

*Karolina Hermann**

Strategic Partnership of the Republic of Serbia and the People's Republic of China. The Political and Economic Implications of Cooperation From Serbia's Perspective

Abstract

The People's Republic of China, along with the United States, the European Union, and the Russian Federation, is one of the four powers seeking to increase and maintain its influence in the Republic of Serbia. Since the decision was made in 2016 to establish a bilateral strategic partnership, political and economic cooperation between Serbia and China has been steadily strengthening. This article outlines the scope and basis of the political partnership and the most significant joint investments of the two countries, which, as a result, allows for an answer to be provided to the following research question: What are the benefits and risks for the Republic of Serbia from its strategic partnership with the People's Republic of China? Thanks to the descriptive and exploratory values of this text, it is possible to conclude that strategic cooperation between Serbia and China contributes to the growth of Serbia's economic potential and is reflected in the dynamics of the Republic of Serbia's political relations with the European Union.

Keywords: Serbia, China, Cooperation, Politics, Economy

* **Karolina Hermann** – University of Warsaw, e-mail: kb.hermann@uw.edu.pl, ORCID ID: 0000-0002-9221-7922.

Introduction and Methodology

Since the dismemberment of the Socialist Federal Republic of Yugoslavia in 1992, four powers have been in constant competition for political and economic influence in the countries that emerged from its former territory, namely, the European Union, the United States, the Russian Federation, and the People's Republic of China. The Republic of Serbia is the only entity among the post-Yugoslav states to pursue a multi-vector foreign policy, cooperating in parallel with each of the above-mentioned powers which are symbolically called the “four pillars” of Serbia's foreign policy. The idea of the four pillars was presented by former Serbian president Boris Tadić during an official visit to the People's Republic of China in August 2009, while stressing Serbia's willingness to strengthen bilateral relations with China¹. However, the concept was never presented in recorded form. The idea has been perpetuated in the statements of policymakers and academic and analytical publications, in view of which its understanding and interpretation may vary from author to author. Moreover, among the strategic documents adopted to date in Serbia, not only is there no official record of the four-pillar concept, but above all there is no foreign policy concept or strategy.

As can be seen from the above, especially since 2009, Serbia is seeking to intensify its cooperation with China. In view of this, the purpose of this paper is to try to answer the research question of what the benefits and risks are for the Republic of Serbia from its strategic partnership with the People's Republic of China. Due to the limited volume of this publication, the author decided to present the partnership between the Republic of Serbia and the People's Republic of China from the perspective of the benefits and risks of this cooperation for Serbia, without a detailed analysis of the advantages and disadvantages of this partnership for China. In order to propose an answer to the research question and formulate conclusions, a descriptive method was used, and the text has an exploratory function.

An analysis of Serbian/Chinese relations is worth preceding with a brief reflection on the determinants and sources of openness and the need for cooperation. Thanks to its geographic location, the Balkan Peninsula has – for millennia – been an area at the crossroads of cultures, religions, and

¹ So far, the three leading partners in Serbia's foreign policy have been: the European Union, as a priority for Serbia, was to start EU accession negotiations (Serbia applied for membership in December 2009); the Russian Federation; and the United States. President Tadić's declaration in August 2009, naming China as a fourth partner, symbolically began a new phase of Serbian-Chinese cooperation and gave rise to the idea of the “four pillars” of Serbia's foreign policy.

the influence of successive historical powers – from the Roman Empire, the Byzantine Empire, the Ottoman Empire to Austria-Hungary and, to a lesser extent, the Union of Soviet Socialist Republics. Ethnic and cultural diversity, while enriching the region, has repeatedly been the cause of conflicts and bloody wars, resulting in the Balkans being regularly weakened in terms of economic development rate and demographic potential. The fragmentation of Socialist Federal Republic of Yugoslavia, which was an independent and prosperous state in the 1980s, and the devastating civil wars of the 1990s have resulted in the fact that, despite the passage of three decades, Serbia, which is the largest country in the region, is still struggling with problems concerning democracy, media freedom, corruption, demographic decline, the emigration of people of working age, unstable domestic political situation, a lack of trust in public authorities among the population, general social discontent along with insufficient foreign investment to assist and accelerate the development of the domestic economy.

So why has China become an attractive partner for Serbia? The political cooperation between the two countries is primarily symbolic and relates to China's non-recognition of Kosovo's independence, which is a vital interest for Serbia. At the same time, China is an attractive economic partner for Serbia mainly because of the questionably favourable terms of cooperation it offers, the unlimited financial opportunities in relation to the needs of the small Serbian state compared to China,² and the quick results of agreements not preceded by a lengthy and convoluted bureaucratic process. China is competing mainly with the European Union which, in return for investment funding, obliges local governments to abide by EU regulations, carry out reforms, and regularly report on progress made, e.g., in matters of democratisation. At the same time, the EU's budget is severely limited, especially in the framework of pre-accession assistance, and the funds the EU can assist Serbia with are not sufficient to cover the costs of, for example, modernisation and the expansion of the country's infrastructure. In view of the above, China has become a close economic and political partner for Serbia over the past two decades, and, in 2016, it also became a strategic partner.

² Taking into account only the demographic factor, one can see differences in the size and potential of the two countries. According to a World Population Review, at the beginning of 2024, Serbia had a population of about 7 million people, while Beijing alone had a population of more than 22 million people (China's population at the time was 1.42 billion).

Political Cooperation Between Serbia and China

Diplomatic relations between Serbia and China are a continuation of relations which began in 1949 between Yugoslavia and the People's Republic of China. As there were no conflict situations, nor were there contentious or controversial issues between the two states and peoples, the potential for closer cooperation was ever-present. Serbia and China decided to intensify cooperation after 2006, when Serbia gained state independence as a result of a referendum dissolving the existence of the State Union of Serbia and Montenegro.

The basis for political cooperation and the ensuing economic partnership includes the following among many documents (Ministarstvo spoljnih poslova Republike Srbije, 2024): a Framework Agreement on Economic and Technical Cooperation between the Government of the Republic of Serbia and the Government of the People's Republic of China dated 20th August 2009; an Agreement between the Government of the Republic of Serbia and the Government of the People's Republic of China on the Mutual Establishment of Cultural Centers dated 17th December 2014; a Joint Statement of the Republic of Serbia and the People's Republic of China on the Establishment of a Comprehensive Strategic Partnership dated 18th June 2016; and an Agreement between the Government of the Republic of Serbia and the Government of the People's Republic of China on the Elimination of Visas for Ordinary Passport Holders dated 5th November 2016, and an Agreement between the Government of the Republic of Serbia and the Government of the People's Republic of China on Free Trade dated 17th October 2023.

In addition to formal stipulations, an important factor that determines the political closeness between Serbia and China is mutual non-interference in the partner country's domestic politics. During the Serbian delegation's 2008 visit to China,³ Boris Tadić thanked the then Chinese Communist Party General Secretary Hu Jintao for China's non-recognition of Kosovo's independence (the Pristina parliament decreed independence in February 2008) and declared that the Tibet issue is solely a Chinese matter. President Aleksandar Vučić also stresses that he supports the One China policy, including referring in his letter to Xi Jinping to China's territorial unity and Serbia's non-recognition of the Republic of China (Vučić, 2020). That means China does not recognise Kosovo, and Serbia does not relate negatively to China's policies toward Tibet and Taiwan.

³ The visit was held on the occasion of the XXIX Summer Olympics in Beijing. Meanwhile, a meeting with Chinese entrepreneurs interested in the Serbian market was held at the Serbian Embassy in Beijing.

China's stance on Kosovo and respect for Serbia's national interest greatly strengthens bilateral relations (in contrast to Serbia's relations with the EU, which conditions Serbia's potential admission to the EU on the necessity for the government in Belgrade to recognise Kosovo's independence as a state). For Serbia, the continued recognition of Kosovo and Metohija as its integral region is a national interest that is understood and presented by the public and the authorities as a vital state priority. Also of no small importance is the fact that China (akin to Russia) is one of the five permanent members of the United Nations (UN) Security Council, and without the approval of the government in Beijing, there should be no formal UN recognition of Kosovo as a state (even though Kosovo has been under UN administration since 1999).

At the initiative of the Ministry of Foreign Affairs of the People's Republic of China, a format known as the 16 + 1 Initiative was established in 2012 to promote cooperation between China and Central and Eastern European countries in the areas of infrastructure, transportation, logistics, trade, and investment. Serbia hosted a 3rd summit under the format in 2014⁴ (at that time, an agreement was signed, among others, for the construction of the Budapest-Belgrade railroad line). It is worth noting that, at that time, the Eurozone was in crisis, which, according to Jasminka Simić, could have been an additional argument for Serbia to cooperate more intensively with China, whose currency invariably remains stable (Simić, 2015, p. 101).

President of the People's Republic of China Xi Jinping in 2013 announced the reactivation of the Silk Road in the contemporary political and economic form of the Belt and Road Initiative. The global infrastructure development strategy will enable the development of transportation routes, reduce transportation times, lower production costs and increase the GDP of the countries involved, of which there are currently more than 140. As of November 1st, 2015, the initiative has included Serbia. The Balkan Peninsula is a key part of the Initiative connecting the route from Asia to Western Europe. This is also why the value of Chinese capital there is increasing. The 16 + 1 Forum and the Belt and Road Initiative complement each other with the aim of China seeking to maximise its economic benefits.

During Xi Jinping's visit to Serbia in 2016, the Declaration on Strategic Partnership between the two countries was signed, which to this day remains a fundamental document for continuously strengthening

⁴ The 16 + 1 Initiative is now the 14 + 1 Initiative, as Lithuania (among other things, in favour of closer relations with the Republic of China) dropped out of the cooperation in 2021, followed a year later by Latvia and Estonia.

cooperation. In Serbia, achieving a strategic partnership with the world's leading economy is presented not only as a political success, but also as an opportunity for the country's rapid economic growth and competitiveness. Stefan Vladislavljev is the author of the thesis that their maintaining of Serbia's close relationship with China allows Serbian decision-makers to consolidate and maintain power, regardless of what political views they may represent (Vladislavljev, 2021, p. 3). Symbolically, this strategic partnership with China can also be seen as a counterweight to the EU's political dominance in the region. The strategic partnership is implemented, among other, through regular high-level meetings which are always accompanied by the signing of numerous agreements and annexes pledging to intensify cooperation.

In 2015, Serbian president A. Vučić attended the Fourth Summit of the 16 + 1 format in Sozhou, and, in 2023, took the opportunity to meet with Xi Jinping in Beijing during the Third Belt and Road Forum for International Cooperation. At that time, the two leaders signed a Free Trade Agreement between the countries (covering nearly 20,000 products), which, in the long term, is expected to be beneficial primarily to China, which will thus gain direct access to the European market, and reduce goods' production and transportation costs. The first part of the Agreement has been in effect since the beginning of July 2024.

In May 2024, the president of the People's Republic of China, described by one of the Serbian media broadcasters as "the leader of the free world", made an official trip to Europe, during which he visited France, Hungary,⁵ and Serbia, where he was received by President Vučić with honors. The choice of just three countries made it clear who China now regards as a de facto partner on the old continent. Jinping stayed in Serbia for two days,⁶ during which 29 more bilateral cooperation agreements were signed in the fields of health, biotechnology, and agriculture. In addition, the two countries have ongoing parliamentary cooperation. Regular meetings of

⁵ Since 2010, Hungary has been pursuing a strategy of "Opening to the East", and, like Serbia, has been a proponent of maintaining proper relations with the Russian Federation and strengthening cooperation with Turkey and Asian countries, primarily China. Hungary is currently the EU country with the most rapidly growing Chinese investments in the automotive (electric vehicles) and electromobility (Huawei Technologies) industries, among others.

⁶ The timing of Xi Jinping's visit to Serbia coincided with the 25th anniversary of the bombing of the Chinese Embassy in Belgrade by NATO forces (7th May 1999), a symbolic way to emphasise how important it is for the Chinese and Serbian peoples to remember the tragedies caused by the Allied Force operation, and thus express their reluctance to cooperate with the United States. The anniversary of the attack on the Embassy is commemorated jointly by Serbian and Chinese authorities every year.

government members are and have been held. In 2014, Serbia hosted the 3rd Summit of the 16 + 1 Initiative, within the framework of which the then-Chinese Premier Li Keqiang visited Belgrade. In 2020, Serbian Deputy Prime Minister and Foreign Minister Ivica Dacić made an appearance in the PRC on an official visit. A year later, the Minister of Foreign Affairs of the Republic of Serbia Nikola Selakovic visited Guiyang in China. Also in 2021, China's Foreign Minister Wang Yi visited Serbia on a return visit. The then-Prime Minister of Serbia Ana Brnabić attended the 6th Shanghai International Import Fair in 2023 and, during her visit, she held meetings with Xi Jinping in Beijing and Chinese Premier Li Jiang in Shanghai.

Since 2017, Serbia has had a National Coordinating Council for Cooperation with Russia and China, the work of which is headed by former Serbian President Tomislav Nikolić. The Council consists of 9 ministers and 6 members appointed by the Government. The Council is currently engaged in, among other things, the development of energy cooperation between the two countries and talks with the China Energy International Group. Indeed, Chinese entrepreneurs are interested in investing in solar, wind, and gas power plants in Serbia.⁷ At the Central and Eastern European Cooperation with China symposium in Beijing in 2023, former Serbian Foreign Minister Ivan Mrkić hailed Xi Jinping's projects as visionary and argued that "the Eurasian continent should be a single entity (...) It is commendable that the Chinese side does not condition or influence the prioritisation of countries' economic ventures" (Nacionalni savet za koordinaciju saradnje sa Ruskom Federacijom i Narodnom Republikom Kinom, 2023). Mrkić's statement is a clear argument for why it is politically and economically advantageous from Serbia's perspective to sign more agreements with China.

Economic Cooperation Between Serbia and China

The economic partnership between Serbia and China primarily takes the form of China investing sizable sums of money in the expansion of infrastructure projects in Serbia in the short term, thus increasing its economic and tourism potential, and giving the country's residents access to modern technology and an increasingly diverse and competitive labour market. For China, Serbia as a market for its products is not particularly attractive, as it is a small country, but the main mission of importance is to spread Chinese brands to the European market, thereby potentially

⁷ Thus, China is in competition with Russia, which is currently the almost-exclusive supplier of gas and oil to Serbia.

displacing American or European companies and, above all, to consolidate its position as a reliable, trustworthy, and respectful partner.

China's flagship investment is the Mihajlo Pupin Bridge in Belgrade spanning the Danube and connecting two parts of the capital, Zemun and Borča. Construction of the 1,507-metre-long road bridge and its associated road infrastructure was undertaken by the China Road and Bridge Corporation at a cost of more than \$360 million, 85% of the value of which was covered by funds borrowed from the EXIM Bank of China (Dimitrijević, 2022, p. 71). The ceremonial opening of the bridge – commonly referred to as the Bridge of Serbian-Chinese Friendship – took place in the presence of representatives of the authorities of both countries on the occasion of the Third Summit of the 16 + 1 Initiative in 2014.

Among the most significant projects resulting from Sino-Serbian and Sino-Hungarian cooperation is the construction of the Belgrade-Budapest rail route initiated in 2014 (350 km in length, of which 184 km belong to Serbia), with a target extension of the range to Piraeus in Greece.⁸ The Novi Sad/Belgrade section was commissioned in 2022, while the Hungarian section is declaratively scheduled to be ready by 2025, with the China Communications Construction Company and China Railway International Company being responsible for its construction. The rail link involving a Greek port and Central and Southern European countries is of strategic importance for the development of the Belt and Road Initiative in the region, and will improve the movement of people and goods.

Serbia is a local leader in terms of the scale and financial value of pursuing projects with China in the fields of both infrastructure and energy. The China Machinery Engineering Corporation has been involved in the modernisation and construction of a new unit at the Kostolac thermal power plant, as well as the expansion of the Drmno coal mine, for which it has taken loans from EXIM Bank totalling the equivalent of more than \$900 million (Šarić, 2016). For more than a decade (as of 2013), the work has not been completed, and there are growing doubts and questions among expert discussion on the subject in Serbia about the sense of carrying out an environmentally unfriendly, expensive, and uneconomic project. At the same time, Serbia's Ministry of Mines and Energy maintains that the expansion of the power plant and mine is crucial to the functionality of the country's energy system. China Environmental Energy Holdings and the Shenzhen Energy

⁸ The cost of the investment is close to \$2.5 billion, of which about 85% of that amount has been financed by the EXIM Bank of China in the form of a loan taken up by the Hungarian government.

Group are also involved in the expansion of the Nikola Tesla power plant in Obrenovac, the largest thermal power plant in Serbia along with the modernisation of the Radljevo open-pit mine. The cost of the investment is more than €2 billion (Dmitrijević, 2022, p. 75).

China is also interested in making investments in heavy industry. The Hesteel Group conglomerate bought out the Smederevo iron factory for 46 million euros in 2016, and, in 2018, the Zijin Group acquired 63% of the Bor Mining and Metallurgical Basin, forming Serbia's Zijin Copper DOO.⁹ Both transactions were positively received by the public, as Serbia would have been unable to maintain the plants and, were it not for Chinese investors' privatisation efforts, they would likely have been closed. China has not only invested in powerful and efficient complexes, but has also allowed them to keep thousands of Serbs employed and increased production to a record high. Gratitude for the takeover of the "Pride of Serbia", as the Smederevo steel plant is called, has been publicly expressed on several occasions by President Vučić, thanking the Chinese for the "hope brought by China, and which has become a reliable engine of development" (Ministry of Foreign Affairs of the People's Republic of China, 2022). President Jinping visited the steel plant in 2016.

Europe's first Chinese tire factory has also been established in Serbia. Linglong International Europe DOO Zrenjanin, at the time the largest foreign investment in the country (worth 800 million euros), opened in 2019. Local government officials emphasise that, thanks to the factory, the residents of the surrounding villages have been granted access to hundreds of new jobs, and that a highway would be brought to Banat which will enable further development of the region and further investments, and will also change the economic and demographic picture (Radio-televizija Vojvodine, 2023), which shows the multi-faceted benefits of building a tire factory with accompanying infrastructure. At the same time, despite the positive reviews, there are claims of mistreatment of Vietnamese and Indian workers who are employed at the factory, and the prosecutor's office in Zrenjanin has opened an investigation on suspicion of human trafficking through the factory.

Serbia and China are also cooperating on IT infrastructure. In 2019, Serbia purchased and commissioned the installation of more than 8,000 Huawei street cameras with facial recognition, but due to numerous objections from human rights organisations and incompatibility with EU regulations, the feature was not activated (Krstinowska et al., 2023,

⁹ Serbia's Zijin Copper DOO is the only producer of copper and precious metals (gold and silver) in Serbia.

p. 16). Chinese experts are also developing the idea of a smart city, which Belgrade is eventually to become.

Starting in 2018, the China International Import Expo has been held annually in China, and is dedicated to products and import partners. The presence of Serbian companies at the fair, where traders and producers showcase local wines, honeys, and cheeses among other products, is increasing every year. At the 2023 fair, Ana Brnabić, who was present there, stressed that over the previous decade, Serbian product exports to China had increased by 185% (China International Import Expo Bureau, 2024). Exhibitors are supported by the permanent representative office of the Chamber of Commerce and Industry of Serbia located in Shanghai. What is more, an expression of mutual will to further strengthen economic cooperation was the opening of the Chamber of Chinese Companies in Serbia in 2022.

Opportunities and Threats for Serbia Resulting From Its Partnership With China

Politically and economically, Serbia benefits from its partnership with China. However, at the same time, it faces many risks. From a political point of view, it is crucial that China does not interfere in the domestic politics or foreign policy priorities of partner countries. They support Serbia's territorial integrity, recognising Kosovo and Metohija as one of the country's regions rather than an independent entity. This support is invaluable from the perspective of Serbia, in whose national interest it is not to recognise Kosovo's independence. China's strong position in the system of international relations and in the UN Security Council guarantees Serbia that its position will be defended at the highest level and is undoubtedly the greatest benefit of the strategic partnership. Moreover, Serbia aspires to join the European Union. China, although the EU is its economic competitor in the region, not only does not condition its assistance on Serbia abandoning its EU integration plans, but, to the contrary, actually supports its partner's efforts. For Serbia, therefore, this is a double benefit, because it firstly receives subsidies and non-refundable financial assistance from the EU under pre-accession aid instruments, and, secondly, it can take loans from Chinese banks without fear that achieving their stated strategic goal of EU membership will be slowed or prevented because of this.

Thanks to loans and credit from Chinese banks, Serbia is developing faster, especially in terms of infrastructure networks, both road and rail. The country is becoming more attractive to tourists and, in the years

ahead, to more foreign investors. Companies and production halls opened by Chinese entrepreneurs are creating new employment opportunities and locally contributing to a rise in employment levels. The standard of living for local residents is also rising. China's investments are made quickly, and the cost of materials is not important, which makes projects efficient and effective. At the same time, investments are being made as part of the Belt and Road Initiative, so by providing credit to local authorities, China itself benefits.

Among the shortcomings of cooperation with China, first and foremost is the fact that Serbia is facing increasing difficulties in repaying further multi-million dollar loans that have been straining the state budget for decades, with the terms of the agreements being more favourable to China. Possible arbitrations are to take place in Beijing, and many of the projects that indebted countries are unable to repay the loans on are to become the property of the investors. The total amount of projects financed by loans to countries in the region from China's EXIM Export-Import Bank alone was more than 14 billion euros between 2000 and 2021, and this amount is supplemented by grants and financing from Chinese commercial banks (Krstinowska, 2022). According to data from the National Bank of Serbia, by the end of 2023, loans from China accounted for 8.4 percent of Serbia's total external debt, and from 2010 to 2023, Serbia's debt to China increased *twelvefold* (Rakić, 2023). According to analysts at the Center for Strategic and International Studies, Serbia is gradually becoming a client state to China (Conley et al., 2020). The author of this article does not fully agree with this thesis, since Serbia cooperates simultaneously with the EU, America, and Russia, and China's influence is not dominant.

Among other risks arising from Chinese investments and projects is the fact that the construction of factories or roads by Chinese companies frequently faces criticism from environmentalists.¹⁰ There are also

¹⁰ The case of Serbia's attempted lithium mining is well-known. In 2022, the Serbian government blocked the Jadar project, a project which was the brainchild of the multinational company Rio Tinto. China Aluminium International Engineering is Rio Tinto's largest shareholder. The project, whose plan was to operate Europe's largest lithium mine in Serbia, would have resulted in a potential environmental disaster. In July 2024, the Government of Serbia unblocked the Jadar project. A week later, German Chancellor Olaf Scholz and Vice-President of the European Commission Maroš Šefčovič visited Serbia, which resulted in the signing of a memorandum of understanding on a strategic partnership in the field of sustainable raw materials, batteries, and electric vehicles between Serbia and the European Union. In practice, this means consent to the extraction of lithium in Serbia and its use, among other things, for the production of batteries for electric cars in Europe. The estimated value of Serbian lithium is EUR 4 billion.

increasingly high-profile cases of Chinese managers violating labour rights and even basic human rights (primarily involving third-country nationals, such as the Vietnamese people who are employed illegally in Chinese factories in Serbia).

The impact of Serbian-Chinese relations on cooperation between Serbia and the European Union is not insignificant. Serbia was granted EU candidate status in 2012. The accession process has been progressing very slowly for more than a decade, with Serbia so far having managed to open 22 of the 35 negotiating chapters, and temporarily closing 2 of them. According to the European Commission, Serbia does not meet requirements in the areas of, *inter alia*, the rule of law or transparency in public procurement (Commission Staff Working Document, 2023, pp. 151–152). Funding investment in Serbia from the EU budget comes with a number of requirements and conditions that Serbia should fulfill in order to receive assistance from the EU. The rules of Serbia's partnership with China, however, are different. As mentioned earlier, China does not expect Serbia to make administrative reforms, to democratise, or to strive for common values, all of which encourages Serbia to have a closer partnership despite the high cost of repaying its loans.

Politically, China supports Serbia and its national interests, while the EU expects Serbia to recognise Kosovo's independence as a state. This is the primary factor that causes the positive Sino-Serbian relations to significantly hamper Serbia's relationship with the EU. The EU does not present itself as an attractive partner either politically nor economically, in view of which China is increasingly becoming the natural and pragmatic choice for Serbia.

When Serbia decided to sign a Free Trade Agreement with China, European Commission Foreign Affairs Spokesman Peter Stano stated that Serbia would have to abandon the agreement before joining the EU (Ladevac, 2023, p. 6). As a result, Serbia is not only not stopping trade with China, but is considering establishing a closer relationship with the BRICS as an alternative to cooperation with the EU. According to Serbian Deputy Prime Minister Aleksandar Vulin, "there is no place for Serbia in the EU, even if it did give up Kosovo," (Vulin, 2024)¹¹, and the BRICS

¹¹ A. Vulin stated that "BRICS does not impose any political conditions on its members or candidates for membership. To become a member of BRICS, it is not necessary to adopt laws that were written outside your country, you do not have to cede power to the NGO sector, you are not obliged to fly the flag of Ukraine in your embassy or legalise same-sex marriage. To become a member of BRICS, it is not necessary to impose sanctions on anyone or leave the management of your country's foreign policy to others". See: Vulin, 2024.

countries do not expect to give up in their own political priorities or adopt third countries as their values. Moreover, China maintains cooperation with Russia, which is also a problem for the European Union. Since the World Health Organisation declared a pandemic state in 2020 and the start of the war in Ukraine in 2022, the EU has significantly reduced its cooperation with China, and Member States that are formally members of the 16+1 and the Belt and Road Initiative (except Hungary) remain passive and are no longer continuing with any projects planned with Chinese partners. Meanwhile, Serbia is the only country in the region that did not implement sanctions against Russia after the start of the war in Ukraine in 2022, because of which it has been repeatedly admonished by EU policymakers. Serbia invariably develops its joint projects with China and Russia, as both partners allow Serbia to be a more authentic version of itself than the European Union.

Conclusions

Since the decision was made in 2016 to establish a bilateral strategic partnership, political and economic cooperation between Serbia and China has been steadily strengthening. This article outlines the scope and basis of the political partnership and the most significant joint investments of the two countries, so that the research question establishing what the advantages and risks for the Republic of Serbia are from its strategic partnership with the People's Republic of China can be answered. The advantages that arise for Serbia from its partnership with China are, first of all, China's support as regards Serbia's position on the non-recognition of Kosovo, followed by financial assistance contributing to the rapid economic development of the country and creating new jobs, thereby making the country more attractive to tourists and future investors (Chinese entrepreneurs are most interested in investments in the fields of infrastructure, industry, mining, and digitisation). Among the risks, the most significant is the risk of borrowing so much that it will lead Serbia into insolvency (Montenegro faces a similar problem, also with regard to China). Secondly, but no less importantly, are the problems of environmental devastation and disrespect for human rights at Chinese production facilities in Serbia.

And if we talk about the impact of Serbian-Chinese relations on cooperation between Serbia and the European Union, it can be said that the more effective Serbia's partnership with China is, the less interested China becomes in its relationship with the European Union. The possibility of a rapidly-developing infrastructure and of strengthening

the country's economic potential through cooperation with China is one of many reasons why Serbia is not sufficiently motivated to strive to achieve a faster pace in the EU accession process. At the same time, there is growing Euroscepticism in Serbian society caused, among other things, by unfulfilled promises from the European Union coupled with successive demands that violate Serbian national interests and preferences. Membership in the European Union, according to Serbian society, but also those in power, is not worth the sacrifices the Union expects of the state and nation. In view of this, Serbia formally and strategically pursues EU membership. However, it has practically been pursuing the idea of the “four pillars” of foreign policy by strengthening its relations with China for more than a decade.

References

- China International Import Expo Bureau (2024) *CIIE Stories. CIIE boosts Serbian trade ties with China*. Available at: <https://www.ciie.org/zbh/en/news/exhibition/official/20240510/44053.html> (Access 26.06.2024).
- Commission Staff Working Document *Serbia 2023 Report Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 2023 Communication on EU Enlargement policy Brussels* (2023) pp. 151–152. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52023SC0695> (Access 25.06.2024).
- Conley, A.H. et al. (2020) *Becoming a Chinese Client State/ The Case of Serbia*. Washington: Center for Strategic and International Studies.
- Dimitrijević, D. (2022) “Chinese Investments in Serbia – A Joint Pledge for the Future of the New Silk Road”, *Baltic Journal of European Studies*. Vol. 7(1), p. 71. DOI: 10.1515/bjes-2017-0005.
- Krstinovska, A. et al. (2023) *China's Influence on the Western Balkans' EU Accession Process: Synergies and Obstacles*. Skopje: Konrad-Adenauer-Foundation, p. 16.
- Krstinovska, A. (2022) *China's Aid in the Western Balkans: Supporting Development, Undermining Good Governance*. Prague: Association for International Affairs.
- Lađevac, I. (2023) “Serbia political briefing: Free Trade Agreement with the People's Republic of China”, *China CEE-Institute*. Vol. 66(1) (RS), p. 6.
- Ministry of Foreign Affairs of the People's Republic of China (2022) *Steel Plant: Source of Happiness for a City – A Model Project of the Belt and Road*

- Initiative*. Available at: https://www.fmprc.gov.cn/eng/topics_665678/zggcddwjw100ggs/xsd/202208/t20220830_10757702.html (Access 25.06.2024).
- Ministarstvo spoljnih poslova Republike Srbije (2024) *Bilateralni odnosi*. Available at: <https://www.mfa.gov.rs/lat/spoljna-politika/bilateralna-saradnja/kina> (Access 23.06.2024).
- Nacionalni savet za koordinaciju saradnie sa Ruskom Federacijom i Narodnom Republikom Kinom (2023) *Obraćanje člana Nacionalnog saveta g. Mrkića na simpozijumu "Sarandja Centralne i Istocne Evrope sa Kinom"*, u Pekingu 01.11.2023. Available at: <https://www.knsrk.gov.rs/a0194.php> (Access 24.06.2024).
- Radio-televizija Vojvodine (2023) *Fabrika guma u Zrenjaninu bitna za ekonomski razvoj Banata ali i cele Srbije*. Available at: https://www.rtv.rs/sr_lat/vojvodina/banat/fabrika-guma-u-zrenjaninu-bitna-za-ekonomski-razvoj-banata-ali-i-cele-srbije_1419599.html (Access 25.06.2024).
- Rakić, S. (2023) *Serbia's debt toward China grew twelve times in last ten years*. Available at: <https://www.serbianmonitor.com/en/serbias-debt-toward-china-grew-twelve-times-in-last-ten-years/> (Access 27.06.2024).
- Simić, J. (2015) "Evropska unija i nove mogućnosti Zapadnog Balkana", *Međunarodna politika*. No. 1158–1159, p. 101.
- Šarić, M. (2016) *Kostolac: Kineski kredit, srpsko kršenje pravila*. Available at: <https://www.cins.rs/kostolac-kineski-kredit-srpsko-kršenje-pravila/> (Access 24.06.2024).
- Vučić, A. (2020) *Letter to the President of the People's Republic of China*. Available at: <https://www.predsednik.rs/en/press-center/news/letter-to-the-president-of-the-peoples-republic-of-china> (Access 23.06.2024).
- Vladislavljev, S. (2021) "Steel Friendship" – *Forging of the Perception of China by the Serbian Political Elite*. Prague: The Prague Security Studies Institute, p. 3.
- Vulin, A. (2024) *BRIKS je nada*. Available at: <https://www.politika.rs/sr/clanak/620094/BRIKS-je-nada> (Access 26.06.2024).