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THE EU–SERBIA–CHINA TRIANGLE

– an analysis of how China's investments in Serbia affect the process of Serbia's political EU integration

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Abstract

For the past few years, Serbia has been a victim of a paradoxical situation. In order to become politically integrated into the European Union, it has to successfully undergo democratisation process, while its cooperation with an authoritarian state like China poses a risk of having the democratisation process prevented. Therefore, this thesis has aimed to investigate the impact of the Chinese investments in Serbia on the process of Serbia's political EU integration, and to analyse whether the dialogue between Serbia and the EU has become more difficult with China's economic and thereby political interference in the country. The theoretical framework has been determined by theories on political conditionality, coming or not coming to Serbia along with the EU's and China's development assistance. By using qualitative text analysis as the research method and by analysing Serbia's annual progress reports and AidData's global Chinese development finance dataset, it has been found out that, even though there seems to be a weak positive correlation between China's investments in Serbia and the process of Serbia's political EU integration, there is no clear strong relationship between them.

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Abbreviations and Acronyms

CEE	Central and Eastern Europe
CIS	Commonwealth of Independent States
ECSC	European Coal and Steel Community
EU	European Union
ICC	International Criminal Court
ICTY	International Criminal Tribunal for the former Yugoslavia
PRC	People's Republic of China
US	United States
WB6	Western Balkans 6: Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro, and Serbia
WWII	World War II

1. Introduction

Today, it is nearly impossible to imagine the international political arena without such a significant and influential actor as the European Union. Created in the post-WWII context, first as European Coal and Steel Community with only six member states, it is continuously expanding (European Union, 2022). Currently, there are 27 member states in the Union. Moreover, seven countries are standing in the EU queue – five candidate countries (Albania, Montenegro, North Macedonia, Serbia, and Turkey) with official candidate country status, and two potential candidate countries that yet have not been granted candidate country status (Bosnia and Herzegovina and Kosovo) (European Commission, 2022a).

Becoming an EU member is far from easy. To be accepted, a candidate country has to meet the so-called Copenhagen criteria, named after the 1993 Copenhagen European Council, that consist of a number of political, economic and administrative criteria. The political Copenhagen criteria, that require a candidate country to have achieved "stability of institutions guaranteeing democracy, the rule of law, human rights, and respect for and protection of minorities" (European Commission, 2022b), are usually the hardest to satisfy. Nevertheless, they are unnegotiably important, as they illustrate the EU's ambition of promoting and spreading democracy in and outside of Europe, long-known as a Normative Power Europe concept (Manners, 2002; Neuman, 2018).

Another significant and influential actor in the international political arena is China, whose attitudes towards the EU and Europe in general, that long have been strictly related to the direction of China's foreign policy, start to change. After the establishment of the People's Republic of China in 1949, the Chinese foreign policy was largely based on ideology and mostly depended on Mao Zedong's vision of the course of international politics and China's interests abroad. Therefore, in the early years of the PRC, Europe was perceived through a strategy of so-called one-sided vision, which on a larger scale meant that China based its relations on close ties with the Soviet Union and the socialist bloc, against the capitalist imperialist American camp, what Western Europe was seen to be a part of. However, only a couple of years after this

vision was shattered. The process of European integration, initiated by the creation of the ECSC in 1952, was interpreted by Zedong as evidence of the weakening of the US position. The leader believed that the goal of the ECSC was the economic integration of Western Europe in order to avoid the destruction of the capitalist system, imposed by the US on Europe (Harris, 2014).

At the present stage, China has changed the political course followed by Mao Zedong and is increasingly cooperating with all countries, regardless of their affiliation to any political system, making Serbia, an EU candidate country, one of its goals (Ibid.). Over the last decades, China has been actively investing in Serbia, significantly growing its presence in the country. Furthermore, after having launched the 17+1 initiative[1] within the broader Belt and Road Initiative, China has quickly made Serbia its key strategic partner in Central and Eastern Europe, which drastically deepened the relations between them and made their economic cooperation tighter (Zakić, 2020).

Taking the above-mentioned into consideration, a question arises. How do investments from an authoritarian state impact candidate countries' political EU integration? This question, that is going to be tackled in the study, is important for the following reason. In order to become politically integrated into the Union candidate countries have to successfully undergo democratisation process, while receiving economic aid from an authoritarian state might prevent this democratisation process and even cause autocratisation, which leads to a paradoxical situation. In this research, I focus on the case EU–Serbia–China, in the context letting China represent the authoritarian investor and Serbia represent the EU candidate country. The choice of the case has been made considering two facts. Firstly, among the authoritarian states investing in the WB6 – that all together with Turkey constitute EU's (potential) candidate countries – China invests the most (Pavlićević, 2019). Secondly, among the WB6 states Serbia receives the most Chinese aid (Krstinovska, 2022).

[1] The 17+1 initiative is multilateral cooperation between China and 17 CEE countries (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Montenegro, North Macedonia, Poland, Romania, Serbia, Slovakia, and Slovenia). Since Greece joined the cooperation in 2019, before 2019 the cooperation was named 16+1.

1.1. Research Aims

In this study, I aim to investigate the impact of the Chinese investments in Serbia on the process of Serbia's political EU integration, and to analyse whether the dialogue between Serbia and the EU has become more difficult with China's economic and thereby political interference in the country. It is being attempted to find out whether China, in the process of renewing relations with Serbia, is likely to impact Belgrade's trajectory, deprive the EU of its potential member, and open a new chapter in the Chinese presence in CEE, or even on a continental scale.

1.2. Research Question

The study is centred around the following research question:

How do China's investments in Serbia affect the process of Serbia's political EU integration?

1.3. Research Disposition

The disposition of this paper is the following: In the next chapter, *Previous Literature and Theories*, I describe previous research made on Serbia–EU and Serbia–China relations, present identified literature gap and my research contribution, and introduce the theories on political conditionality that underlie the thesis. Thenceforward, in the chapter *Materials and Method*, I present and discuss the chosen materials, namely Serbia's annual progress reports and AidData's global Chinese development finance dataset, as well as motivate their reliability and relevance. Even the choice of qualitative text analysis as the research method used for conducting this study is described, motivated, and discussed in this chapter. In the fourth chapter, *Results*, I introduce the results of this research paper, achieved in three steps described in respective sections. In the first section, I focus on Serbia's political EU integration through the years 2009–2021 and appreciate its progress in terms of fulfilling EU's political Copenhagen criteria. In the second section, I demonstrate China's investments in Serbia during the years 2009–2017, converted to Euro 2022. In the third section, I combine the findings from the first and the second sections and present them in a graph, showing that there is a weak

positive correlation between China's investments in Serbia and the process of Serbia's political EU integration, but no clear strong relationship between those has been found. The results are further discussed in the following chapter *Conclusions*, where the findings are linked to the theories and where conclusions are drawn.

2. Previous Literature and Theories

2.1. Previous Literature

2.1.1. Serbia–EU: EU's Mistakes

The starting point for Serbia's movement towards rapprochement with the EU became Slobodan Milošević's departure from the post of the head of the country in the beginning of 2000s. Nevertheless, the process of integration had been delayed for years, due to the concerns that the state was not ready for serious and decisive changes that would be required in conjunction with joining the Union. In addition, various phenomena continued inside the country, which made it impossible to announce Serbia a candidate for EU membership. As an example, the execution of Serbian former Prime Minister Zoran Đinđić can be cited. Simultaneously with the postponement of the integration process, Serbia's attention began to gradually shift to the East. Another reason for Serbia's shift towards the East was the way the West chose to divide the responsibility concerning war crimes committed in the 90s between Serbs, Bosniaks, and Croats. Many actions of Europe were regarded by Serbs as unfair, including the much harsher punishment of Serbian criminals, compared to the Bosnian and the Croatian ones. Thus, for a long time the question of Serbia's readiness for EU integration remained controversial, and the interests of its political elite were defined unclearly (Pavičić, 2019).

However, in 2009 Serbia officially formalised its application for EU membership, and in 2012 the country was granted candidate country status. And, despite the fact that the heads of the state repeatedly pointed out that there was no visible progress in the process of Serbia's EU integration, they continuously claimed that Serbia's future was within the EU. Even Serbia's current President, the nationalist Aleksandar Vučić, confidently states that Serbia considers joining the EU as the most rational and favourable scenario for itself. When it comes to the EU, the Union says to be of the same mind. At one of the EU–Western Balkans summits, the European Council agreed on a declaration that i.a. made the EU's vision of the future of the WB6 clear – it is undoubtedly within the EU (Ibid.).

So, if both Serbia and the EU see Serbia's future within the Union, what is the problem here? In addition to the above-mentioned aspects of Serbia's possible resentment against the EU for the mistakes made when Serbia yet was not an EU candidate country, namely the postponement of the integration process and the certain unfairness in the question of war crimes responsibility division, Pavičić (2019) identifies four reasons for unsuccessfulness of the Serbia–EU relationship. She argues that, firstly, it was wrong of the President of the European Commission for the years 2014–2019 Jean-Claude Juncker to already from the beginning categorically reject the possibility of further EU enlargement during the mandate period of his Commission. According to Pavičić, this statement minimised the influence of the Union in the WB6 which resulted in and legitimised the maximisation of the influence of other states, not least China. The second reason is said to be Serbia's unclear current political orientation. Pavičić means that the EU has to see Serbian will to join the Union and expects it to be as clear as it was in the case with the states of the former Communist bloc, that after the fall of the Iron Curtain were firm in their intensions and expressed a strong will to become a part of the West. Thirdly, Pavičić assumes that the EU, learning from its previous mistakes made with other states, intentionally takes it slow with Serbia and other WB6 countries. It is a well-known fact that several states that became EU members in 2004 eventually did not deliver on such foundational EU values as democracy, rule of law and human rights. This caused the EU to become more demanding and less remissive in its relations with candidate countries. The fourth and the last reason that is pointed out by Pavičić is that during the last years the EU was busy dealing with a number of other important issues, such as increasing Euroscepticism, Brexit, uncontrollable migration waves, and, again, democratic backsliding in some of the member states. In addition to these phenomena, several EU institutions, namely the Commission, the Parliament, the European Council, and the Central Bank had to welcome new leaders. All this together shifted the attention of the Union from the WB6 and Serbia in particular.

Gafuri & Muftuler-Bac (2021) identify another mistake in the EU's action towards Serbia that causes complications in the processes of Serbia's democratisation and EU integration. The authors assert that the root of the problem lies in the fact that the EU at some point has moved its focus from active democracy promotion in the WB6 to conflict prevention and stability in the region. Instead of concentrating on Serbia's fulfilment of the accession criteria regarding

democracy, rule of law, and human rights, the EU requires Serbia to prioritise improvement of its relations with the neighbouring countries, recognition of Kosovo's independence, and cooperation with the ICTY. Consequently, this tendency of the Union to set the question of consolidation of Serbia's democracy aside eventually has led to legitimisation of authoritarian rule in the country. Conversely, the EU somewhat likes the permanence of the leaders of Serbia and other WB6 states since that guarantees stability in the region. Even Aleksandar Vučić, despite causing democratic backsliding in Serbia and thereby making Serbia retrogress in its democratisation process, in the eyes of the Union has an image of a peaceful Europhile. Thus, according to Gafuri & Muftuler-Bac (2021), the EU has itself to blame for causing democratic backsliding in Serbia and letting it become one of the top ten autocratising countries in the world, even though the country is in membership negotiations with the Union.

2.1.2. Serbia–China: Beyond the Economic Relations

The breakup of Yugoslavia limited China's interest in the Western Balkans. Nevertheless, over time, in conjunction with the expansion of the sphere of influence of the Chinese economy, including European markets due to the spread of the global financial crisis occurred in the 2010s, China's interest in the WB6 region awakened. Although the relationship between China and the WB6 is claimed to be of economic nature, overtones of China's political influence in the region are obvious, not least because of the well-known fact that the factor of political stability plays a key role in establishing strong and mutually beneficial economic relations with China. Further, it is proven that (1) the direction of China and any cooperation with it is often incompliable with Western norms and entails higher levels of corruption; (2) economic relations between China and its partners are built on conditions of political stability, which means certain Chinese political forces being involved in maintaining this stability; (3) the biggest part of the Chinese companies is owned and managed by the government, while the other smaller part of so-called private enterprises is largely dependent on governmental political influence and participation. Consequently, regarding cooperation with China, the fears of Western Europe that are based on the risks of corruption penetration into the Western companies, as well as the expansion of China's influence as a major investor and economic partner, pursuing its own interests that not seldom diverge from the ones of the West, are understandable. Additionally, the fact that an EU candidate state, in contrast to a member state,

is not obliged to comply with the EU requirements concerning increased transparency of Chinese investments made, can result in impossibility of "saving" Serbia from China's economic and thereby political interference in it, which in turn might hinder or at least significantly postpone its EU integration (Pavičić, 2019).

The conceivable impacts of an authoritarian interference in a country on its ongoing process of democratisation at a more general level are further discussed in the literature on autocracy promotion [2]. Some scholars go farther and highlight the link between the process of democratisation in European countries and EU integration. For instance, Emerson & Noutcheva (2004) argue i.a. that there is a clear connection between the processes of successful democratisation and Europeanisation[3]. Calling the EU "a major world centre of democracy" (p. 21), they find an explanation of quick and profound democratisation in a state in being able to interact with the Union, or even become a part of it. Consequently, the authors introduce the way of seeing Europeanisation as a gravity model of democratisation. According to them, in situations where Europeanisation is impossible, the process of democratisation will be much slower and much more uncertain. Nevertheless, at the same time, it is being stressed that this model has its shortcomings. Giving the CIS[4] states, the Arab states in the Mediterranean region and Israel as examples, Emerson and Noutcheva mean that Europeanisation stops being a gravity model of democratisation when, in addition to the EU, there is a powerful autocracy interested in a state. Powerful autocracies tend to have their own gravity models that allow them to reconsolidate states they have state interest in, the authors claim.

Other autocracy promotion scholars, Aidt & Albornoz (2011), design a model that emphasises how foreign intervention that pursues an economic interest impacts the regime in a destination state. In cases where foreign intervention is undertaken by an autocracy, it tends to be aimed at

[2] According to Yakouchyk (2019), a number of scholars choose to use the term 'autocracy support' instead of the term 'autocracy promotion', in order to distinguish this phenomenon from the well-established term 'democracy promotion'.

[3] Here, Europeanisation is defined as the process of adopting EU features while being situated on the European continent or in its neighbourhood, which reminds of the wide-spread definition of EU integration.

[4] When the article was published in 2004, Georgia and Ukraine, that because of their confrontations with Russia withdrew their membership in 2008 and 2019 respectively, were still members of the CIS.

consolidating autocracy or overthrowing democracy in the destination state, which often has successful outcomes, since, according to the authors, the "economic interest is present behind most, if not all, decisions to depose or support foreign leaders and the regimes they represent" (p. 192). In other words, a state, that for economic reasons agreed to foreign intervention initiated by an autocracy, will most likely support its autocratic regime.

Even Vanderhill (2013) directs its focus on external involvement in a state and how that affects the regime in the state. The author means that the nature of the external intervener's regime along with the nature of its support are some of the main factors to determine the consequences for the regime in the destination state. Further, Vanderhill explains the way autocracies promote authoritarianism abroad, pointing out the importance of non-democratic elites. By offering them economic benefits (e.g., trade agreements, loans, cheap energy sources etc.) and thereby multiplying their resources and capabilities, autocracies i.a. let the elites bribe the opposition or initiate and finance repression. This, in turn, results in overthrown democracy or/and consolidated autocracy in the state.

2.1.3. Literature Gap and Research Contribution

The previous literature presented above undoubtedly has important findings and conclusions. Nevertheless, while the literature offers some diversity concerning the role of the EU in democratic backsliding in the WB6 countries and Serbia in particular, as well as the impact of the interference of autocracies in unconsolidated states on their ongoing process of democratisation at a more general level, the research world lacks studies that analyse China's economic and thereby political interference in Serbia in relation to Serbia's ongoing process of EU integration. It is no secret that, as a rule, a state applying for EU membership has bilateral mutually beneficial relations with countries outside of Europe, which, as, for example, in the case of Serbia, can complicate the EU integration process. However, researchers mainly see the root of the problems between the EU and Serbia in Serbia's close relations with Russia, disregarding China's geopolitical interests in the country. Thus, within the framework of this thesis, I aim to place the emphasis on the impact of China's investments directed into the Serbian economy on the process of Serbia's political EU integration. Since the case EU–Serbia–

China is representative of other cases with clear directional ambiguity (e.g., the cases of other EU candidate countries where political polarisations of the same kind between the EU and China or the EU and Russia have appeared, as well as the case of Ukraine that attracts both the EU and Russia), I expect the results to be generalisable and appliable for studies of similarly directionally ambiguous matters.

2.2. Theories

To constitute the theoretical framework of this research, I turn to theories on political conditionality, coming or not coming along with development assistance from economically more developed countries to the less developed ones.

Using political conditionality became especially popular after the Cold War, when establishment of democratic institutions based on the principles of rule of law and protecting human rights started to gain a greater importance in the international community. In order to democratise a bigger part of the world, the Western countries agreed on providing aid to developing, not seldom aid-dependent, states exclusively on the condition that those will undergo democratic transformations. Otherwise, the aid was said to be either reduced or totally terminated. No wonder the EU, that has long been famous for being a democracy promoter and that during the past couple of decades has extended its scope from the European continent and its neighbourhood to other parts of the world, often appears as one of the regular users of political conditionality. It has even been argued that this particular instrument is what lies behind the Union's success concerning EU enlargements in the CEE (Koch, 2015).

Nevertheless, the usage of political conditionality by the Union in the WB6 has been criticised by several scholars (Freyburg & Richter, 2010; Richter, 2012; Richter & Wunsch, 2020). They find political conditionality, as it is now, generally inapplicable in the WB6 region. Richter (2012) motivates it by the fact that the WB6 region because of its history required establishment of security and stability to a much greater extent that any region or any country that applied for EU membership before ever did, which, in turn, resulted in the EU running after two hares,

trying to make the WB6 secure and stable while also continuing to play its usual role of democracy promoter. At some point, the EU managed to achieve security and stability in the WB6, but at the cost of democracy. However, it is important to point out that, despite the difficulties the EU experiences in conjunction with implementation of political conditionality in the WB6, political conditionality is still the key instrument for getting development aid from the EU.

China, on the contrary, is famous for emphasising on no political conditionality while providing its development aid. A number of scholars prophesise that China's policy in this question will eventually undermine the position and the authority of the Western donors and make them unattractive in the eyes of the aid-dependent destination states (Hirono, 2013; Watkins, 2021; Xue, 2014). In the case of Serbia, China's principle of non-interference tackles moreover a very important and severe for the country issue, namely the Kosovo question. While the EU has made it clear that Serbia's accession to the Union is impossible without its recognition of Kosovo's independence, having turned the Kosovo question into another condition for getting development aid and keeping bringing both states to the negotiation table, China supports Serbia's position and doesn't recognise Kosovo as an independent state itself (Pavičić, 2019).

The above-mentioned theories, along with the previous literature presented earlier, contain all key concepts and assumptions that guide this study. In other words, I suggest looking at the EU–Serbia–China trilateral relations through the glasses of political conditionality, in light of previous literature. According to the arguments made by Aidt & Albornoz (2011) and Vanderhill (2013) in their respective studies, external economic intervention impacts the political regime in a destination state. More concrete, the nature of an external economic intervener's regime along with the nature of its support determine the political regime in a destination state. Hence, based on these conclusions, in a first theoretical scenario where the EU solely is an external economic intervener in Serbia, Serbia will democratise. Simultaneously, in a second theoretical scenario where China solely is an external economic intervener in Serbia, Serbia will autocratise. The plausibility of the assumption made in the first theoretical scenario can be supported by the findings made by Emerson & Noutcheva (2004),

who introduce the way of seeing Europeanisation as a gravity model of democratisation and explain quick and profound democratisation in a state in its ability to interact with the Union, or even become a part of it. On the other hand, Emerson and Noutcheva claim that Europeanisation stops being a gravity model of democratisation when, in addition to the EU, there is a powerful autocracy interested in a state – in this case, China –, an argument that can be further linked to Pavičić's (2019) expressed fear that China's economic and thereby political interference in Serbia might hinder or at least significantly postpone its EU integration.

Thus, taking these previous findings into consideration, one can agree that China's economic intervention in Serbia theoretically is not optimum for the process of Serbia's political EU integration, as it implicates that Serbia is rather autocratisating. At the same time, viewed from an angle created by the theories on political conditionality, giving preference to China seems more natural. In this context, political conditionality can be seen as an important aspect in the EU–Serbia–China trilateral relations, that might explain China's expanding influence as a major investor and economic partner in Serbia, despite the fact that this cooperation theoretically is likely to result in destruction of the EU–Serbia idyll. By basing this research on theories on political conditionality, I expect to find out whether China's lack of political conditionality has been changing the political game between the three actors, and whether it eventually has turned China into a more attractive investor for Serbia, in comparison to the EU, thereby influencing Serbia's political EU integration.

3. Materials and Method

3.1. Materials

The materials I choose for answering the research question are of two kinds – texts and data. Since this paper aims to investigate the impact of the Chinese investments in Serbia on the process of Serbia's political EU integration, the materials used had to clarify where Serbia is in this process of political EU integration, as well as to visualise Serbia's economic relations with China in terms of China's investments. To meet the first-mentioned demand, EU official documents – more concrete Serbia's annual progress reports for the years 2010–2021 – were chosen. To meet the second-mentioned demand, AidData's global Chinese development finance dataset was used.

3.1.1. Serbia's Annual Progress Reports

Every year the European Commission's Directorate-General for Neighbourhood and Enlargement Negotiations publishes progress reports that i.a. highlight the development progresses (or the lack of those) made by a candidate country over the past year, which in turn illustrates to what extent the Copenhagen criteria are met (European Commission, 2022c). Since this study is delimited to Serbia's political development, only the political Copenhagen criteria are in focus.

In Serbia's annual progress reports, the political Copenhagen criteria use to be divided into several smaller fields, e.g., democracy, rule of law, human rights, and regional issues. Those, in turn, tend to cover several subfields. For example, the subfields that have been covered by the fields 'democracy' and/or 'rule of law' are constitution, parliament, government, public administration, judicial system, anti-corruption policy etc. The field 'human rights' has covered observance of international human rights law, civil and political rights, economic and social rights, respect for and protection of minorities etc. The field 'regional issues' has covered regional cooperation, good neighbourly relations, bilateral relations with neighbouring EU member states and other enlargement countries etc.

For conducting this research paper, Serbia's annual progress reports for the years 2010–2021, i.e., all the progress reports on Serbia available to date[5], were used. See Appendix for their brief presentation, as well as the lists of the fields and their subfields, in which Serbia's political development was judged in respective reports.

Since Serbia's annual progress reports are EU official documents that have been retrieved from one of its official websites – the European Commission's website – they are reliable sources. Thus, their content can be trusted implicitly. Even the relevance of using Serbia's annual progress reports within the framework of this research is evident. Given that, as mentioned earlier, answering the research question requires clarification of how far Serbia has gone in the process of its political EU integration, the most primary and thereby the most relevant information sources are the ones of Serbia or the EU. Yet, inasmuch as media freedom and academic freedom in Serbia are judged to be far from absolute (Ibid.; Freedom House, 2022), I find EU sources more reliable and therefore they are the ones chosen to provide the above-mentioned clarification.

3.1.2. AidData's Global Chinese Development Finance Dataset

The global Chinese development finance dataset is a dataset created by AidData and published on 2021-09-29. The dataset identifies, compounds, and presents Chinese development projects across the world with the commitment years 2000–2017 and implementation years 2000–2021. Among the 165 countries touched is Serbia, where China totally made 66 investment projects with development and/or representational intent (Custer et al., 2021), and which solely is of interest for this research. AidData's dataset consists of 70 different variables that make the picture of global Chinese investment very detailed. Within the framework of this paper, I can highlight the following variables as the most relevant ones: *commitment year*, *intent*, *amount (original currency)*, and *original currency*. The variables *amount (original currency)* and

[5] Serbia officially formalised its application for EU membership on 22 December 2009, and the first report on the progress of the country came out on 9 November 2010.

original currency are linked to one another, but have been chosen to be treated separately in the dataset – the first-mentioned variable captures the numeric monetary amount, while the second-mentioned variable captures the currency of denomination associated with that numeric monetary amount (Ibid.).

AidData's global Chinese development finance dataset is a reliable source for at least two reasons. Firstly, AidData is a research lab at the College of William & Mary, which is a prestigious public research university in Virginia, USA, the second oldest after Harvard University. Secondly, AidData's data collection method TUFF (Tracking Underreported Financial Flows)[6] is found to be an effective way to collect data from non-democratic regimes like China, considering the lack of transparency in them. Further, the dataset is relevant for this research. Focusing on China's global development finance and i.a. providing unique data regarding its economic relations with Serbia, AidData's dataset is a great visualisation of China's investments in Serbia that is necessary for answering the research question. However, the dataset has a downside – there is currently no data concerning commitments made during the period 2017–2021.

3.2. Method

Since, as stated earlier, a big part of the materials chosen for answering the research question of this study are qualitative texts, and since it is generally agreed that for working with this kind of text-based data the qualitative research method is better suited than the quantitative research method, I choose the qualitative research method for conducting this paper. Nevertheless, it is important to keep in mind that the qualitative research method can also be used for working with quantitative numerical data, like the one that constitutes another part of the materials chosen for the study, as no information is either qualitative or quantitative by its nature. The keystone is the way information is being processed (Hjerm, Lindgren & Nilsson, 2014).

[6] More about TUFF can be read at aiddata.org/methods/tracking-underreported-financial-flows.

The qualitative research method implies data collected in a number of different ways, among which is text analysis, that has been used for this research. Text analysis is an efficient method of collecting data when one is tasked with reading several compound information sources, looking for the points that can be useful in the intended study, and uniting these points into something new, making own findings and thereby contributing to scientific knowledge (Boréus & Bergström, 2018). Thus, I find text analysis to be an appropriate data collection method within the framework of this research.

To carry out a successful text analysis, in accordance with the well-established way of conducting qualitative studies, the materials used have been categorised in so-called coding frames, which has been an irreplaceable tool for finding the common denominator of the materials. Furthermore, the coding frames were useful while comparing the materials with each other, rending assistance in particular in focusing on the changes over time (Ibid.).

A prolonged and neat analysis of Serbia's annual progress reports for the years 2010–2021 has been the first step in the process of answering the research question. As this study is delimited to Serbia's political EU integration, only its political development has been in focus. In Serbia's progress reports the political development is usually described in the chapter 'political criteria', where, as noted earlier, political Copenhagen criteria are presented divided into less extensive fields (e.g., 'democracy and the rule of law') and even less extensive subfields (e.g., 'parliament'). The subfields are the only ones to contain information. Thus, to get an idea of how Serbia's political EU integration has gone during the years 2009–2021, the subfield chapters in the above-mentioned progress reports have been read carefully. Then, Serbia's development progress in various subfields have been appreciated using the numbers 0, 1, 2, 3, 4, 5, where 0 – no progress, 1 – very small progress, 2 – small progress, 3 – some progress, 4 – big progress, 5 – very big progress, based on the statements found in the chapters that address them. For example, the presence of statements like 'Serbia has made no progress on meeting recommendations given last year in the area of …' (e.g., p. 15 in COM(2016) 715) in a subfield has made the progress appreciation number 0 in that subfield that year. Within the framework of this research paper, in all the cases where a subfield has got 0 as a progress appreciation

number, there has been found a statement in the report that literally says there has been no progress. Statements, that either literally say or implicate that 'Serbia has taken small steps to improve the area of …, however, the problem remains the exact same' (e.g., pp. 6–7 and 11–12 in COM(2010) 660) in a subfield has made the progress appreciation number 1 in that subfield that year. Statements, that either literally say or implicate that 'Serbia has taken some steps to improve the area of …, but progress remains quite slow' (e.g., pp. 14–16 in COM(2011) 668) in a subfield has made the progress appreciation number 2 in that subfield that year. Statements, that either literally say or implicate that 'some progress has been made in the area of …' (e.g., pp. 13–15 in COM(2012) 600) in a subfield has made the progress appreciation number 3 in that subfield that year. Statements, that either literally say or implicate that 'Serbia has significantly improved the area of …, however, there is a small issue/a couple of small issues from last year's recommendations that has/have remained untreated' (e.g., pp. 12–14 in COM(2013) 700) in a subfield has made the progress appreciation number 4 in that subfield that year. Finally, statements, that either literally say or implicate that 'Serbia has fully improved the area of …' or 'Serbia's policy in the area of … is now/remains in line with the EU's guiding principles' (e.g., p. 19 in COM(2015) 611) in a subfield has made the progress appreciation number 5 in that subfield that year. Thereafter, Serbia's development progress in various fields have been determined by calculating the arithmetic average of the values given to their subfields. Finally, Serbia's progress in terms of fulfilling EU's political Copenhagen criteria have been judged by calculating the arithmetic average of the values given to their fields.

The second step in the process of answering the research question was an analysis of AidData's global Chinese development finance dataset. Since the study aims to investigate the impact of the Chinese investments in Serbia on the process of Serbia's political EU integration, Chinese investment projects in Serbia made before 2009 have been ignored and the focus has been given to the remaining 54 investment projects. In order to make a better visualisation of how big the investment amounts given by China to Serbia during the years 2009–2017 have been, the monetary amounts in their original currencies, presented by AidData in the dataset, have been converted to Euro 2022. The calculations have been made in two steps. At first, the amount in its original currency has been converted to Euro of the commitment year, respecting the average

exchange rate that was in force during that year. To do that fxtop.com/en/historical-currency-converter.php was used. Afterwards, the amount in Euro of the commitment year has been converted to Euro 2022, rounded to the nearest integer, using inflationtool.com to adjust for inflation and ensure comparability over time and space.

Finally, the third step in the process of answering the research question was combining the findings made during the first two steps and presenting them in the same graph that is expected to illustrate how China's investments in Serbia affect the process of Serbia's political EU integration.

When it comes to the validity and the reliability of this paper, I estimate the validity to be higher than the reliability. In qualitative studies, the validity, which refers to the accuracy of a measure (in other words, whether the measuring method used in a study is de facto measuring what it is supposed to measure), is decided by the results achieved, more concrete whether the results provide a concrete answer to the research question (Ibid.). In this research, the research question that reads "*How do China's investments in Serbia affect the process of Serbia's political EU integration?*" is lastly being answered by dint of the results achieved by using the measuring method. The reliability, in turn, that is decided by the thoroughness of a study, tend to be lower in studies where qualitative text analysis has been used. This can be explained by the fact that text analyses require human interpretation, which makes different conclusions a possible outcome (Ibid.). In this research, Serbia's annual progress reports and eventually its progress in terms of fulfilling EU's political Copenhagen criteria are both matters of interpretation.

4. Results

In this chapter, the results of this research paper are introduced. In the section 4.1. the attention is given to Serbia's political EU integration through the years 2009–2021. Its progress in terms of fulfilling EU's political Copenhagen criteria is appreciated using the numbers 0, 1, 2, 3, 4, 5, where 0 stands for no progress and 5 stands for very big progress. In the section 4.2. China's investments in Serbia during the years 2009–2017, converted to Euro 2022, are demonstrated. Finally, in order to make the research question answered, the findings from the sections 4.1. and 4.2. are combined and presented in a graph in the section 4.3.

4.1. Serbia's political EU integration through the years 2009–2021

Below, three tables are presented, following the differences in division of political Copenhagen criteria into fields and subfields in Serbia's annual progress reports[7]. In the left columns various fields and subfields of political Copenhagen criteria, addressed in respective annual progress reports, are shown. The remaining columns consist in turn of numbers that illustrate my appreciation of Serbia's development progress in those fields and subfields, based on the statements found in the progress reports, where 0 – no progress, 1 – very small progress, 2 – small progress, 3 – some progress, 4 – big progress, 5 – very big progress[8].

[7] Since some of the differences in division of political Copenhagen criteria into fields and subfields in Serbia's various annual progress reports are large-scale, merging those into one single table is problematic. For example, in the progress reports from the years 2010–2014 'democracy' and 'rule of law' constitute one field, while in the progress reports from the years 2015–2021 'democracy' and 'rule of law' are treated separately (beyond this, in the progress reports from the years 2018–2021 'rule of law' is not called rule of law but is tackled by fields like 'judiciary and fundamental rights' and 'justice, freedom and security'). The field 'human rights and the protection of minorities' also changes after 2014 – in 2015 and 2016 'civil and political rights' and 'economic and social rights' that are own subfields in the years 2010–2014 become instead a part of other subfields. Moreover, the field 'regional issues and international obligations' stops being considered as a part of political Copenhagen criteria from 2018 and is treated separately in the years 2018–2021. All these differences considerably complicate the possibility of presenting all the results in a single table – as my appreciation of Serbia's total progress in terms of fulfilling EU's political Copenhagen criteria is strongly dependent on the judgements of its progress in those fields and subfields, for the sake of higher reliability and credibility of this study, it is more reasonable to group the results after the similarities in division of political Copenhagen criteria into fields and subfields in the progress reports.

[8] A better explanation of the process is provided in the chapter 3., section 3.2.

Table 4.1: 2010–2014 Progress Reports

Source: Author's calculations based on COM(2010) 660, COM(2011) 668, COM(2012) 600, COM(2013) 700, and COM(2014) 700

Fields **– *Subfields***	**2010**	**2011**	**2012**	**2013**	**2014**
Democracy and the rule of law	2	3	2	2	2
– *Constitution*	2	5	4	4	3
– *Parliament*	1	4	3	4	3
– *Elections*	–	–	–	2	3
– *Executive*	–	4	–	–	–
– *Government*	2	–	3	3	2
– *Public administration*	3	2	1	1	3
– *Ombudsman*	–	–	–	3	3
– *Civilian oversight of the security forces*	3	3	1	2	3
– *Judicial system*	2	2	1	2	1
– *Civil society*	–	–	–	4	3
– *Anti-corruption policy / Fight against corruption*	1	3	2	1	1
– *Fight against organised crime*	–	–	–	1	1
Human rights and the protection of minorities	2	3	2	2	2
– *Observance of international human rights law*	3	4	3	4	3
– *Civil and political rights*	2	3	3	1	1
– *Economic and social rights*	2	3	1	1	2
– *Respect for and protection of minorities, cultural rights*	2	2	2	1	2
Regional issues and international obligations	3	3	3	4	3
– *Compliance with the Dayton/Paris peace agreement*	5	5	5	5	4
– *Cooperation with the ICTY*	3	4	4	4	4
– *War crimes policy*	3	2	2	1	–
– *ICC policy*	4	4	5	5	4
– *Membership in the Council of Europe*	–	5	–	–	–
– *Kosovo question*	1	1	2	–	–
– *Sarajevo declaration process*	3	3	4	2	2
– *Regional cooperation and good neighbourly relations*	2	2	2	4	2
– *Bilateral relations with other enlargement countries and with EU neighbouring states*	3	3	2	4	3
Political Copenhagen criteria	**2**	**3**	**2**	**3**	**2**

Table 4.2: 2015 & 2016 Progress Reports

Source: Author's calculations based on COM(2015) 611 and COM(2016) 715

Fields **– *Subfields***	**2015**	**2016**
Democracy	2	2
– *Elections*	*1*	2
– *Parliament*	2	2
– *Governance*	2	2
– *Civil society*	2	3
– *Civilian oversight of the security forces*	3	*1*
Public administration reform	3	2
Rule of law	2	1
– *Functioning of the judiciary*	*1*	*1*
– *Fight against corruption*	*1*	*0*
– *Fight against organised crime*	*1*	*1*
– *Fight against terrorism*	*4*	3
Human rights and the protection of minorities	2	3
– *Observance of international human rights law*	3	3
– *Respect for and protection of minorities and cultural rights*	*1*	3
Regional issues and international obligations	4	4
– *Compliance with the Dayton/Paris peace agreement*	5	5
– *Cooperation with the ICTY*	5	–
– *War crimes policy*	3	–
– *ICC policy*	5	5
– *Sarajevo declaration process*	2	3
– *Regional cooperation and good neighbourly relations*	5	3
– *Bilateral relations with other enlargement countries and neighbouring EU member states*	3	2
Political Copenhagen criteria	**3**	**2**

Table 4.3: 2018–2021 Progress Reports

Source: Author's calculations based on COM(2018) 450, COM(2019) 260, COM(2020) 660, and COM(2021) 644

Fields **– *Subfields***	**2018**	**2019**	**2020**	**2021**
Democracy	1	0	1	1
– Elections	*1*	*0*	*1*	*2*
– Parliament	*1*	*0*	*1*	*2*
– Governance	*2*	*1*	*1*	*2*
– Civil society	*0*	*0*	*1*	*1*
– Civilian oversight of the security forces	*2*	–	–	*0*
Public administration reform	1	1	0	1
Judiciary and fundamental rights	1	2	1	1
– Functioning of the judiciary	*2*	*2*	*0*	*1*
– Fight against corruption	*1*	*1*	*1*	*1*
– Fundamental rights	*1*	*2*	*2*	*2*
Justice, freedom and security	2	3	2	3
– Fight against organised crime	*2*	*1*	*1*	1
– Fight against terrorism	*2*	*3*	*4*	*3*
– Legal and irregular migration	*1*	*2*	*3*	*2*
– Asylum	*3*	*4*	*4*	*4*
– Visa policy	*3*	*3*	*1*	*4*
– Schengen and external borders	*3*	*2*	*2*	*3*
– Judicial cooperation in civil, (commercial) and criminal matters	*3*	*4*	*2*	*3*
– Cooperation in the field of drugs	*1*	*1*	*2*	*2*
– Customs cooperation	*1*	*1*	*2*	–
Political Copenhagen criteria	**1**	–	–	**2**
		2	**1**	

The tables above show i.a. that Serbia's political EU integration progress in terms of meeting EU's political Copenhagen criteria in the years 2009–2021 varied between 1 and 3, where 1 – very small progress, 2 – small progress, and 3 – some progress.

The field in which Serbia has made its biggest progress is 'regional issues and international obligations', having created and been maintaining cooperation with the ICTY and the ICC, satisfyingly complying with their policies, as well as having been building good political relations with both its neighbouring countries and other EU member states. Note, that this field stops being considered as a part of political Copenhagen criteria from 2018 and is treated separately in the years 2018–2021, which is possibly one of the reasons for Serbia's overall score being considerably smaller during these years. Note also, that from 2013 this field stops covering Serbia's prestation regarding the Kosovo question, that is a very severe and ambiguous issue for Serbia, which means that the score in the field might have shown to be smaller if Kosovo question continued to be treated within it in the progress reports.

The fields 'democracy', 'rule of law' and 'human rights' have conversely been vague and uncertain. During the years 2009–2016, Serbia was making a certain progress in those fields, while later, during the years 2017–2021, the progress made was minor or completely absent.

4.2. China's investments in Serbia during the years 2009–2017

According to AidData's global Chinese development finance dataset, since Serbia applied for EU membership in 2009 and until 2017, China made 54 investment projects in Serbia. Those are demonstrated in the table below. In the first column, the year when an official commitment, in terms of a formal agreement signed by a Chinese donating/lending agency and a Serbian receiving agency, was made is shown. In the second column, the monetary amount in its original currency that the Chinese donating/lending agency committed to donate/lend to the Serbian

receiving agency is presented. In the third column, the monetary value of the monetary amount in its original currency in Euro 2022 is calculated[9].

Table 4.4: Chinese Development Finance in Serbia, 2009–2017

Source: Author's calculations based on Custer et al. (2021)

Year	Amount (original currency)	Amount, EUR2022
2009	10 000 000 (CNY)	1 327 487
2009	18 495 448 (USD)	16 752 204
2009	150 000 (EUR)	189 079
2009	700 000 (EUR)	882 370
2009	150 000 (EUR)	189 079
2009	75 000 000 (USD)	67 931 059
2009, total	**–**	**87 271 278**
2010	217 400 000 (USD)	187 202 541
2010	204 900 000 (CNY)	25 844 207
2010	1 500 000 (USD)	1 291 646
2010, total	**–**	**214 338 394**
2011	999 999 (EUR)	1 207 561
2011	500 000 (EUR)	603 781
2011	39 683 946 (EUR)	47 920 825
2011	10 000 000 (CNY)	1 368 808
2011	15 000 000 (CNY)	2 053 212
2011	293 000 000 (USD)	264 792 447
2011, total	**–**	**317 946 634**
2012	10 000 000 (CNY)	1 443 999
2012	15 000 000 (CNY)	2 166 000
2012	642 000 000 (EUR)	756 359 652
2012	500 000 (EUR)	589 065

[9] A detailed explanation of the calculation process is provided in the chapter 3., section 3.2.

2012, total	**–**	**760 558 716**
2013	16 000 000 (EUR)	18 599 711
2013	301 000 000 (USD)	265 201 659
2013	30 000 000 (CNY)	4 242 273
2013, total	**–**	**288 043 643**
2014	550 000 (EUR)	636 611
2014	3 000 000 (CNY)	415 903
2014	10 364 (USD)	8 698
2014	50 000 (USD)	41 965
2014	150 000 (USD)	125 895
2014	608 260 000 (USD)	510 510 475
2014, total	**–**	**511 739 547**
2015	1 600 000 (USD)	1 522 477
2015, total	**–**	**1 522 477**
2016	600 000 000 (USD)	635 229 285
2016	198 618 888 (USD)	210 280 890
2016	42 090 (USD)	44 562
2016	20 000 (USD)	21 175
2016	623 (USD)	659
2016	48 936 (USD)	51 809
2016	230 000 000 (EUR)	265 103 413
2016, total	**–**	**1 110 731 793**
2017	297 638 159 (USD)	320 501 130
2017	128 000 000 (EUR)	145 289 001
2017	30 000 (USD)	32 304
2017	30 000 (USD)	32 304
2017	61 823 (USD)	66 572
2017, total	**–**	**465 921 311**
2009–2017	**–**	**3 758 073 793**

The table above shows that during the years 2009–2017 China made investment of ca 3 760 million EUR in Serbia, with the largest invested amount in 2016 (ca 1 111 million EUR) and

the smallest invested amount in 2015 (ca 1,5 million EUR). According to the table, the mean amount invested in Serbia by China during the above-mentioned period is ca 420 million EUR, while the median amount is ca 320 million EUR (in 2011).

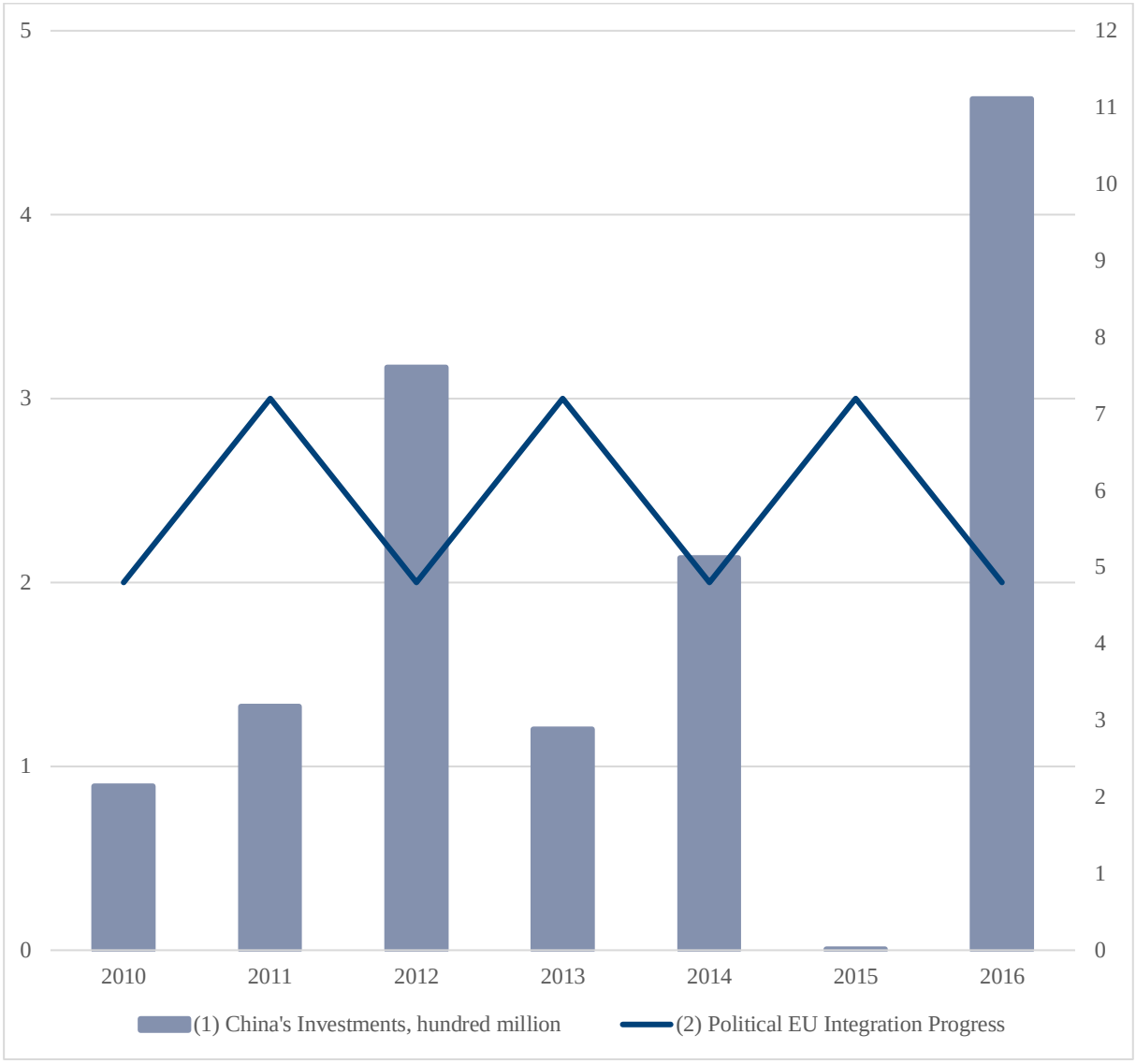
4.3. Serbia's political EU integration in light of China's investments in Serbia

To answer the research question of this paper, that reads "*How do China's investments in Serbia affect the process of Serbia's political EU integration?*", the findings made in the previous two sections are combined and presented in the Figure 4.1 on the next page. The left vertical axis illustrates Serbia's political EU integration, where its progress in terms of fulfilling EU's political Copenhagen criteria is judged from 0 to 5, where 0 – no progress, 1 – very small progress, 2 – small progress, 3 – some progress, 4 – big progress, 5 – very big progress. The right vertical axis illustrates China's investments in Serbia in Euro 2022 from 0 to 12 hundred million. The horizontal axis illustrates the 2010–2016 period.

The graph shows that Serbia's political EU integration progress during the years 2010–2016 has been varied between 2 and 3, where 2 means small progress and 3 means some progress. China's investments in Serbia during the same period has in turn been varied to a much greater degree, starting from ca 1,5 million EUR in 2015 and ending with ca 1 billion EUR in 2016. According to the graph, it can be stated that there is a weak positive correlation between China's investments in Serbia and the process of Serbia's political EU integration, but no clear strong relationship between those has been found. For example, in 2010 China invested a smaller amount compared to both the mean and the median amounts, that are ca 420 million EUR and ca 320 million EUR respectively. However, Serbia's political EU integration progress that year is appreciated to be 2, viz small. Further, the fact that during the years 2010–2016 Serbia's political EU integration progress has no clear trend but varies between being small and some, whereas China's investments are of a less ambiguous character and show a rather rising trend, supports the conclusion that there is no evident relationship between China's investments in Serbia and the process of Serbia's political EU integration.

Figure 4.1: The Trends of (1) China's Investments in Serbia and (2) Serbia's Political EU Integration Progress, 2010–2016

Source: Author's calculations



Comment: For a better visualisation, the graph doesn't show Serbia's political EU integration progress in the years 2018–2021, although those findings are presented in the section 4.1., table 4.3. The reason lies in the fact that data on China's investments in Serbia during that period is not yet provided by AidData. Furthermore, for a better visualisation, the graph doesn't show China's investments in Serbia in 2009 and 2017, even though data for those years exists and is presented in the section 4.2., table 4.4. This can be explained by the fact that progress reports for those years are not available. Since Serbia officially formalised its application for EU membership only in 2009, its progress started to be annually followed from 2010. Concerning 2017, no report was drawn up then. The 2018 progress report covers accordingly the period from October 2016 to February 2018 (COM(2018) 450).

5. Conclusions

Despite the fact that Serbia's leaders have incessantly been stating that the process of EU integration has been set as the country's big priority, it is clear that Serbia does not make significant progress in achieving the stated goals. The results of this study, where Serbia's progress in its process of political EU integration through the years 2009–2021 has been appreciated using the numbers 0, 1, 2, 3, 4, 5, where 0 – no progress, 1 – very small progress, 2 – small progress, 3 – some progress, 4 – big progress, 5 – very big progress, show that the progress of Serbia has varied between 1 and 3. Furthermore, the results point out a definite deterioration starting from 2016 to the present, particularly in 2018 and in 2020, when Serbia's progress in its political EU integration process was very small.

However, it is also obvious that Serbia's performance and development in various fields and subfields differ greatly. For instance, the country was making significant progress in the field 'regional issues and international obligations', that was treated as a part of political Copenhagen criteria in the progress reports for the years 2010–2016. In the subfields like compliance with the Dayton/Paris peace agreement, cooperation with the ICTY, ICC policy and Sarajevo declaration process year after year Serbia tended to show major progress. On the contrary, Serbia's development in the fields 'democracy', 'rule of law', and 'human rights' has been pretty ambiguous and has varied between 0 and 3. To be reminded, exactly this tendence, along with the possible reason for it, is discussed by Gafuri & Muftuler-Bac (2021), who argue that the EU at some point set the question of Serbia's democracy consolidation aside and prioritised conflict prevention and stability in the country, making Serbia concentrate on improvement of its relations with the neighbouring countries, recognition of Kosovo's independence, and cooperation with the ICTY, at the cost of putting in more work towards making bigger progress in such areas as democracy, rule of law and protection of human rights in the country.

Yet, as mentioned earlier, unlike Gafuri & Muftuler-Bac (2021) and other scholars who aimed to explain democratic backsliding in Serbia by focusing on the role and/or the mistakes of the EU in Serbia's ongoing political EU integration process, as well as other actors' (e.g., Russia's)

role in and influence on this process, I concentrated on the role of China and its investments in Serbia in the process of Serbia's political EU integration. First, I appreciated Serbia's progress in terms of fulfilling EU's political Copenhagen criteria. To do that, I read Serbia's annual progress reports for the years 2010–2021 and analysed the statements found in them. Second, I analysed AidData's global Chinese development finance dataset, focusing on China's investments in Serbia during the years 2010–2017, and calculated the monetary value of the monetary amount in its original currency in Euro 2022. Third, I combined those findings into one graph in order to clarify whether there was a link between China's investments in Serbia and the process of Serbia's political EU integration. No clear strong one has been found – even though it can be stated that there is a certain weak positive correlation between China's investments in Serbia and the process of Serbia's political EU integration, there is no evident relationship between the two variables.

The absence of any evident relationship between China's investments in Serbia and the process of Serbia's political EU integration can be explained by several factors. One of the main ones is the EU's weak position on and minimal efforts regarding Serbia becoming its member. For instance, the previous literature presented earlier highlight the fact that the EU has shown lack of interest in making the process of Serbia's political EU integration as quick as possible. Pavičić (2019) has pointed up three proofs of that – (1) Jean-Claude Juncker already from the beginning categorically rejecting the possibility of further EU enlargement during the mandate period of his Commission; (2) the EU intentionally taking it slow with Serbia and other WB6 countries, learning from its previous mistakes made with other states that after having become EU members have stopped delivering on such foundational EU values as democracy, rule of law and human rights; and (3) the EU having been busy during the last years, dealing with a number of other important issues, such as increasing Euroscepticism, Brexit, uncontrollable migration waves and democratic backsliding in some of the member states, in parallel with several EU institutions welcoming new leaders. Gafuri & Muftuler-Bac (2021) blame in turn the EU in prioritising stability in the WB6 and Serbia in particular, because of its bloody history, and making Serbia shift its attention from fulfilment of the accession criteria regarding democracy, rule of law, and human rights. Another main factor is the huge number of different actors that have bilateral political and/or economic relations with Serbia, among which is

Russia, that also is an authoritarian state and that also may prevent the democratisation process in Serbia and even cause its autocratisation. Both these factors make it difficult to isolate the impact of China and its investments on the process of Serbia's political EU integration, as well as both these factors, either together or solely, may affect Serbia's slow political EU integration to a greater degree. More thorough further research is needed in order to understand whether there is a relationship between China's investments in Serbia and the process of Serbia's political EU integration.

In case a clear strong relationship between China's investments in Serbia and the process of Serbia's political EU integration is found, further research is needed even in order to understand whether political conditionality is an important aspect in the EU–Serbia–China trilateral relations, what I suggest looking at earlier in the paper. Considering the findings made by Pavičić (2019), Emerson & Noutcheva (2004), Aidt & Albornoz (2011) and Vanderhill (2013) in their respective studies, one can agree that China's economic intervention in Serbia theoretically is not optimum for the process of Serbia's political EU integration, as it implicates that Serbia is rather autocratisating. At the same time, viewed from an angle created by the theories on political conditionality, presented in the chapter 2., section 2.2., giving preference to China seems more natural. Theoretically, China's lack of political conditionality can have impacted Belgrade's trajectory, turning China into a more attractive investor in comparison to the EU. In addition to not insisting on any political changes in Serbia, China's principle of non-interference tackles a very important for Serbia issue, namely the Kosovo question. While the EU has made it clear that Serbia must recognise Kosovo's independence in order to become an EU member, having turned the Kosovo question into another condition for getting development aid, China supports Serbia's position and doesn't recognise Kosovo as an independent state itself. Knowing how severe the Kosovo question is for Serbia, one can claim that only this aspect might have changed the political game between the EU, Serbia, and China, making Serbia prioritise relations with China over the process of political EU integration. In this context, political conditionality might explain China's expanding political and economic influence in Serbia and the absence of a univocal progress in the process of Serbia's political EU integration. However, no support for this hypothesis has been found in this paper.

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Appendix

Serbia's Annual Progress Reports

2010 Progress Report, published on 2010-11-09 in Brussels, is the first progress report available. In it, Serbia's political development is judged in the fields *democracy and the rule of law, human rights and the protection of minorities,* and *regional issues and international obligations*. The field *democracy and the rule of law* contains opinions on the subfields *constitution, parliament, government, public administration, civilian oversight of the security forces, judicial system,* and *anti-corruption policy*. The field *human rights and the protection of minorities* contains opinions on the subfields *observance of international human rights law, civil and political rights, economic and social rights*, and *respect for and protection of minorities, cultural rights*. The field *regional issues and international obligations* contains opinions on the subfields *compliance with the Dayton/Paris peace agreement, cooperation with the ICTY, war crimes policy, ICC policy, Kosovo question, Sarajevo declaration process, regional cooperation and good neighbourly relations,* and *bilateral relations with other enlargement countries and with EU neighbouring states* (COM(2010) 660).

2011 Progress Report, published on 2011-10-12 in Brussels, is the second progress report available. In it, Serbia's political development is judged in the fields *democracy and the rule of law, human rights and the protection of minorities,* and *regional issues and international obligations*. The field *democracy and the rule of law* contains opinions on the subfields *constitution, parliament, executive, public administration, judicial system, anti-corruption policy,* and *civilian oversight of security forces*. The field *human rights and the protection of minorities* contains opinions on the subfields *observance of international human rights law, civil and political rights, economic and social rights*, and *respect for and protection of minorities and cultural rights*. The field *regional issues and international obligations* contains opinions on the subfields *compliance with the Dayton/Paris peace agreement, cooperation with the ICTY, war crimes policy, ICC policy, membership in the Council of Europe, Kosovo question, Sarajevo declaration process, regional cooperation and good neighbourly relations,* and *bilateral relations with other enlargement countries and with EU neighbouring states* (COM(2011) 668).

2012 Progress Report, published on 2012-10-10 in Brussels, is the third progress report available. In it, Serbia's political development is judged in the fields *democracy and the rule of law, human rights and the protection of minorities,* and *regional issues and international obligations*. The field *democracy and the rule of law* contains opinions on the subfields *constitution, parliament, government, civilian oversight of security forces, judicial system,* and *anti-corruption policy*. The field *human rights and the protection of minorities* contains opinions on the subfields *observance of international human rights law, civil and political rights, economic and social rights,* and *respect for and protection of minorities, cultural rights*. The field *regional issues and international obligations* contains opinions on the subfields *compliance with the Dayton/Paris peace agreement, cooperation with the ICTY, war crimes policy, ICC policy, Kosovo question, Sarajevo declaration process, regional cooperation and good neighbourly relations,* and *bilateral relations with other enlargement countries and with neighbouring EU member states* (COM(2012) 600).

2013 Progress Report, published on 2013-10-16 in Brussels, is the fourth progress report available. In it, Serbia's political development is judged in the fields *democracy and the rule of law, human rights and the protection of minorities,* and *regional issues and international obligations*. The field *democracy and the rule of law* contains opinions on the subfields *constitution, parliament, elections, government, public administration, ombudsman, civilian oversight of the security forces, civil society, judicial system, fight against corruption,* and *fight against organised crime*. The field *human rights and the protection of minorities* contains opinions on the subfields *observance of international human rights law, civil and political rights, economic and social rights,* and *respect for and protection of minorities*. The field *regional issues and international obligations* contains opinions on the subfields *compliance with the Dayton/Paris peace agreement, cooperation with the ICTY, war crimes policy, ICC policy, Sarajevo declaration process, regional cooperation and good neighbourly relations,* and *bilateral relations with other enlargement countries and neighbouring EU member states* (COM(2013) 700).

2014 Progress Report, published on 2014-10-08 in Brussels, is the fifth progress report available. In it, Serbia's political development is judged in the fields *democracy and the rule of law, human rights and the protection of minorities,* and *regional issues and international obligations*. The field *democracy and the rule of law* contains opinions on the subfields *constitution, elections, parliament, government, public administration, ombudsman, civilian oversight of the security forces, civil society, judicial system, fight against corruption,* and *fight against organised crime*. The field *human rights and the protection of minorities* contains opinions on the subfields *observance of international human rights law, civil and political rights, economic and social rights,* and *respect for and protection of minorities*. The field *regional issues and international obligations* contains opinions on the subfields *compliance with the Dayton/Paris peace agreement, cooperation with the ICTY, ICC policy, Sarajevo declaration process, regional cooperation and good neighbourly relations*, and *bilateral relations with other enlargement countries and neighbouring EU member states* (COM(2014) 700).

2015 Progress Report, published on 2015-11-10 in Brussels, is the sixth progress report available. In it, Serbia's political development is judged in the fields *democracy, public administration reform, rule of law, human rights and the protection of minorities,* and *regional issues and international obligations*. The field *democracy* contains opinions on the subfields *elections, parliament, governance, civil society,* and *civilian oversight of the security forces*. The field *rule of law* contains opinions on the subfields *functioning of the judiciary, fight against corruption, fight against organised crime,* and *fight against terrorism*. The field *human rights and the protection of minorities* contains opinions on the subfields *observance of international human rights law,* and *respect for and protection of minorities and cultural rights*. The field *regional issues and international obligations* contains opinions on the subfields *compliance with the Dayton/Paris peace agreement, cooperation with the ICTY, war crimes policy, ICC policy, Sarajevo declaration process, regional cooperation and good neighbourly relations,* and *bilateral relations with other enlargement countries and neighbouring EU member states* (COM(2015) 611).

2016 Progress Report, published on 2016-11-09 in Brussels, is the seventh progress report available. In it, Serbia's political development is judged in the fields *democracy*, *public administration reform, rule of law, human rights and the protection of minorities,* and *regional issues and international obligations*. The field *democracy* contains opinions on the subfields *elections, parliament, governance, civil society,* and *civilian oversight of the security forces.* The field *rule of law* contains opinions on the subfields *functioning of the judiciary, fight against corruption, fight against organised crime,* and *fight against terrorism*. The field *human rights and the protection of minorities* contains opinions on the subfields *observance of international human rights law,* and *respect for and protection of minorities and cultural rights*. The field *regional issues and international obligations* contains opinions on the subfields *compliance with the Dayton/Paris peace agreement, ICC policy, Sarajevo declaration process, regional cooperation and good neighbourly relations*, and *bilateral relations with other enlargement countries and neighbouring EU member states* (COM(2016) 715).

2018[10] **Progress Report**, published on 2018-04-17 in Strasbourg, is the eighth progress report available. In it, Serbia's political development is judged in the fields *democracy*, *public administration reform, judiciary and fundamental rights,* and *justice, freedom and security*. The field *democracy* contains opinions on the subfields *elections*, *parliament*, *governance*, *civil society*, and *civilian oversight of the security forces*. The field *judiciary and fundamental rights* contains opinions on the subfields *functioning of the judiciary*, *fight against corruption,* and *fundamental rights*. The field *justice, freedom and security* contains opinions on the subfields *fight against organised crime*, *fight against terrorism*, *legal and irregular migration, asylum, visa policy, Schengen and external borders, judicial cooperation in civil and criminal matters, cooperation in the field of drugs*, and *customs cooperation* (COM(2018) 450).

2019 Progress Report, published on 2019-05-29 in Brussels, is the ninth progress report available. In it, Serbia's political development is judged in the fields *democracy*, *public administration reform, judiciary and fundamental rights,* and *justice, freedom and security*. The

[10] No report was drawn up in 2017.

field *democracy* contains opinions on the subfields *elections*, *parliament*, *governance*, and *civil society*. The field *judiciary and fundamental rights* contains opinions on the subfields *functioning of the judiciary*, *fight against corruption*, and *fundamental rights*. The field *justice, freedom and security* contains opinions on the subfields *fight against organised crime*, *cooperation in the field of drugs*, *fight against terrorism*, *legal and irregular migration*, *asylum*, *visa policy*, *Schengen and external borders*, and *judicial cooperation in civil and criminal matters* (COM(2019) 260).

2020 Progress Report, published on 2020-10-06 in Brussels, is the tenth progress report available. In it, Serbia's political development is judged in the fields *democracy*, *public administration reform*, *judiciary and fundamental rights*, and *justice, freedom and security*. The field *democracy* contains opinions on the subfields *elections*, *parliament*, *governance*, and *civil society*. The field *judiciary and fundamental rights* contains opinions on the subfields *functioning of the judiciary*, *fight against corruption*, and *fundamental rights*. The field *justice, freedom and security* contains opinions on the subfields *fight against organised crime*, *cooperation in the field of drugs*, *fight against terrorism*, *legal and irregular migration*, *asylum*, *visa policy*, *Schengen and external borders*, and *judicial cooperation in civil, commercial and criminal matters* (COM(2020) 660).

2021 Progress Report, published on 2021-10-19 in Strasbourg, is the eleventh and last progress report available. In it, Serbia's political development is judged in the fields *democracy*, *public administration reform*, *judiciary and fundamental rights*, and *justice, freedom and security*. The field *democracy* contains opinions on the subfields *elections*, *parliament*, *governance*, *civilian oversight of the security forces*, and *civil society*. The field *judiciary and fundamental rights* contains opinions on the subfields *functioning of the judiciary*, *fight against corruption*, and *fundamental rights*. The field *justice, freedom and security* contains opinions on the subfields *fight against organised crime*, *cooperation in the field of drugs*, *fight against terrorism*, *legal and irregular migration*, *asylum*, *visa policy*, *Schengen and external borders*, and *judicial cooperation in civil, commercial and criminal matters* (COM(2021) 644).