

Russia's Abandons Black Sea Grain Deal

On July 17, Russia's foreign ministry announced the country would leave the Black Sea Grain Deal agreement that has helped bring Ukrainian grain to the world's markets over the past year. As part of its withdrawal from the deal, Russia said it would no longer guarantee the safety of ships transiting the maritime humanitarian corridor in the Black Sea. The ministry also announced the Joint Coordination Center, which had monitored the deal's implementation from Istanbul, would be disbanded. Russia claimed it decided to leave because its demands for extending the deal had not been met. But the announcement came hours after a maritime drone strike damaged the Kerch Strait Bridge linking Russia to Crimea. The Kremlin Press Secretary Dmitry Peskov denied the incident factored into Moscow's decision. Russia's decision to leave the Black Sea Grain Deal a year after it was signed will strain its relations with Turkey and imperil Ukraine's war-torn economy as well as elevate global food prices. Back in July 2022, Russian and Ukrainian officials each signed separate agreements with Turkey and the UN that allowed the export of grain from select Ukrainian ports on the Black Sea, in exchange for a memorandum of understanding aiming to facilitate shipments of grain and fertilizers from Russia to world markets. Russia has been referring to a number of systemic problems that need to be resolved to allow the continuation of the grain deal. These include returning the Russian Agricultural Bank (Rosselkhozbank) to the SWIFT payment system; a resumption of supplies to Russia of agricultural machinery and spare parts amongst other things. Moscow's withdrawal from the grain deal will make Western countries even less likely to facilitate Russia's agricultural exports, forcing Moscow to consider unattractive military operations to stop Ukraine from exporting its own grain. The end of the grain will likely stoke fears of grain shortages and panic from grain importers, which will likely harm Russia relations with nations such as Turkey.

Dozens of PTI Members Form New Party

Fifty-seven members of former Prime Minister Imran Khan's Pakistan Tehreek-e-Insaf (PTI) party announced that they were quitting the party to form their own called Pakistan Tehreek-e-Insaf Parliamentarians. Most of the new party's members are from Khyber Pakhtunkhwa province, which has long been a PTI stronghold, including the new party's leader, Pervez Khattak, who previously served as Pakistan's defense minister and Khyber Pakhtunkhwa's chief minister. Authorities have cracked down on the PTI following violence conducted by PTI supporters after Imran Khan's May 9 arrest. The crackdown by the military authorities has seen a raft of key PTI figures quit the party and denounce the violence in recent weeks. The new party, which consists the same old personalities face an uphill struggle with internal divisions and Imran Khan's enduring popularity. Within an hour of the announcement of the new party's establishment, at least nine individuals ostensibly linked to the new party rejected reports of their supposed defections from the PTI and reiterated their loyalty to Khan.

Turkey Signs Largest Defence Deal with Saudi Arabia

Saudi Arabia agreed to buy Turkish drones, which will also include technology transfer and joint production, in the biggest defence and aviation export contract in Turkey's history. Saudi Arabia and Turkey reached this deal during a visit by Erdogan to Riyadh as part of his post-re-election Gulf Arab tour. Erdogan also travelled to Qatar and the United Arab Emirates. Erdogan won the recent election in the midst of major economic challenges, many of his own making. Such export deals give Erdogan much needed investment and finance with the Turkish economy reeling from inflation and growing national debt. For Saudi Arabia, the deal will facilitate the country's ambitions to build out its defence technology knowledge, with the added benefit of not risking disrupting U.S.-Saudi ties because Saudi Arabia will be importing weapons from Turkey, who has close political and strategic relations with the US.