

The Ministry of Construction, Transport and Infrastructure of the Government of Serbia has announced that some infrastructure works may be abandoned, but that they will fight for every project.

In an interview with Biznis.rs, a professor at the Faculty of Economics in Belgrade, Ljubodrag Savić, briefly states that this is already happening, because from his personal experience of being on Zlatibor, he notices that there are evident delays on the bypass around this mountain and on the road to the Ponikve airport, since the works are not financed by that dynamics that were before.

“In the coming period, we can expect not only the stopping of infrastructure works, but I am afraid that the state will have less and less money for various planned projects”. But I can’t say that it is a consequence of the bad work of the state, but rather it is a consequence of the crisis that is yet to knock on our door”, assesses Savić.

He believes that the main roads financed by the state, such as Pojate-Preljina and the route to Požega, as well as the Surčin-Belgrade section, will be worked at the same pace, while it is completely reasonable and expected given the circumstances we are in that everything else works at reduced intensity.

“Infrastructure projects were the engine of growth not only because of more work, but the income filled the state coffers on various grounds. They were generators of growth that influenced the inflow of foreign direct investments, which are placed mainly where there is a well-developed infrastructure at a favorable price. Their arrival indirectly influenced the final balance on various grounds”, says Savić.

Our interlocutor states that the state was a generator of growth in the previous period, while now the inflow will be influenced in a different way with a greater emphasis on consumption.

“Serbia no longer has the opportunity to increase its growth except through consumption, and I do not mean only trade, but investment consumption as well”. That is why we must insist on the construction of roads first of all, because this goes back into the state budget and encourages employment, production, GDP and foreign direct investments”, explains Savić.

He admits that he is not very optimistic about the finalization of the announced arrival of a dozen foreign investors by the end of the year.

“In the coming period, companies from Europe will invest less in the rest of the world because of their problems”. First of all, the reason is that the factories that work here do not have their final product, but work for the parent companies, which in this crisis adapt their production to the needs of the orders”, concludes Savić, Biznis reports.