

Dentons Flashpoint

Global Situation Report

September 23, 2022

Global Situation Update: September 23, 2022

KEY TAKEAWAYS

Despite denunciations at UNGA, Russia starts annexation referenda in occupied Ukraine.

Central banks around the globe raise interest rates to stem inflation.

Millions remain without power in Puerto Rico after Hurricane Fiona.

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

Global Situation Update: September 23, 2022

WHAT WE'RE WATCHING

Italy will vote for a new national government in a snap general election this weekend. Opinion polls indicate that an electoral bloc comprising the far-right Brothers of Italy (Fdi) and League, and the center-right Forza Italia (FI) is likely to win and form the next government. Barring a major upset – and the most significant variable is likely to be voter turnout – Fdi leader Giorgia Meloni will become prime minister of a three-party coalition, and the first ever female premier of Italy.

The government's priorities will be tackling concerns over energy costs and supplies, as well as broader cost of living concerns. Immigration to Italy from Africa and the Middle East will be in focus as the new government will include many with nationalist and nativist leanings.



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

Global

Central banks around the globe are raising interest rates, unleashing another 350 basis points of hikes following the US Federal Reserve, seeking to slow inflation and sending shockwaves through financial markets and global economy.

- Russian Foreign Minister Lavrov defended Moscow's war against Ukraine at the UN Security Council yesterday, as the UN warned Moscow against **annexing Ukrainian territory**. Referenda on joining Russia started today and through Tuesday in several largely Russian-held regions in eastern and southern Ukraine, which comprise around 15 percent of the country's territory.
- The UN announced that its investigators have found evidence of **war crimes committed by Russia** in Ukraine. UN investigators spoke with over 150 victims and witnesses and visited 27 towns and settlements where they also investigated graves as well as detention and torture centers. Western ministers called for accountability over atrocities.
- Russia is continuing to threaten a **nuclear option** over the Ukraine war, with former Russian president Dmitry Medvedev saying that any weapons in Moscow's arsenal, including strategic nuclear weapons, could be used to defend territories incorporated in Russia from Ukraine. The US has advised Russia in private communications of “*grave consequences*” that would follow the use of a nuclear weapon.

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

Markets & Business

Leaders of JPMorgan Chase, Bank of America and Citigroup have committed to complying with any US government demand to pull out of China if Beijing were to attack Taiwan.

- Beijing has sent a team of regulatory officials to Hong Kong to assist the US audit watchdog with onsite audit inspections involving Chinese companies, as part of a deal between the two countries to keep Chinese companies in compliance with audit rules to remain listed on **US stock exchanges**.
- The German government is considering the takeover of **SEFE**, the German subsidiary of Russia's energy behemoth Gazprom, to protect it from bankruptcy after Russia cut off supplies.
- Japan intervened in the **foreign exchange market** yesterday to buy yen for the first time since 1998, in an attempt to shore up the currency after the Bank of Japan bucked the international trend by adhering to ultra-low interest rates.
- **FedEx** plans to cut costs by up to \$2.7 billion in its current fiscal year raise delivery rates by almost 7 percent.
- Australian No. 2 telco **Optus**, owned by **Singapore Telecommunications Ltd** reported a “sophisticated hack” which exposed personal details of up to 10 million customers.

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

Environment, Sustainability & Governance

World Bank President David Malpass came under heavy criticism after he declined to say whether he accepts the scientific consensus on global warming.

- Insurance broker Marsh's US clients will now be able to pay their fees in voluntary **carbon offset credits** or renewable energy certificates.
- Tesla countersued the California agency that has accused the electric carmaker of tolerating widespread **race discrimination** at its flagship assembly plant.
- Home appliance manufacturer Whirlpool announced that it will source 100 percent of its electricity for its US plant operations from **renewable sources** by 2030.
- The US Senate voted to approve an **international climate treaty** that would phase out the use of potent greenhouse gases used in refrigerators and air conditioners.

Africa

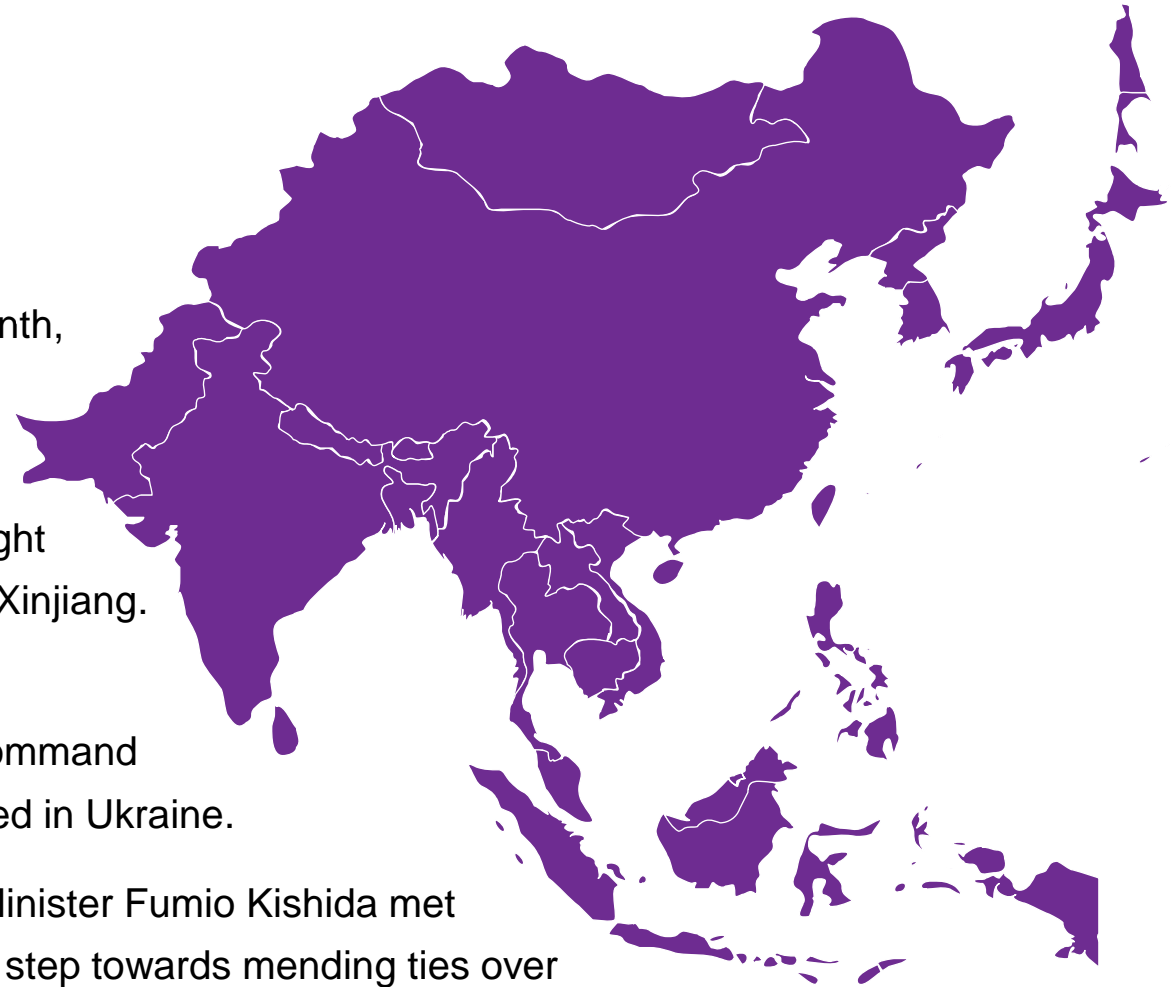
- The leaders of **Mozambique and Tanzania** signed defense and security agreements aimed at fighting terrorism and crime along their shared border.
- The **US** said it had killed 27 al-Shabaab fighters in an airstrike in central **Somalia**.
- Fitch analysts called default a “*real possibility*” in **Ghana**, which is experiencing an economic crisis and will host an IMF delegation next week.
- A **Nigerian** court ordered lecturers at seven public universities to end their strike, which has shuttered several schools.
- At least 19 people were killed in a flare-up of fighting between nomadic herders and sedentary farmers in south **Chad** last week.



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

Asia

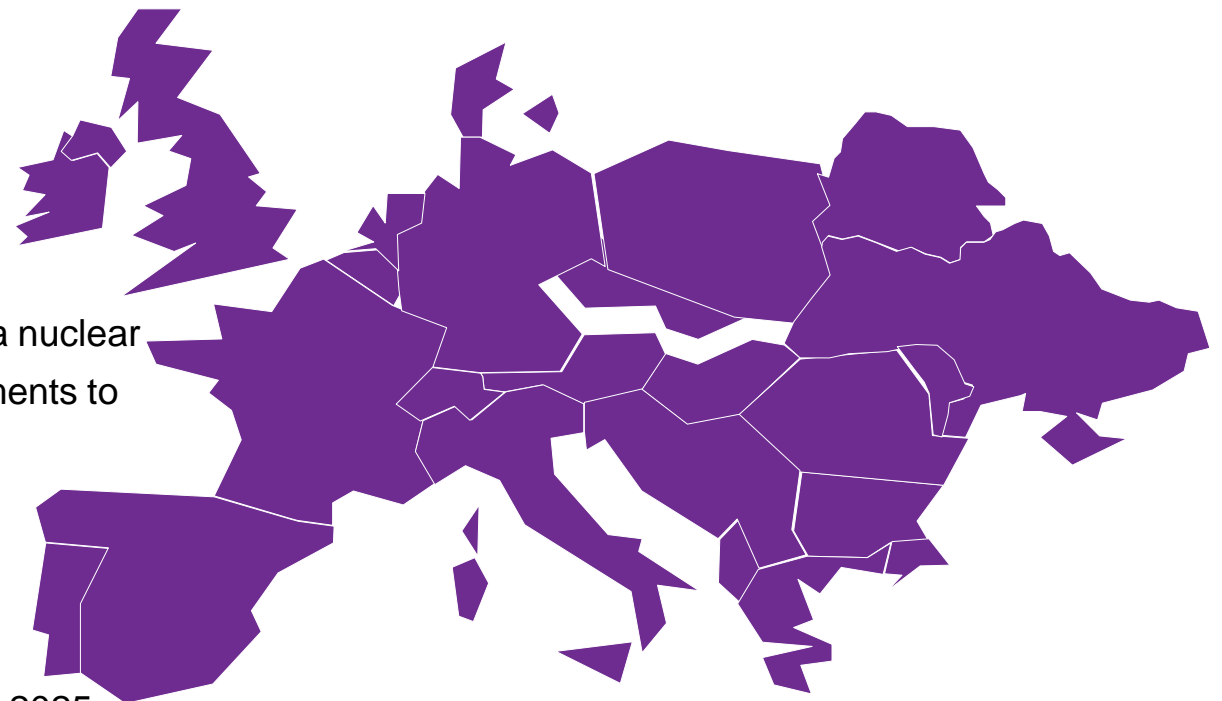
- **Japan** will ease COVID-19 border control requirements next month, a key step in fostering a recovery in Japan's tourism sector.
- A **Chinese** official warned that Beijing was readying "counter-measures" in case action is taken at the UN Human Right Council against its human rights record in the western region of Xinjiang.
- Over the next two years, **Taiwan** plans to trial a NT\$550 million (S\$24.67 million) satellite program that aims to keep Taiwan's command systems running if conventional connections get cut, as happened in Ukraine.
- **South Korean** President Yoon Suk-yeol and **Japanese** Prime Minister Fumio Kishida met one-on-one for the first time on the margins of UNGA, a positive step towards mending ties over past disputes.
- A **US** aircraft carrier arrived in **South Korea** on Friday for the first time in about four years, set to join other military vessels in a show of force intended to send a message to **North Korea**.



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

Europe

- **Poland**, concerned about fighting around **Ukraine's** Zaporizhzhia nuclear power plant, has distributed iodine tablets to regional fire departments to give to people in the event of radioactive exposure.
- **Estonian** is preparing for power blackouts should **Russia** kicks the Baltic states from the joint power grid. A 1.6-billion-euro (\$1.94 billion) **EU**-funded project to connect Baltic states to a European decentralized power system will not be completed until 2025.
- Following the Kremlin's announcement of the military mobilization for the Ukraine war, **Russian** rights group OVD-Info report at least 1,310 protesters had been detained, and some had been presented with summonses to enlist. Reports of Russian men seeking to exit the country abound, with traffic at frontier crossings with **Finland, Georgia and Kazakhstan** surging and prices for air tickets from Moscow skyrocketing.
- The Russian-led security bloc Collective Security Treaty Organization (CSTO) will hold military drills in **Kazakhstan** from Sept. 26 to Oct. 8, amid tense times for members, with **Russia** involved in the **Ukrainian** conflict, **Armenia** unhappy with CSTO's refusal to back it in fresh clashes with **Azerbaijan**, and **Kyrgyzstan** and **Tajikistan** in a fragile ceasefire after fighting in a disputed border area.



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?

2022 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.

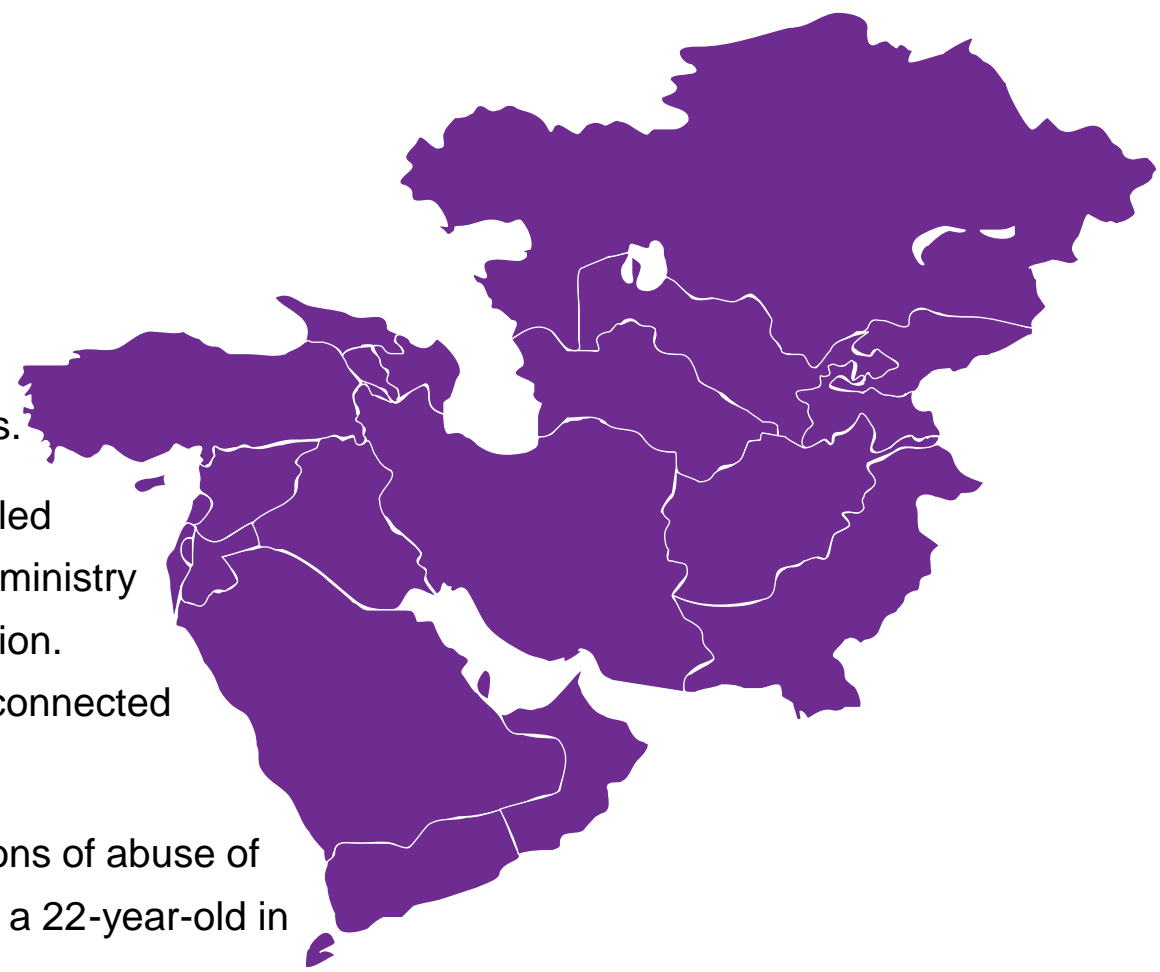
Dentons tabletop sessions are fluid, and designed to enhance preparedness with services, including:

- ❖ 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](#).

Middle East

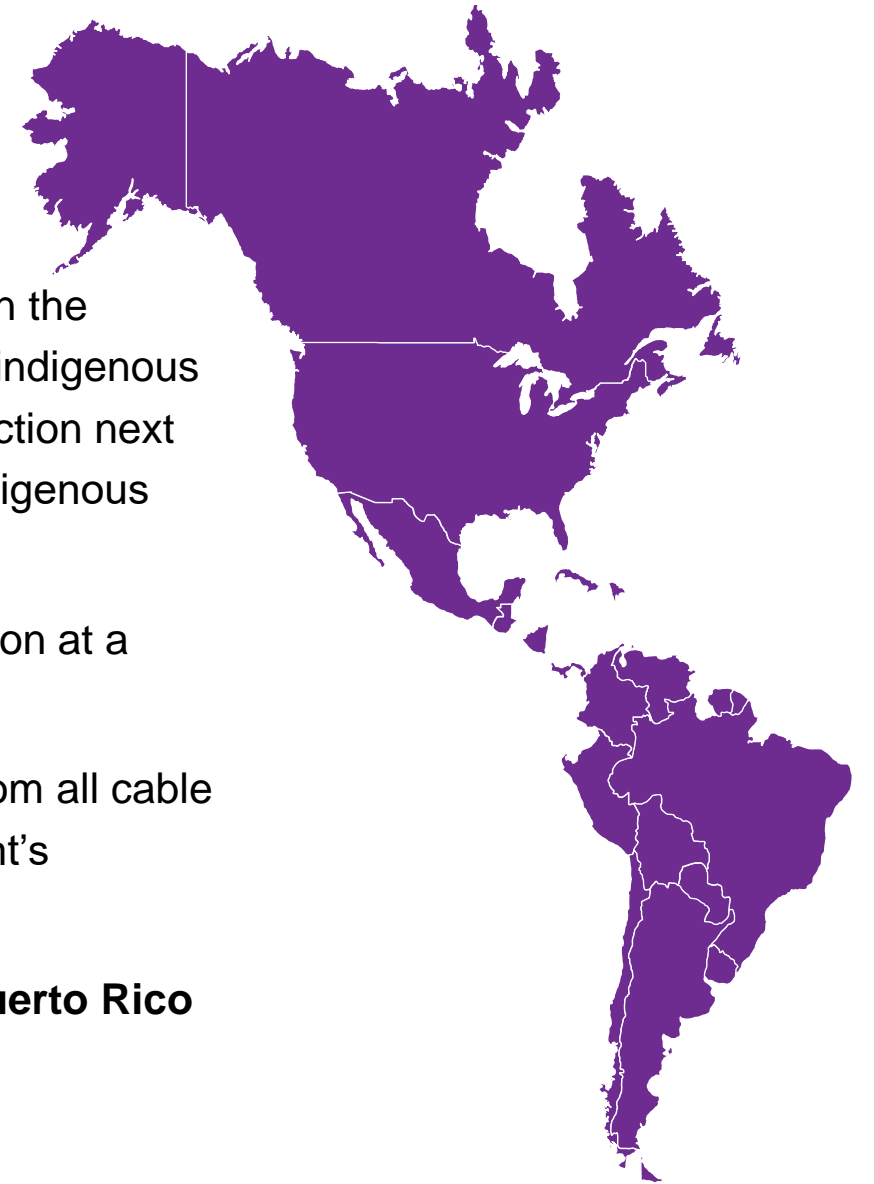


- **Israel** has reportedly agreed to sell an advanced air defense system to the UAE, the first such arms deal between the countries.
- A European NGO reported that at least 31 **Iranians** have been killed amid sustained anti-government protests; the Iranian intelligence ministry warned citizens against attending protests lest they face prosecution. Meta said it was working to keep WhatsApp users in the country connected after Tehran limited social media app access.
- The **US** imposed sanctions on **Iran's** morality police over allegations of abuse of Iranian women, saying it held the unit responsible for the death of a 22-year-old in custody that has sparked protests around Iran.
- **Israeli** Prime Minister Lapid called for a two-state solution to decades of Israeli-Palestinian conflict and reasserted that Israel would do *"whatever it takes"* to stop **Iran** from developing a nuclear bomb.

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

Americas

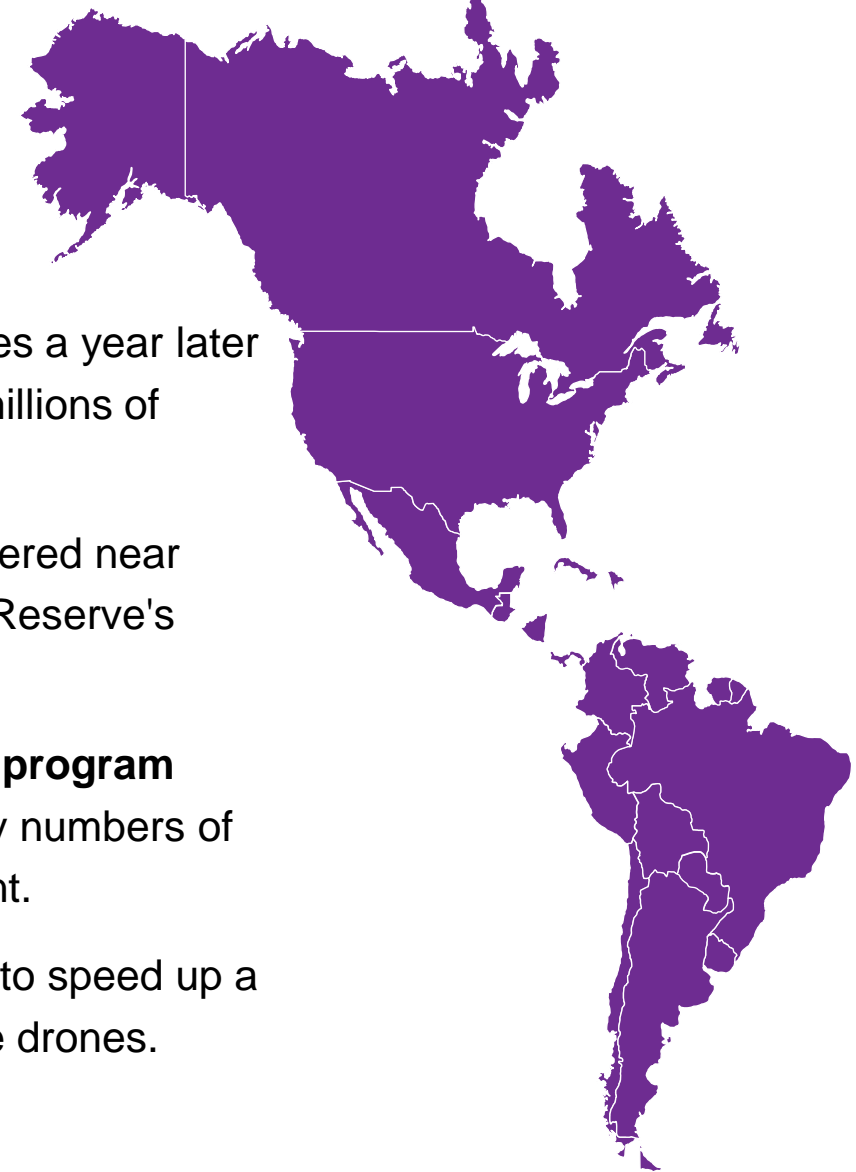
- **Brazil** estimated that it will post a surplus this year, the first since 2013, on the strength of tax revenue and state-owned companies. A record number of indigenous leaders, most of them women, are running for federal office in Brazil's election next month, mostly spurred by President Bolsonaro's frequent clashes with indigenous communities.
- **Argentina's** largest oil union launched an indefinite strike after an explosion at a refinery in the western province of Neuquen killed three.
- **Nicaragua's** government suspended CNN's Spanish-language service from all cable channels in the Central American country, an escalation of the government's crackdown on media and dissent.
- An estimated 1 million homes and businesses remain without power in **Puerto Rico** after Hurricane Fiona.



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

Americas: US

- People who contracted **COVID-19** are at higher risk for a host of brain injuries a year later compared with people who were never infected, a finding that could affect millions of Americans.
- New applicants for **unemployment assistance** edged up last week but hovered near historically low levels as the labor market remains tight despite the Federal Reserve's attempt to cool demand with aggressive interest rate increases.
- Fraudsters likely stole \$45.6 billion from the **US unemployment insurance program** during the COVID-19 pandemic by applying tactics like using Social Security numbers of deceased individuals, per the inspector general for the US Labor Department.
- Seventeen members of Congress told U.S. Defense Secretary Lloyd Austin to speed up a Pentagon security review of a **Ukrainian** request for weapons-capable large drones.



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

Uber Hack Highlights How Threat Actors Exploit ‘MFA Fatigue’

By Emilio Iasiello, Global Cyber Threat Intelligence Manager, Scott Muir, Senior Analyst, and Courtney Barnard, Global Cyber Threat Intelligence Coordinator

The latest cyberattack on Uber is a reminder that hackers are exploiting a lack of attentiveness to potentially dangerous push notifications for multi-factor authentication (MFA) on the personal devices of workers. Researchers are calling it "MFA fatigue" and the internal network of any company, small and large, is vulnerable if the login credentials of even a single employee or contractor are obtained by cybercriminals via social engineering and a bombardment of fraudulent push notifications.

Staff must be made aware of this new pressure tactic and organizations should still work to deploy MFA where possible to protect accounts and systems; however, it needs to be part of a wider strategy for managing access across a technology estate.

Persistent Pressure

Uber confirmed this week that it was struck by a cyberattack enabled by social engineering. According to reports, the attacker obtained a set of valid credentials for an Uber contractor, perhaps purchased from marketplaces on the dark web. The attacker tried multiple times to log in to the contractor’s Uber account and each attempt triggered a two-factor authentication request sent to the

actual user. The contractor was bombarded with push notifications, asking them to authenticate a new device on the network. After more than an hour of notifications, the hacker contacted the target staff member on WhatsApp (which only requires knowledge of a phone number) pretending to be an Uber IT person with the false promise that the MFA notifications would stop once the target approved the login. The user eventually accepted the MFA request, providing the attacker with access to Uber's VPN.

Extent of Damage

From here, the attacker – who described themselves as an 18-year-old hacker, but who Uber believes is the Lapsus\$ cybercrime

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

Uber Hack Highlights How Threat Actors Exploit ‘MFA Fatigue’

group – scanned Uber's internal network, finding a script with hardcoded credentials to a network account, which in turn provided access to several of the company's internal systems. The attacker then used this access to post a message on Uber's Slack platform, which the \$62 billion company uses internally for communications, bragging of their success and indicating that Uber's data had already been exfiltrated from their systems. Since then, the attacker has also boasted of their attack on social media channels and elsewhere, affirming their identity as a “script kiddie,” motivated by mischievous rather than financial or strategic intent. Uber has said that no user accounts, or any sensitive databases with credit card and financial data or trip information were stolen.

Exploiting MFA

As organizations increasingly leverage MFA to secure access to networks and accounts, users in turn are bombarded with push notifications, messages, and other codes for access. This "MFA fatigue" can be exploited by sophisticated cyber actors, including those sponsored by the Kremlin, in their attacks on international businesses.

Overall, the growing adoption of MFA technology is, of course, a positive development, as enhanced authentication mechanisms are key in preventing basic attack vectors. As usual, the human factor that is necessary to approve an MFA request leaves room for exploit by threat actors aiming to circumvent this security measure. In the case of Uber, it was a contractor that unwittingly approved a fraudulent request.

Way Ahead

Organizations should ensure that access management systems take into account the principle of least privilege, so that access and accounts are provided only to those who absolutely need them. Moreover, a robust monitoring system and user behavior analytics can help security teams identify attempts to log into systems remotely, helping to prevent illicit access. In the event of a breach, IT staff should remind workers not to change login credentials until an attacker is removed from the network.

Knowing that account owners simply have to approve a login through a push notification on their device, cybercriminals might spam requests for access at odd hours when workers are not as vigilant or

Uber Hack Highlights How Threat Actors Exploit ‘MFA Fatigue’

even send them at the beginning of a workday to make them appear legitimate. Thus, organizations may also consider limiting the number of times an authentication push can be executed before locking the account and not sending them anymore. It is also crucial for business leaders to build awareness of this type of attack through regular cyber education and training.

Dentons offers business leaders a full complement of counseling and advice for cyber risk management. Analysis and intelligence products from Dentons can help to better understand fast-changing information environments and, importantly, all interaction is attorney-client privileged. To learn more about the bespoke cyber intelligence and risk services from Dentons please contact us today.

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

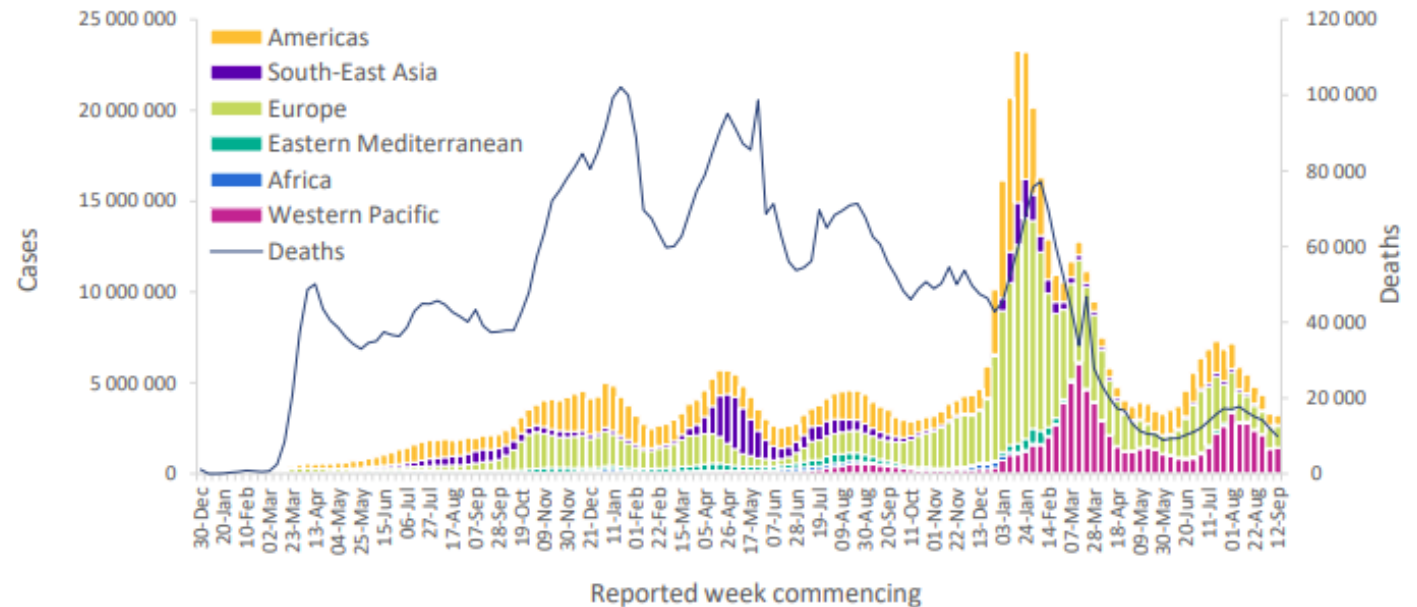
As of 6:24 pm CEST on September 22, 2022

Coronavirus Snapshot

Globally, confirmed coronavirus cases topped 610.8 million with 6.5 million deaths; more than 12.6 billion vaccine doses have been administered.

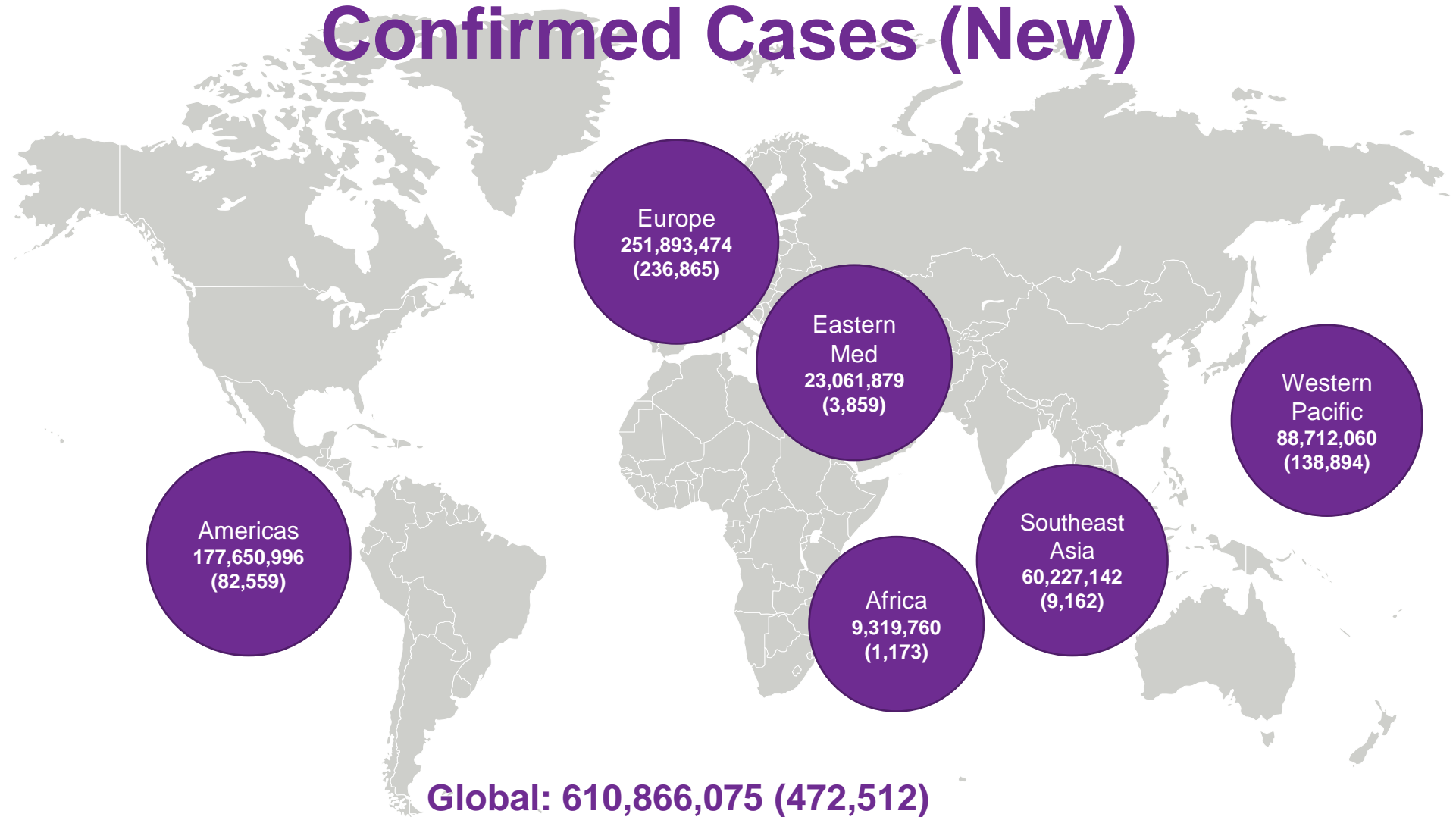
- Globally, the number of new weekly cases remained stable during the week of 12 to 18 September 2022 as compared to the previous week, with over 3.2 million new cases reported.
- The number of new weekly deaths decreased by 17 percent as compared to the previous week, with over 9,800 fatalities reported.

Figure 1. COVID-19 cases reported weekly by WHO Region, and global deaths, as of 18 September 2022**



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

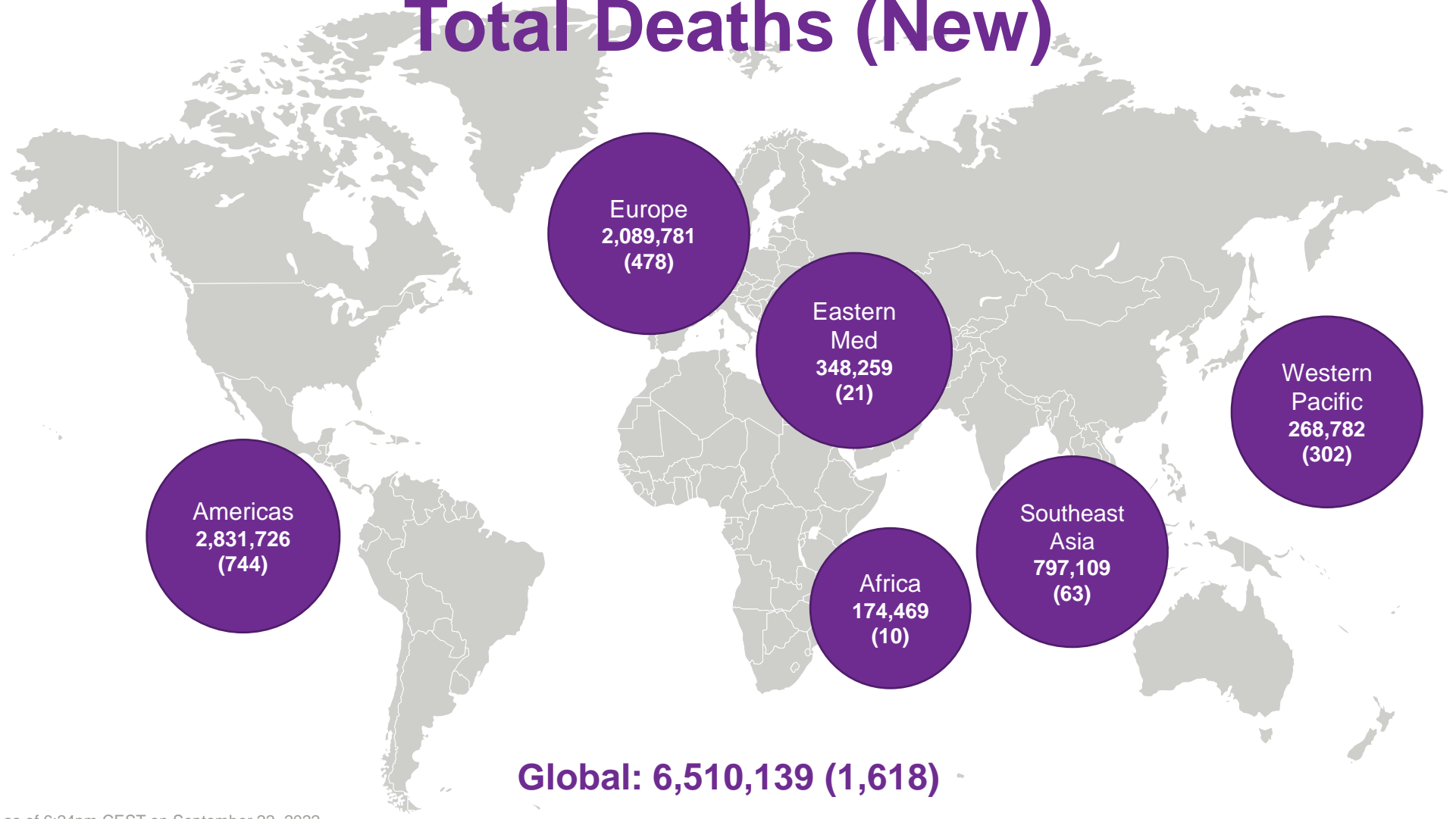
Confirmed Cases (New)



Reflects data as of 6:24pm CEST on September 22, 2022.
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 6:24pm CEST on September 22, 2022.
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