

Q4, 2021

Events Driving Global Instability and Risk

Global: Omicron Variant of Covid-19 Spreading Twice as Fast as Delta in Nov-Dec 2021

- Scientists estimate that Omicron can infect three to six times as many people as Delta, over the same time period
- At least 24 countries have now reported cases of Omicron and the WHO expects that number to grow
- The threat of Omicron has prompted some of the developed nations, such as the United Kingdom, to accelerate and broaden the roll-out of COVID vaccine booster doses
- Experts have warned that the Omicron offshoot could prove more difficult to track as most countries have poor or non-existent genomic surveillance which could lead to another wave in several countries
- Several countries have imposed border restrictions out of concerns around the omicron Covid variant, which could lead to further delays in the global economic recovery following Covid-19
- Although believed to be less deadly than Delta, the volume of infections could lead to high absolute deaths and illnesses



Brazil: Amazon Sees Worst Deforestation Levels in 15 years in Nov 2021

- A report by Brazil's space research agency (Inpe) found that deforestation increased by 22% in a year, with the highest amount lost since 2006
- The stark data comes just weeks after Brazil's commitments at the COP26 summit, including a pledge to eradicate illegal deforestation by the end of this decade
- Close links have previously been uncovered between the deforestation of the Amazon and international supply chains.



Africa: Climate Change Will Melt All Glaciers in Africa by 2040 in Oct 2021

- A UN report states that all three glaciers in Africa are expected to disappear by the 2040s due to climate change
- The looming change will hamper economic growth and efforts to alleviate poverty

Afghanistan: Economic Meltdown following Taliban Takeover in Oct-Dec 2021

- Humanitarian catastrophe has been exacerbated by cash and liquidity crisis since Taliban takeover
- Hundreds of thousands of workers are owed months of salaries, hospitals are on the brink of collapse and nine out of 10 Afghans are expected to fall below the poverty line by next year
- The sharp economic decline highlights the fragility of the Afghan state despite almost two decades of US-led assistance and billions of dollars in aid

Europe: Countries Bring Back Covid Restrictions as Cases Rise in Nov-Dec 2021

- Europe becoming the global epicentre of the pandemic again with the fourth Covid wave leading several nations across Europe into a national emergency
- Countries have rushed to contain surging infections by imposing strict coronavirus curbs on the unvaccinated and nationwide lockdowns
- UK decides to keep borders open given it has one of the worst infections and death rates
- The increasingly stringent restrictions further risks denting economic recovery

Europe: Energy Security Crisis Could Worsen Poverty for Millions of People in Nov-Dec 2021

- European gas prices surged almost c.500% in the past year and are trading near record
- Combined with the COVID-19 crisis, the energy crisis could affect at least 80 million people in Europe
- The crisis in Europe presages trouble for the rest of the planet as the continent's energy shortage has governments warning of blackouts and factories being forced to shut



Russia-Ukraine: Mounting Military Tensions on Russia-Ukraine Border in Dec 2021

- Mounting military tensions on the border with Russia deploying over 120,000 troops near the Ukrainian border, including additional army, air force and naval personnel
- Reports state that Russian forces have capabilities in place to carry out a swift and immediate invasion, including erecting supply lines that could sustain a drawn-out conflict
- A conflict could result in a negative spiral in the broader relationship across the region



US-UK-Canada-Australia-China: US, UK, Canada and Australian Announce Diplomatic Boycott Beijing Olympics in Dec 2021

- US, UK, Canada and Australia have announced a diplomatic boycott of the Beijing Winter Olympics
- The move marks an escalation of pressure by the US on China over allegations of forced labour and human rights abuses in China
- China has threatened the US with retaliation over this decision warning the move could harm bilateral relations

Source: Public sources, including FT, NYT, WSJ, ET, CNN, Vox, Bloomberg

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Events Driving Global Development and Progress

Politics, Economics, Environment and Society



Environment: Glasgow Climate Pact Signed in Nov 2021

Nearly 200 nations reached a climate agreement at COP26 with an unprecedented reference to the role of fossil fuels in the climate crisis.



Environment: World Leaders Promise to End Deforestation by 2030 in Nov 2021

Leaders of more than 100 countries have agreed to end deforestation by 2030. The countries who have signed the pledge - including Canada, Brazil, Russia, China, Indonesia, the Democratic Republic of the Congo, the US and the UK - cover around 85% of the world's forests.



Economics: Dedicated ESG Investments to Reach US\$30 trillion by 2030 in Dec 2021

Assets in ESG are on track to grow from US\$8tn today to US\$30tn by the end of this decade.

Science & Technology

Healthcare: World's First Plant-Based Covid Vaccine a Step Closer to Launch in Dec 2021

The Canadian biotech Medicigo and GSK are seeking regulatory approval for the vaccine, which uses plants to express the protein and is 88% effective.



Technology: Contract Signed to Build Ariel Space Telescope in Dec 2021

A €200m (£170m) contract has been signed with European industry to build the Ariel space telescope.



Technology: Samsung to Invest US\$17bn in New Plant in Texas in Nov 2021

The new plant would make advanced chips for functions such as mobile, 5G, high-performance computing, and artificial intelligence.



Healthcare: WHO Approves World's First Malaria Vaccine:

It works against the parasite Plasmodium falciparum, which causes the most malaria cases in Africa, and looks to prevent 4 in 10 high-capacity alkaline electrolyzers in Belgium, are to jointly develop market initiatives for green hydrogen electrolyzers in India.

Technology: New Partnership to Bring Green Hydrogen to India in Aug 2021

Clean tech business Greenko ZeroC (GZC) and John Cockerill, a designer and manufacturer of high-capacity alkaline electrolyzers in Belgium, are to jointly develop market initiatives for green hydrogen electrolyzers in India.

Economics: EU's c.US\$340bn Strategy to Boost Sustainable Links Around the World in Dec 2021

The European Commission and the High Representative for Foreign Affairs and Security Policy recently launched the Global Gateway, the new European Strategy to boost smart, clean and secure links in digital, energy and transport

Healthcare: Pfizer Says Booster Shot is Promising Against Omicron in Dec 2021

Pfizer and BioNTech have said a booster jab of their coronavirus vaccine promises to be an effective defence against the new Omicron variant.

Healthcare: New Zealand To Ban Smoking for Future Generations in Dec 2021

New Zealand will ban the sale of tobacco to its next generation, in a bid to eventually phase out smoking.



Technology: NASA Launches New Mission to Explore Universe's Most Dramatic Objects in Dec 2021

This is NASA's first mission to measure the polarization of X-rays from the most extreme and mysterious objects in the universe.

Economics: Global Finance Coalition has up to US\$130 trillion Funding Committed to Hitting Net Zero in Nov 2021

The Mark Carney-led coalition of international financial companies signed up to tackle climate change has up to \$130tn of private capital committed to hitting net zero emissions targets by 2050.



Politics: Germany Announces c.US\$1.4bn in Clean Energy Commitments to India in Nov 2021

Germany recently announced new development commitments to India to support its fight against climate change.



Politics: Congress Passes US\$1.2 trillion Bipartisan Infrastructure Bill in Nov 2021

The legislation that passed aims to deliver new federal investments in America's infrastructure over five years, including money for roads, bridges, mass transit, rail, airports, ports and waterways.

Environment: More than 40 Countries Pledge to Quit Coal in Nov 2021

More than 40 countries have committed to shift away from coal, phasing out coal power in the 2030s for major economies, and the 2040s for poorer nations.

Politics: India Farmers End Protest After Government Accepts Demands in Dec 2021

Indian farmers have said they are ending a year of mass protests a week after the government agreed to abandon controversial agricultural reforms.



Economics: European Central Bank Instructs 112 Financial Institutions to Take Decisive Action to Tackle Climate Change Risks in Nov 2021

The supervisor for the biggest banks across the eurozone, has completed its first assessment of banks' preparedness to deal with increased climate and environmental risks and found that no bank under its watch was close to meeting expectations.