



Budapest-Belgrade railway upgrade and Serbian bridge construction

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IRE213: A New Player in Town: China's Growing Role in Central Europe

Bilateral relations between Serbia and China

- ▶ 1 October 1949
- ▶ as a result of the conflicts with the USSR and the Cominform States, inter-state relations were established only in 1955
- ▶ August 25, 2009. - Boris Tadic signed the Agreement on Strategic Partnership between the two countries
- ▶ Serbia has "four pillars" of foreign policy
- ▶ 16 + 1 summit in Belgrade, December 2014



- Serbia supports a One China policy
- China has not recognized the independence of the Autonomous Province of Kosovo
- NR China is the largest economic partner of Serbia in Asia
- "200 years ago there was a wise but illiterate man in our country, and he was said: people from the East will come, yellow people, and will reign over the world and they would drink water from Serbian Morave River"
- "There is also their Silk Road - the lease of the Piraeus port in Athens and road construction is a strategy that goes beyond Serbia. The Chinese have a very offensive approach, they have dragged the dragon out of their way and they are great"



PUPIN BRIDGE

- ▶ 'China-Serbian Friendship Bridge'
- ▶ December 2014
- ▶ China Road and Bridge Corporation






Влада Републике Србије

МОСТ МИХАЈЛА ПУПИНА

- Дужина моста L=1482m - Највиши распон L=172m
- Година пројектовања 2010 - Година изградње 2014.

中华人民共和国国务院总理李克强与塞尔维亚共和国总理武契奇
于二〇一四年十二月十八日共同为这座代表中塞友谊的大桥揭牌

Отворен као симбол пријатељства дан земље 18. децембра 2014. године од
премијера Народне Републике Кине Ли Кабијанга и премијера Републике Србије Александра Вучића

WHO BUILT IT?

- ▶ 233 Chinese staff
- ▶ 718 Serbian staff



中国路桥工程有限责任公司
CHINA ROAD & BRIDGE CORPORATION

WHO PAID FOR IT?

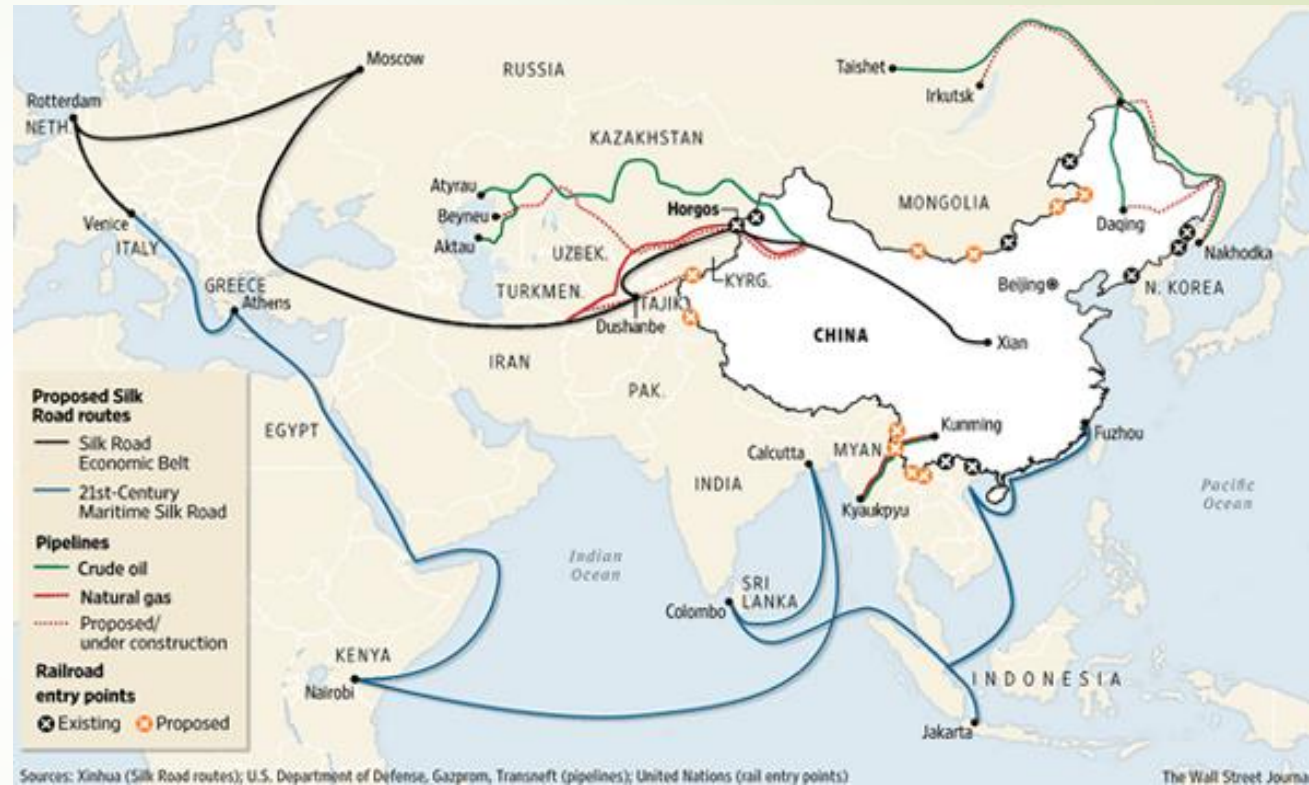


中国进出口银行
THE EXPORT-IMPORT BANK OF CHINA



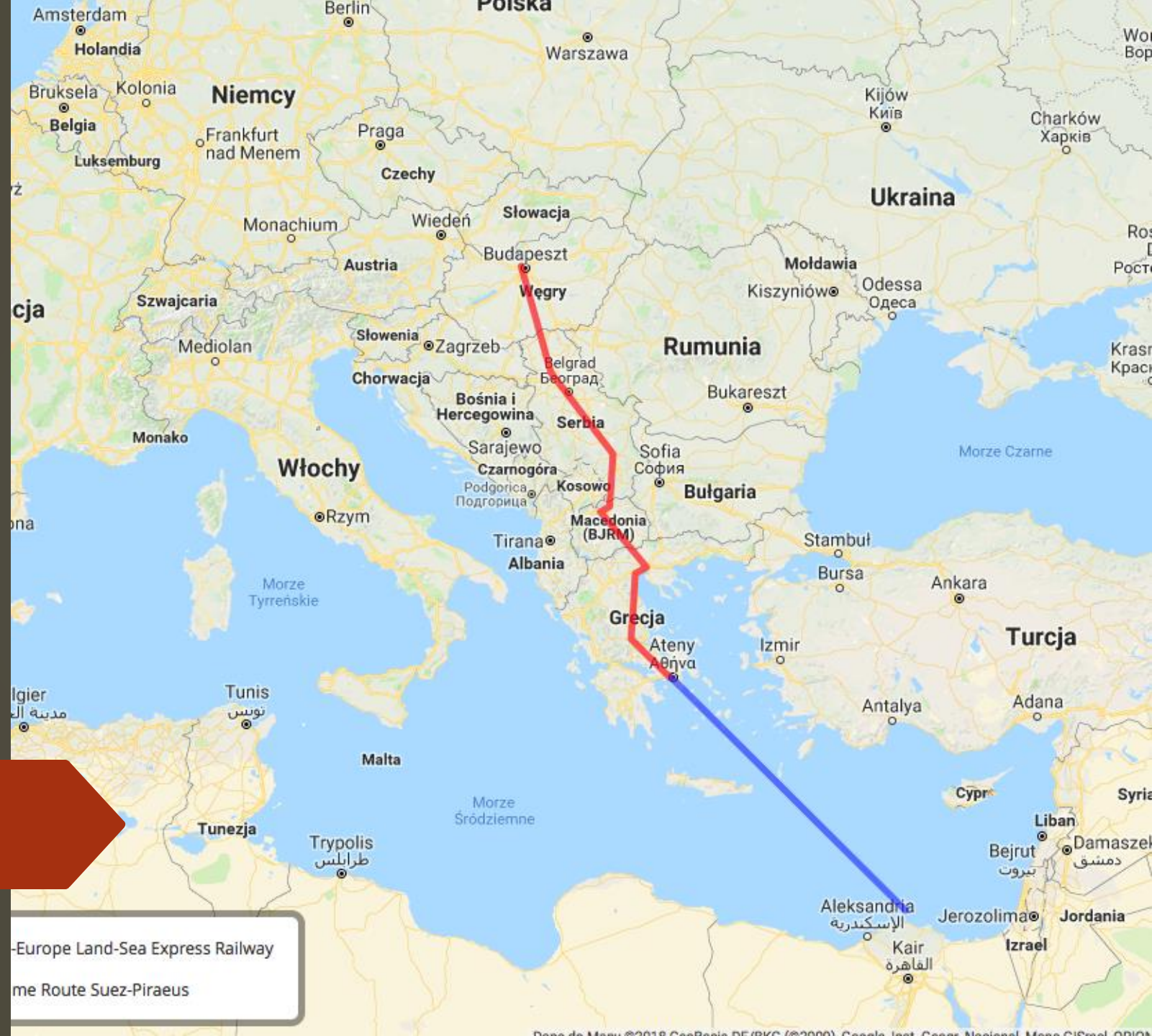
Belgrade – Budapest Railway Initiative

- High-speed rail corridor
- Balkan Silk Road
- Land Sea Express Route
- proposed by Chinese President Xi Jinping **2013**
- ancient Silk Road from Asia to Europe and Africa – economic vision

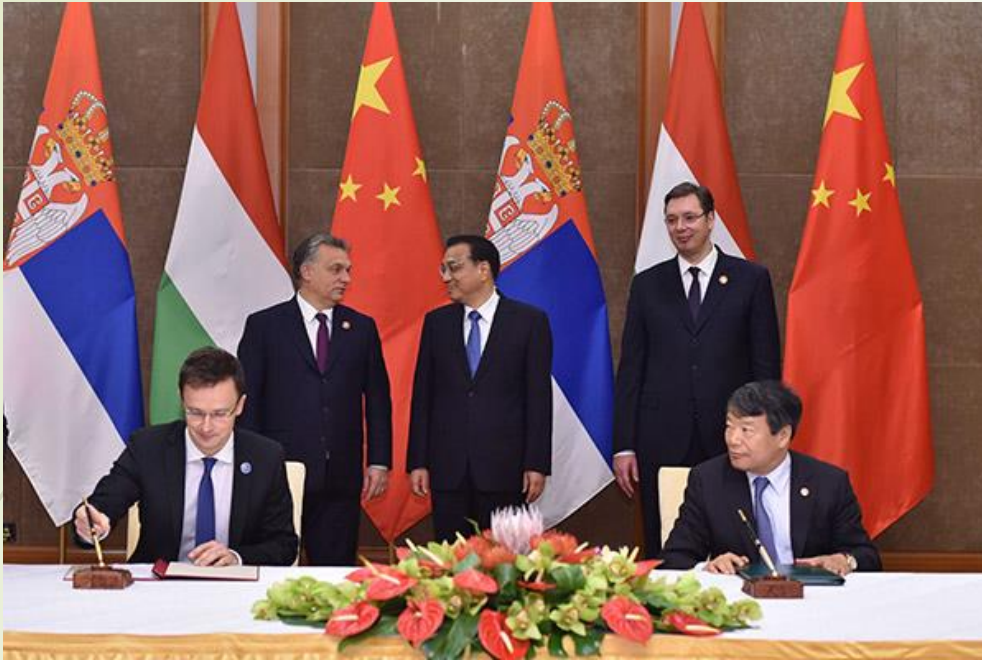


Land Sea Express Route

Hungary, Serbia, Macedonia, Greece



Europe Land-Sea Express Railway
The Route Suez-Piraeus



2015 Li Keqiang, Viktor Orban, Aleksandar Vucic



2013 Li Keqiang, Viktor Orban and Ivica Dacic



2017 Belgrade – Stara Pazov a



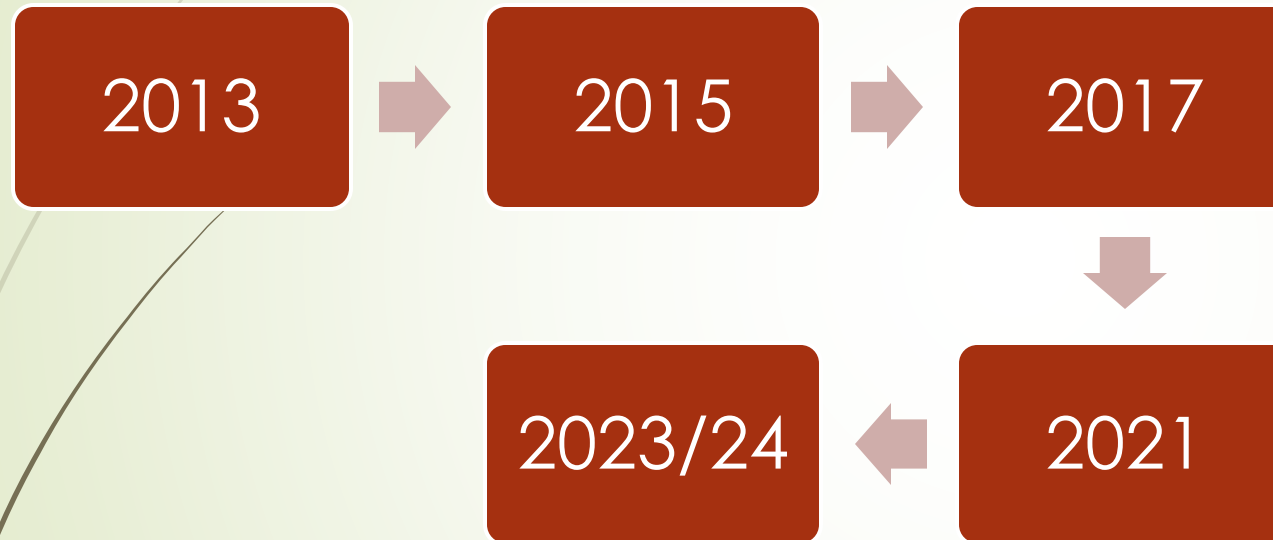
Serbian Trains 40km/h
(~25mph)



False information

- Maximum speed 160km/h (~99mph) not 200 km/h (~124mph) as it was stated in the media
- The trip will take 3.5h (now +/- 8h) not less than 3 h

Timeline



1. Proposal of the "Belt and Road Initiative" + agreement on modernization the Belgrade-Budapest railway

2. Originally set to start, expected to be completed in 2017...

3. Tripartite agreement

4. The actual start of the project

5. Belgrade – Stara Pazova segment (34,5 km long)

6. Start of the actual construction on both sides – 2021

7. Expected completion date

Costs

- ▶ Project worth US\$ 3 bn
- ▶ Mostly financed by China; Exim Bank of China
- ▶ Serbian part – 200 km long
- ▶ Hungarian part – 152 km long
- ▶ Built by – China Railway Group Limited



EU Concerns

- ▶ Serbia is not an EU member state
- ▶ Hungary has a lot of problems with the EU Commission
- ▶ 2017 – investigation





Pros & Cons

Serbia

- Reduce travel time
- Developing country
- Elevate the status
- Boost of the economic growth
- Connecting the country with the rest of Europe

China

- Speed-up transportation of Chinese goods
- Opportunity to win more tenders in the future
- Connect the economy and industry centers

Hungary

- Reduce travel time
- Upgrade of the railway route
- Will not connect Hungarian cities
- Belgrade is not a priority city for Hungary



Other Chinese Projects

* Transport * Energy * Industrial production

- 2017 – the modernization of the **Kostolac** thermo-power station (of a new power unit) started
- In 2016 - the acquisition of the Serbian steel mill **Zelezara Smederevo**
- The enlargement of the Drmno mine (coal)
- Chinese companies are building key rapid traffic routes in Macedonia and Montenegro
- Building sections of the highways part of the Pan-European Corridors X



Sources:

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