



# Weekly Briefing

**Serbia External Relations briefing:  
Serbia's perceptions and evaluations of Sofia 16+1 summit  
IIPE**

## China-CEE Institute

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## **Serbia's perceptions and evaluations of Sofia 16+1 summit**

*Abstract: China CEEC's Summit was held in July Sofia in spite rumors that it could be postponed for 2019. Intention to shake up relations among these partners failed, some decisions were made, new projects decided to begin and each of these countries will give their best to implement everything agreed. After Sofia, each participant was expected to sum up achieved and foreseen newly emerged possibilities.*

So far one used to the fact that each of 16+1 summits attracts great attention and rise expectations not only among stakeholders, but between ordinary people as well. However, Sofia summit held in July 2018 had a value +, or the additional value.

Unlikely previous summits, Sofia summit organized in the middle and not by the end of the year. Reason for that is not difficult to find out. Namely, having in mind that during previous months numerous EU officials both officially and unofficially were announcing that China is giving up of 16+1, that China lost interest in CEEC's and therefore will loose its ties deciding to have summits biannually instead annually, there is no doubt that this decision was intended to oppose such bigoted statements.

And while some of CEEC's were disturbed with such, Serbia was among few of those that took these statements only as one of many EU's probe balloons. Along not only with its dedication to develop its cooperation within 16+1, but also to its strategic partnership with China, Serbia started to prepare for Sofia summit months before. Basic preoccupation of Serbian government was to prepare and to present both new project ideas and project proposals in order to foster current cooperation. In that regards, Serbian president Aleksandar Vučić met prime ministers of Romania, Bulgaria and Greece in Bucharest, in April 2018. The main topic of this meeting was joint interconnecting traffic, transport

and communications that will improve 16+1 perspective of each of these Balkan countries. Obviously, infrastructure projects still stand for the most attractive ones and have a special value - at least for these four countries.

In that respect, there was no surprise that out of three agreements that Serbia signed with China in Sofia two are in domain of infrastructure. The first is Commercial Railway Agreement for Novi Sad – Subotica Railway, while the second is Memorandum for Reconstruction Railroad Belgrade –Nis. Both of these projects fit in much wider railway project on Corridor X that will connect Greece with northern Europe. The special significance of this project is not only that it will faster up the transportation of goods and people, but also will make it cheaper.

The third signed document is Memorandum on industrial park for fruits and vegetables. This is important step for Serbia because it creates solid basement for further improvement of agricultural cooperation with China. Beyond that, such cooperation will be extremely beneficial for Serbia assuming that investing in this area will create new working positions but also has positive effect to entire Serbian economy. Newly signed Memorandum confirms devotion of both China and Serbia to cooperate in this strategically important area. Considering that China achieved tremendous progress in food production introducing new technologies, such or similar solutions implemented in Serbia and combined with fertile soil and well educated people could improve perspective in Serbian agriculture. Even more, results won't have only economic but also societal value by stopping depopulation of Serbian villages.

Serbian Prime Minister, Ms. Ana Brnabić, was very satisfied with Sofia summit and especially with meeting with Prime Minister of China, Mr. Li Keqiang. Ms. Brnabić highlighted Serbian commitment to be actively involved within both 16+ 1 and the Belt and the Road initiatives as initiatives extremely important not only for our country, but the entire region. Serbian Prime Minister also said that both of these initiatives create better connections among participating countries that make bonds firmer and cooperation stronger. And

while the implementation of infrastructure projects is very important, projects in the areas of energy, industry, economy and culture shouldn't be neglected too. Prime Minister spoke of the projects that Serbia has with *Shanghai Electric*s and *Huawei* as examples of excellent cooperation and express hope that in future there will be more companies from China willing to invest in Serbia. In that respect, Ms. Brnabić expressed its gratitude to Mr. Keqiang for bringing more than 250 companies from China to Sofia and creating opportunity for new partnerships. Speaking of *Hestill*, Smederevo steel plant company, where HBIS group invested and not only secured 5000 working places but modernized and improved production process. As such *Hestill* is a model of desirable investment and model of successful strategic partnership but *Hestill* shouldn't be the only one. Serbia needs strategic partnership in *Mining and Smelting Combine Bor*, but also in *Ikarbus*, company that is a leader in bus production in the Southeast Europe and represents a significant potential of the Serbian economy.

H.E. Li Manchang, Ambassador of the PR China to the Republic of Serbia confirmed Prime Ministers' Brnabić words, saying that two countries are connected with firm friendship and that Serbia has full support of China to develop and improve its overall economic situation that will lead eventually to rise of living standard. Ambassador Li said that there is a great interest in *Ikarbus* and those two countries will soon start jointly to produce electrical buses. Considering global awareness, it is expected that these products will be competitive not only in CEEC's market but much wider.

Although Serbian projects presented in Sofia were fully supported by Chinese government recognized by strategically important, also it is a true that there are even more possibilities for cooperation.

Apart cooperation in infrastructure, sector of energetics and infrastructure, Serbian government should prepare more project in other areas as well. So far developed cooperation in education and culture is significant but still could be improved. The peak hasn't been reach still in the areas of health, tourism, transportation etc. Great job was done but it is a far from being completed.

One hardly could bear the impression that each of 16 countries still works more on developing cooperation with China on bilateral level. While from the one hand it can be understood considering the importance and influence of China in contemporary international relations, from the other such attitude implies that these countries still are refusing to act as one and develop its relations in China in such manner. There is no dispute that each of them should have bilateral relations, but in respect of 16+1 it should be different. And while Poland as a relatively, in geographical terms, big country maybe can easier participate in Chinese market, the rest of CEEC's countries are not in a such position. Therefore is a MUST to cooperate more and to develop joint projects in forthcoming period.

Of course, quality of this cooperation will be related to the EU's standing positions and certain requirements, but considering the presence of the EU officials in Sofia and even more Chinese resolution to fully respect the EU's legislation, eventually EU should be diminished as an obstacle for improving 16+1 cooperation.

### **Conclusion**

Considering the atmosphere before Sofia summit, all participants could be satisfied with achieved. There was a clear message that 16+1 isn't aimed to divide Europe but to make it stronger offering possibilities that, at this moment, the EU is not able to offer. Even more, since some of CEEC's countries still are not members of the EU, 16+1 is only solution for improving their economic situation.

Although Serbian government is satisfied with Sofia results it will continue its work on new projects willing to introduce new areas of cooperation as well.