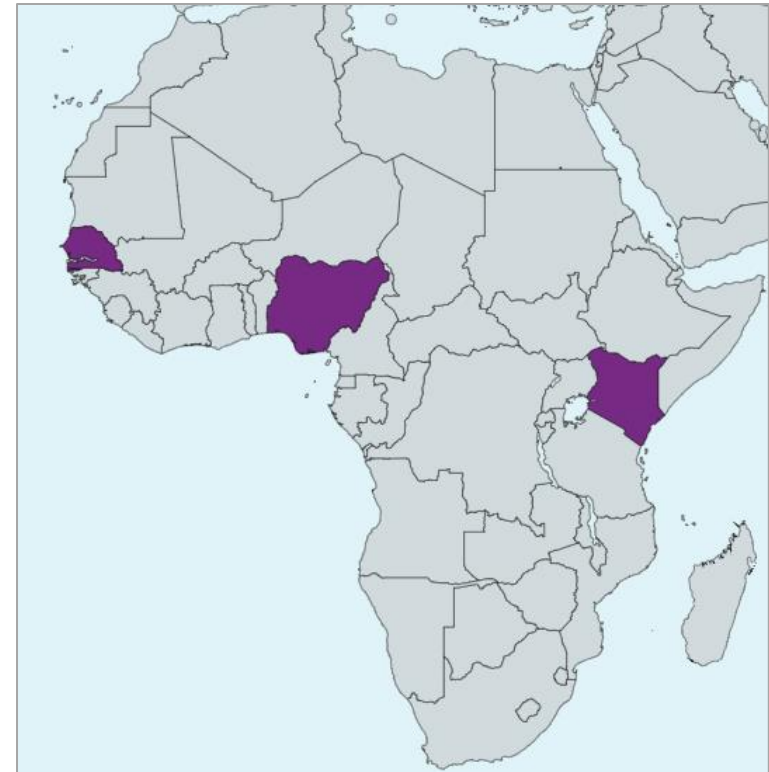
The Taliban confirmed that its Supreme Leader, Hibatullah Akhundzada, will be the top authority in the country, with a president governing under him.

# Global Situation Update: September 2, 2021

## WHAT WE'RE WATCHING

Today, the US trade and investment initiative 'Prosper Africa' gets a boost as US Secretary of State Anthony Blinken continues his visit across Africa. During stops in Kenya, Nigeria and Senegal, Blinken is helping to connect US and African businesses and investors with tangible deal opportunities. To bolster the initiative, the Biden administration made an \$80 million request to Congress to substantially increase two-way trade and investment focused on sectors such as energy and climate, health and digital technology.

Of course, while the initiative is framed as promoting shared American-Africa prosperity, the US strategic objective is to counter China's investments and projects on the continent. Former US President Trump did not visit Africa once during his term, and it is expected that President Biden will make a visit to enhance relations.



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

# Global

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**Globally, confirmed coronavirus cases topped 217.5 million with 4.5 million deaths; more than 5.2 billion vaccine doses have been administered.**

- A new study from the UK suggests that one in seven children who contract COVID-19 go on to have **long COVID**. A separate UK study finds that vaccines cut risk of 'long COVID' in half
- Next month, India is expected to begin using the world's first **DNA-based COVID-19 vaccine**, developed by Zydus Cadila.
- A new International Labor Organization report found that 4.1 billion people live without any **welfare protection** in case of emergency.
- Alzheimer's Disease International warned that COVID-19's **degenerative impact on the brain** will cause a "*pandemic of dementia*" which could impact 80 million people by 2030.

# Markets & Business

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**A survey from communications firm Edelman in seven countries showed that a majority of employees believe they have more power to influence their organizations than before the pandemic, and more than 75 percent have higher expectations of employers than two years ago.**

- A majority of US employers (52 percent) are planning or considering adopting **vaccine mandates for workers** by the end of the year, per a new survey by Willis Towers Watson.
- **OPEC+** opted to maintain gradual production increases, despite a request from the US to more rapidly up supply.
- **BMW** plans to reduce carbon emissions across the life cycle of its vehicles - including the production process - at least 40 percent from 2019 levels by 2030.
- **Subaru** is suspending operations at three Japanese factories starting September 7, due to COVID-19 spread.
- Workers at Chinese ride hailing app **Didi** and **e-commerce firm JD** formed unions, a landmark move in a sector where labor organizing is rare.
- **Purdue Pharma**, the maker of OxyContin, won court approval for a \$4.5 billion bankruptcy plan that shields its owners, the Sackler family, from lawsuits.

# Africa

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- Two **Nigerian** states may soon require a vaccine passport to enter public places. Armed men kidnapped 73 children from a school in the northwestern Nigerian state of Zamfara in the latest mass abduction in the region.
- USAID reported that Tigrayan fighters in the **Ethiopian** civil war raided an aid warehouse in the Amhara state.
- **Canada** will donate more than 1.3 million doses of AstraZeneca's COVID-19 vaccine to **Nigeria, Kenya and Niger** through the COVAX vaccine-sharing facility.

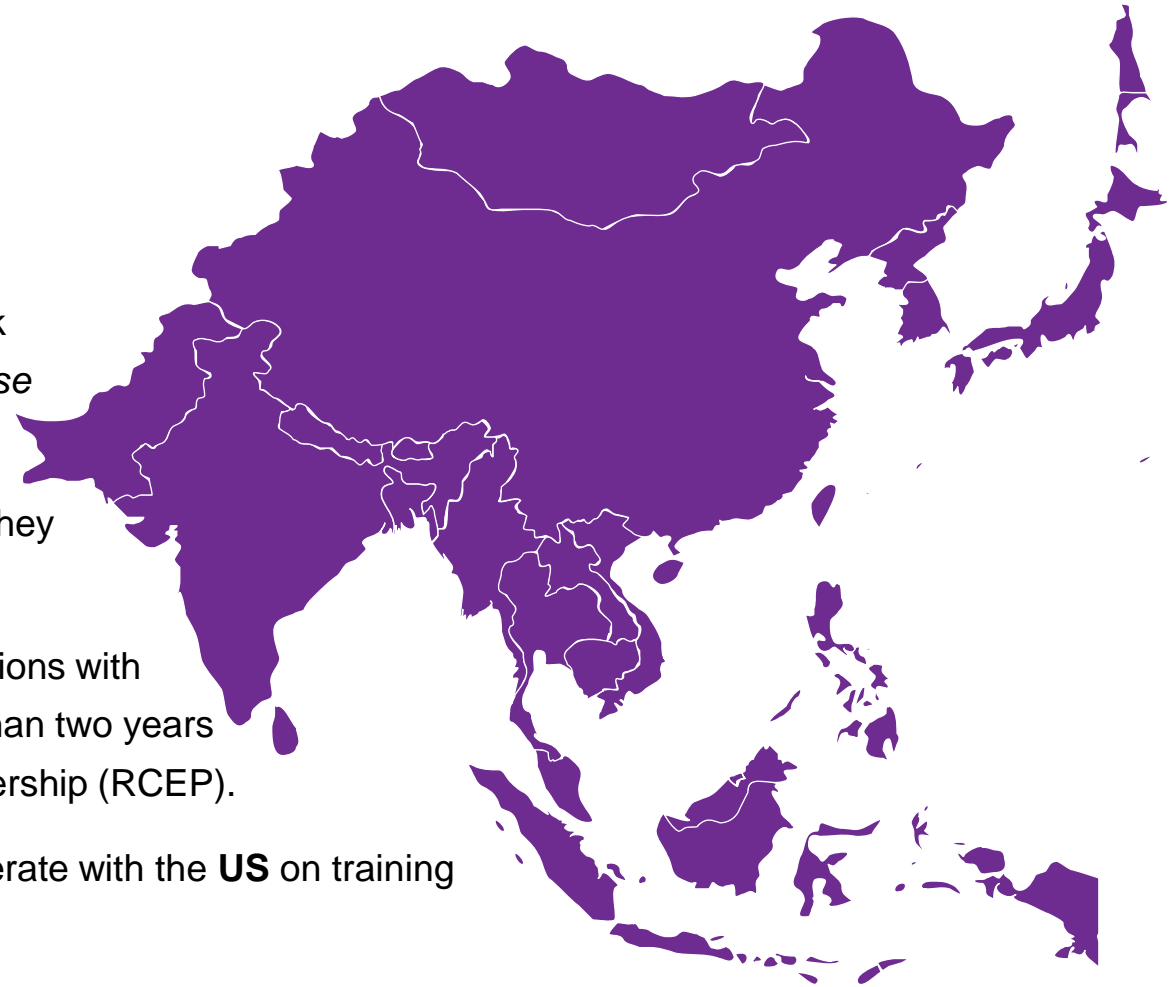


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# Asia

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- Vials of the Moderna vaccine that were withdrawn in **Japan** last week contained particles of stainless steel, which Moderna said do “*not pose an undue risk to patient safety,*” but did prompt a recall.
- **North Korea** rejected an offer of 3 million Sinovac vaccines, saying they should be given to countries severely affected by COVID-19.
- **India** is accelerating the pace of free trade agreement (FTA) negotiations with several countries – including the **UAE, UK, EU and Canada** – less than two years after opting not to join the Regional Comprehensive Economic Partnership (RCEP).
- **Taiwan** will launch a new defense agency next year, which will cooperate with the **US** on training and build up reserve forces, in an effort to boost combat readiness.
- Economic figures released Wednesday show that **Australia’s** new COVID-19 outbreak has put an end to the country’s rapid economic recovery, as lockdowns will dampen third quarter growth.
- Senior **Chinese** diplomat Wang Yi warned **US** Climate Envoy Kerry that political tension between Beijing and Washington could undermine efforts by the world's top two sources of greenhouse gas to co-operate in the fight against climate change.

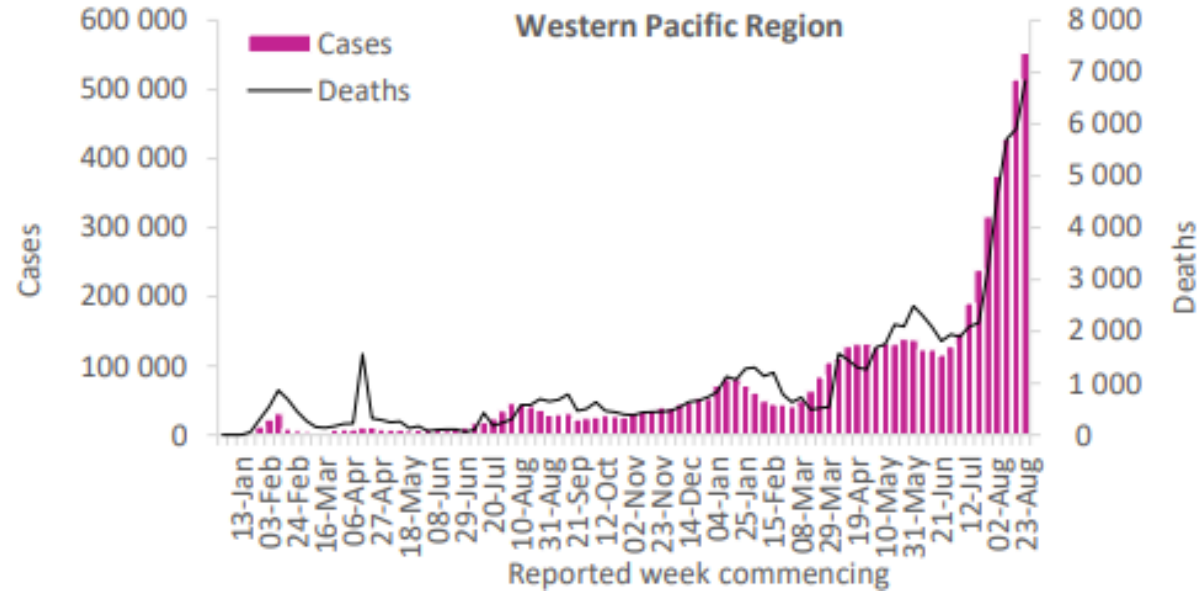


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# Western Pacific

For the past two months, the Western Pacific Region has reported an increasing trend in the numbers of weekly cases and deaths. In the past week, the Region reported over 553,000 new cases and over 6,800 new deaths, increases of 7% and 16%, respectively, as compared to the previous week. Nearly half (48%) of all countries in the Region reported increases this week.

The death toll is being driven up by substantial increases in case incidence in French Polynesia (86%), Japan (53%) and Vietnam (36%).



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# How do You Manage Political Risk?

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*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

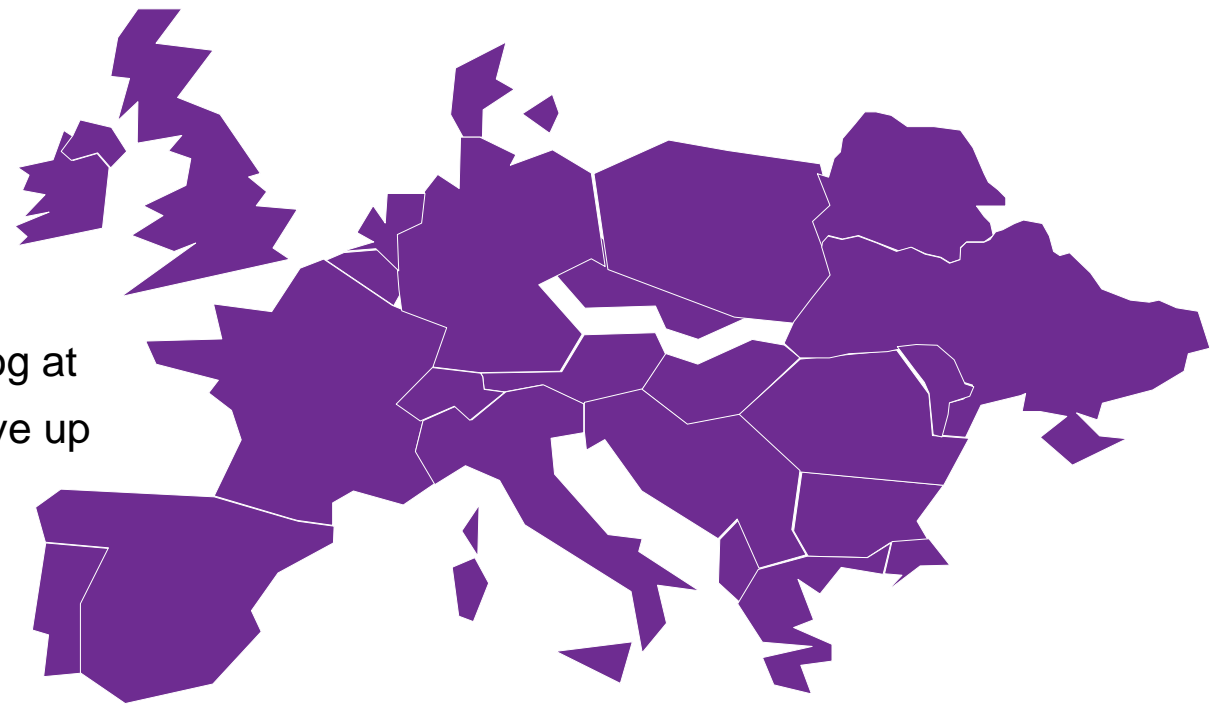
*All interaction with Dentons is attorney-client privileged*

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

# Europe

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- Supply bottlenecks have created a 24-year record backlog at **eurozone** manufacturers; the disruptions are helping drive up prices in the bloc.
- **Spain and Portugal** are raising minimum wages and increasing social spending in efforts to ensure equitable recovery from the COVID-19 pandemic.
- There is “*no urgent need*” to give fully vaccinated people with healthy immune systems booster shots, the **EU’s** agency for infectious diseases said. The **UK** will offer third COVID-19 vaccine doses to some 500,000 people with weakened immune systems. Scotland will require proof of vaccination to enter nightclubs and large events. **Slovakia** administered its final doses of Russia’s Sputnik V vaccine, ending its use in the nation.
- A survey from the European Council on Foreign Relations (ECFR) found sharp divides within the **EU** on experiences of the pandemic, including in who has to blame for spreading COVID-19 and whether people felt less free following years of COVID-19 restrictions.



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# Middle East

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- The city of Dubai in the **UAE** will begin administering booster shots to those with compromised immune systems.
- The **Israeli** school year began, featuring mandatory masking and period tests in most schools.
- **Iranian** Foreign Minister Abdollahian said that US-Iran nuclear talks may not resume for 2-3 months.
- The UN allocated \$10 million in emergency funds to provide fuel for **Lebanese** hospitals and water facilities.
- **Iraqi** sources revealed that influential cleric Moqtada Sadr has requested political reforms, including the guaranteed revision of the constitution within 6 months, in order to participate in upcoming elections. Iraq is at risk of power outages due to reduced fuel supplies from Iran.
- The Taliban confirmed that its Supreme Leader, Hibatullah Akhundzada, will be the top authority in the country, with a president governing under him. Reporters Without Borders reported that female journalists in **Afghanistan** are “*disappearing*.” The Taliban admitted “*heavy casualties*” in its fight against Panjshir rebels. The research arm of credit ratings agency Fitch Group reported that Afghanistan's economy is likely to collapse.

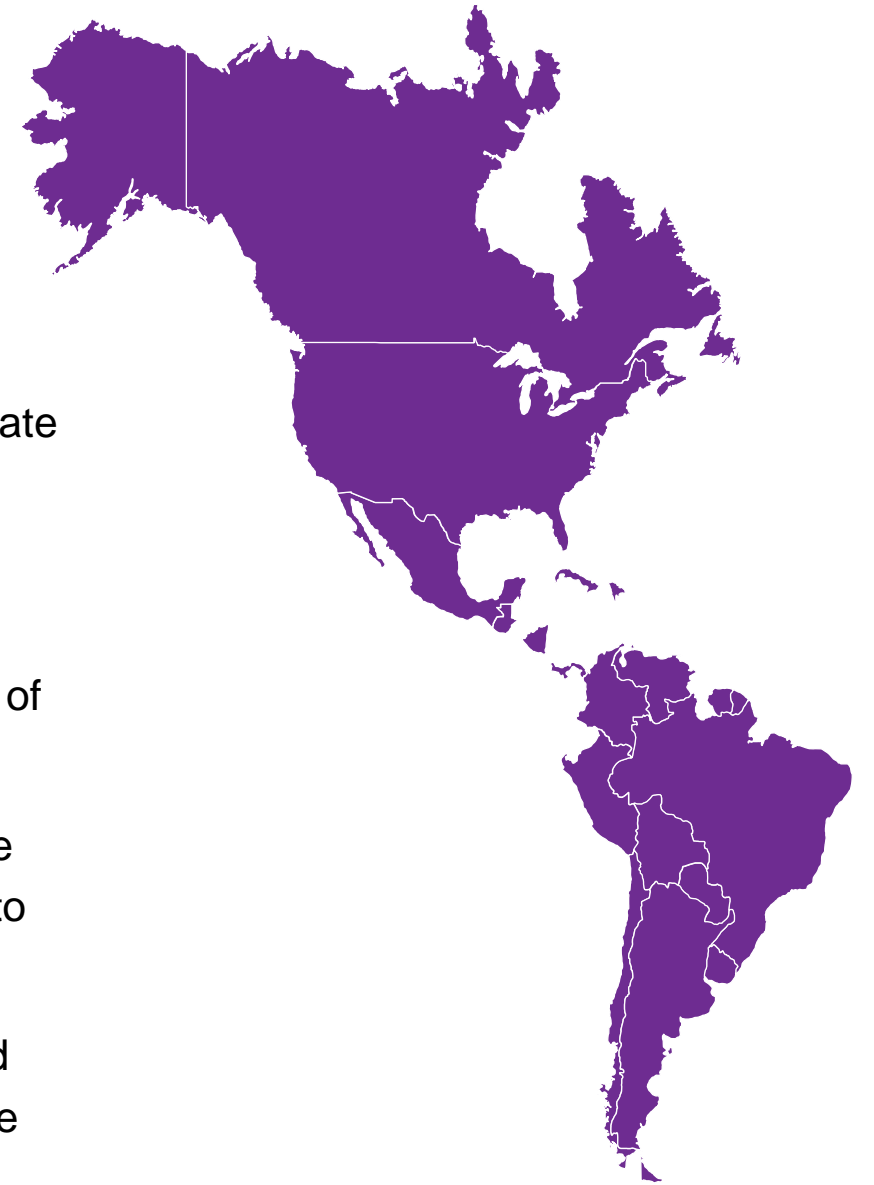


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# Americas

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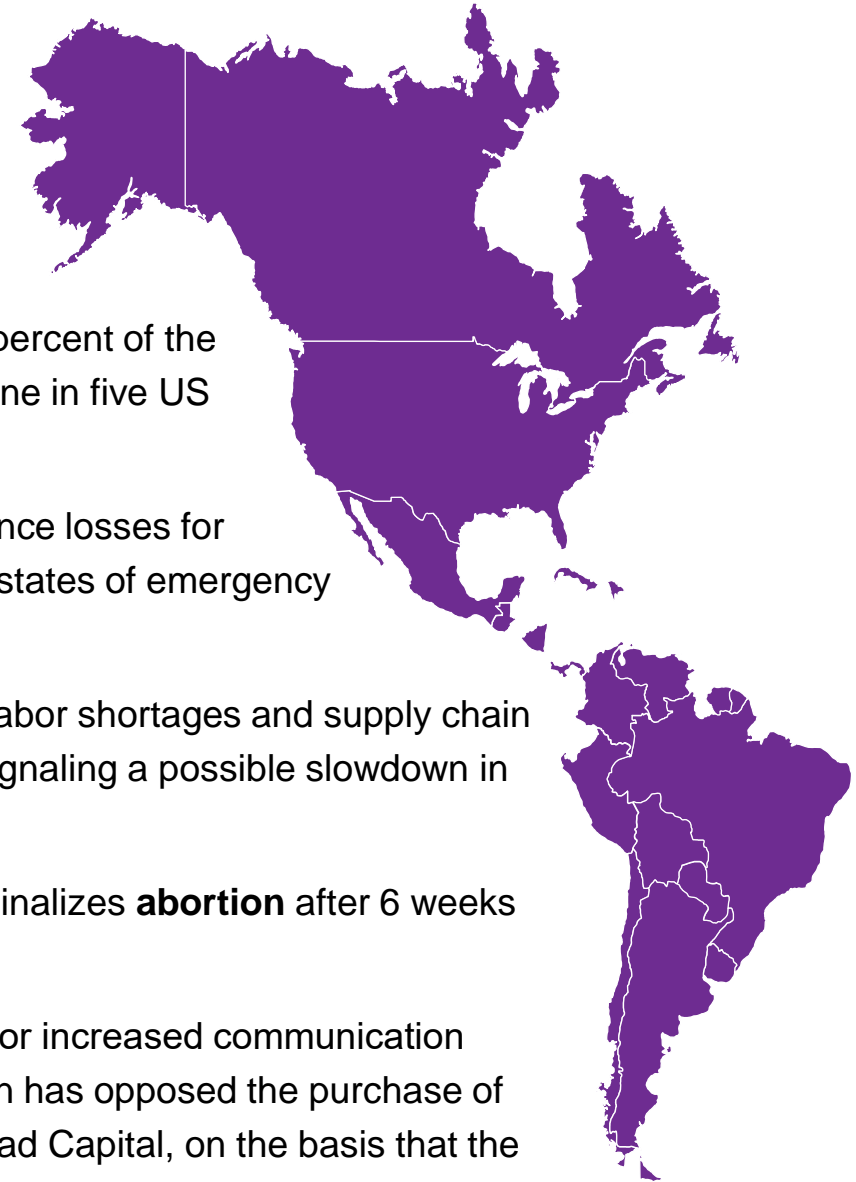
- Polling shows that **Canadian** voters rate tackling climate change as the number one issue in September's snap election, following a summer of wildfires and heat waves. Canadian factory activity grew at the sharpest rate in four months in August on reopening demand. Ontario, Canada's most populous province, is adopting digital vaccine passports to enter a wide range of establishments.
- **Venezuelan** crude oil output fell by a quarter in August due to a shortage of diluents.
- **Brazilian** Vice President Mourao warned that the drought may require the government to ration power. Brazilian GDP contracted slightly in Q3 due to the Delta wave.
- **Cuba** will begin vaccinating adolescents against COVID-19 this week and younger children from mid-September as part of a drive to immunize more than 90 percent of the population by December.



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# Americas: US

- Across the nation, 205 million have received at least one dose of the **vaccine**, or 61.8 percent of the total population. More than 1 million Americans have now received a **booster shot**. One in five US states reported record high levels of COVID-19 **hospitalizations** during August.
- Power is beginning to be restored for a small number of New Orleans residents. Insurance losses for **Hurricane Ida** are estimated at about \$20 billion. New York and New Jersey declared states of emergency for flooding.
- **US manufacturing activity** rose unexpectedly in August, despite continued issues of labor shortages and supply chain disruptions. **Hiring by the US private sector** rose by less than expected last month, signaling a possible slowdown in labor market recovery.
- President Biden vowed to protect Roe v. Wade after a controversial Texas law that criminalizes **abortion** after 6 weeks took effect.
- **China's** new ambassador to the US spoke out against "*cold war mentality*" and called for increased communication between Chinese and American officials. The US Securities and Exchange Commission has opposed the purchase of Korea's Magnachip Semiconductor Corp by China-based private equity group Wise Road Capital, on the basis that the acquisition posed "*risks to the national security of the United States.*"



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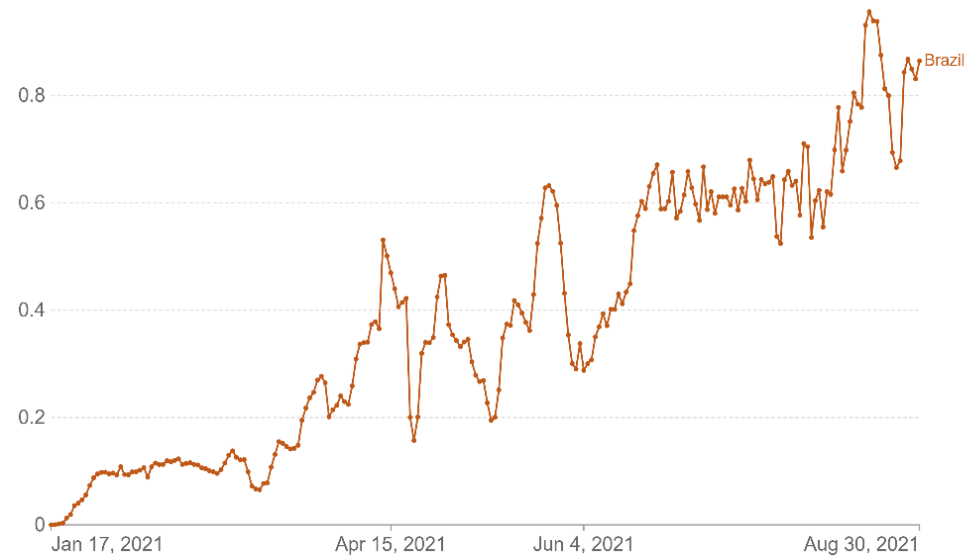
# Visualizing Risk: COVID-19 Cases and Rising Vaccinations across Latin America

By Briana Boland

In terms of deaths relative to population and economic impact, Latin America was the region hardest hit by COVID-19 - at least until the Delta variant's spread around the world opened a new chapter in the pandemic. Over the summer, many Latin American countries have seen vaccination rates accelerate, without similar Delta-driven case surges like that of the United States. This week, the UN's Economic Commission for Latin America and the Caribbean (ECLAC) increased its economic growth forecast for the region on strong expectations for the relaxation of virus restrictions. However, not all countries are seeing momentum for vaccinations, and vaccine access remains a pressing issue for many governments.

Daily COVID-19 vaccine doses administered per 100 people

Shown is the rolling 7-day average per 100 people in the total population. For vaccines that require multiple doses, each individual dose is counted.



Source: Official data collated by Our World in Data - Last updated 1 September 2021, 17:30 (London time)  
OurWorldInData.org/coronavirus • CC BY

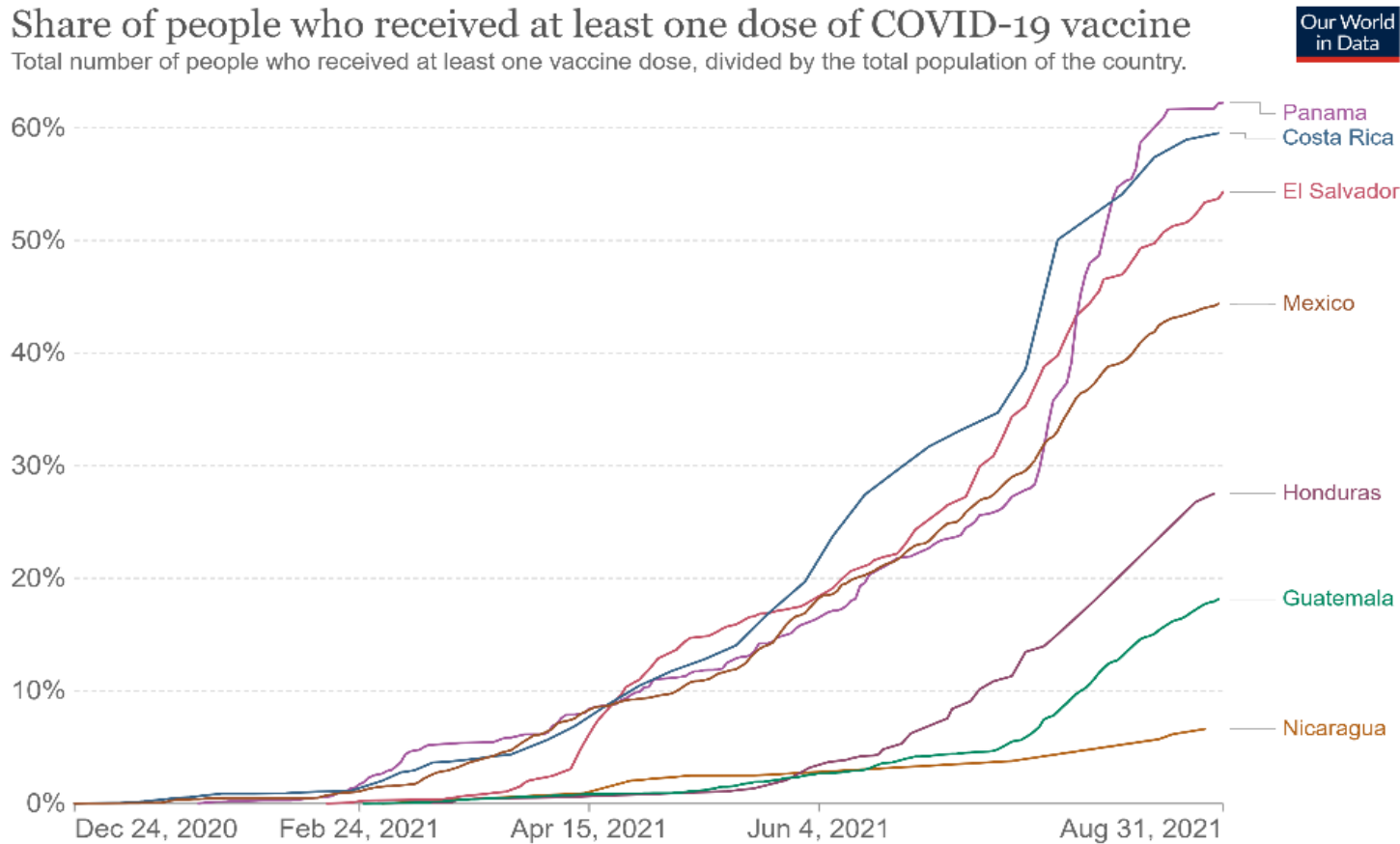
*Brazil is one country that has seen its vaccine rollout accelerate over the summer, now administering over 2 million doses per day on a regular basis.*

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# Central America

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

Total number of people who received at least one vaccine dose, divided by the total population of the country.



Source: Official data collated by Our World in Data – Last updated 1 September 2021, 17:30 (London time)  
OurWorldInData.org/coronavirus • CC BY

**While vaccination campaigns have accelerated across Central America over the summer, the majority of the region's population remains unvaccinated. This week, PAHO launched a new regional platform to produce COVID-19 vaccines, aimed at reducing regional shortages. According to PAHO, only 23% of people in all of Latin America have been vaccinated.**

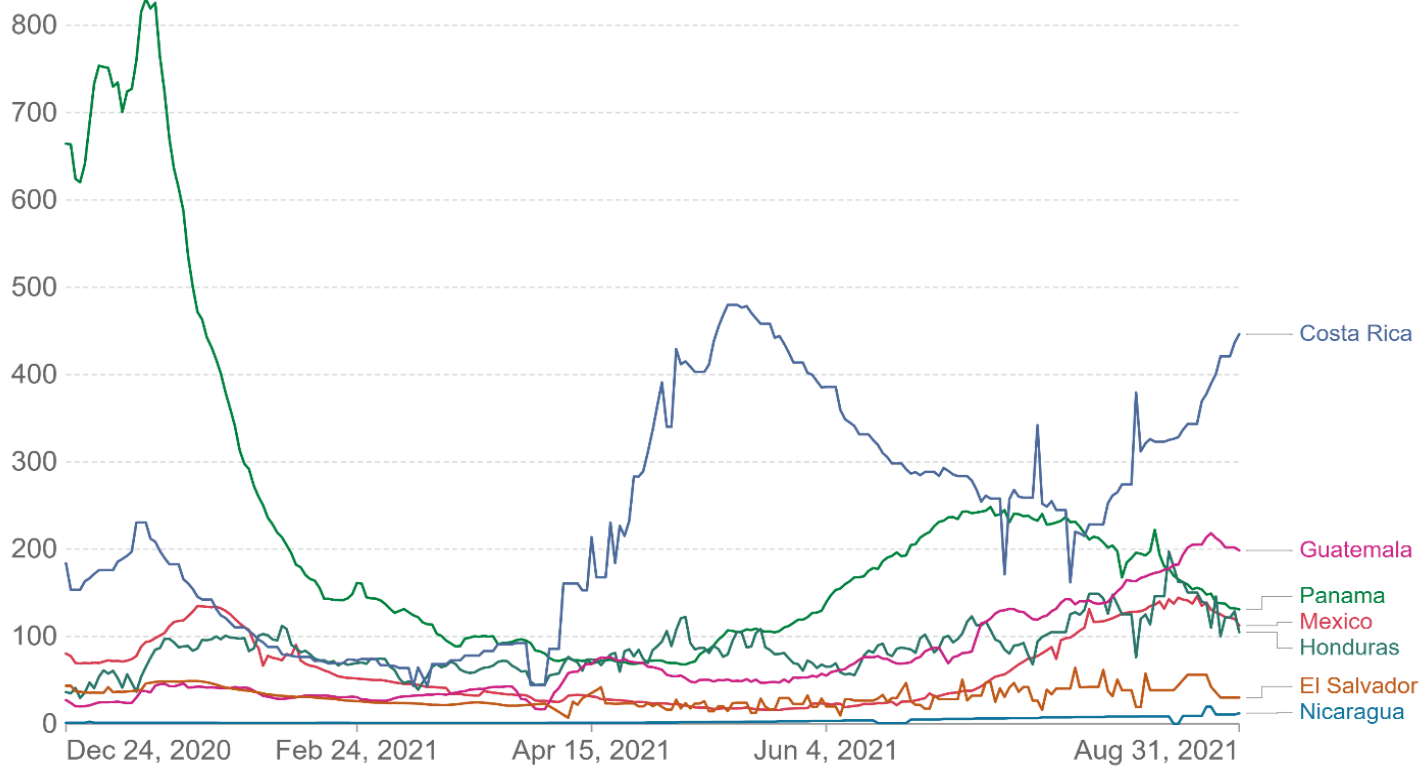
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# Central America

## Daily new confirmed COVID-19 cases per million people

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



Source: Johns Hopkins University CSSE COVID-19 Data

CC BY

**While new recorded cases in Central America have not seen comparable surges to Delta-driven waves across other regions, data still shows some worrying signs. Costa Rica is experiencing a fresh wave of COVID-19, while test positivity rates in Mexico and Guatemala have been above 40% and 30%, respectively, in recent weeks.**

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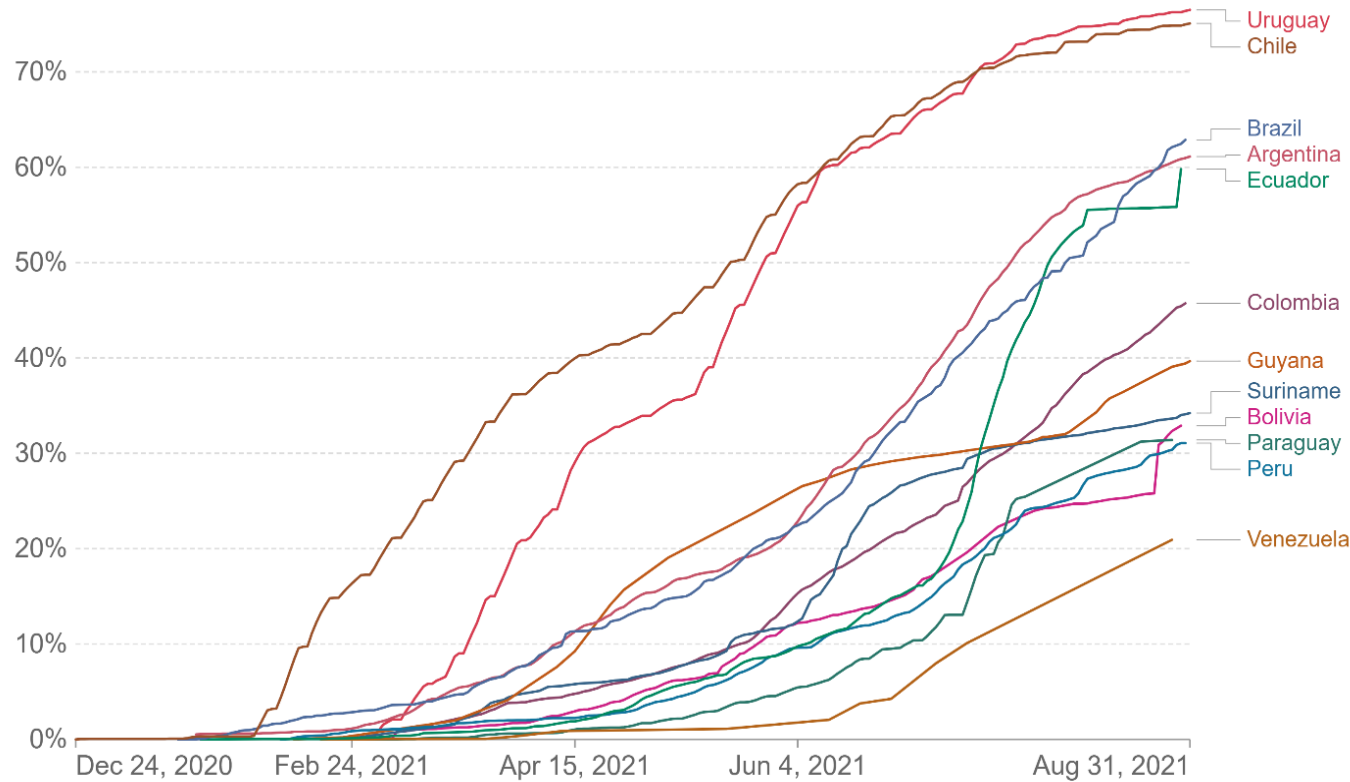


# South America

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

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**Several South American countries are seeing significant vaccine success, Uruguay and Chile have vaccinated higher proportions of their populations than the United States, while Brazil and Argentina are on par with US vaccination rates. Moreover, Pfizer-BioNTech recently announced a new deal with Brazil's Eurofarma Laboratories that aspires to produce 100 million doses of their COVID-19 vaccine annually starting in 2022.**

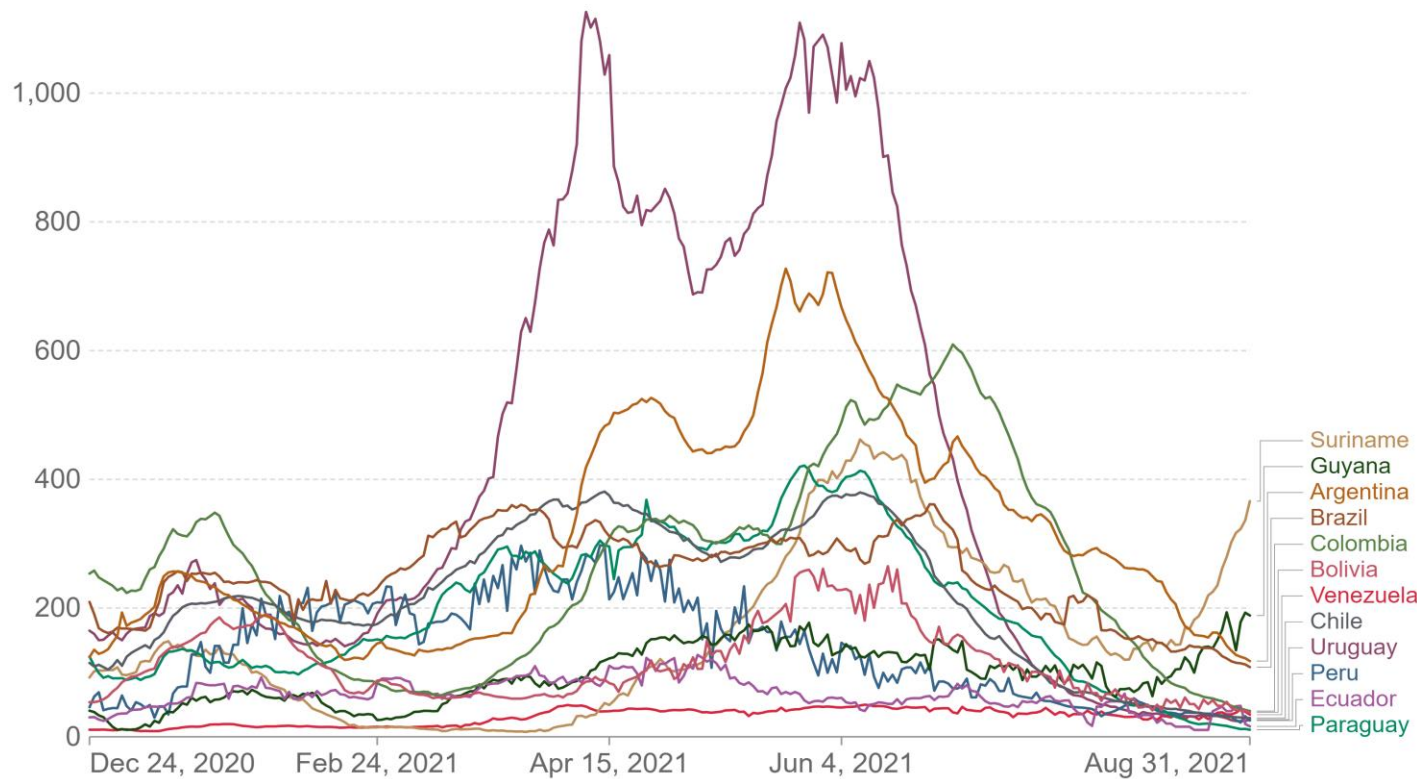
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# South America

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CC BY

**Unlike other regions which have seen a rise of cases since June, South America's COVID-19 outbreaks have largely faded over the summer months (winter in the southern hemisphere). However, a few countries are seeing cases pick up again. Most worrying, Chile is experiencing a rise in cases despite its over 70% vaccination rate.**

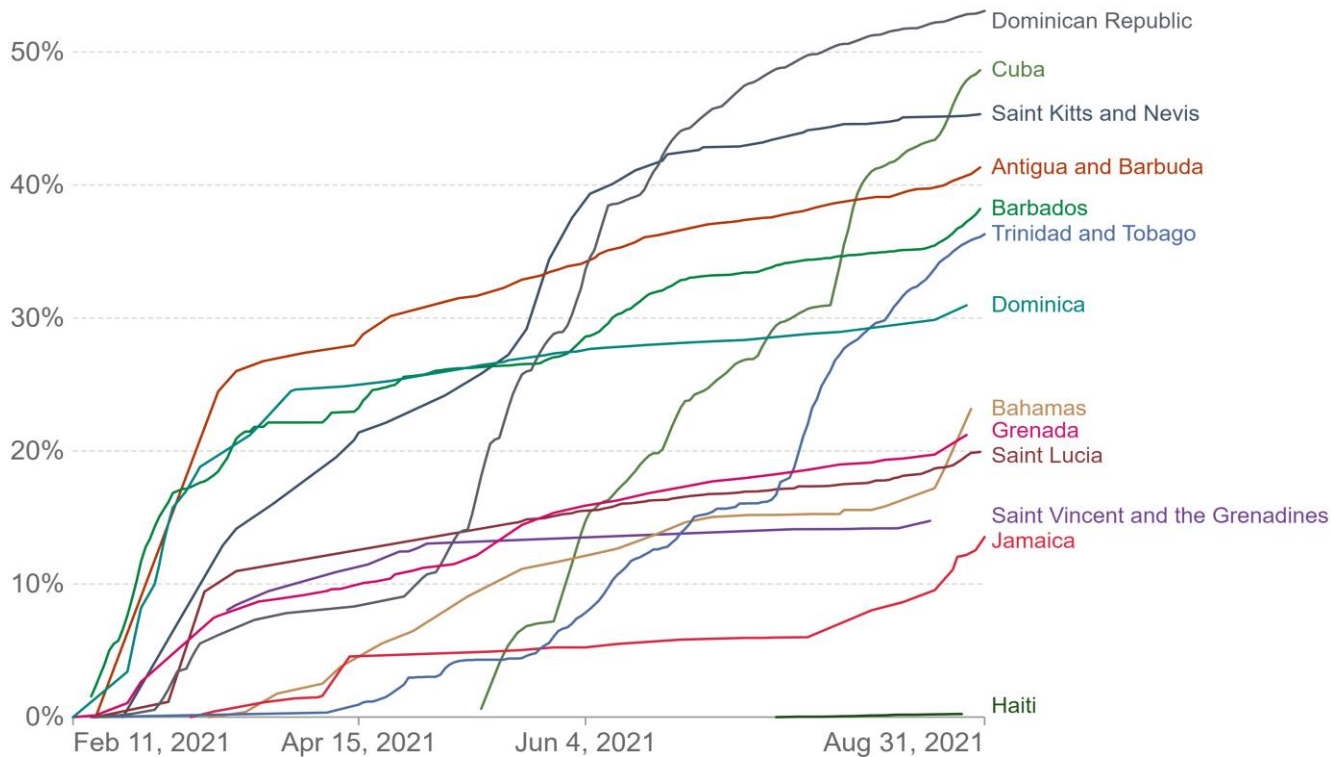
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# The Caribbean

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

Total number of people who received at least one vaccine dose, divided by the total population of the country.

Our World  
in Data



Source: Official data collated by Our World in Data – Last updated 1 September 2021, 17:30 (London time)  
OurWorldInData.org/coronavirus • CC BY

*Many Caribbean nations, even those with tiny populations, have struggled to roll out vaccines. The difficulty of island nations in obtaining relatively small supplies underlines inequality in vaccine access, particularly as many of these countries are top destinations for US tourists. Just yesterday, the Pan American Health Organization (PAHO) highlighted the contrast between vaccine access in North America and Latin America in a speech, calling on the US and Canada to donate more vaccines.*

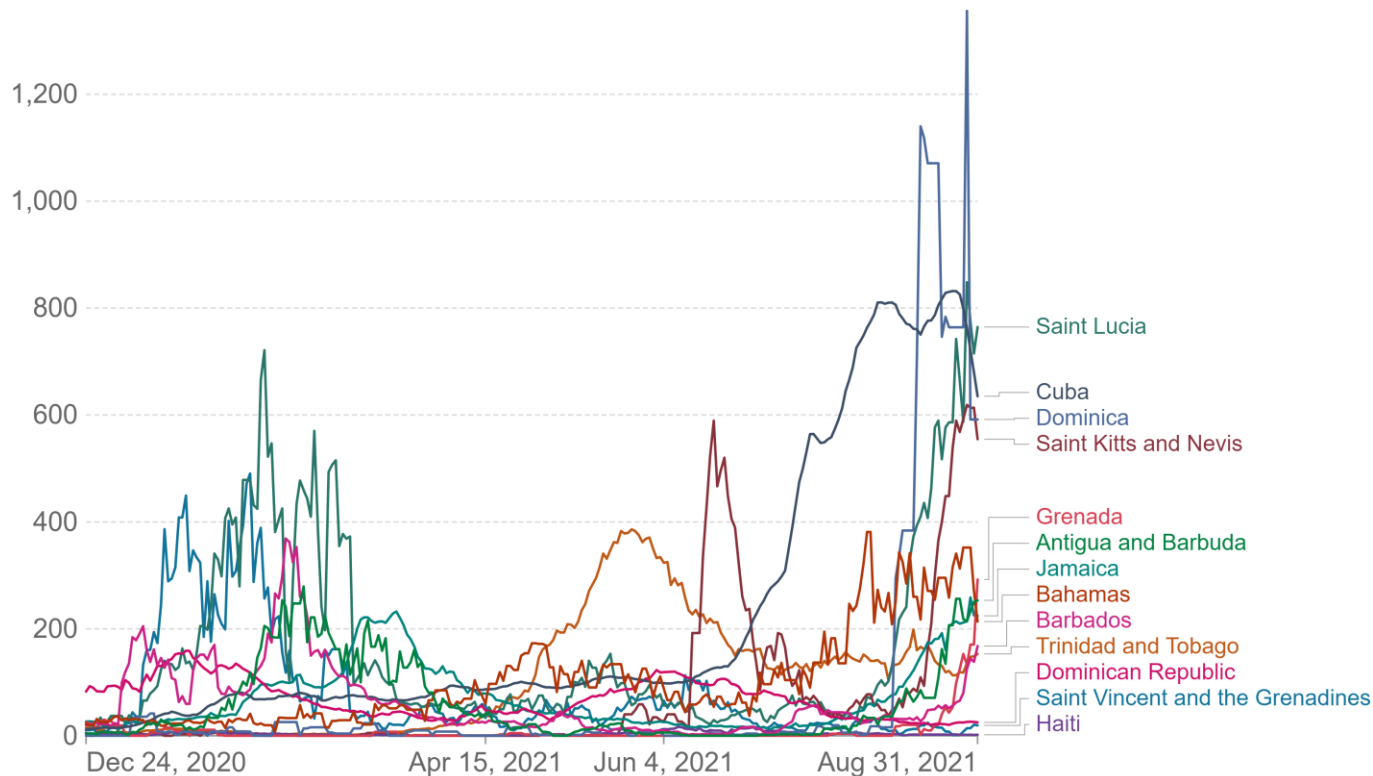
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# The Caribbean

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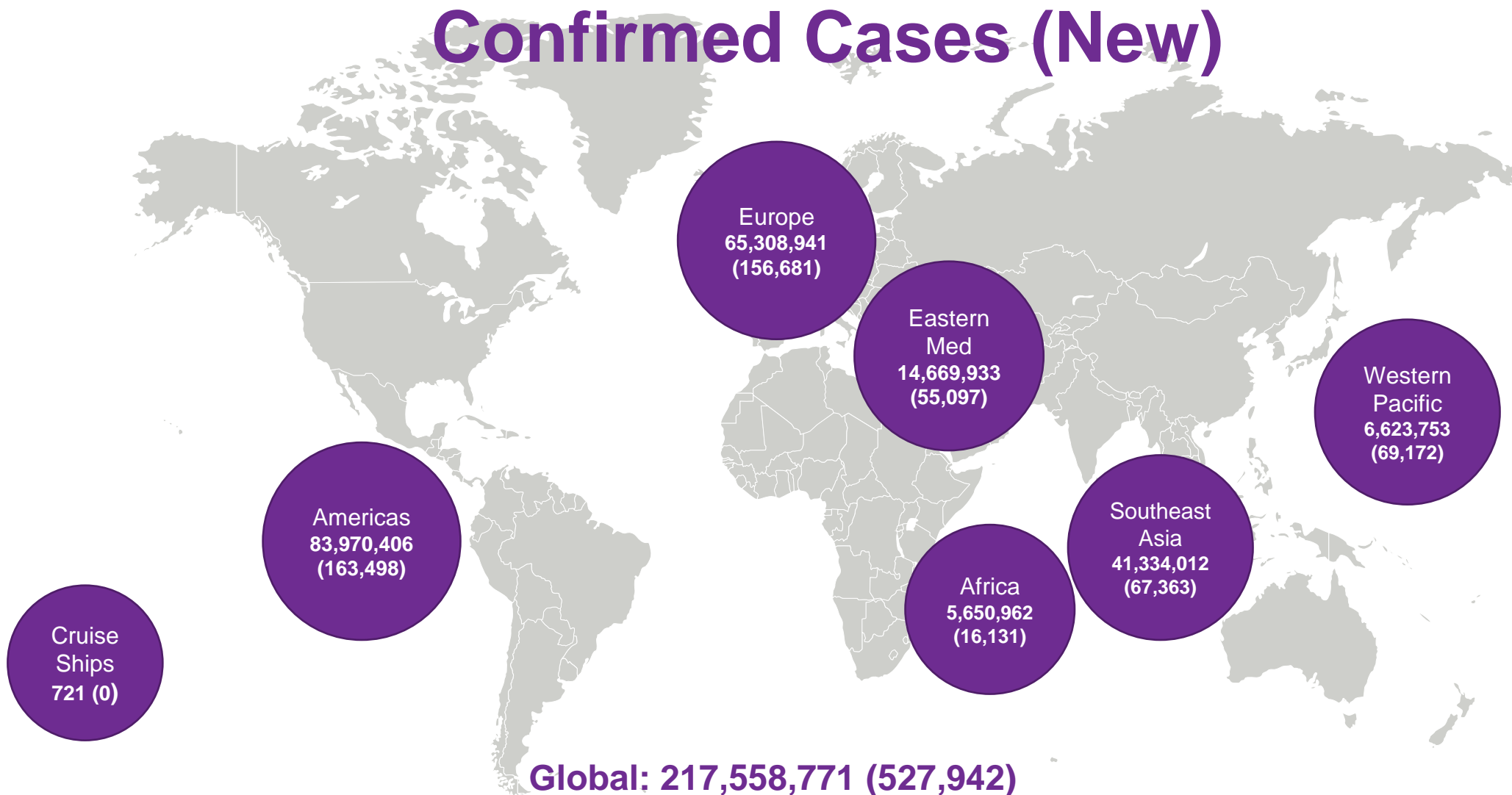
*With relatively low vaccination rates and often fragile health systems, many Caribbean nations are facing an acute threat from rising COVID-19 cases. Moreover, there are some significant blind spots in assessing COVID-19 in the Caribbean. Haiti, for one, has hardly vaccinated any of its population, while COVID-19 testing is often inaccessible - a situation only worsened by the devastating earthquake that recently hit the nation.*

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# Coronavirus Condition Updates

As of 4:50 pm CEST on September 1, 2021

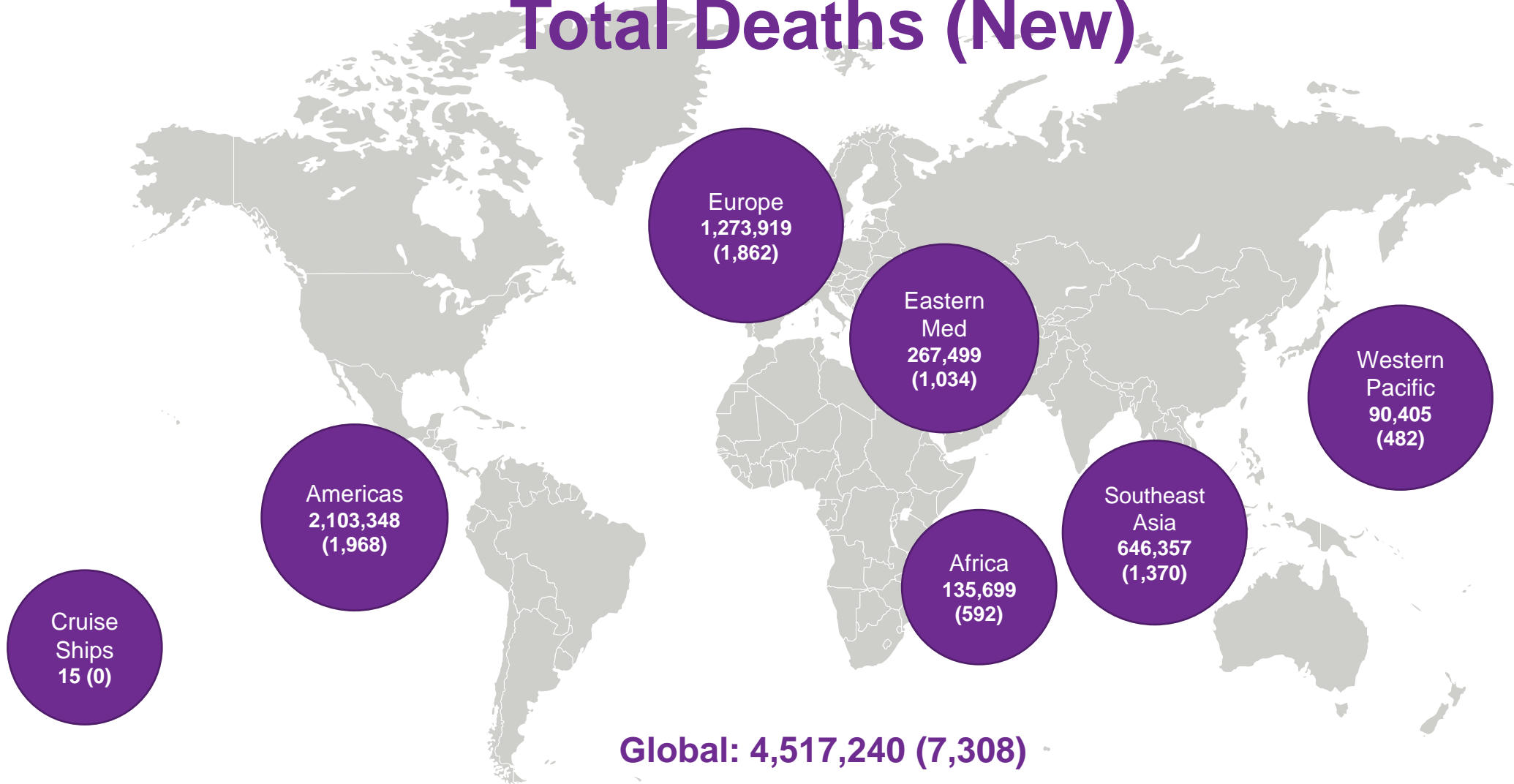
# Confirmed Cases (New)



Reflects data as of 4:50 pm CEST on September 1, 2021.  
Data Source: World Health Organization

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# Total Deaths (New)



Reflects data as of 4:50 pm CEST on September 1, 2021  
Data Source: World Health Organization

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# Contacts

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*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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