

# **CHINA AND SERBIA: TRANSPORTATION INFRASTRUCTURE COOPERATION**

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## **PURPOSE OF THE PAPER**

Due to the disintegration of Yugoslavia, civil wars, sanctions, inflation, many economic problems, NATO bombardment, and relatively (un) successful economic transition and recovery, for many decades, transportation infrastructure in Serbia has not developed appropriately. For 30 years, the railway in Serbia was not modernized, regional roads were in poor condition, and the high-speed highways were not in the best shape. While working on economic recovery after 2001, Serbia slowly started to rebuild its transportation infrastructure. Funds for infrastructure projects were provided in several ways. For some of them, Serbia provided money through its budget. For others, loans were used, which were given either by international financial institutions or bilaterally negotiated with other countries. Specifically, transportation infrastructure projects (TIP) in Serbia, for which China provided loans, were negotiated with China through the China-CEEC cooperation mechanism and the Belt and Road Initiative. The paper's purpose is to explain and assess (evaluate) the cooperation between Serbia and China in the transportation field.

## **METHODOLOGY**

The author will use descriptive statistics to analyse and evaluate the results of Sino-Serbian cooperation. Previous research findings about the importance of transportation infrastructure in developing national economies will be used as well. Secondary data issued by the Serbian

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Ministry of Construction, Transport, and Infrastructure about infrastructural projects in Serbia are also used in the analysis.

## **PRACTICAL IMPLICATIONS**

Transportation infrastructure is the backbone of any economy; without proper infrastructure, an economy cannot develop. By developing its transportation infrastructure, the Serbian government is not only increasing the quality of life of its citizens but is also, at the same time, providing conditions to improve the domestic economy by enabling better conditions for enterprises and their work. By looking at the Sino-Serbian cooperation in the transportation field, we can examine the importance of those projects for the economic development of the Serbian economy.

## **FINDINGS**

Serbia is cooperating with China on TIP in two ways. The first is by using Chinese loans, and the second is by solely financing projects on which the Chinese companies are working. Since Serbia is in the process of joining the EU, the procedures and standards for building transportation infrastructure are in line with the EU regulations. Although projects with China are negotiated and done bilaterally, procedures and standards used in building transportation infrastructure are according to EU rules. The achieved results regarding TIP so far are good, with both parties respecting their responsibilities and obligations. The Serbian economy is benefiting due to improved transportation infrastructure.

## **KEYWORDS**

China, Serbia, transportation infrastructure, EU standards and procedures, results, goals.

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