
Economic cooperation of the Republic of Serbia and the People's Republic of China

Summary: In the past decade, the cooperation between Serbia and China has become a key factor in the economic development of our country. Serbia is the first country in Central and Eastern Europe to establish a strategic partnership with China in 2009. A special momentum has been recorded since 2013, while in 2016 this was raised to the level of comprehensive strategic partnership, which represents the backbone of our extremely successful cooperation. The rise of bilateral relations, as China is currently one of the most important economic partners of Serbia, measured both by the volume of commodity exchange and the value of Serbian exports, as well as by the value of investments and joint projects, has been significantly contributed to by the steel friendship of the two countries and strong political support at the highest level by the President of the Republic of Serbia Aleksandar Vučić and the President of the People's Republic of China Xi Jinping.

Keywords: People's Republic of China, economic cooperation, foreign direct investments, Chinese companies

The research subject of this paper is a versatile analysis of the bilateral economic cooperation of the Republic of Serbia with the People's Republic of China, particularly from the moment of establishing the strategic partnership of the two countries. The aim of the paper is to examine the volume, structure and dynamics of the bilateral economic cooperation of the Republic of Serbia with the People's Republic of China and to point to the developmental impacts of the rapid growth of this cooperation. For that purpose, adequate measures

of the descriptive statistical analysis were used, including the graphic presentation of data and statistical index for measuring the structure and dynamics of the analyzed phenomena trends.

Introduction

At the same time, the cooperation between Serbia and China proceeds intensively in multilateral and plurilateral forums of cooperation, especially within the Chinese initiative of the new silk road – “Belt

[1] sinisa.mali@mfin.gov.rs

and Road” from 2013, as well as through the China–CEEC mechanism. For the purpose of further improvement of the cooperation between Serbia and China, in October 2023 a strategic document was signed – the Medium-Term Action Plan for the joint construction of the “Belt and Road” initiative for the period 2023-2025. These initiatives and forums open up the possibility for the development of the economic cooperation on a large scale of different areas and for further strengthening of the comprehensive strategic partnership.

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Chinese investments in Serbia had a strong growth in the previous period, while from 2010 to the end of Q3 2023 they have amounted to EUR 4.76 billion. In the period since 2012, when the share of Chinese foreign direct investments in Serbia was only 0.1%, with the total realized FDI inflow of EUR 1.3 million, in only ten years China was ranked in the first place by foreign direct investments in Serbia, by investing EUR 640.4 million in 2021. In 2022, China invested as many as EUR 1.4 billion in Serbia, which accounts for one third of the total foreign direct investments in Serbia during that year. Chinese investments, besides being concentrated on car industry, energy and mining, metalworking industry and electrical industry and employing directly almost 30 thousand people, they are evenly distributed in the region, which significantly contributes to the regional economic development.

The commodity exchange increased concurrently with the growth of Chinese investments in Serbia and the implementation of joint infrastructural projects. The total value of the commodity exchange in the period 2012-2022 increased by 4.5 times. At the same time, Serbia’s exports to

China went up by as many as 187.5 times, i.e., from USD 6.4 million in 2012, in the past ten years it has reached the amount of USD 1.2 billion in 2022. For several years to date, three largest exporters from Serbia to the world have been the Chinese companies Serbia Zijin Copper, Serbia Zijin Mining and HBIS Group Steel. The recently signed Free Trade Agreement between Serbia and PR China, after entering into force, will give an additional momentum to the improvement of the economic cooperation, increasing the competitiveness of the Serbian economy, Serbian exports, production and employment, inclusion of Serbian companies in Chinese and international chains of supply, as well as to increasing joint investments.

Moreover, re-opening of the direct airline of the company “Air Serbia” with China in 2022 contributed further to the improvement of the economic cooperation, as well as encouraged tourist exchange of these two countries.

Global environment and economic results

The bilateral economic cooperation of Serbia and China is being strengthened in a rather unstable global environment, characterized by uncertainty in the further development of geopolitical circumstances, the situation in the energy sector and growth perspectives of the most important economic partners, as well as the increasing inflation pressures and stricter conditions in the international financial market. However, regardless of all these, both countries are achieving good economic results (MoF, 2023a, MoF 2024).

Thanks to the results achieved in the previous period, the Republic of Serbia has shown its readiness for adequate and timely reaction in order to alleviate and remove economic consequences of the coronavirus pandemic. In that context, an extensive package of support to economy and citizens was elaborated and successfully implemented. It is important to emphasize that the economy of the Republic of Serbia did not suffer substantial damage and shocks as those more powerful economies did. The life standard of Serbian citizens has been preserved, while the unemployment rate is at the same level as before the outbreak of the coronavirus pandemic, with the concurrent continued growth of the available income of population and preserved economic capacities. At the same time, the Republic of Serbia was among the first countries to provide mass vaccination to its citizens, as well as rapid and efficient suppression of the pandemic. In this context, it is also necessary to stress the importance of the selfless help and support given to the Republic of Serbia by PR China in these challenging times.

The period of Serbian economy restructuring towards reducing external and internal imbalances is best described by the data about the decreased deficit of the current balance of payments, which was reduced from 10.9% GDP in 2012 to 6.9% GDP in 2019 and to below 2.6% GDP in 2023 (Mof, 2023a, MoF 2024). Moreover, inflation was also reduced by the responsible fiscal and monetary policy, so that in the period 2015–2023 the average annual inflation growth was 4.4%, which is comparable to the EU member states (Mof, 2023a, MoF 2024). The investments have proved to be the crucial factor for “unlocking” the growth process. The investment level in Serbia in 2023 is estimated to have

exceeded 23% GDP (Mof, 2023a, MoF 2024). These are primarily investments in the exchange sector of economy, such as manufacturing industry, because they ensure international competitiveness of economy, and thus sustainable economic growth. Among five economies of the Western Balkans as non-EU countries, about 60% FDI inflow came to Serbia (Mof, 2023a, MoF 2024). It led to the expansion of the economy's export capacities, and thus the share of the exports of goods and services in GDP rose from 35.8% in 2012 to 59.8% in 2023 (Mof, 2023a, MoF 2024). Positive economic trends resulted in significant improvements in the labour market. The unemployment rate has been rapidly reduced in the past ten years, and in 2023 it was 9.5%, which is at the same time one of the best results in the region (Mof, 2023a, MoF 2024).

After ten years we may proudly analyze the achieved results, but also plan future steps. Serbia is positioned as the leader in the region, with one of the most rapid rates of economic growth in Europe. Maintaining macroeconomic stability and improved economic perspectives have regained the trust of the investors, reduced the risk premium and increased the credit rating of Serbia. In 2015, this resulted in the initiation of the investment cycle which will change the image of Serbia in the future period and create foundations for strong economic growth in the future.

The investment cycle initiated in 2015 had a significant impact on economic growth until the outbreak of the global pandemic and the energy crisis. In the five-year period, from 2015 to 2019, the actual growth of fixed investments amounted to 63.9%, and their share in GDP went up from 15.9% GDP in 2014 to 22.5% in 2019 (Mof, 2023a). During

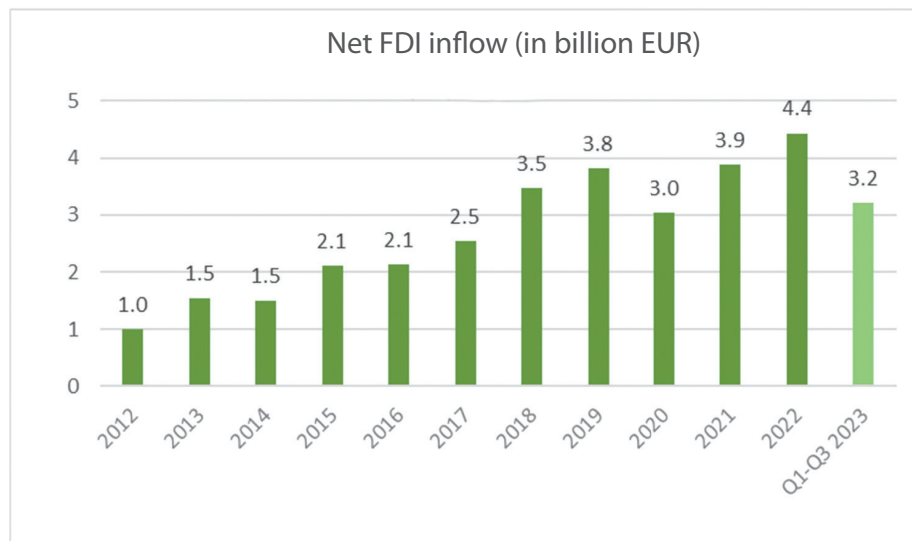


Chart 1. Net inflow of foreign direct investments to the Republic of Serbia from 2012 to Q3 2023

Source: NBS

that period, foreign direct investments amounted to EUR 14.1 billion, out of which EUR 4.1 billion was invested in manufacturing industry, EUR 1.8 billion in the financial sector, EUR 2.3 billion in construction business, EUR 1.2 billion in trade, EUR 1.4 billion in traffic, EUR 0.8 billion in real estate, etc. (Mof, 2023a).

Stability has become the new reality in Serbia, which has been confirmed by different international institutions. Investors, financial institutions and credit agencies rate Serbia as a country that successfully responds to various challenges from the international environment. Serbia has achieved impressive economic results thanks to its adequate economic policy, by supporting strong economic growth, low inflation and public debt reduction.

Increased income, employment growth and improvement of the standard of living are the evident results of this policy. According to the data of the National Bank of Serbia, foreign exchange reserves and inflows from foreign direct investments reach record levels. Good macroeconomic foundations led to the increasing credit rating of Serbia twice in the long run, despite the crises from the international environment, and its credit rating is now one step from the investment credit rating.

Although 2023 was a challenging year because of the global circumstances, Serbia showed significant resilience. The world still felt the consequences of the coronavirus pandemic and the energy crisis in Europe, which was followed by strong geopolitical tensions, the conflicts in Ukraine and

in the Middle East, which caused huge energetic uncertainty, high global inflation and substantial worsening of the economic growth prospects at the global level. Despite great uncertainty, Serbian economy proved to be quite resilient, which was reflected, first of all, in the maintained macroeconomic stability, with favourable prospects for economic growth and the preserved status of Serbia as a desirable investment destination.

Thanks to the adequate economic policy, in challenging international circumstances, economy growth of 12.2% was achieved in the period 2020-2023 (MoF, 2023a). According to the official statistical data, the year of 2023 witnessed the increasing gross domestic product of 2.5% thanks to the service sector, primarily the preserved labour market, as well as increased production capacities in industry, because in the previous years, we applied responsible economic policy to make Serbia an attractive investment destination (MoF, 2024). This is best corroborated by the NBS data about the realized foreign direct investment inflow amounting to EUR 4.5 billion in 2023 (NBS, 2024b). Furthermore, the greatest growth was achieved by the energy sector, agriculture and construction, thanks to the intensified realization of infrastructural projects. In the labour market, favourable trends continued and, in the form of further employment growth, unemployment reduction was accompanied with the actual growth of earnings. The average salary was nominally increased by 14.8% in 2023, while the actual increase in earnings was 2.4% and accompanied the actual growth of overall economy (MoF, 2024). Assuming that the decrease in global inflation pressures and the recovery of the Euro-zone will occur, and also due to the expected further acceleration of

the realization of the planned investment projects in the field of traffic, energy and public utility infrastructure, the Ministry of Finance anticipates the accelerated growth of the gross domestic product to 3.5% in 2024 (MoF, 2023a). An important growth factor will be personal consumption as a result of the higher standard of the population, as well as investments in fixed funds which increase the production potential and overall factor productivity.

In the period from 2020 to 2023, marked by strong external shocks, foreign direct investments in the amount of EUR 15.9 billion were directed to Serbia, half of which was invested in the production and export-oriented sectors (MoF, 2023a). By activating new production capacities, new workplaces have been created and the level of earnings has been raised, while the growing budget income has ensured stable and unobstructed functioning of education, healthcare, security sector and other state functions.

“In the past fifteen years, China has been the main motor of the world's economy growth, contributing with 35% to the nominal growth of the world's GDP” (Prasad, 2023). Since 2010 China has been the second economy in the world as the largest producer and exporter, and the second largest importer, while it also has the largest foreign exchange reserves (Prasad, 2023).

Despite the unstable global environment, in 2022 China achieved the growth of GDP of 3%, and in 2023 it exceeded the projected growth of 5%, achieving the growth of GDP of 5.2% (EC, 2023).

The scope of China's foreign trade exchange with the world exceeded USD 5.8 thousand billion in 2023, which strengthened China's position as the largest foreign trade partner at the global level

for seven consecutive years, while the international market share of Chinese exports is expected to remain stable at 14% (SCIO, 2024). China’s commodity exchange with the countries within the “Belt and Road” initiative had an increase of 2.8% in 2023 as compared to 2022, with the share of 46.6% in China’s total foreign trade exchange (SCIO, 2024). China’s largest trade partners include ASEAN, the EU and the USA (SCIO, 2024). In the conditions of an uncertain global climate, China has begun improving foreign trade through the application of new models and it invests further efforts to attract foreign investments and the realization of new projects (SCIO, 2024).

Bilateral economic cooperation

The bilateral economic cooperation is constantly on the rise. China is one of the most important economic partners of Serbia worldwide, and certainly the most important partner in Asia, both by the volume of commodity exchange and the volume of Serbian exports, and by the value of investments (RZS 2024a, NBS, 2024a).

The commodity exchange between Serbia and China has had a trend of constant growth in the past ten years, both in terms of exports and imports. The total value of the commodity exchange

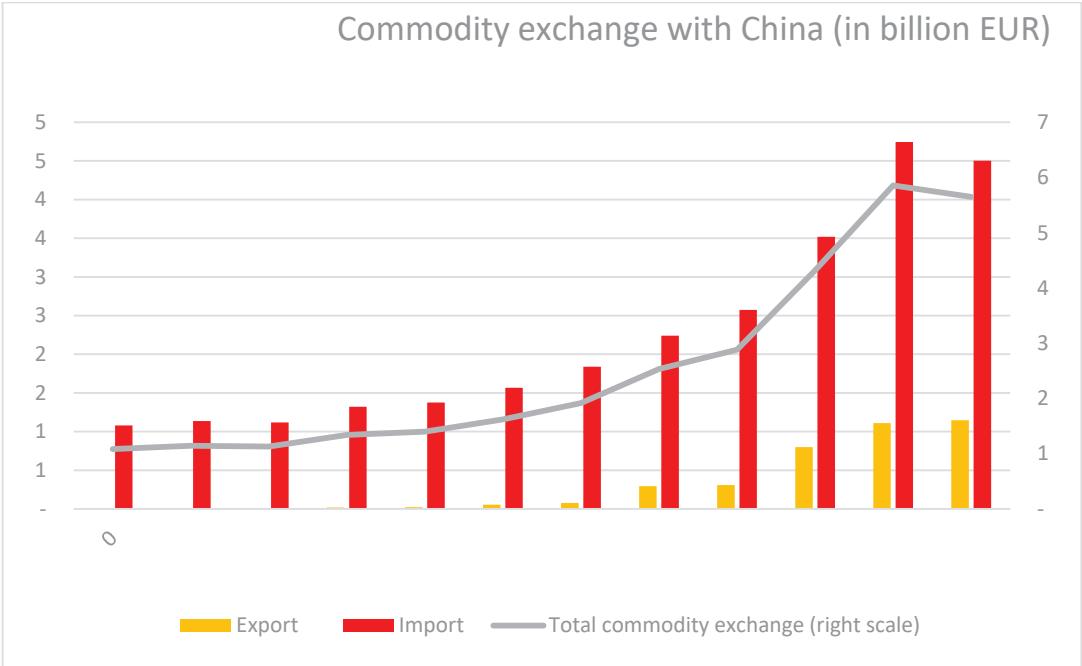


Chart 2. Commodity exchange between the Republic of Serbia and PR China in the period 2012–2023 in billion EUR
Source: RZS

in the period from 2012 to 2022 has increased by 4.5 times (RZS, 2024a). At the same time, Serbia's exports to China have increased as many as 187.5 times, i.e., from USD 6.4 million in 2012, in only ten years it reached the amount of USD 1.2 billion in 2022. (RZS, 2024a).

In 2023, China was our second largest foreign trade partner in the world with the realized EUR 5.6 billion of foreign trade exchange, out of which EUR 1.2 billion accounted for our exports to China (increase of 4.1% as compared to the previous year) and EUR 4.5 billion accounted for our imports from China (decrease of 4.9%) (RZS, 2024a).

If we exempt the EU member-states and CEF-TA members from the list of the most important export markets for Serbia in 2023 as our traditional export markets, in the remainder of the world the exports to the Chinese markets were the largest; thus, in 2022 China was in the ninth place on the list of our most important export markets, while in 2023 it rose to the seventh place (RZS, 2024a). In the structure of our exports to China, copper ore and concentrates, and refined copper were predominant (about 90% of exports, or, more precisely, these products accounted for 92.3% of exports in 2023), followed by simply processed wood and electrical devices for circuits etc., while the structure of the goods imported from China is much more diverse – telecommunication equipment, AOP machines and units, electrical machines and devices, electrical devices for circuits etc. (RZS 2024a, MoF, 2024).

The commodity exchange increased concurrently with the growth of Chinese investments in Serbia, as well as with the implementation of joint infrastructural and other capital projects. With the share of 93% in Serbia's exports to China, in 2022

the following companies were absolutely dominant: Serbia Zijin Bor Copper d. o. o. from Bor and Serbia Zijin Mining. These two companies, besides HBIS Group Serbia Iron & Steel d.o.o. from Belgrade, are at the same time the leading exporting companies from Serbia to the world (MoF, 2024).

The Free Trade Agreement between Serbia and China, signed in October 2023, will enter into force in the middle of 2024, after the completion of all the necessary procedures (Free Trade Agreement, 2023). It is the first free trade agreement signed by China with a country in the region of Central and Eastern Europe. Thus, Serbia became the 29th partner with which China has concluded a free trade agreement (MOFCOM, 2024). This Agreement ensures the preferential status for the goods from Serbia and will be extremely important for further improvement of the comprehensive strategic partnership of the two countries and for strengthening the cooperation within the "Belt and Road" initiative.

The Free Trade Agreement between Serbia and China has been devised by the rules of the World Trade Organization, with China being its member, and it includes stage liberalization of goods (MOFCOM, 2024). Trade liberalization has been agreed for the maximum transition period of fifteen years, so that in the first year of its implementation immediately after the Agreement enters into force, a total of 60% tariff lines will be liberalized (Free Trade Agreement, 2023). Other tariff lines have transition periods of 5, 10 and 15 years until full liberalization, while only a smaller number of products in the mutual trade have been exempted from this process – slightly under 10% tariff lines (Free Trade Agreement, 2023).

Trade liberalization included in the Free Trade Agreement, by abolishing and gradually reducing customs rates until their complete abolition, will ensure substantially higher competitiveness of our products in the Chinese market, whereas there are great expectations in relation to agricultural and food industries. This Agreement will contribute not only to the improvement of trade exchange, but also to new investments, inclusion of the Serbian companies in Chinese and international chains of supply, increasing competitiveness of Serbian economy, as well as significant direct and indirect increase in employment, through the creation of a preferential business environment for economic operations.

According to the NBS data, Chinese investments in Serbia are intensively increasing (NBS

2024a, NBS 2024b), so China has been the largest foreign investor in Serbia for three consecutive years (NBS 2024a, NBS 2024b). In the period 2010–2023/9 m, China is ranked second by the total inflow of investments in Serbia, with the amount of EUR 4.76 billion (NBS, 2024a). In 2021, with EUR 640.4 million, China was ranked in the first place by foreign direct investments in Serbia (NBS, 2024b). During 2022, China became the largest investor in Serbia with the impressive investments amounting to EUR 1.4 billion (NBS 2024b). This accounts for one third of the total foreign direct investments in Serbia during the same year (NBS. 2024b). For the sake of comparison, in 2012 that share amounted to only 0.1%, with the realized total FDI inflow of EUR 1.3 million (NBS, 2024a).

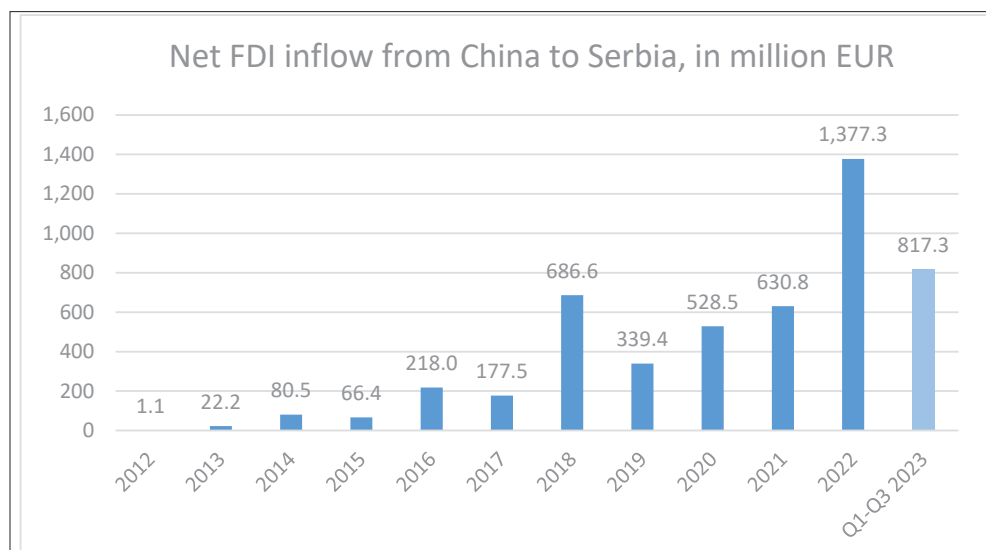


Chart 3. Net inflow of foreign direct investment (FDI) from PR China to the Republic of Serbia, in million EUR

Source: NBS

Arrival and investments of large Chinese companies in Serbia have significantly contributed to Serbia's economic development, and the investors from China are the leading Serbian exporters to the world today (MoF, 2024). Chinese investments in Serbia are characterized by a special element of regional dispersion, because they are realized throughout Serbia (Subotica, Novi Sad, Ruma, Zrenjanin, Belgrade, Obrenovac, Loznica, Šabac, Smederevo, Bor, Valjevo, Kragujevac, Jagodina, Aleksinac, Prokuplje etc.), which significantly affects the encouragement of employment and economic activities at the local level and increasingly even regional development.

Chinese companies in Serbia currently employ more than 28,000 workers, particularly in the sectors of car industry, mining and energy, metalworking industry and electrical industry (Prime Minister of the RS, 2023). Among those Chinese companies that with their investments in Serbia employed the largest number of workers are Zijin Mining, with more than seven thousand employees (Zijin Coper Mining, 2024), HBIS Group, with more than five thousand employees (HBIS Group, 2024) and the companies Mei Ta (PKS, 2024), MINTH Group Limited (PKS, 2024) and Hisense Group / Gorenje (RAS, 2023) with more than one thousand employees respectively. The largest scope of Chinese investments and the number of employees in the Chinese companies have been recorded in car industry, which is exceptionally important for Serbia's economic growth, having in mind that it provides an opportunity of integrating Serbian companies in European and global chains of supply in this industry.

Among the Chinese companies operating in the Serbian market, the largest Chinese investor and also the leading Serbian exporter is the company Serbia

Zijin Mining Group, which has invested USD 2.6 billion in Serbia (Zijin Coper Mining, 2024). This company is one of the largest enterprises in Serbia and the pillar of development of Bor and Majdanpek; in Serbia it operates through two companies, Serbia Zijin Cooper and Serbia Zijin Mining (Zijin Coper Mining, 2024). In the short period since their arrival in the Serbian market (2018), these companies have become the second largest Serbian exporters (MoF, 2024). This company makes substantial efforts to modernize the mines and introduce new technologies in order to further increase copper production, which may turn Serbia into the largest copper producer in Europe (Zijin Coper Mining, 2024). According to the company's own data, the cooperation has been established with more than 1,500 local suppliers and, since its arrival, the company has indirectly contributed to the opening of more than 8,000 work places in Serbia (Zijin Coper Mining, 2024).

HBIS Serbia is a company present in Serbia since 2016 and has more than 5,000 workers in its factories in Smederevo (for the production of hot and cold rolled steel sheets) and Šabac (for the production of white sheets) (HBIS, 2024). After the HBIS Group took over the steelworks in Smederevo, it soon turned losses into profits and in 2018 became the largest exporter in Serbia.

Chinese companies are present in the free zones in the Republic of Serbia. Total investments of the Chinese companies in the free zones in the period 2016-2022 were EUR 1.3 billion and they employed more than 7,000 workers (MoF, Free Zones Administration, 2023). During 2023, the Chinese company Yusei Machinery began its operations in the region of the "Vranje" Free Zone (location in the City of Niš) (MoF, Free Zones Administration, 2024).

The favourable business climate is further enhanced by the Double Taxation Avoidance Agreement regarding Income and Property between the Federal Government of the FR Yugoslavia and the Government of the People's Republic of China, which has been in effect since 1 January 1998 (Double Taxation Avoidance Agreement, 1997). On 1 January 2023, this Agreement was further improved through its amendments based on the solutions from the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (Combined text of the Multilateral Convention, 2018). In addition, there is the Agreement on Mutual Encouragement and Protection of Investments between the Federal Government of the FR Yugoslavia and the Government of the People's Republic of China, in effect since 1996 (Agreement on Protection of Investments, 1996). Both bilateral agreements, of exceptional importance for investors, prove the existence of the traditional economic cooperation between these two countries.

A positive effect of Chinese investments on the accelerated development of Serbian economy is outstanding and it is evidently illustrated by many other examples of economic cooperation.

Credit-financial cooperation is a significant element of support in the realization of bilateral projects in Serbia, whereas the Chinese Yuan is a currency traded in Serbia's domestic currency market as well. The presence of the Chinese companies includes the presence of Bank of China in the Serbian market since 2017, as the first Chinese bank operating in the Balkans (Bank of China, 2024). It is yet another indicator of the exceptional potential of the development of economic cooperation and further incentive for Chinese investments in Serbia. Intensive cooperation in relation to credit

arrangements concluded with the Chinese EXIM bank, which constitute the financial lever for improving bilateral economic cooperation, has been further strengthened by the cooperation with the China Export & Credit Insurance Corporation – Sinosure (MoF, 2023c).

Besides foreign direct investments from PR China, which substantially contribute to the growing exports of Serbia's economy, a large number of projects are implemented with the Chinese partners in the field of road and railway infrastructure and energy, according to the 2009 Agreement on economic and technical cooperation in the field of infrastructure (Agreement on economic and technical cooperation in the field of infrastructure, 2020). The development of traffic infrastructure is Serbia's development priority because new roads and railways will significantly contribute to further economic development and competitiveness of Serbian economy, opening new work places and better quality of the standard of living of the population.

A large number of projects have been successfully realized with the Chinese partners, for example: reconstruction and modernization of the segment of the railway Rasputnica–Rakovica–Resnik (Government of the RS, 2017a) and construction of “Mihajlo Pupin” bridge on the Danube (City of Belgrade, 2015), the first reconstruction stage of TPP Kostolac (Government of the RS, 2017b) and construction of several segments of the motorway Corridor 11, E-763 (Belgrade – South Adriatic), Obrenovac–Ub, Ub–Lajkovac and Lajkovac–Ljig, Surčin–Obrenovac, which have been operational since 2019 (Government of the RS, 2019); modernization of Belgrade–Budapest railway (segment Belgrade–Novi Sad) which was opened

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in March 2022 (Government of the RS, 2022a) and New Belgrade–Surčin (City Municipality of New Belgrade, 2023) and the Belgrade bypass (segment from Straževica tunnel to Bubanj Potok), which was opened on 28 July 2023 (President of the RS, 2023b).

The most important projects which are currently being implemented include the construction of road infrastructure, namely the segment of the motorway E-763 Preljina–Požega, Fruška Gora corridor (Koridori Srbije, 2024), sector B of the Belgrade bypass (MCTI, 2024), the Novi Sad bypass with the bridge on the Danube (MCTI, 2022), the

construction of railway infrastructure – reconstruction and modernization of the section of the railway Novi Sad–Subotica–state frontier with Hungary (MCTI, 2024), and within the construction of Belgrade underground railway, the removal of the old Sava bridge and the construction of the new one, as well as the design, backfilling and construction of the depot in Makiš (JKP Beogradski metro i voz, 2024), energy sector projects – construction of block 3 in TPP Kostolac B (Government of the RS, 2022b) and construction of the solar power plant Saraorci/Smederevo (Government of the RS, 2023),



Minister of Finance Siniša Mali signs the Contractual Agreement for Design and Construction of Makiš Depot for the underground railway in Belgrade with Chinese Company “Power China”, September 2023

Photo: Rade Prelić

as well as public utility infrastructure projects, for example the project for the Heat Transmission Line Obrenovac–New Belgrade (City of Belgrade, 2023), project “Clean Serbia” (Clean Serbia, 2024) and the project of waste waters collection and purification in the central sewage system of the City of Belgrade (Government of the RS, 2020).

For the purpose of further improvement of the cooperation between Serbia and China, a strategic document was signed in October 2023 – the Medium-Term Action Plan for the joint construction of the “Belt and Road” initiative for the period 2023-2025 (MoF, 2023b). This Medium-Term Action Plan shows the willingness of both sides to improve their bilateral cooperation within the “Belt and Road” initiative in the oncoming three-year period.

“The Medium-Term Action Plan is the continuation of the successful cooperation in the past and a turning point in its improvement in the following fields: traffic and public infrastructure, agriculture, trade and commerce, mining and energy, green development, investments, finance, education, digital economy, culture, youth and sport, tourism, healthcare, health and safety at work, disaster management, science, technological development and innovation, digitization and E-administration, customs and tax administration, cooperation with local self-government units, and other fields. The Action Plan also includes a list of priority projects of common interest, both the above-mentioned ongoing projects of road and railway infrastructure, mining and energy, and

the activities related to the cooperation in the field of education and healthcare” (MoF, 2023b).

Conclusion

From the viewpoint of financing the future growth and development, the bearers of economic policy encounter numerous challenges. The realization of the economic policy goals in the forthcoming period faces a number of obstacles. It is necessary to preserve macroeconomic stability, create conditions for faster economic growth and improvement of the quality of our citizens’ life. Our vision is presented in the plan “Serbia 2027 – Leap into the Future”, which gives an incentive to further economic growth and improvement of the standard of living.

In the conditions of world instability, the Republic of Serbia has decisively chosen to further strengthen the cooperation with the long-standing friends such as People’s Republic of China. Despite the geographical distance, our countries share common values and goal – the welfare of our nations. Therefore, it is not surprising that our economic cooperation has had a constant upward trend. China is present in all our most important economic enterprises, such as the strengthening of the traffic infrastructure, Belgrade underground railway and the construction of the EXPO 2027 complex (Expo27, 2023), because our cooperation is supported by our steel friendship.

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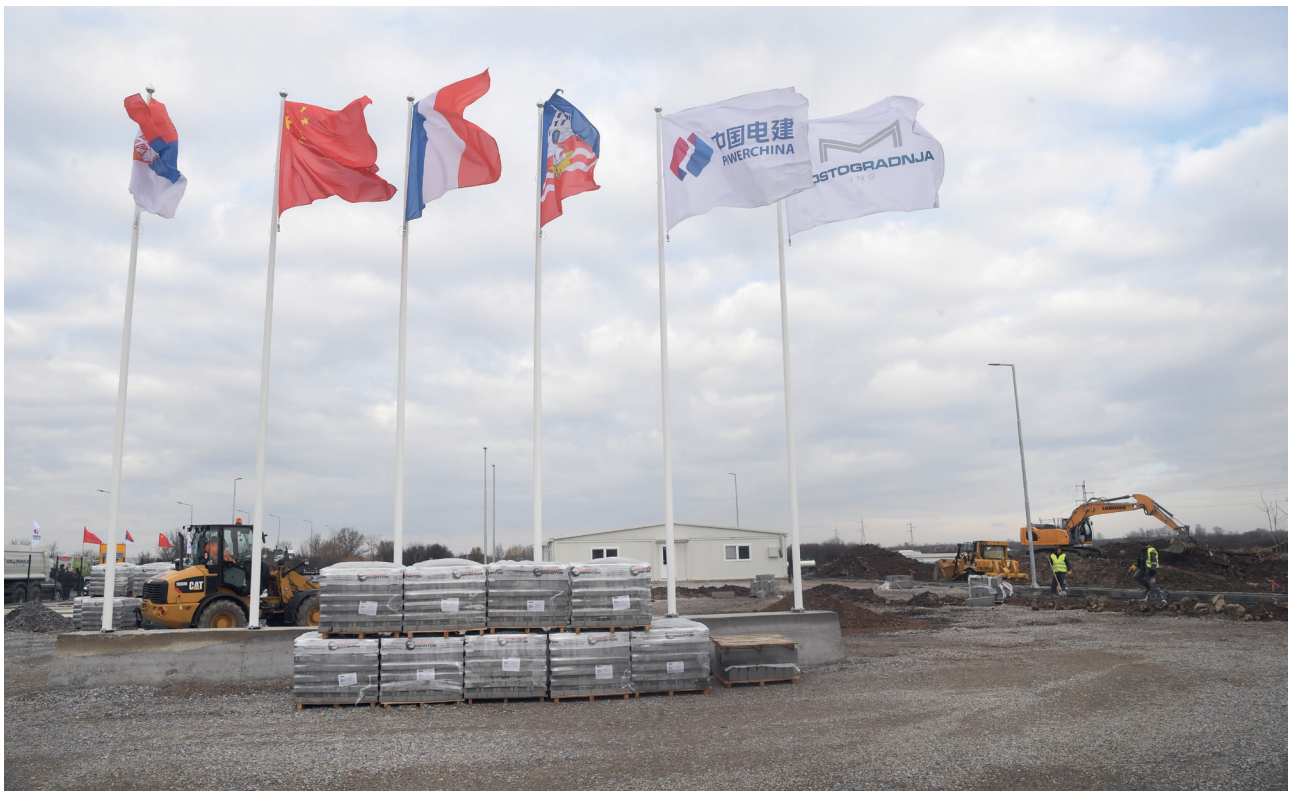
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Preparatory works on the construction of the Makiš Depot for Belgrade's underground railway,
one of the largest infrastructural projects in Serbia

Photo: Dimitrije Gol