

# Dentons Flashpoint

## Daily Global Situation Report

December 2, 2021

# Global Situation Update: December 2, 2021

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## KEY TAKEAWAYS

Early South African data suggests Omicron circumvents some immunity, but that vaccines still protect against severe illness.

The Women's Tennis Association suspends all tournaments in China.

World food prices rose for a fourth straight month in November.

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# Global Situation Update: December 2, 2021

## WHAT WE'RE WATCHING

The seventh edition of the Mediterranean Dialogues is taking place in Rome, Italy today with the participation of high-level government ministers from Africa, Asia, Europe, and the Middle East, representatives of international organizations, academics, entrepreneurs as well as experts. They will draft a new “positive agenda” for the Mediterranean region and will touch on urgent issues like collective cybersecurity, migration and supply-chain resiliency.

In addition to policy discussions about diverse issues such as energy, infrastructure investment and the future of sustainable food systems, there will be proposals put forth for geopolitical challenges like Libya and Syria. The foreign ministers of Saudi Arabia and Qatar are slated to lead special conversations.



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# Global

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**Globally, confirmed coronavirus cases topped 262.1 million with 5.2 million deaths; almost 7.7 billion vaccine doses have been administered.**

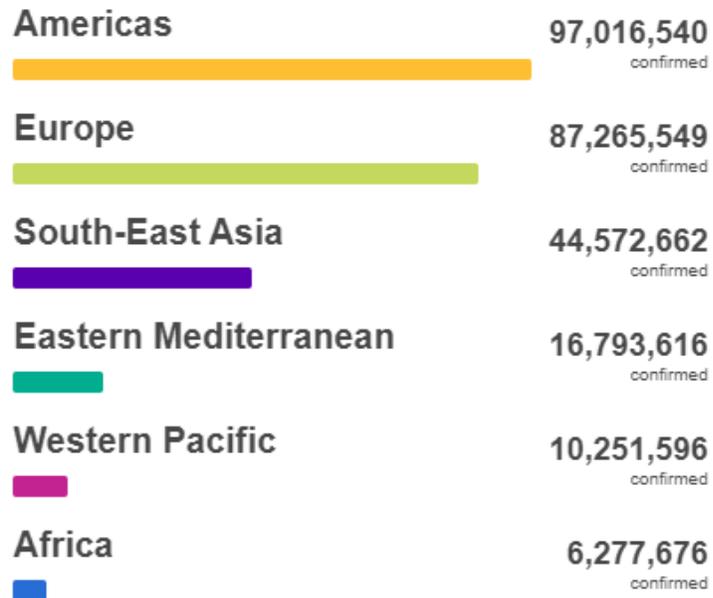
- UN Secretary-General Antonio Guterres said that **travel restrictions** imposed over COVID-19 that isolate any one country or region are "*not only deeply unfair and punitive - they are ineffective.*"
- New South African data suggests that **Omicron** circumvents some immunity but that vaccines should still protect against severe disease. Botswana's top health official said that most Omicron cases detected in the country were asymptomatic.
- GlaxoSmithKline said that a lab analysis of the **antibody-based COVID-19 therapy** it is developing with partner Vir has shown the drug is effective against the new Omicron variant.
- Clinical research reveals that roughly one in every 100 patients hospitalized with COVID-19 will likely have **central nervous system complications**. The most common finding was stroke due to clogged arteries, but the researchers also saw bleeding in the brain, inflammation of the brain, and other potentially fatal complications.
- **World food prices** rose for a fourth straight month in November to remain at 10-year highs, led by strong demand for wheat and dairy products, per the UN Food and Agriculture Organization's (FAO) food price index.

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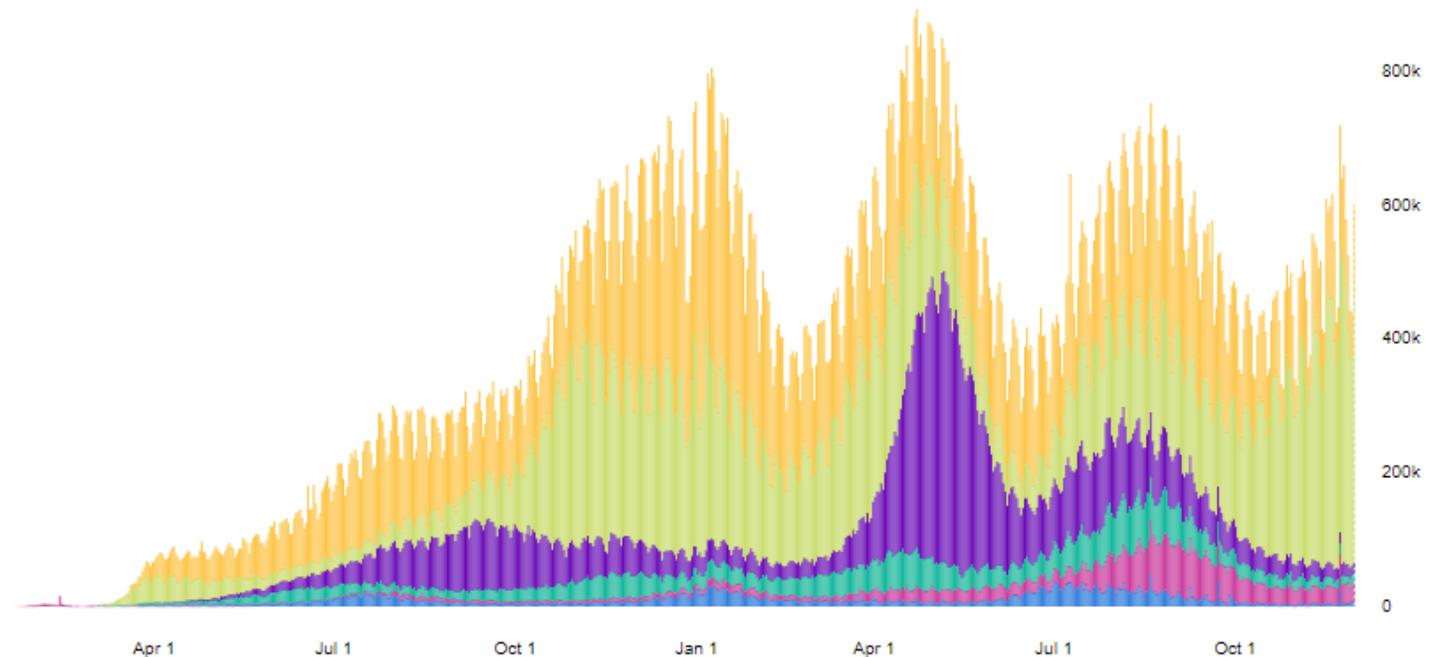
# Global

While global attention is being drawn to the risks of the Omicron variant, the Delta variant is currently walloping Europe, with new infections up last week by over 10 percent.

## Situation by WHO Region



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



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# Markets & Business

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**Planned Parenthood Los Angeles said it is investigating a cyberattack that compromised the personal information of thousands of patients.**

- **OPEC+** will meet today to decide whether to increase energy supply; while it initially appeared that the bloc would increase supply, big disruptions in the form of Omicron and a potential release from the US **Strategic Petroleum Reserve** may change the calculus. The US said that it may adjust the timing of its SPR release based on the new variant.
- British utility **SSE** and Norwegian energy company **Equinor** secured financing to proceed with the construction of the 3 billion pound (\$3.98 billion) Dogger Bank C offshore wind farm in Britain.
- **Square Inc**, the payments company, said on Wednesday that it would change its name to **Block**.
- A group of five educational publishers sued **Shopify Inc.**, claiming the e-commerce company is liable for the unauthorized school textbooks, test packs and solutions manuals sold by websites using Shopify's online tools.

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# Environment, Sustainability & Governance

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**In the US, a court battle over the legality of California's law requiring publicly held companies to include women on their boards got underway; the case will test the state's authority to address disparities in corporate power.**

- Egypt's Mansour Automotive Co. and GM agreed to study producing **electric vehicles** in the country; the plant would be Egypt's first electric vehicle plant.
- Copper mining giant Freeport-McMoRan will transition its fleet of diesel trucks and other machinery to **hydrogen power**.
- Norway's wealth fund will ask many companies in its portfolio to take more specific action on **climate change**.
- Global wind power group Iberdrola and Swedish startup H2 Green Steel plan to build a renewable hydrogen plant on the Iberian peninsula to power the production of iron used to make steel with drastically reduced **carbon emissions**.

# Africa

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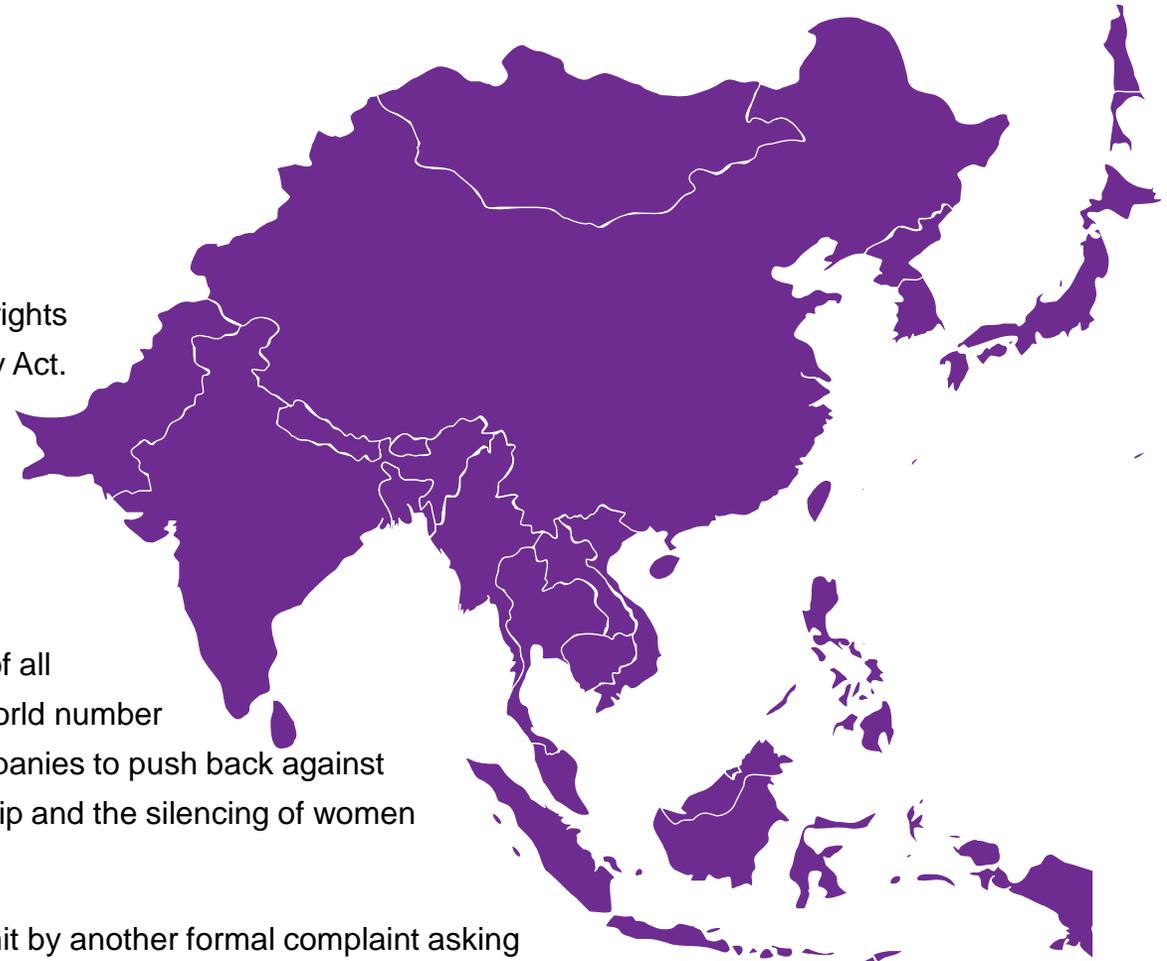
- **South African** President Ramaphosa visited **Nigeria** to make a joint call for an end to Omicron-related travel bans, which southern African leaders have called unfairly isolating and unscientific. Nigeria confirmed its first Omicron case.
- State authorities in **Nigeria** rejected a judicial report that found evidence of a massacre against protesters during last year's #EndSARS protests.
- **Ugandan** opposition leaders called for details on why the Ugandan military participated in airstrikes against jihadis in the **Democratic Republic of the Congo** without Congressional approval.
- The **Ethiopian** government reported that it had recaptured Lalibela, a UN World Heritage site, from Tigrayan rebels.



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# Asia

- **Australia** passed new rules that will make it easier to sanction accused human-rights abusers, becoming the latest country to pass a law styled after the US Magnitsky Act.
- The defense chiefs of the **US and South Korea** met for the 53rd Security Consultative Meeting, coordinating plans to deter **North Korea** and its missile development program, while reaffirmed "the importance of preserving peace and stability in the Taiwan Strait."
- The Women's Tennis Association (WTA) announced the immediate suspension of all tournaments in **China** due to concerns about the well-being of former doubles world number one Peng Shuai and the safety of other players. China called on **American** companies to push back against campaigns to boycott the Winter Olympics in Beijing, as concerns over censorship and the silencing of women by powerful officials bolsters calls for a Games boycott.
- Ferdinand Marcos Jr, the early frontrunner for the **Philippines** presidency, was hit by another formal complaint asking authorities to disqualify him from elections next year, centered on his 1995 conviction for failing to pay income tax or file tax returns while in public office from 1982 to 1985, which carries a lifetime election ban.
- **Japan** backtracked on suspension for in-bound flight bookings, saying "consideration" would be made for Japanese returnees. A **Chinese** city adjacent to **Russia** is suspending certain activities for goods transported via highway, its latest move to tighten virus curbs along borders amid its COVID-19 resurgence.

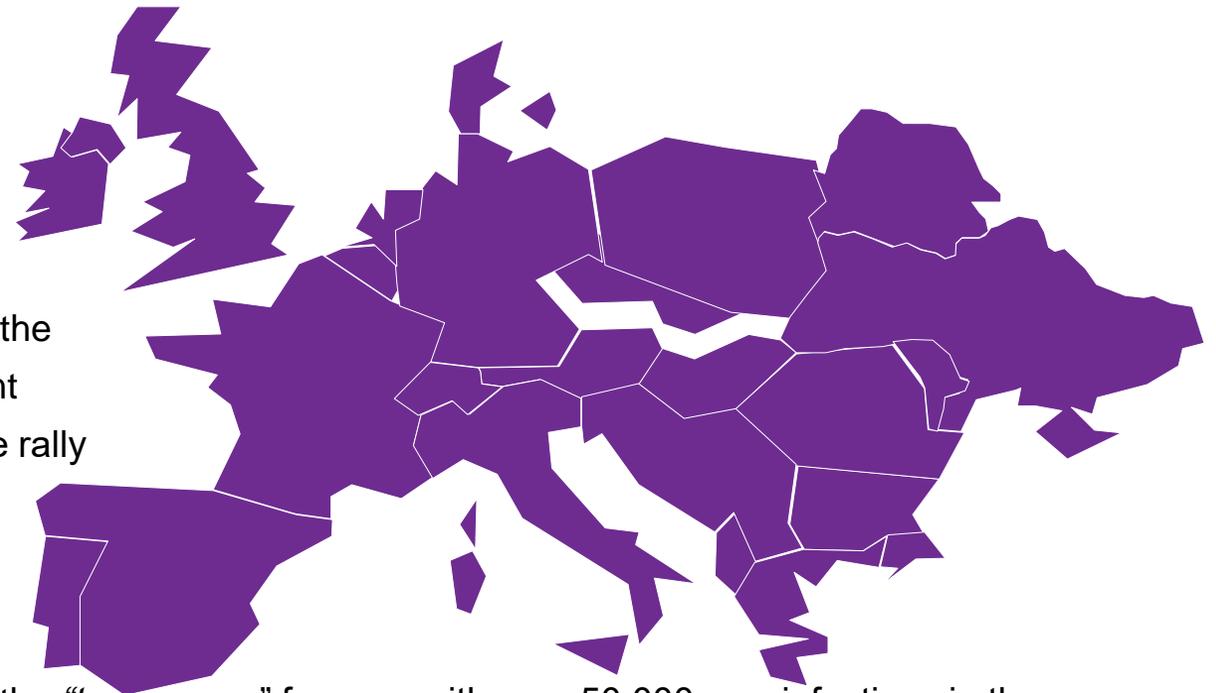


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# Europe

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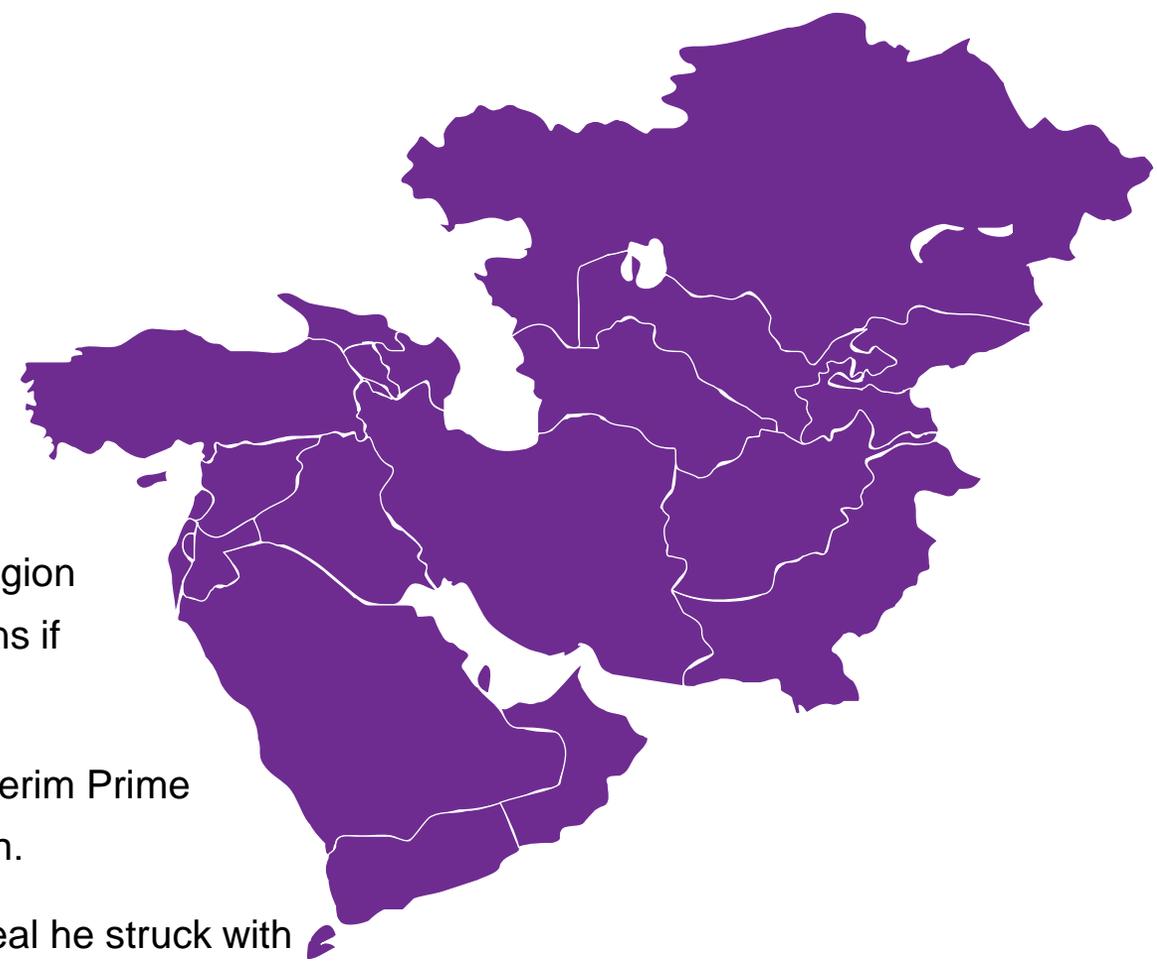
- The **Turkish** central bank said that it had intervened directly with the market apparently to ease the currency crisis caused by President Erdogan's calls for sharp monetary easing, prompting a moderate rally but raising international concern. Turkey's finance minister resigned; the technocrat has been replaced by a loyalist to President Erdogan.
- **France's** top scientific advisor warned that the Delta variant was the "true enemy" for now, with over 50,000 new infections in the last 24 hours, but the Omicron will likely become dominant by the end of January, reiterating that social distancing and a third booster shot were key weapons in the fight against COVID-19.
- An **Italian** parliamentary panel accused the **Egyptian** security apparatus of the kidnapping, torturing and murder of student Giulio Regeni in Cairo in 2016.
- Meta reported it has linked **Belarus's** main security service to fake accounts on its social media platforms that criticized **Poland** during the countries' recent border standoff. More than 40 Facebook accounts, five Groups, and four Instagram accounts posed as journalists and activists from the EU, particularly Poland and **Lithuania**.



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# Middle East

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- **Saudi Arabia and the UAE** reported their first cases of the Omicron variant. Lebanon reinstated COVID-19 precautions including an overnight curfew.
- The UN envoy to the **Israeli-Palestinian** issue warned that the region risks entering a new cycle of violent escalation amid rising tensions if quick action is not taken.
- A **Libyan** appeals court rejected two petitions ceasing to block interim Prime Minister Dbeibah from running in this month's presidential election.
- **Sudanese** sources revealed that Prime Minister Hamdok if the deal he struck with the military to reenter the government fails to receive backing from political factions.
- The UN reported that **Iran** is still enriching uranium at one of its facilities despite ongoing nuclear negotiations in Vienna; **Israel** called on world powers to halt the nuclear negotiations with Iran immediately, saying "*Iran is carrying out nuclear blackmail as a negotiating tactic.*" Iran has provided **European** powers involved in its 2015 nuclear deal two drafts on sanctions removal and nuclear commitments.

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# Americas

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- **Cuba** announced plans to update its domestic Soberana vaccine for the Omicron variant.
- Leftist **Honduran** President-elect Castro is waiting on results from two tight legislative races that will grant or deny her a slim majority in Congress.
- **Mexico's** foreign ministry announced that immigration bodies from the **US** and Mexico will establish joint operations in **Guatemala, Honduras and El Salvador** aimed at solving the root causes of immigration.
- **Mexican** industry associations said that the government has agreed to raise the minimum wage by 22 percent next year, to 260 pesos or \$12.15 a day.



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# Americas: US

- The first known **Omicron case** in the US has been identified: a fully vaccinated person in California who returned from South Africa on November 22 and tested positive seven days later. The CDC will ask airlines to disclose passenger names and other information about passengers from eight recently banned countries to local health agencies **for contact tracing** purposes.
- The level of **COVID-19 hospitalizations** rose during November, ending a two-month decline following the summer wave. Michigan, Maine, New Hampshire and Vermont — where temperatures have cooled — reported their highest average levels of patients during November. The Biden Administration will extend a requirement that people wear **masks** on airplanes, trains, buses and other modes of transportation through March 18
- The prosecutor overseeing the investigation into a mass killing at a Michigan high school this week strongly suggested she would charge the teenage suspect's parents, an unusual move but one that **gun control** advocates say is essential to combating shootings by minors.
- Climate envoy Kerry said that big **greenhouse gas** emitting countries like China, India, Russia and others must move faster to help the world avert the worst impacts of global warming. According to a National Academy of Sciences study presented to Congress, the US is the world's leading contributor **of plastic waste** and needs a national strategy to combat the issue.



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# Morocco and Israel Sign an Unprecedented Defense Cooperation Agreement

By Dan Arbell, Special Advisor to Dentons

***Last week in Rabat, Morocco's and Israel's Ministers of Defense signed a bilateral defense cooperation Memorandum of Understanding (MOU), the first of its kind between an Arab country and the Jewish state, which sets in motion a new security cooperation framework between the two countries. In addition to strengthening the bilateral relationship, the new agreement is emblematic of the strategic shift underway in the Middle East and North Africa, where, facing the specter of eventual US withdrawal, traditional US allies are investing anew in regional security structures.***

One year after Morocco and Israel signed a historic normalization agreement, which became part of the Abraham Accords, relations between the two countries are advancing on a positive trajectory. The MOU signed includes several elements: intelligence sharing, defense procurement, collaboration between the defense industries, and joint military exercises. The two sides also agreed on advancing joint defense-related projects, paving the way for greater cooperation vis-a-vis regional threats in the future.

This defense agreement adds another important layer to the developing bilateral relationship, as in the last year the two

countries have reestablished diplomatic relations, opening embassies, appointing ambassadors, enhancing economic ties, investments and trade relations, as well as launching direct flights, tourism and people-to-people exchanges. The defense MOU potentially serves as a model for other Arab countries which are part of the Abraham Accords, like the UAE and Bahrain, to follow in the coming years. The timing of the signing of the MOU was carefully planned to fall exactly on the first anniversary of the Moroccan-Israeli normalization deal and as Israeli Minister of Defense Lieutenant General (Ret.) Benny Gantz arrived in Rabat for his first official visit to Morocco.

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# Morocco and Israel Sign an Unprecedented Defense Cooperation Agreement

At the signing ceremony, Gantz and his Moroccan counterpart Abdellatif Loudiyi spoke of the importance of bilateral ties and the need to further expand and advance them for the benefit of both countries. Gantz also met separately during his visit with the Moroccan Army's Chief of Staff. Zohar Palti, the Head of the Military-Political Bureau in the Israeli Ministry of Defense, who accompanied Gantz on his trip, briefed journalists in Rabat and stated that the agreement will allow Israel to cooperate with Morocco in exercises, share information and assist Morocco in every area it may need in accordance with Israeli interests, emphasizing that the two countries have created a "strategic alliance of knowledge." Palti added it will allow the beginning of official cooperation between the two countries and the formalizing of intelligence sharing, noting the MOU will make it easier and smoother for the two defense establishments to maintain regular contacts. Other security officials who spoke under the condition of anonymity stressed that Morocco and Israel will not engage in

weapon sales but rather will focus on building a long-term connection.

In terms of cooperation, Morocco and Israel face different threats in the region. Morocco's main challenge has been the Western Sahara and the Polisario Front, in the context of growing tensions with Algeria. Israel, on the other hand, has been focused on the Iran nuclear issue and the Islamic Republic's malign activities in the region, including Iran's ballistic missile program, support for proxies (such as Hizballah in Lebanon and Hamas in Gaza) and the undermining of moderate Arab regimes. However, both countries align in investing great effort in the fight against terrorist organizations operating in the region. Iran and Hizballah, for example, are believed to be involved in the widening Moroccan-Algerian conflict. In the aftermath of the signing of the defense MOU between Morocco and Israel, Algerian President Abdelmadjid Tebboune threatened that if

# Morocco and Israel Sign an Unprecedented Defense Cooperation Agreement

any party decides to attack Algeria, it will face strong retaliation.

Undoubtedly, Morocco and Israel have taken a great leap forward in their relationship, going beyond what other normalization agreements have achieved to establish concrete military cooperation. The MOU clearly provides advantages to both sides, and, if implemented successfully, may serve as a model for others to follow. The Moroccan leadership's decision in this context is bold, considering the opposition to normalization with Israel among its neighbors and in Moroccan public opinion. The agreement also demonstrates the strategic environment in the region, which is operating under the assumption that the US will eventually scale down its security commitment to as it executes a pivot to Asia, taking the recent withdrawal from Afghanistan as a stark example. Alongside other efforts to expand the scope of the Abraham Accords, such as recent Israeli participation in US-led joint

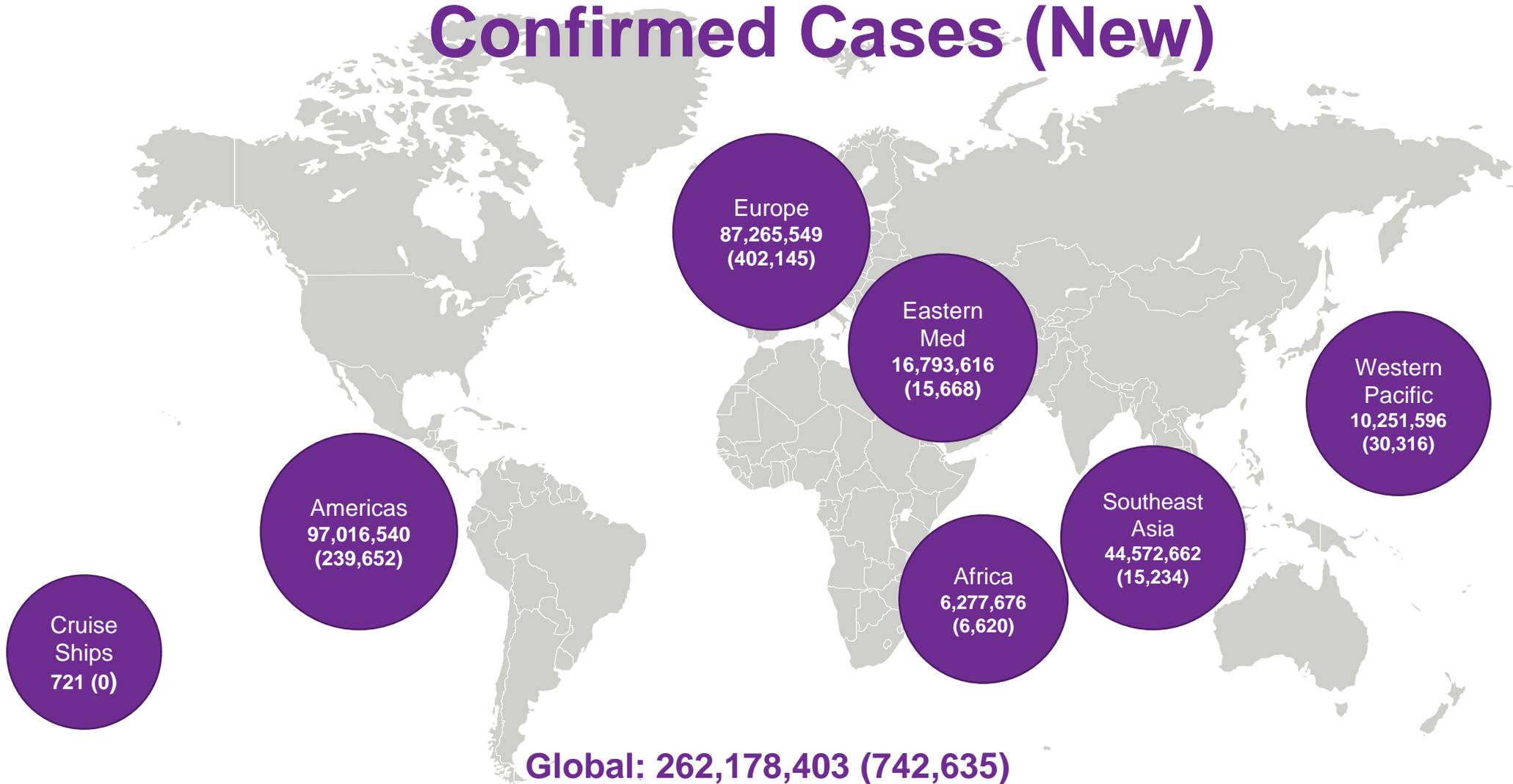
military exercises, the Israeli-Morocco defense agreement demonstrates a region adjusting to a new strategic reality.

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# Coronavirus Condition Updates

As of 6:16 pm CEST on December 1, 2021

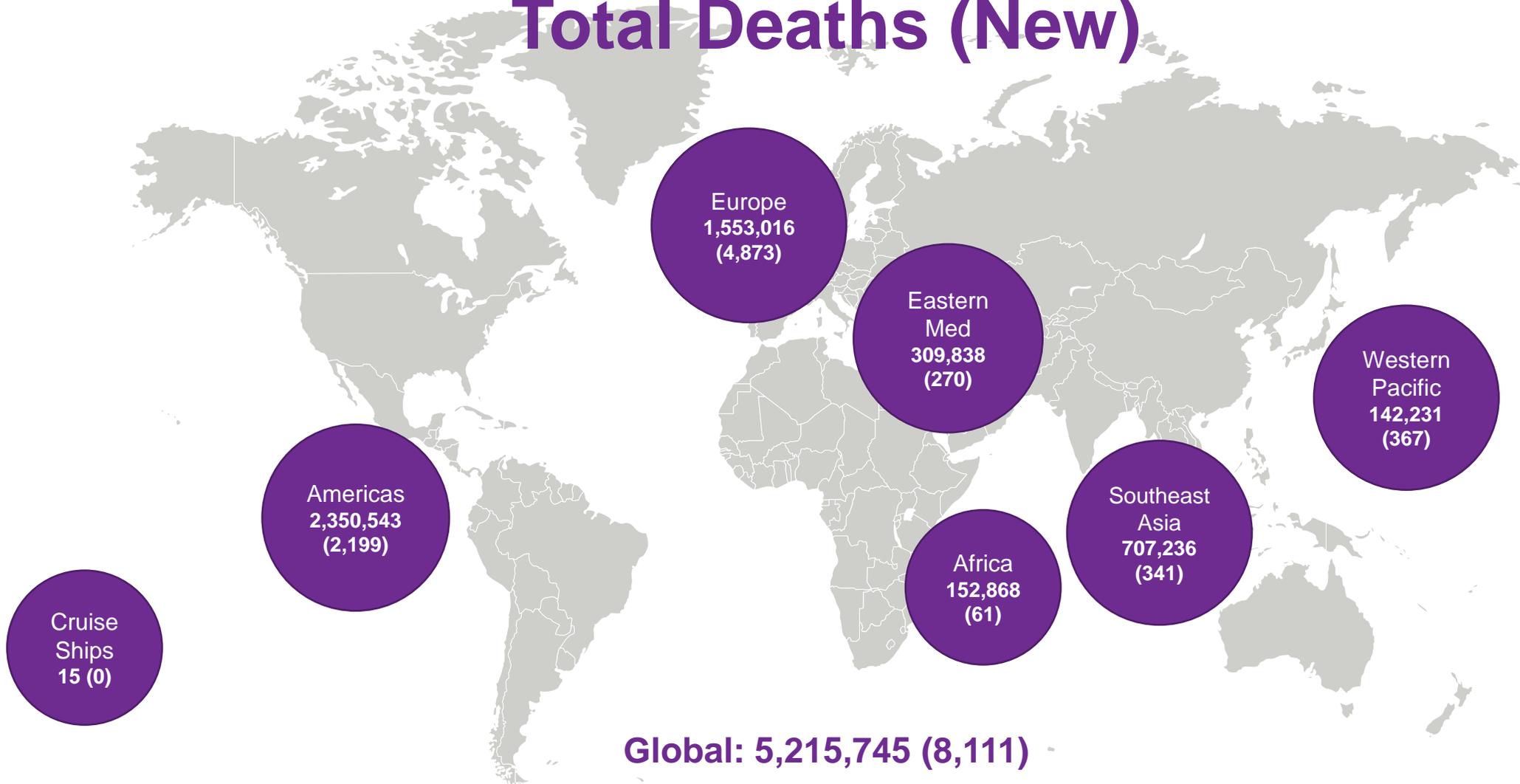
# Confirmed Cases (New)



Reflects data as of 6:16 pm CEST on December 1, 2021.  
Data Source: World Health Organization

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# Total Deaths (New)



Reflects data as of 6:16 pm CEST on December 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.*

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