

# Dentons Flashpoint

## Daily Global Situation Report

August 17, 2021

# Global Situation Update: August 17, 2021

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## KEY TAKEAWAYS

BlackRock recommends that China should no longer be considered an emerging market.

Pfizer/BioNTech submit to the FDA data needed to approve a booster shot for the general public.

President Biden defended the decision to withdraw from Afghanistan, blaming the swift capture of Kabul on the Afghan army's unwillingness to fight.

# Global Situation Update: August 17, 2021

## WHAT WE'RE WATCHING

This week, China's top legislature is expected to discuss adding the country's new Anti-Foreign Sanctions Law into the Hong Kong Basic Law, creating new risks for international businesses operating in Hong Kong. China's Anti-Foreign Sanctions Law, introduced in June, is part of Beijing's growing legal toolkit to retaliate against foreign sanctions, and allowed China to sanction seven Americans in July in response to US sanctions on Chinese officials involved in the crackdown on Hong Kong.

Given Hong Kong's status as both a sensitive political flashpoint and a global financial hub, the extension of the Anti-Foreign Sanctions Law to Hong Kong raises the risk that companies (particularly US companies) could be caught in the crossfire of geopolitical tensions with China.



*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 207.1 million with 4.3 million deaths; more than 4.4 billion vaccine doses have been administered.**

- US Secretary General Guterres called on the UN Security Council to use all tools at their disposal to suppress terrorist threats from Afghanistan.

# COVID-19 Vaccine

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## Covax delivered its 200 millionth dose on Monday.

- **Germany's** vaccine advisory panel recommended that adolescents aged 12-17 receive a COVID-19 vaccine.
- **Turkey** began offering a third and fourth doses of the **Pfizer vaccine** to those vaccinated with Sinovac in an attempt to open up travel with countries that have not approved **Sinovac**.
- More than one million **Israelis** have now received a booster shot.
- According to a new study published in The Lancet, the risk of Bell's Palsy, a type of facial paralysis, is higher after Sinovac Biotech COVID-19 vaccine **CoronaVac**, but should not be a deterrent to vaccination.
- **Pfizer-BioNTech** submitted to the **US** FDA data needed to approve a booster shot for the general public, telling federal regulators that people who received a third dose of the vaccine elicited a stronger immune response to the Delta variant compared to those who only completed the two-dose regimen.

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# Markets & Business

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**BlackRock's research unit has said China should no longer be considered an emerging market and recommended investors boost their exposure to the country by as much as three times.**

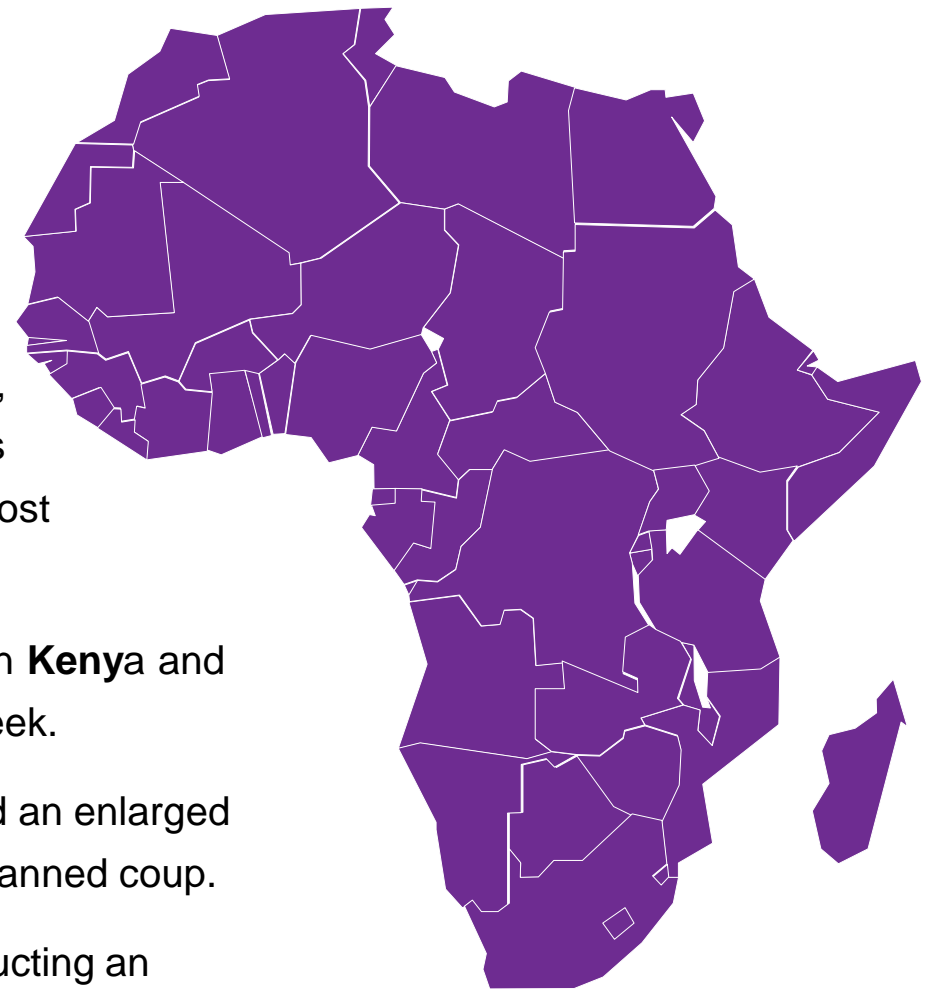
- US Federal Reserve officials appear to be nearing an agreement to taper **asset purchases** by mid-2022.
- **US stocks** have doubled from the pandemic-era low hit in March 2020, as markets continue to beat analyst expectations amid the economic recovery.
- China tightened control of its technology sector, publishing detailed rules aimed at tackling **unfair competition** and companies' handling of critical data. Shares in Hong Kong-listed internet stocks slid after the rules were published.
- **OPEC+** sources report that the group does not plan to respond to US calls to boost production to prevent price hikes.
- **BHP Group** agreed to sell its petroleum business to **Woodside Petroleum** in a merger to create a top 10 independent oil and gas company worth A\$38.5 billion (\$28 billion) with growth assets in Australia and the Americas.
- The US government launched a formal investigation into crashes involving **Tesla's** autopilot technology.
- **T-Mobile** is investigating a data breach after some customer data was found for sale on the internet.
- **Facebook and Alphabet** will back two new underwater cable projects in Africa and Asia to bolster global internet infrastructure.

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# Africa

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- **Nigerian** President Buhari signed a far-reaching oil industry overhaul into law; the measure aims to commercialize the country's petroleum company, increase new oil exploration, and attract new energy investments, and was recently mired in controversy over allocating just 3 percent of revenue to host communities in areas of exploration.
- **Ethiopian** Oromo rebel leaders threatened to block the main road between **Kenya** and Ethiopia, a key trade route, after allying with the Tigray rebel forces last week.
- **Madagascar's** President Rajoelina announced a new finance minister and an enlarged cabinet, days after dismissing all ministers after the apparent foiling of a planned coup.
- The US Special Operations Forces are in **Congo's** capital Kinshasa conducting an assessment of a Congolese counter-terrorism team charged with countering the growing violence in eastern Congo linked to the Allied Democratic Forces, an Islamist-inspired insurgency with ties to the Islamic State.



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# Asia

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- **Thai** police again used water cannons and tear gas to disperse protesters gathered at the prime minister's office calling for the resignation of Prime Minister Chan-ocha over his handling of the COVID-19 pandemic. Thailand extended its COVID-19 lockdown for two more weeks.
- Thousands of **Vietnamese** workers are fleeing Hanoi for their hometowns after renewed strict COVID-19 regulations limited their job opportunities.
- The **Chinese** government took a stake and a board seat in TikTok parent ByteDance's Chinese entity, Beijing ByteDance Technology. China's education authorities cut almost 300 cooperative programs between Chinese and foreign universities, including projects with New York University and City University of London. Macau will reopen some health and recreational facilities this Wednesday after a two-week closure.
- In **India**, Mumbai resumed rail services for the first time in over a year as part of gradual easing of COVID-19 restrictions.



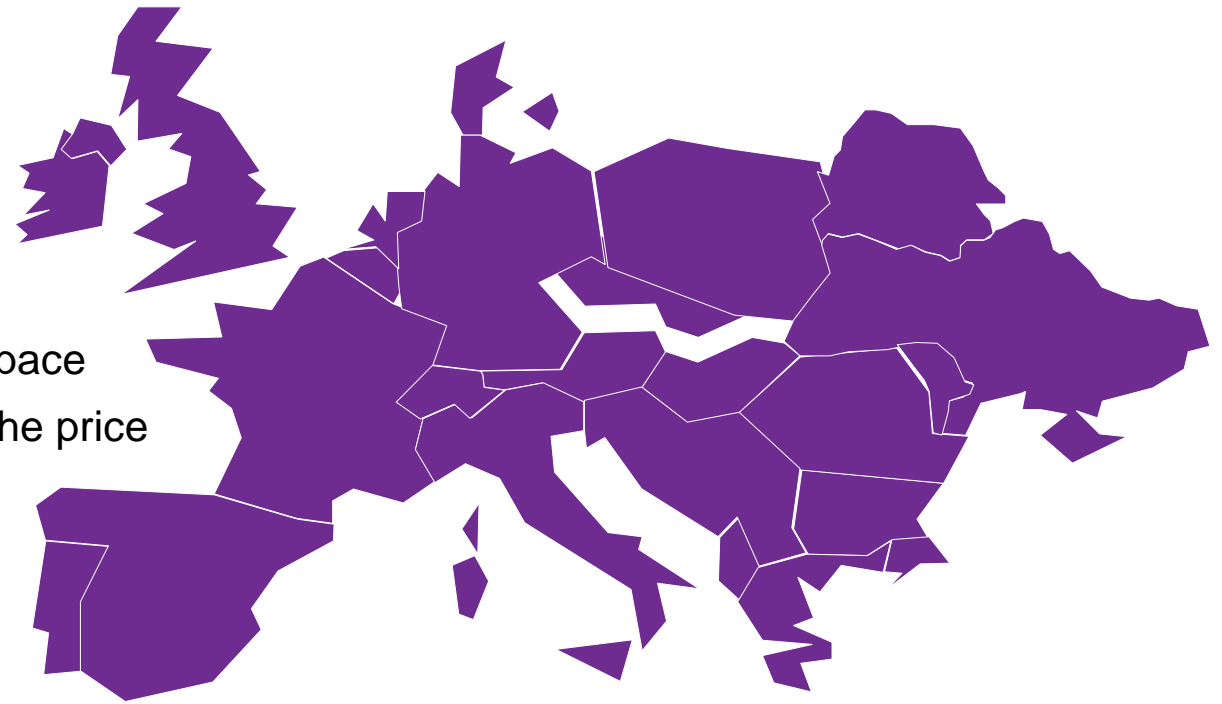
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# Europe

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- New data shows that demand for central London office space has risen to its highest since the start of the pandemic. The price of used cars is rising sharply in the **UK** as the global chip shortage limits production.
- Postal voting ahead of **Germany's** federal election on September 26 began on Monday.
- Two new wildfires near Athens forced the evacuation of a number of villages, joining over 500 fires which have broken out across **Greece** in recent weeks. **French** firefighters are battling a fast-spreading wildfire in the southern tourist region of Var. Some 5,000 hectares (12,350 acres) of land have been burnt so far.
- **Poland's** ambassador to **Israel** has been recalled until further notice, in a further sign of the deteriorating relations between the countries after Warsaw introduced a law affecting World War Two property restitution. The **US** issued a statement calling on Warsaw to develop a clear and effective legal procedure to resolved confiscated property claims.

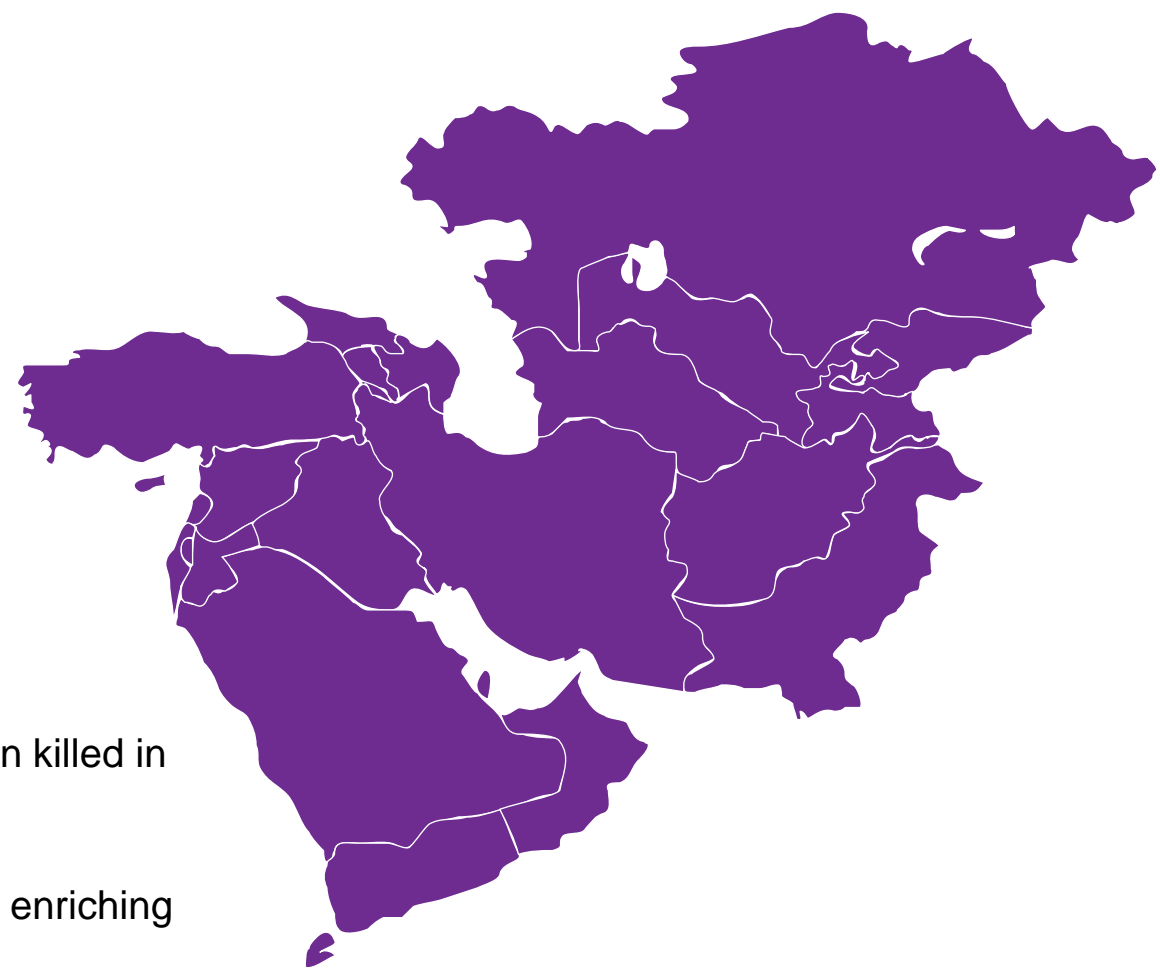


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# Middle East

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- Hamas fired a rocket from **Gaza** into **Israel** after IDF members killed four Palestinians in the **West Bank** during an arrest raid.
- **Lebanese** President Aoun said that a new government could be formed within days. Lebanese Hizballah said that it would begin importing fuel from **Iran**.
- **Turkey's** defense ministry said that four Turkish soldiers had been killed in fighting with Kurdish militias in northern **Iraq**.
- The IAEA reported that **Iran** has made more progress on its work enriching uranium metal.
- In **Afghanistan**, evacuation flights resumed after several foreign evacuation planes were forced to divert after being unable to land in Kabul when thousands of people desperate to flee blocked the runway. Hundreds of Afghan soldiers fled to **Uzbekistan** with several military aircraft. **China** said that it is ready for "*friendly relations*" with the Taliban, as western capitals denounced the group and called for a **UN** Security Council meeting. **Saudi Arabia** called on the Taliban to preserve lives, property and security as stipulated by "Islamic principles."



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# How do You Manage Incident Response?

*2021 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

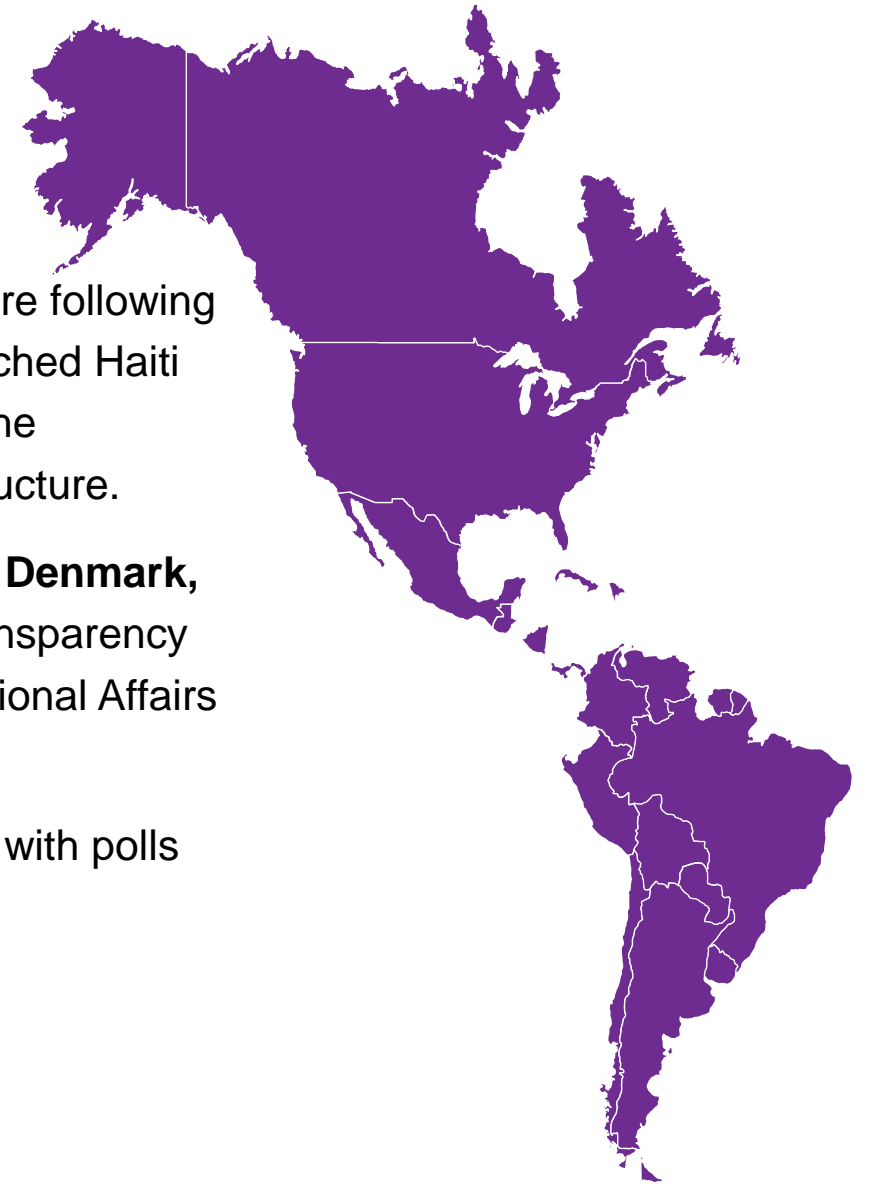
*All interaction with Dentons is attorney-client privileged*

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

# Americas

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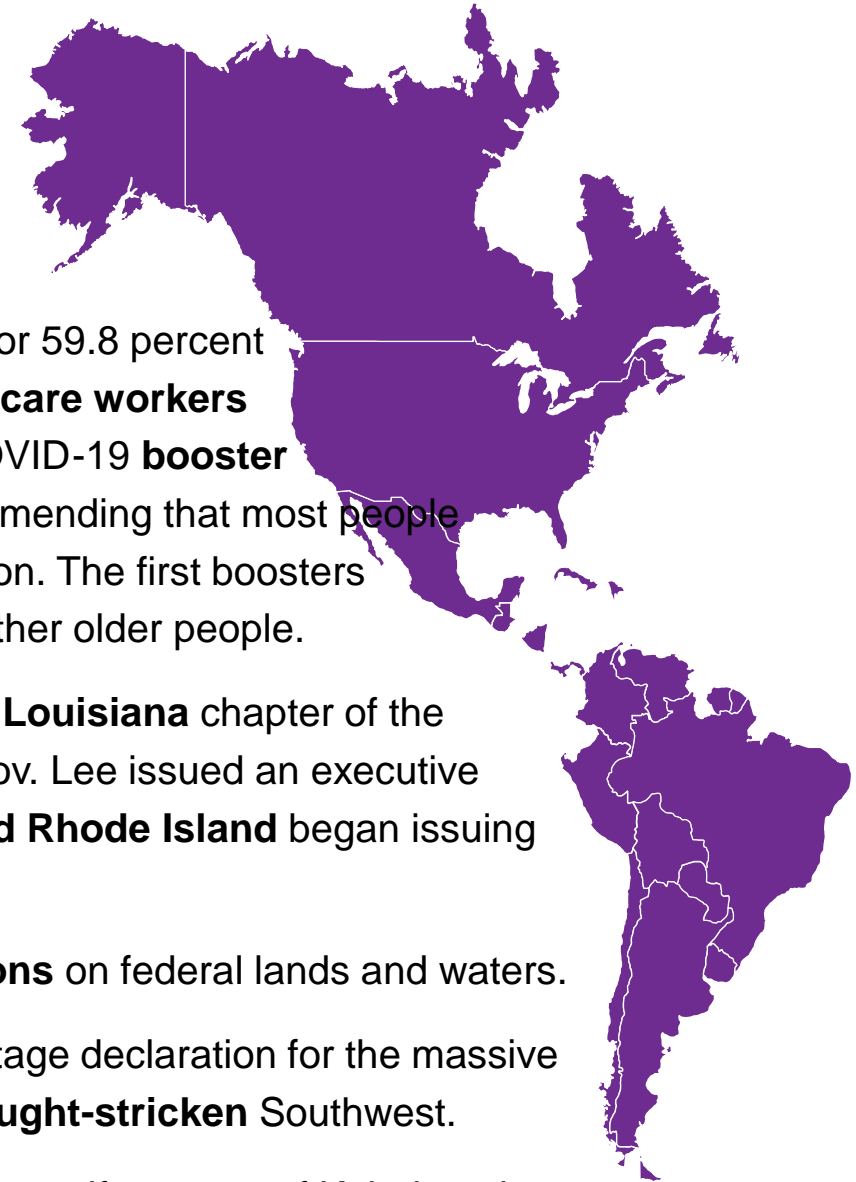
- **Haitian** hospitals were dangerously overrun as people sought medical care following the major earthquake that killed at least 1,300. Tropical storm Grace reached Haiti on Monday, hitting the same part of the country which was damaged by the earthquake and bringing the risk that floods will now hit collapsed infrastructure.
- The **Nicaraguan** government canceled the registration of six NGOs from **Denmark, Spain, the US and Sweden**, claiming they were violating the nation's transparency laws. The US NGOs include the National Democratic Institute for International Affairs (NDI) and the International Republican Institute (IRI).
- In **Mexico**, more adults in their 30s and 40s are ending up in the hospital with polls showing vaccine hesitancy is rising in younger age groups.



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# Americas: US

- Across the nation, 198.6 million have received at least one dose of the **vaccine**, or 59.8 percent of the total population. New York State and Washington DC will require all **healthcare workers** to receive the vaccine. The Biden Administration plans to begin administering COVID-19 **booster shots** to Americans as early as mid or late September. Health officials are recommending that most people should get a booster shot eight months after they completed their initial vaccination. The first boosters are likely to go to nursing home residents and health care workers, followed by other older people.
- **Florida** is setting up a new monoclonal antibody site in an Orlando stadium. The **Louisiana** chapter of the American Academy of Pediatrics backed a school mask mandate. **Tennessee** Gov. Lee issued an executive order to allow parents to opt out of school masks for their kids. **West Virginia and Rhode Island** began issuing third vaccine shots for immunocompromised individuals.
- Major oil industry groups sued the Biden Administration for halting **drilling auctions** on federal lands and waters.
- **Tropical storm** Fred made landfall in Florida. US officials issued an official shortage declaration for the massive Western reservoir of Lake Mead for the first time, triggering water cuts to the **drought-stricken** Southwest.
- President Biden defended his decision to withdraw from **Afghanistan**, blaming the swift capture of Kabul on the Afghan army's unwillingness to fight.



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# The War for Talent and Mental Health in the Workplace

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***With business concerns about worker turnover and the risk of a “great resignation” running high, addressing mental health in the workplace is becoming increasingly important in both attracting new talent and retaining existing employees.***

Since the onset of the COVID-19 pandemic, health experts have been calling for increased attention to the mental health toll of the isolation, uncertainty, and stress experienced over the past year and a half. Just as hopes were rising that high vaccination rates would mean an end to the worst of COVID-19's impact, the resurgence of the Delta variant dashed expectations for an easy exit from the pandemic. Employee burnout, according to some surveys, is even higher in 2021 than it was in 2020, while worker shortages across sectors add to the workloads of existing employees. As companies battle for talent in a competitive market, the ability to assess and nimbly address the top issues affecting their workforce is key to protecting productivity and talent; though mental health often poses less visible risks than COVID-19 infections or economic downturn, it remains a key threat to worker retention and company productivity.

Although it has been over a year since COVID-19 first turned the world of work upside-down, getting used to wearing masks or working from home does not mean that workers have stopped facing the mental health challenges of the pandemic. According to a June 2021 survey from global staffing firm Robert Half, 44% of employees are feeling burnt out on the job, up from 34% in a similar survey conducted in 2020. Across the US, the opioid addiction crisis has gotten worse and is impacting workplaces; according to a survey from The Hartford, 52% of US employers say they are “experiencing significant workplace issues” due to employee substance abuse or addiction, up from 36% before the pandemic. Meanwhile, 31% of US employers believe that workforce mental health is having severe or significant financial impact on the company.

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# The War for Talent and Mental Health in the Workplace

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Beyond the direct stresses of the workplace – from working amid staff shortages to balancing work and personal life from a home office – the uncertainty driven by external events can take a toll on mental health. Along with the continued threat of COVID-19, everything from extreme climate events to political crises around the world seem to add new sources of anxiety each week. Though many of the causes of mental health challenges are out of the control of employers, providing resources for employees to take care of their own mental health (such as mental health days, therapy sessions, or wellness seminars) and actively checking in on how workers are coping are important tools that can help companies proactively address workplace mental health. Since early in the pandemic, mental health advocates have urged employers to reassess how often and how effectively they are checking in with workers, particularly those who are remote, to ensure that managers are creating an environment where employees feel comfortable voicing concerns. Now, as job openings hit record highs and surveys show that a higher-than-average share of the corporate workforce plans to

look for a new job in the coming year, how companies approach mental health is likely to play an important role in their ability to retain and grow talent. Along with doing research into company culture and handling of remote work communication, prospective employees may look for features like quarterly mental health days when searching through job postings, underlining the changing calculus of what employees look for in new positions.

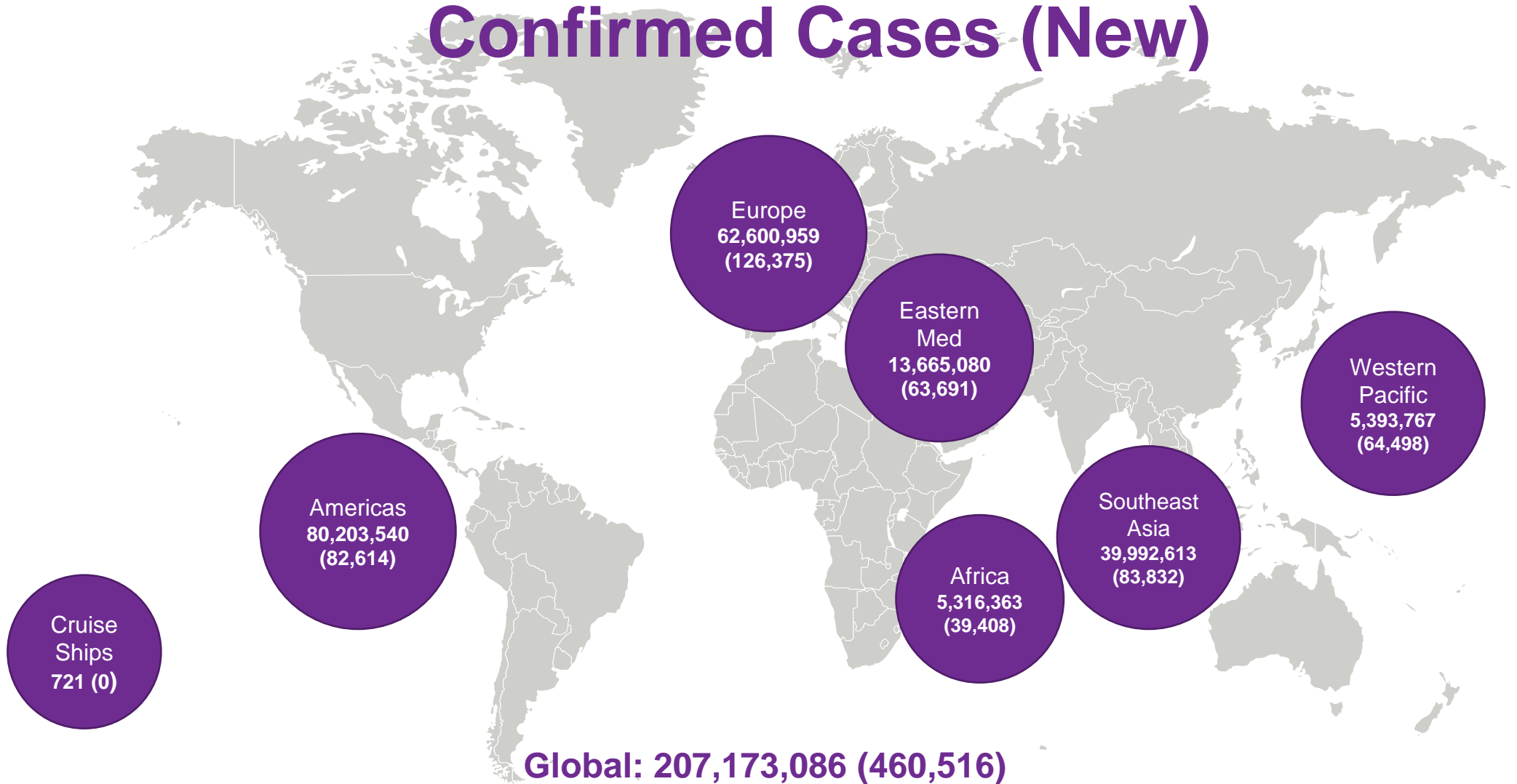
On an individual level, it is easy to understand that taking care of mental health plays a critical role in levels of motivation and focus, as well as the ability to build relationships with other people. At an enterprise level, workforce mental health should also be seen as a factor of core importance to business productivity and sustainability. Though stigma and the complex nature of mental health can make it a challenge for employers to discuss, those who manage to create company culture and practices that support mental health stand to gain both in strengthening their existing workforce and creating an environment that will attract new talent over the long term.

# Coronavirus Condition Updates

As of 6:41 pm CEST on August 16, 2021



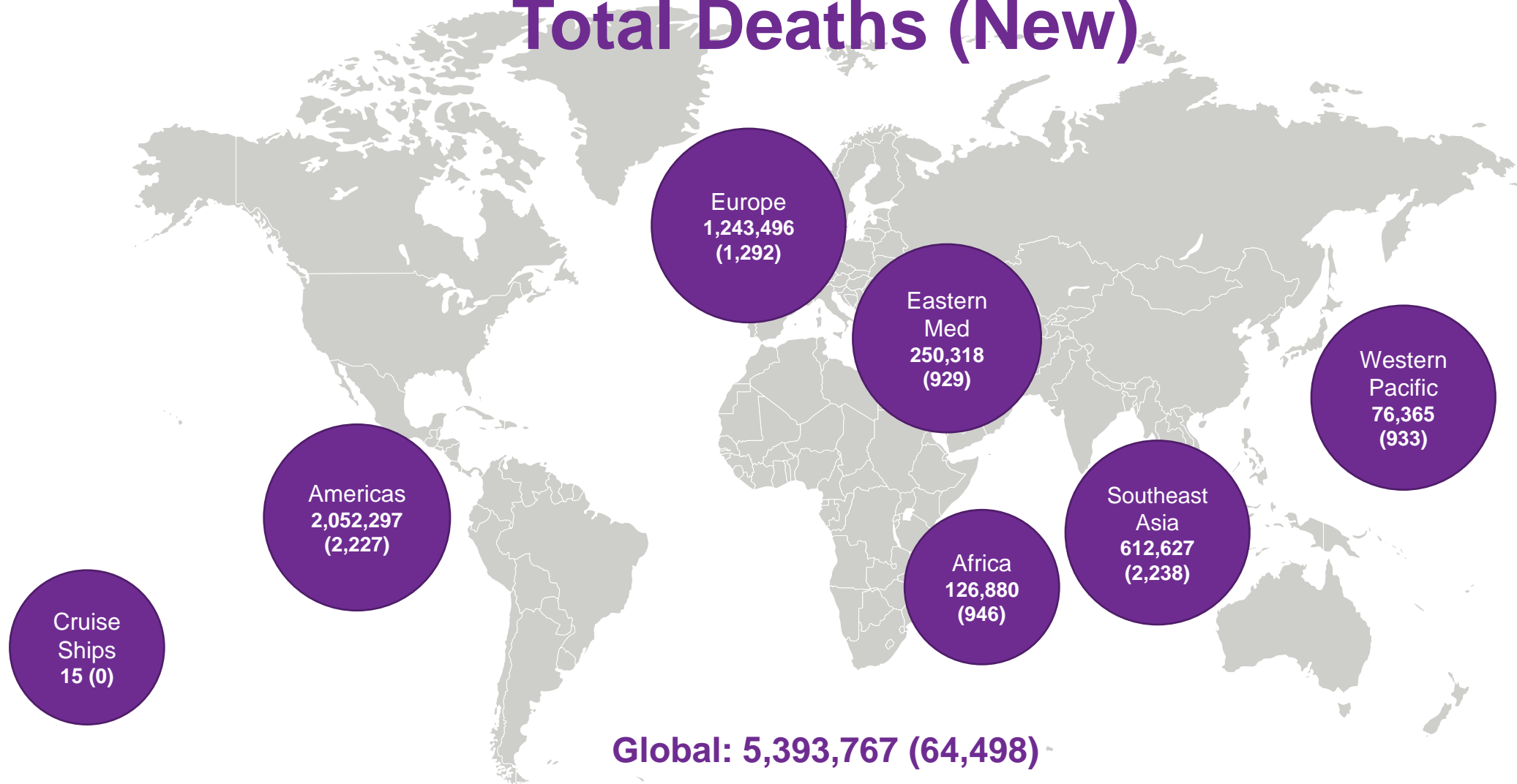
# Confirmed Cases (New)



Reflects data as of 6:41 pm CEST on August 16, 2021.  
Data Source: World Health Organization

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# Total Deaths (New)



Reflects data as of 6:41 pm CEST on August 16, 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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