

Dentons Flashpoint

Daily Global Situation Report

November 11, 2021

Global Situation Update: November 11, 2021

KEY TAKEAWAYS

US consumer prices accelerated in October to create the largest annual gain in 31 years, a sign of persistent inflation.

A draft law in Finland allows workers to check what their colleagues are earning, part of a bid to close the wage gap between men and women.

The WHO and US CDC warn of risks of measles outbreak

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

Today, the Paris Peace Forum kicks off in France and 125 heads of state and government from around the world, along with business executives and civil society leaders, will work on collective initiatives to tackle gaps in global governance. US Vice President Kamala Harris is in attendance and yesterday met with French President Macron at Élysée Palace to discuss climate change, the global economy, global health and supply chain issues.

The forum will focus on rising inequality worldwide exacerbated by the pandemic and address diverse issues including security and stability in cyberspace. While in France, VP Harris will also attend Armistice Day and Veterans Day ceremonies, and the Paris Conference on Libya, ahead of elections in that country in December.



PARIS
PEACE
FORUM

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Global

Globally, confirmed coronavirus cases topped 250.7 million with 5 million deaths; almost 7.1 billion vaccine doses have been administered.

- Today's focus at **COP26** is on cities.
- At COP26, top representatives of the oil-producing OPEC block defended the **ongoing use of fossil fuels**, with OPEC's secretary general saying the narrative of the "*energy transition*" is "*misleading*."
- NASA and private rocket company SpaceX launched **four astronauts into orbit** on Wednesday, sending a veteran spacewalker, two younger crewmates chosen for future lunar missions and a German materials scientist on their way to the International Space Station.
- The risk of severe illness from COVID-19 is higher in people with obstructive **sleep apnea** and other breathing problems that cause oxygen levels to drop during sleep, per a Cleveland Clinic study.
- The WHO and US CDC warned that the risk of **measles outbreaks** is high after more than 22 million infants missed their first vaccine doses during the COVID-19 pandemic in 2020.
- The US brokered a deal between Johnson & Johnson and COVAX, to deliver **vaccine shots to people living in conflict zones**.

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Markets & Business

On its debut trading day, shares in electric carmaker Rivian surged over 50 percent, giving the company a valuation of over \$100 billion and marking the world's largest IPO this year.

- The US Department of Justice filed a suit against **Uber** arguing that the platform's policy of charging waiting fees to passengers that take longer than two minutes to meet their drivers discriminates against disabled users.
- November 11 is Singles Day in China, a consumer event full of sales created by Alibaba a decade ago; this year, however, the sales bonanza is expected to be toned down following an announcement that **Alibaba** will focus on "*sustainable growth*."
- Global automakers are planning to spend more than half a trillion dollars on **electric vehicles and batteries** through 2030, according to a *Reuters* analysis, increasing investments to lure car buyers away from fossil fuels and meeting increasingly tough decarbonization targets.
- Japan's **Subaru Corp** unveiled its first all-electric vehicle, the Solterra, the result of a two-year joint development project with **Toyota Motor Corp**.
- The Finnish government is planning a new law allowing workers to check what their colleagues are earning if they suspect they are being discriminated against, part of a bid to close the **wage gap between men and women**.

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Environment, Sustainability & Governance

The CEO of UBS called for minimum global sustainability reporting standards that apply to both public companies and private assets.

- New Zealand's Prime Minister Ardern said that the **trading group APEC** is taking steps to move the region away from reliance on fossil fuels.
- The head of the International Air Transport Association (IATA) said that airlines are set to beat an interim industry goal of about 5 percent **sustainable aviation fuel consumption** by 2030.
- An Australian court has given a Commonwealth Bank of Australia shareholder access to confidential documents to check whether the bank complied with its own **climate change policy in lending** to oil and gas projects.

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Africa

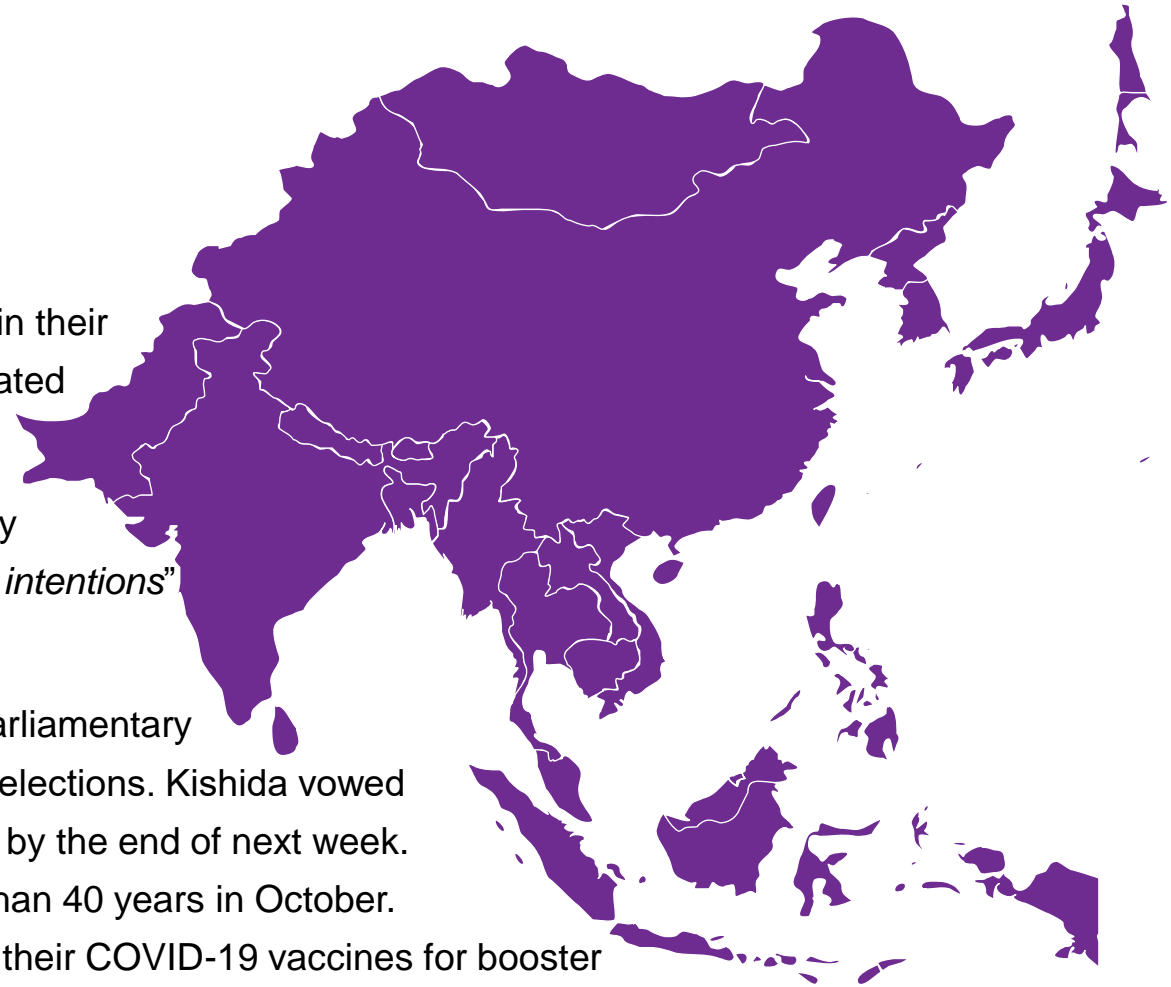
- A new Amnesty International report reports instances of rape, denial of medical care, looting and other abuses by Tigrayan forces in **Ethiopia** as they push towards Addis Ababa.
- The **Zimbabwean** government denied reports that it had plans to introduce a new currency to fight rampant inflation.
- The high-profile trial of **Nigerian** Biafran separatist leader Kanu was adjourned until January after his lead lawyer walked out in protest due to security officers denying entry to Kanu's other lawyers.



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Asia

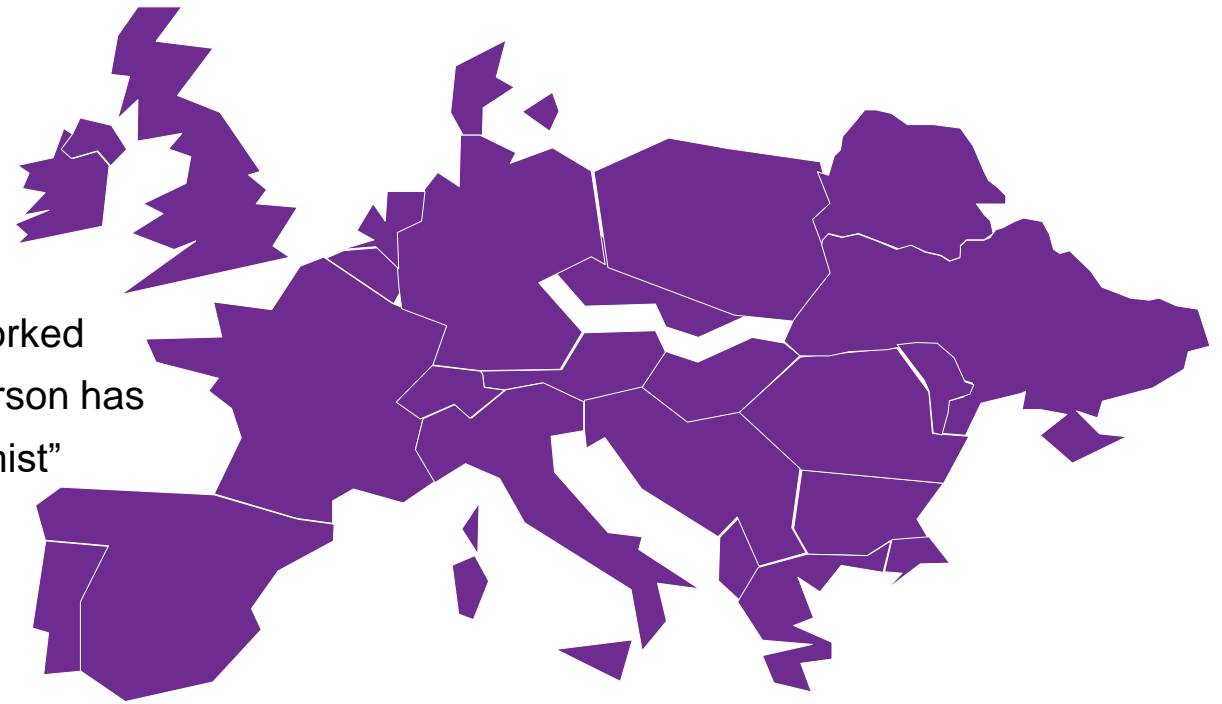
- The **US** sanctioned two **Cambodian** officials over alleged corruption in their dealing with a US-funded naval base that is increasingly being renovated for use by **China**.
- A **Thai** court ruled that three student activists who called for monarchy reform in Thailand violated the country's constitution through "*hidden intentions*" to overthrow the institution.
- **Japan's** prime minister Fumio Kishida was formally re-elected in a parliamentary vote on Wednesday, after his governing party's victory in October 31 elections. Kishida vowed to compile a pandemic stimulus package worth tens of trillions of yen by the end of next week. Producer price inflation in Japan jumped to its highest level in more than 40 years in October. Moderna Inc applied for approval from Japan's health ministry to use their COVID-19 vaccines for booster shots. About 74 percent of Japan's population has been fully vaccinated.
- **China's** top climate negotiator, Xie Zhenhua, told reporters at COP26 that Beijing had agreed to work with the **US** on climate action, including tackling methane emissions. Beijing city imposed new curbs on conferences and events to contain the spread of COVID-19.



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Europe

- A **Russian** court arrested activist Liliya Chanyшева, who worked with jailed activist Alexei Navalny, marking the first time a person has been arrested under new charges of being part of an “extremist” organization.
- Migrants stranded inside **Belarus** attacked Polish border guards with rocks and used logs to try to break down a razor wire fence overnight in new attempts to force their way into the **EU**. Belarusian President Lukashenko threatened to retaliate against any new EU sanctions, including by shutting down the transit of natural gas and goods via Belarus.
- An advisory panel of pandemic experts in the **Netherlands** recommended imposing a partial lockdown, putting pressure on the government to take drastic and unpopular action to fight a COVID-19 surge.
- The **euro zone** economy will grow faster than previously expected this year as it recovers from the pandemic-induced recession and continue to expand strongly in 2022 per a new European Commission forecast. The **EU** will extend a temporary permit allowing European banks to access **UK** clearing houses, avoiding market disruptions. The **German** Council of Economic Experts became the latest group cutting growth forecasts for Germany.



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Europe

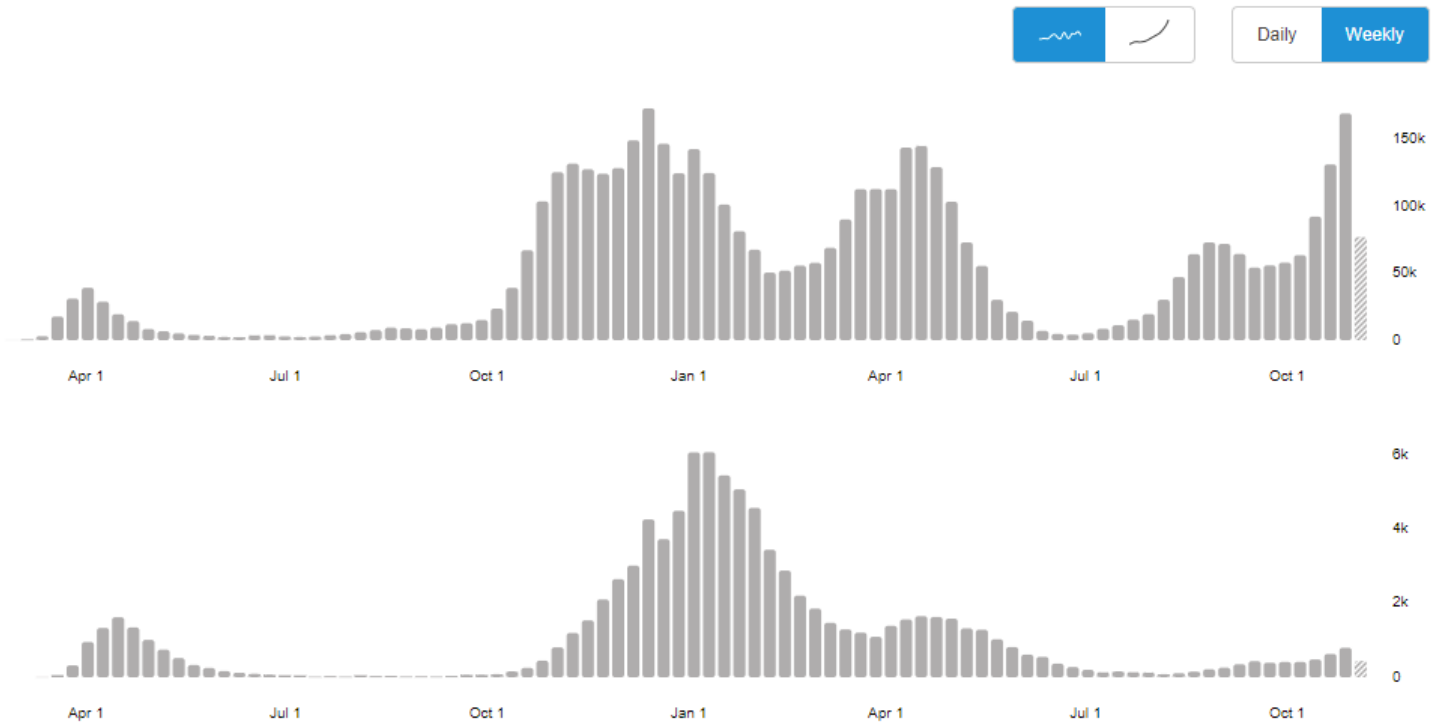
Germany reported for the fourth day in a row new daily records of new infections, as a fourth wave of COVID-19 sweeps the country.

Germany Situation

4,844,054
confirmed cases

96,963
deaths

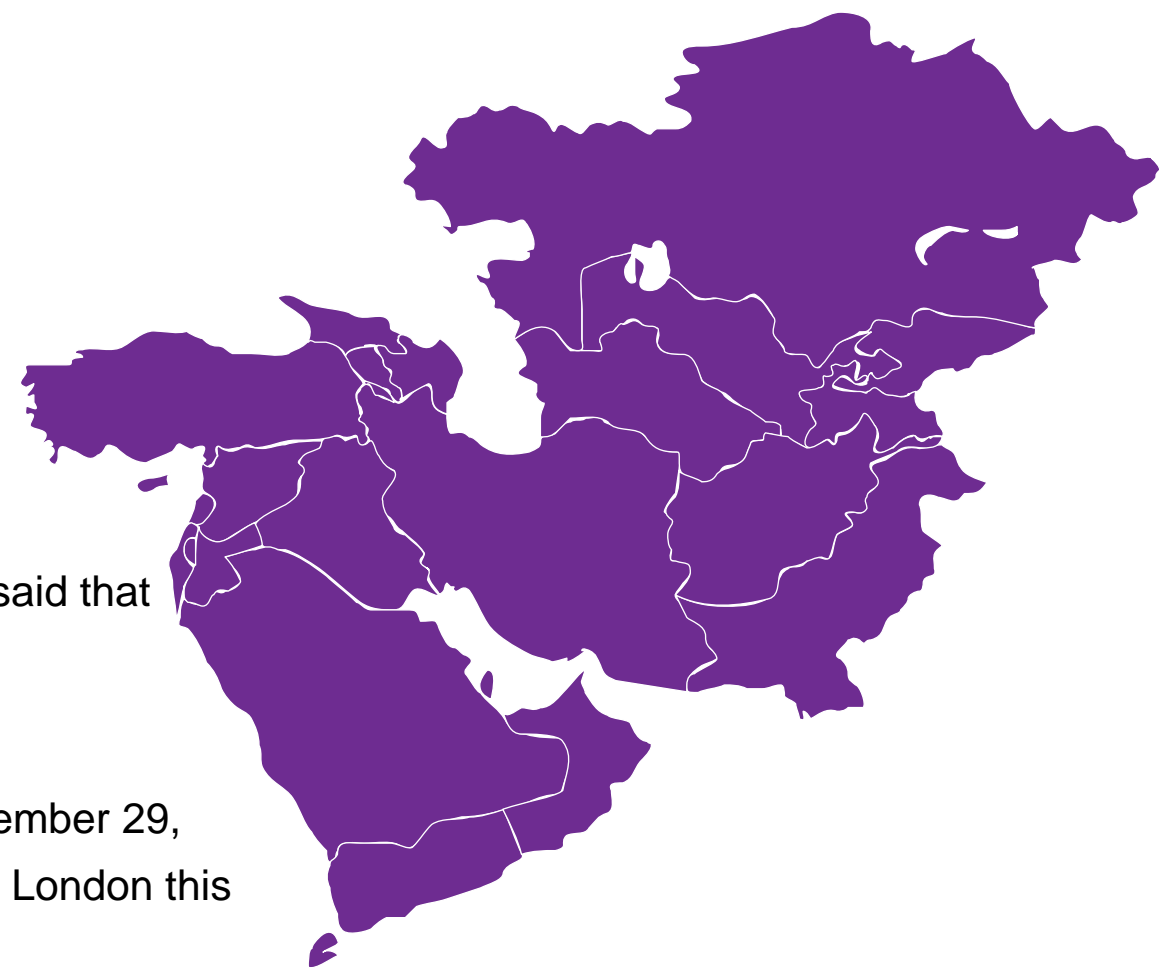
Source: World Health Organization
Data may be incomplete for the current day or week.



Source: WHO

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Middle East



- **Israel's** pandemic advisory board backed administering Pfizer/BioNTech's COVID-19 vaccine to children age 5-11, as a fourth wave of infections subsides nationwide.
- The spokesman of the **Saudi**-led coalition fighting in **Yemen** said that rumors of a Saudi military withdrawal from south Yemen were “*baseless*,” but that its troops were redeploying.
- Ahead of planned resumption of nuclear negotiations on November 29, **Iran's** chief nuclear negotiator is traveling to Paris, Berlin and London this week for preparatory talks.
- Forces from the **UAE**, **Bahrain**, **Israel** and the **US** Naval Forces Central Command (NAVCENT) began a multilateral maritime security operations exercise in the Red Sea.

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Americas

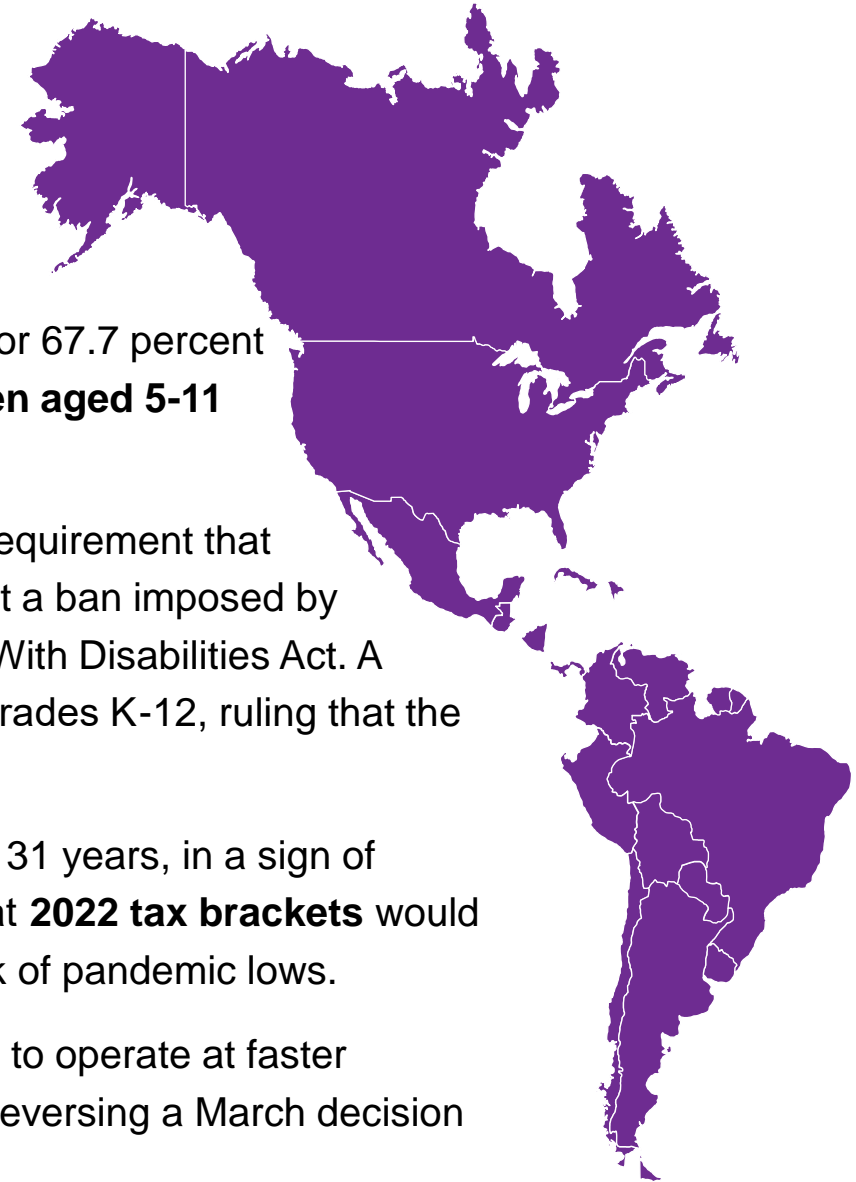
- **US** President Biden signed a bill Wednesday that calls for more serious sanctions and punitive measures against the government of **Nicaragua's** President Daniel Ortega, denouncing his re-election as “*neither free nor fair.*”
- Former Justice Minister Sergio Moro joined **Brazil's** center-right Podemos party on Wednesday, solidifying his position as a contender in 2022 presidential elections. **China's** CanSino Biologics Inc applied for emergency use authorization in Brazil for its COVID-19 vaccine.
- The **Cuban** government threatened to sue Facebook over allegations that it aided dissidents ahead of planned protests.
- Political leaders in Ontario, **Canada** have suspended a plan to lift restrictions on the number of people who can congregate in restaurants, bars and other settings, saying a cautious approach was needed with a rise in COVID-19 infections.



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Americas: US

- Across the nation, 224.7 million have received at least one dose of the **vaccine**; or 67.7 percent of the total population. The White House announced that around 900,000 **children aged 5-11** have gotten their first COVID-19 shot in the week since it was available to them.
- Ten Republican state attorneys general **sued** to stop the Biden administration's requirement that **health workers** get vaccinated against the coronavirus. A federal judge ruled that a ban imposed by Texas Gov. Greg Abbott (R) on **school mask mandates** violates the Americans With Disabilities Act. A Pennsylvania court struck down the state's mask mandate for schoolchildren in grades K-12, ruling that the acting health secretary did not have the authority to issue the requirement.
- US **consumer prices** accelerated in October to create the largest annual gain in 31 years, in a sign of inflation's persistence amid ongoing supply chain issues. The IRS announced that **2022 tax brackets** would be higher due to inflation. New **jobless claims** registered their fifth straight week of pandemic lows.
- The Department of Agriculture okayed a plan to allow US meat processing plants to operate at faster processing-line speeds for a year-long trial period to ease **supply bottlenecks**, reversing a March decision that implemented speed limits over worker safety concerns.



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Ransomware Gangs Develop New Tactics Amid Official Crackdown

By Scott Muir

In the never-ending cat-and-mouse battle between authorities and ransomware operators, ransomware gangs are developing notable new tactics to evade or retaliate against law enforcement actions. Governments around the world are currently on the offensive against cybercriminals in both the physical and virtual worlds, and the crackdowns signal that the most egregious bad actors will suffer counter-attacks and be driven out of (illicit) business.

Ransomware gangs, meanwhile, are adding advanced tactics to their collective arsenal and employing new malware variants to evade law enforcement. Now facing greater pressure, some ransomware gangs could be expected to increase attacks on certain sectors as revenge for recent crackdowns, or to extort as many victims as possible before their window of opportunity is forcibly closed by authorities.

Officials on Cyber Offensive

The US and cyber allies worldwide are escalating the war against ransomware gangs with high-profile arrests over the past couple of weeks on multiple continents. Hackers linked to REvil, the group behind several major breaches in 2021, were detained in

coordinated operations in Poland, Romania, South Korea and Kuwait, while Europol worked with local authorities in Ukraine to arrest cybercriminals linked to the FIN6 group. In the virtual domain, ransomware-as-a-service (RaaS) group BlackMatter announced its shutdown in a message that cited pressure from authorities. This follows the second shutdown of REvil after it was knocked offline in late October by international cyber allies. The US aims to gather intelligence on more disruptive offensive operations with rewards, such as an announcement last week that the State Department is offering \$10 million for information that helps bring the transnational organized crime group behind the DarkSide ransomware to justice. If this official blitz has a deterrent effect on ransomware and cybercrime in general, organizations across all sectors stand to benefit.

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How do You Manage Cyber Risks?

Today, there are more risks for cybersecurity and a wider array of threat actors capable of doing damage to organizations due to rapid advances in technology. A single cyber breach risks dealing irrevocable harm to businesses and their critical assets.

Dentons offers business leaders a full complement of counseling and advice, regulatory and litigation services, analysis and intelligence products for cyber risk management that helps them thrive in complex operating environments, including:

- ❖ organizational cyber risk assessment
- ❖ crisis management for cyber incidents
- ❖ privacy law and compromised data advice
- ❖ self-reporting, liaising with law enforcement following cyberattack
- ❖ ransomware attack guidance
- ❖ cybersecurity readiness and remediation
- ❖ cyberattack source and method identification

All interaction with Dentons is attorney-client privileged

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

Ransomware Gangs Develop New Tactics Amid Official Crackdown

Evolving Ransomware Tactics

Ransomware operators are simultaneously evolving their tactics to diminish exposure and increase the odds that ransoms are paid. Some of the most innovative new tricks in use include search engine optimization (SEO) poisoning. Carefully chosen keywords on legitimate websites are injected with a “poisoned” link out, for example, to a malicious PDF that contains ransomware or a backdoor. Depending on which business or industry is the target, cyber criminals select and inject keywords that users commonly search for and then use tools to artificially increase the search engine ranking of websites so there is more traffic to them and greater chances of success.

Another new tactic is the extortion of a victim with the FiveHands ransomware strain that threatens a distributed denial-of-service (DDoS) attack on a website if a demand is not paid. The idea is that business will be more likely to pay up if they realize that customers or clients will be unable to access their website potentially for days or weeks. Rebranding remains a top trend at present as sanctions on certain gangs and tools legally forbid ransom payments, which is bad for illicit business. For example, Evil Corp, which is under

sanction, is using the new ransomware strain Macaw Locker, which is not yet on a sanctions list, so that major companies in the US and Japan will be more likely to pay ransom.

One of the most worrisome new tactics was described in an FBI warning to the private sector last week: cybercriminals are using significant financial events, such as mergers and acquisitions, to target and leverage victim companies for ransomware infections. Capable ransomware threat actors highly likely research their targets before attacking them to gather key financial information to tailor their ransom demand and maximize their chance of receiving a payment. This often includes conducting reconnaissance of the target organization’s internal network following an initial compromise. Threat actors are aware that mergers and acquisitions are often highly time-sensitive, and that disrupting critical IT systems is highly likely to cause significant reputational and financial damage to the victim organization. The FBI noted that at least three publicly traded organizations involved in mergers and acquisitions were targeted with ransomware during their negotiations. Of the three pending mergers, two involved private negotiations.

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Organizations in the finance and insurance sector are highly likely to continue facing an elevated threat of targeting in extortive cybercriminal operations such as ransomware or distributed denial of service (DDoS) extortion attacks.

Outlook

Amid the current government crackdowns, some ransomware groups are choosing to increase attacks and demonstrate they are unafraid, such as one Russian-speaking gang that called on comrades to “start ***cking up the US public sector*” in revenge. Alternatively, some operators are restricting operations to avoid attention from law enforcement and will eventually shift to meticulously planned strikes against high value targets, rather than the outdated method of generic phishing emails sent to millions of users in the hopes of a bite. Novel ransomware tactics will continue to evolve and, in the months ahead, we may see double extortion attacks that threaten corporate reputations via the release of sensitive information in open source rather than the dark web, and that are amplified by Twitter bot networks for more damaging attention from media and the public.

The FBI shared the following mitigation techniques for ransomware, malware distribution and general malware in its early November note to private industry:

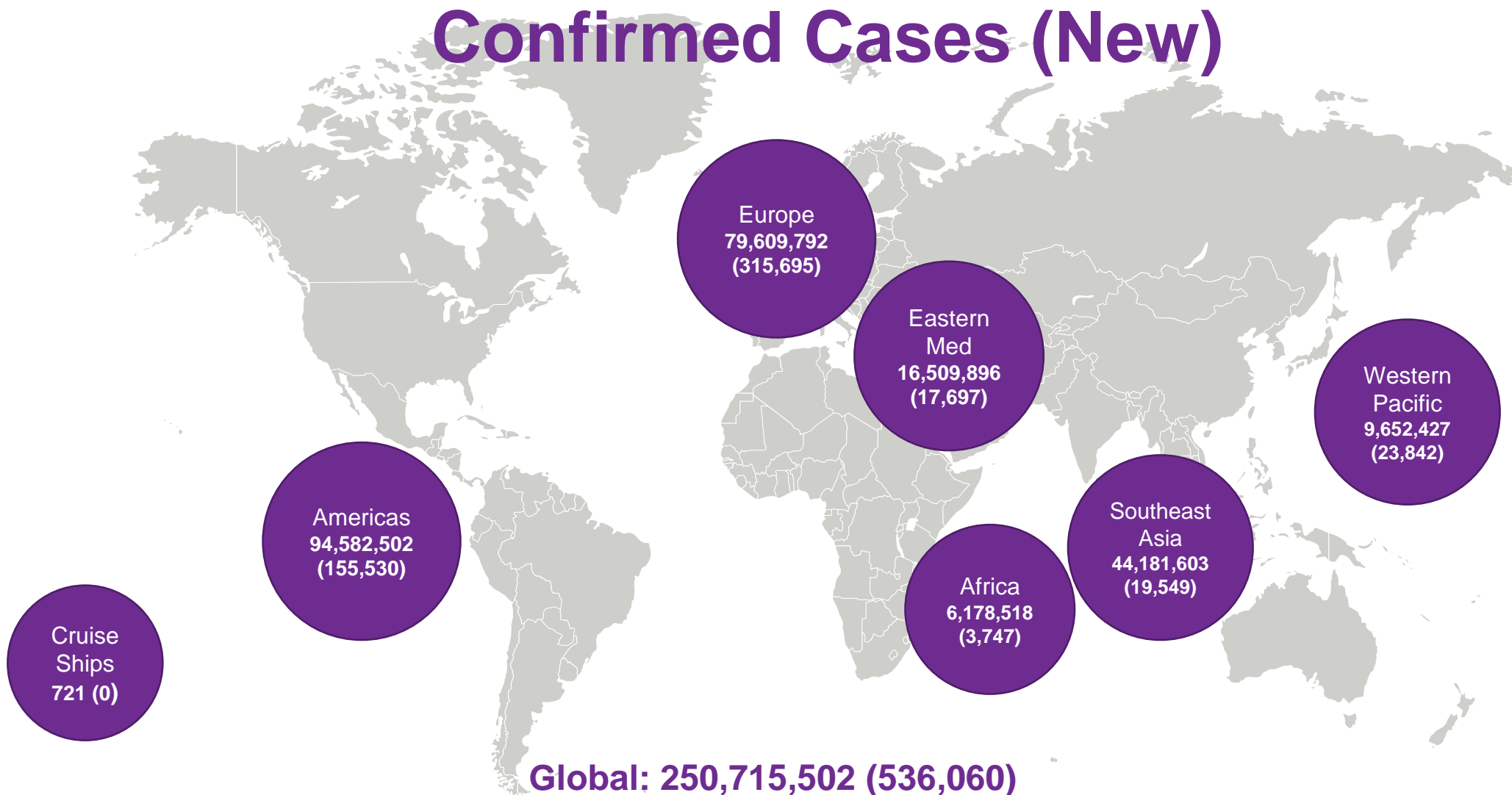
- Back-up critical data offline.
- Ensure copies of critical data are in the cloud or on an external hard drive or storage device.
- Secure your back-ups and ensure data is not accessible for modification or deletion from the system where the original data resides.
- Install and regularly update anti-virus or anti-malware software on all hosts.
- Only use secure networks and avoid using public Wi-Fi networks.
- Use two-factor authentication for user login credentials, use authenticator apps rather than email as actors may be in control of victim email accounts and do not click on unsolicited attachments or links in emails.
- Implement least privilege for file, directory, and network share permissions.

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Coronavirus Condition Updates

As of 6:38 pm CEST on November 10, 2021

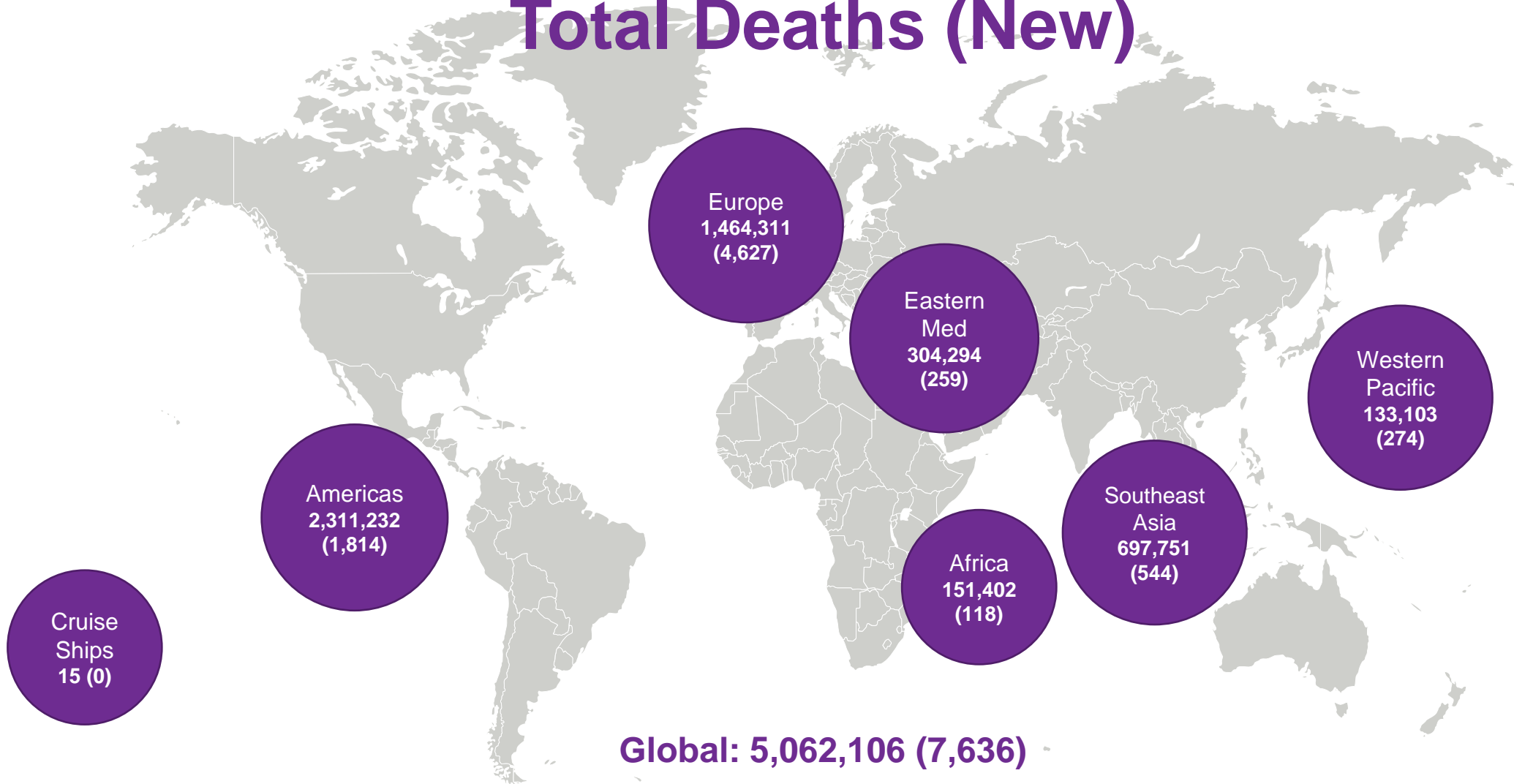
Confirmed Cases (New)



Reflects data as of 6:38 pm CEST on November 10, 2021.
Data Source: World Health Organization

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Total Deaths (New)



Reflects data as of 6:38 pm CEST on November 10, 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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