

Romania and Serbia:

**Strong Foundations, Strategic Connectivity -
Three Pillars for Deepening Cooperation**



New Strategy Center
Pupin Initiative

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About New Strategy Center

New Strategy Center is a Romanian think tank specializing in foreign, defence and security policy, a non-partisan, non-governmental organisation. New Strategy Center operates at three main levels: providing analytical inputs and expert advice to decisionmakers; holding regular debates, both inhouse and public, on subjects of topical interest; expanding external outreach through partnerships with similar institutions or organisations all over the world, joint policy papers and international conferences. The Balkans and the Black Sea space are priority areas of interest for New Strategy Center.

About Pupin Initiative

The Pupin Initiative is a non-partisan, privately funded organization strengthening US-Serbia ties through collaborative efforts and policies. Inspired by the legacy of Mihajlo Pupin, a Serbian-American inventor, scientist, and diplomat who played a pivotal role in advancing ties between Serbia and the United States, the Initiative serves as a bridge between Serbian and American institutions. The Pupin Initiative works to ensure that Serbia's voice is heard more clearly in Washington by building sustained dialogue and cooperation with decision-makers, strengthening mutual understanding, and supporting more aligned policies between Serbia and the United States. At the same time, it develops platforms for innovation, business cooperation, and broader societal initiatives that revitalize bilateral relations and help build a lasting partnership between the two countries.

Overview of the Traditionally Strong Serbia-Romania Relations

Serbia and Romania share a long tradition of political cooperation and largely stable relations that date back to the nineteenth century. The roots of their modern diplomatic relationship can be traced to **1836**, when the Principality of Serbia opened its first diplomatic agency in Bucharest, reflecting the strategic importance of Wallachia as a political partner during the gradual decline of Ottoman influence in the Balkans. Relations intensified as both societies pursued national independence, culminating in **1878**, when the **Treaty of Berlin** recognized the independence of both Serbia and Romania. Shortly thereafter, in **1879**, diplomatic missions in Belgrade and Bucharest were elevated to legations, formally institutionalizing relations between the two newly sovereign states.

From the late nineteenth century onward, Serbia and Romania often found themselves aligned within the broader geopolitical dynamics of Southeastern Europe. Both countries participated in the **Russo-Turkish War of 1877–1878**, which created the conditions for their internationally recognized independence. Diplomatic contacts deepened in the decades that followed, and Romania played an important regional role during the **Bucharest Peace Conference of 1913**, which ended the Second Balkan War and helped consolidate the territorial gains of Serbia and its allies. In the interwar period, the relationship acquired a more institutional dimension. Romania and the Kingdom of Serbs, Croats and Slovenes (later Yugoslavia) became key pillars of the **Little Entente**, an alliance formed in the early 1920s together with Czechoslovakia to defend the post-World War I order and contain revisionist ambitions, particularly from Hungary. The two countries also cooperated within the **Balkan Entente of 1934**, a regional diplomatic initiative aimed at preserving existing borders and strengthening political stability in Southeastern Europe.



*This photograph shows delegates gathered during the **Bucharest Peace Conference of 1913**, which concluded the **Second Balkan War**. The negotiations were hosted by Romania and brought together representatives of the Balkan states, including Serbia, Greece, Bulgaria, Montenegro, and Romania. Among the key participants were **Romanian Prime Minister Titu Maiorescu**, who chaired the conference, and **Serbian Prime Minister Nikola Pašić**, representing the Kingdom of Serbia. The talks culminated in the **Treaty of Bucharest (10 August 1913)**, which redrew borders in the Balkans and marked a major diplomatic moment in the region's pre-World War I history.*

Source: Wikimedia Commons

Despite the profound political transformations of the twentieth century, including the establishment of communist regimes and different strategic alignments within the socialist bloc, relations between Belgrade and Bucharest remained relatively stable and largely free of major disputes. A particularly significant milestone in bilateral cooperation was the joint construction of the **Iron Gate** (Đerdap) hydroelectric and navigation system on the Danube, agreed in the 1960s by Yugoslavia and Romania and inaugurated in 1972, which became one of the largest hydro-engineering projects in Europe and a symbol of practical cooperation between the two neighbors. Following the end of the Cold War, relations intensified further through economic exchange, cross-border infrastructure projects, minority protection frameworks, and cooperation in regional initiatives along the Danube. Today, Serbia and Romania officially characterize their relationship as a “traditional friendship” and a model of good-neighborly cooperation, grounded in more than a century of diplomatic continuity, absence of major historical conflicts, and broadly converging regional interests.

This historical predictability has created a level of political trust that is not always present in Southeast Europe and that can now be leveraged for more ambitious forms of cooperation. In practical terms, the legacy of coordination, from nineteenth-century diplomacy to joint infrastructure projects, provides a foundation upon which more complex, forward-looking initiatives in energy, logistics, and regional connectivity can be built.

A structural asymmetry that increasingly defines Serbia–Romania relations is their differing positions within the Euro-Atlantic institutional architecture. Romania’s membership in both the European Union and NATO provides it with direct access to EU structural funds, connectivity instruments, and participation in common energy and transport market regulation. Serbia, as an EU candidate country, remains partially integrated into these frameworks but is progressively aligning its infrastructure, energy, and regulatory systems with EU *acquis*. This asymmetry does not constrain cooperation; rather, it creates a complementary dynamic in which Romania functions as a regulatory and institutional gateway for broader EU-aligned connectivity projects involving Serbia. In practice, this makes Romanian–Serbian cooperation a *de facto* bridge between the EU internal market and the Western Balkans.

Overview of Key Treaties, Agreements, and Partnerships between Serbia and Romania

Following a brief overview of the historically stable and cooperative relations between Serbia and Romania, it is useful to turn to the contemporary institutional framework of bilateral cooperation. In particular, the period after 2006, when **Serbia re-established** full statehood following the dissolution of the State Union of Serbia and Montenegro, coincided with Romania’s consolidation as a member of the European Union in 2007 and NATO in 2004, marking the beginning of the modern legal and diplomatic architecture of bilateral relations in their current form. Since then, Belgrade and Bucharest have jointly developed a series of targeted agreements and operational protocols covering security cooperation, economic coordination, cross-border infrastructure, and diplomatic facilitation, reflecting both continuity and adaptation to new geopolitical and institutional realities.

Before this period, the bilateral treaty base between the two countries was already extensive. Most agreements signed during the twentieth century were focused on **three core areas**:

1. **management of the Danube and the Iron Gate hydro-energy system**, which became the backbone of long-term infrastructural cooperation;
2. **border regime management**, including local border traffic, opening of crossing points, and technical border adjustments; and
3. **sectoral cooperation** in areas such as transport, health, customs, culture, and scientific exchange.

These earlier arrangements created the technical and institutional foundation upon which contemporary cooperation has continued to develop. The table below therefore focuses exclusively on agreements concluded after 2006, which represent the modern framework of Serbia–Romania bilateral relations.

Key Bilateral Agreements after 2006

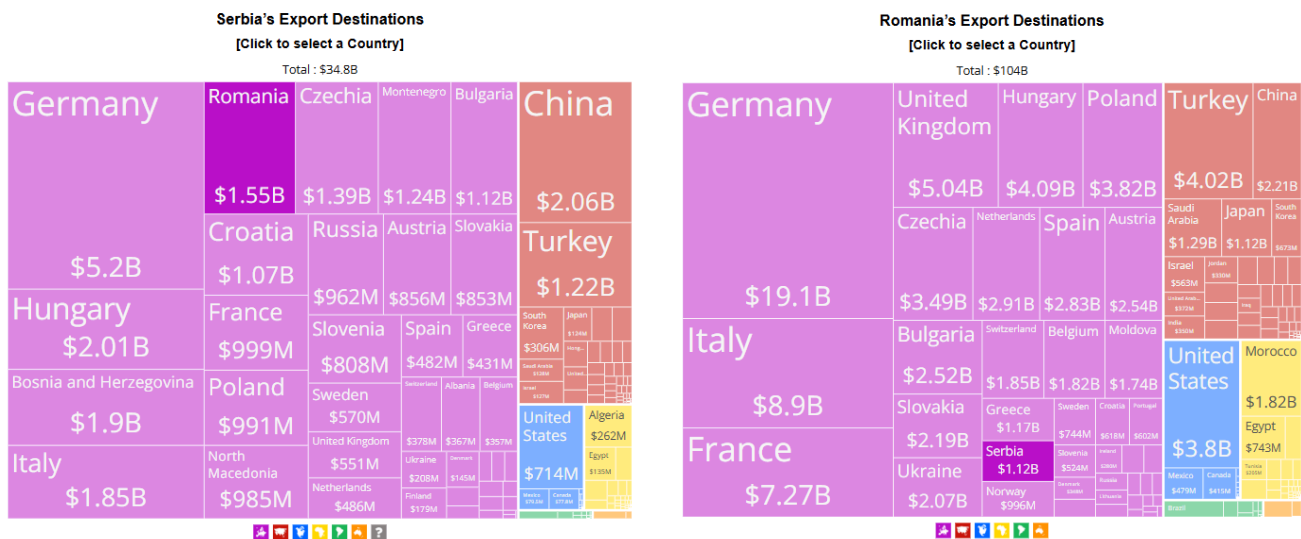
Act	Signed	Ratification / Entry into Force	High-Level Summary of Obligations	Materialization
Agreement on Cooperation in Combating Organized Crime, Drug Trafficking and Terrorism	05 Jul 2007	unspecified	Establishes cooperation between police and security authorities in combating organized crime, narcotics trafficking, and terrorism.	Joint investigative cooperation, intelligence exchange, and coordination between law-enforcement agencies.
Agreement on Opening the International Border Crossing Golubac – Moldova Nouă	11 Dec 2013	2014 (ratified in Serbia)	Establishes a cross-border road crossing on the Danube to facilitate mobility and regional trade.	Construction and operation of border infrastructure and cross-border control regime.
Agreement on Opening the International Border Crossing Vračev Gaj – Socol	2014	2014 (ratified in Serbia)	Establishes a road border crossing between Vračev Gaj and Socol to regulate cross-border traffic.	Border infrastructure arrangements and operational traffic control procedures.
Agreement on Opening the International Border Crossing Jaša Tomić – Fenj	2014	2015	Establishes an international border crossing point to facilitate cross-border mobility and economic interaction.	Operational border crossing infrastructure and customs/border control framework.
Agreement on Opening the International Border Crossing Nakovo – Lunga	2014	2015	Establishes a bilateral border crossing point to improve transportation and cross-border regional connectivity.	Development of border facilities and coordinated border-control regime.

Agreement on Opening the International Border Crossing Vrbica – Vălcani	16 Dec 2014	02 Mar 2015	Creates a new international border crossing to facilitate trade and local mobility between Banat regions.	Border infrastructure development and operational border-management cooperation.
Agreement on Employment of Family Members of Diplomatic and Consular Staff (exchange of diplomatic notes)	14 Jul 2015	2015 / 2016	Allows family members of diplomatic and consular personnel to work legally in the host country.	Administrative framework for work permits and employment authorization.
Agreement on Social Security	28 Oct 2016	2018	Coordinates national social security systems to protect migrant workers' pension and insurance rights.	Recognition and aggregation of insurance periods and cross-border benefit coordination.
Agreement on Mutual Protection of Classified Information	08 Feb 2017	2018	Establishes legal safeguards for the exchange and protection of classified governmental information.	Security clearance procedures and institutional cooperation between national security authorities.
Agreement on Cooperation in the Field of Defence	04 Dec 2017	unspecified	Provides a framework for bilateral military cooperation, including training, exchanges, and defense dialogue.	Military exchanges, joint training activities, and defense-policy consultations.
Agreement on Sustainable Management of Cross-Border Waters	05 Jun 2019	11 Sep 2020	Establishes cooperation on the protection and sustainable management of shared water resources.	Joint water-management mechanisms, environmental monitoring, and coordinated basin governance.
Agreement on Transfer of Property Rights over the "Lućafarul" Building	2022	2022	Transfers ownership rights of the Lućafarul building in Serbia to Romania for diplomatic/cultural purposes.	Legal transfer of property title and arrangements for use of the building by Romanian authorities.
Agreement on Cooperation in Disaster Prevention, Limitation and Mitigation	03 Oct 2025	unspecified	Establishes mechanisms for cooperation in civil protection and disaster response.	Joint disaster-response coordination, emergency assistance mechanisms, and information sharing.

Economic Cooperation

Serbia and Romania maintain a robust and increasingly diversified economic relationship, shaped primarily by geographic proximity, complementary industrial structures, and shared access to the Danube corridor. Bilateral trade has grown steadily over recent years, with Romania emerging as one of Serbia's most important regional trading partners, while Serbia represents a significant export destination for Romanian energy, industrial inputs, and manufactured goods. Although the scale of trade is still moderate compared to each country's broader external trade structure, its composition and growth trajectory indicate a stable and structurally grounded economic partnership with clear potential for further expansion. This diversified exchange reflects the broader trend of regional economic integration in Southeast Europe, where cross-border production networks and infrastructure connectivity increasingly shape trade flows between neighboring economies.

Trade relations



Source: *Observatory of Economic Complexity (OEC), Serbia and Romania trade data visualization*

In 2024, Serbia exported approximately \$1.55 billion worth of goods to Romania, making it one of Serbia's top regional export destinations and placing Romania among its top six global export markets, following Germany, China, Hungary, Bosnia and Herzegovina, and Italy. Serbia's export basket to Romania is relatively concentrated but strategically significant, dominated by energy and industrial goods. Electricity represents the single largest export category at approximately \$265 million, followed by agricultural commodities such as corn (\$193 million) and wheat (\$68.6 million), as well as manufactured industrial inputs including insulated wire (\$93.1 million) and rubber tires (\$53.3 million). This structure reflects a classic pattern of regional complementarity, combining energy flows, raw agricultural output, and mid-level industrial production.

A third key area of opportunity lies in agriculture and food processing. Serbia exports significant volumes of primary agricultural goods, including corn worth \$193 million and wheat worth \$68.6 million, while Romania exports higher-value processed food products such as flavored water worth \$42.3 million and baked goods worth \$16.8 million. This pattern reflects a structural division between primary production and value-added processing, suggesting that the most promising direction for future growth lies in expanding agro-industrial cooperation, food processing investment, and logistics infrastructure that connects agricultural producers to regional processing hubs.

Despite this clear complementarity and steady growth, the overall level of economic exchange between Serbia and Romania remains below its structural potential. Given their geographic proximity, shared border, and integration into broader European production and transport networks, current trade volumes are still modest relative to comparable cross-border relationships in Central and Southeastern Europe. The main constraints include underdeveloped transport connectivity, fragmented logistics systems, and the absence of deeply integrated cross-border industrial ecosystems. As a result, economic relations remain largely transactional rather than fully embedded within coordinated production networks.

Another structural limitation is the relatively low level of bilateral investment and production integration. While trade flows are well established, cross-border industrial cooperation and joint investment projects remain limited, particularly in higher value-added sectors such as automotive components, advanced manufacturing, energy infrastructure, and logistics services. This contrasts with broader European trends, where regional value chains increasingly drive trade growth and competitiveness. The absence of such integrated production structures between Serbia and Romania means that economic interaction is still driven primarily by exchange of goods rather than co-production or joint industrial development. Looking forward, the most significant opportunities for expansion lie in moving from a trade-based relationship toward a connectivity-driven and value-chain-oriented partnership. Enhanced transport infrastructure, more efficient border procedures, and better-integrated energy systems would directly translate into higher trade volumes and more complex forms of economic cooperation.

Three Pillars for Further Collaboration

At its core, the next phase of Serbia–Romania cooperation should be anchored in a **connectivity-driven framework built on three mutually reinforcing pillars**: the Danube corridor as a strategic artery of regional logistics and future Ukraine reconstruction flows, the modernization of rail and intermodal links within a broader Trieste–Constanța axis in the context of the IMEC corridor, and a more ambitious partnership in the gas sector focused on diversification, resilience, and long-term energy security.

Danube Corridor

Serbia and Romania are uniquely positioned to transform the Danube corridor into the backbone of a new phase of European connectivity, particularly in light of Ukraine's future reconstruction. The Danube is already embedded within the EU's **TEN-T Rhine–Danube corridor**, linking Central Europe with the Black Sea and integrating both EU and non-EU economies into a single logistical space. At the same time, recent developments have demonstrated that inland waterways are not a secondary route, but a strategic asset. Since 2022, the Danube and the Romanian port of Constanța have become essential channels for Ukrainian exports, including tens of millions of tonnes of grain moving through so-called **“Solidarity Lanes.”**

Looking ahead, this role will only expand. Danube is expected to serve as a **major logistics corridor for Ukraine's post-war reconstruction**, enabling the large-scale movement of materials and strengthening regional supply chains. Academic research similarly emphasizes that inland water transport will play an “irreplaceable role” in rebuilding Ukraine's industrial base, increasing both traffic volume and strategic relevance of the river.

Within this evolving context, the Danube is gradually shifting from a collection of national transport segments into an integrated east–west logistics system connecting Central Europe to the Black Sea. Within this context, Serbia and Romania can deepen cooperation along three concrete dimensions.

First, **port specialization between Serbia's river ports and Romania's Port of Constanța should be formalized as a core element of bilateral economic strategy.** Constanța is not just Romania's main seaport, but the dominant Black Sea logistics platform for the wider Central and Southeastern European hinterland. In 2023, overall goods traffic in Constanța reached a record **92.5 million tonnes** (here), up **22.5 percent** year on year, while its **river-vessel cargo turnover alone reached 21.7 million tonnes** (here) in 2023. Even after wartime distortions eased, the port still handled **57 million tonnes in 2024 (38% drop due to normalized Ukrainian grain flows)**, confirming that it remains one of the most important regional gateways. On the Serbian side, the Port Governance Agency recorded **17.1 million tonnes** of cargo transshipment on Serbian rivers in 2024. The Serbian river system already moves enough cargo to justify a more formal feeder relationship with Constanța, especially for grain, steel, petroleum products, fertilizers, raw materials, and containerized industrial inputs.

Within that model, **Serbian ports should function as upstream aggregation and pre-processing nodes, while Constanța serves as the principal maritime export platform.** This is highly realistic because the pattern already exists. Constanța is directly linked to the Danube through the **Danube–Black Sea Canal**, and Danube traffic is already a major part of its business. The strategic case has only strengthened since the war in Ukraine. In 2023, Constanța exported **36 million tonnes of grain** (here), with **14 million tonnes of Ukrainian grain** alone passing through the port, about **40 percent** of its total grain shipments that year (here). Even in 2024, after Ukraine's own maritime corridor

partially recovered, **6.23 million tonnes of Ukrainian grain** still moved through Constanța, and Romania had helped export almost **29 million tonnes** of Ukrainian grain through Constanța since February 2022 (here Odesa). That matters for Serbia because it shows that Constanța is no longer only a Romanian port in economic terms, but a wartime and postwar logistics hub for the entire wider basin. A Serbian–Romanian logistics model based on synchronized barge schedules, standardized cargo handling, interoperable customs procedures, and digital cargo tracking would therefore not be creating a new corridor from scratch, but scaling one that already exists.

Second, **Serbia and Romania should jointly push river infrastructure modernization as part of the wider TEN-T Rhine–Danube corridor**, but not merely as a bilateral transport issue. The European Commission explicitly defines the Rhine–Danube Corridor as the main west–east transport axis across continental Europe and notes that it includes 9 EU member states plus Serbia and Ukraine. The Danube segment is the **longest inland waterway section of all TEN-T corridors**, which makes its bottlenecks strategically important far beyond the two countries themselves. Yet the corridor still suffers from shallow sections, navigation constraints, and fragmented governance. The Commission’s corridor documentation explicitly notes that bottlenecks remain across the Danube system and must be removed, while Danube navigation studies have long highlighted the negative effect of low-water conditions on reliability and cost. That is why coordinated dredging, better rail links to river ports, digital traffic management, and smart intermodal terminals should be framed as EU-backed corridor alignment, not just local infrastructure works.

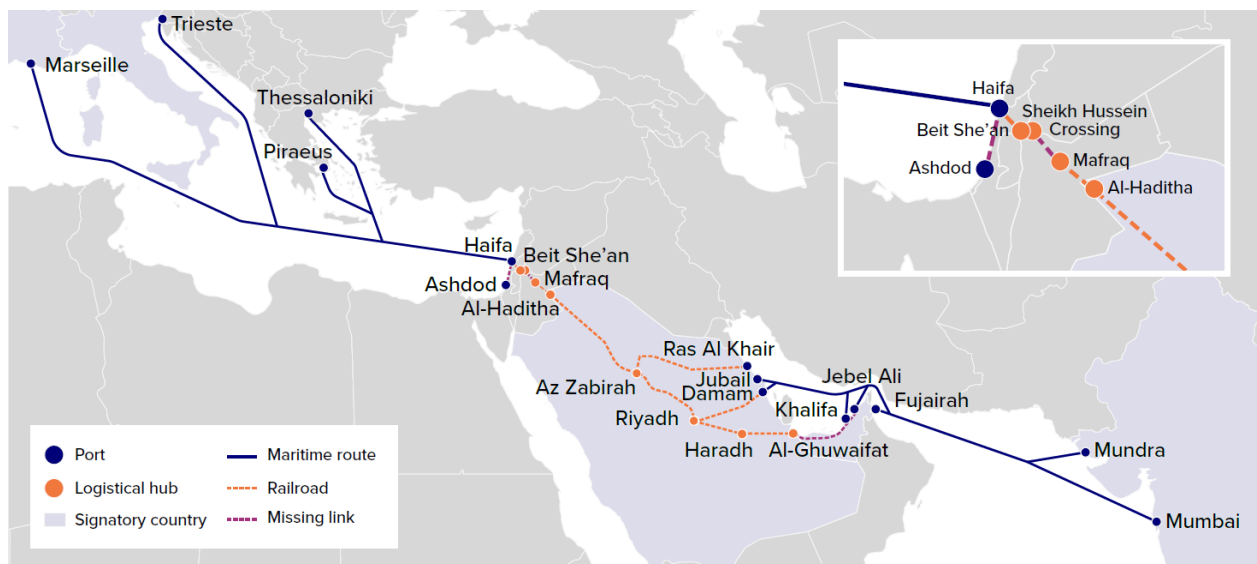
Third, **the Danube should be framed as a strategic reconstruction and industrial corridor for the postwar period in Ukraine**, and that is where the Serbia–Romania case becomes much stronger. According to the World Bank, the Government of Ukraine, the European Commission, and the UN, Ukraine’s recovery and reconstruction needs reached **\$524 billion over the next decade** as of the end of 2024, while direct damage had risen to **\$176 billion (here updated damage)**. The same assessment found that **13 percent of Ukraine’s housing stock** had been damaged or destroyed, affecting **more than 2.5 million households (WB here)**. For 2025 alone, priority recovery and reconstruction needs were estimated at **\$17.32 billion**. That scale necessarily implies enormous future demand for basic materials and logistics services. **IFC’s 2025 reconstruction study** states plainly that Ukraine will require large volumes of cement and concrete, rebars, bricks, insulation materials, glazing, and PVC profiles, and adds that new shelter requirements in construction will require additional volumes of both concrete and rebars. The study also notes that Ukraine’s prewar domestic construction materials sector amounted to about **\$16 billion in producer prices in 2021**, but that some materials, including **cement** in peak years, could still face capacity pressure. For Serbia and Romania, this creates a concrete opening not only in transit and river logistics, but also in steel exports, industrial inputs, construction materials, machinery, fuel logistics, and warehousing services routed through the Danube and Constanța toward Ukraine and the Black Sea basin.

Despite strong structural complementarities, **several risks** may constrain the full realization of Serbia–Romania strategic potential. First, infrastructure financing and implementation delays remain a persistent challenge across Southeast Europe, particularly for large-scale rail and intermodal projects. Second, regional competition from alternative connectivity axes, such as Hungary’s north–south logistics corridors or Greek port expansions, may dilute the

relative centrality of the Danube–Constanța axis. Third, climate variability and fluctuating Danube water levels could affect navigability and reliability of inland water transport. In this context, the **EU-supported FAST Danube project** is directly relevant, as it specifically targets these vulnerabilities by improving navigation conditions on the Romanian–Bulgarian sector of the river through technical interventions that remove bottlenecks and stabilize fairway conditions. Funded under the Connecting Europe Facility and integrated into the Rhine–Danube Core Network Corridor, the project aims to ensure safe and reliable navigation throughout most of the year, increasing the number of navigable days and enhancing traffic safety and efficiency. By enabling more consistent river use and supporting a projected increase in freight volumes, it strengthens the resilience and competitiveness of Danube-based transport within the broader European logistics system. Nevertheless, differences in institutional capacity and the degree of alignment with EU regulatory frameworks may still create asymmetries in project execution timelines. These risks underscore the importance of coordinated planning, sustained investment, and long-term political commitment.

IMEC & Port of Constanța

The **India–Middle East–Europe Economic Corridor (IMEC)** is a maritime and Middle Eastern project, but its long-term success will depend on how effectively it connects to the European hinterland. In that sense, Southeast Europe is not peripheral, it is decisive. If IMEC is to function as a true alternative to existing Eurasian trade routes, it needs multiple, resilient entry points into Europe, and this is precisely where the Black Sea, and specifically the Port of Constanța, comes into play.



“India–Middle East–Europe Economic Corridor (IMEC)”
Source: Atlantic Council

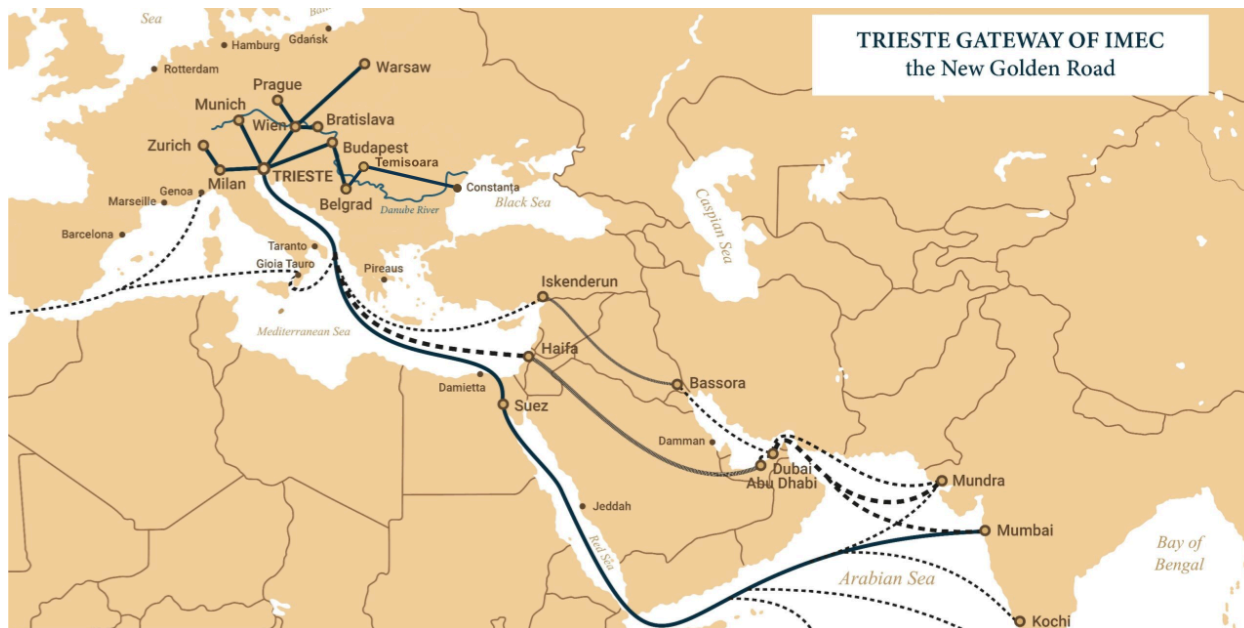
Beyond economic and infrastructural considerations, Serbia–Romania relations are increasingly embedded in the evolving security architecture of the wider Black Sea and Eastern European region. Romania’s position as a NATO member on the alliance’s eastern flank, combined with its direct access to the Black Sea, makes it a key actor in regional

deterrence and maritime security dynamics. The ongoing war in Ukraine has further elevated the strategic importance of Romanian territory, particularly through its role in securing grain exports via the Port of Constanța and maintaining stability along NATO's southeastern frontier. While Serbia maintains military neutrality, its geographic proximity and energy interdependence with EU and NATO members, including Romania, create overlapping strategic interests in crisis resilience, infrastructure security, and regional stability. This convergence is particularly visible in energy diversification, Danube corridor protection, and cross-border emergency coordination.

IMEC is designed as a multi-modal corridor linking India to Europe via the Gulf and the Eastern Mediterranean, **with the potential to reduce transit times by up to 30–40 percent** while diversifying supply chains away from traditional chokepoints such as the Suez Canal. Mediterranean ports, with Trieste as the front runner alone can absorb and efficiently distribute increased cargo volumes into Central and Eastern Europe. This creates a clear opening for Romania and Serbia to position themselves as a complementary axis within the broader IMEC architecture.

The Port of Constanța already provides a strong foundation for this role. Yet, the bottleneck is not maritime capacity, it is inland connectivity. Freight rail speeds in Romania remain low around **17 km/h on average**, and congestion periodically affects port operations, limiting throughput and reliability. This is where Serbia becomes indispensable. Positioned at the intersection of Pan-European Corridor X and the Danube axis, Serbia has the geographic and infrastructural potential to act as a consolidation and distribution hub, linking the Black Sea to both Central Europe and the Adriatic.

A strategic rail corridor connecting Constanța, Belgrade, and Trieste would fundamentally change the equation. Trieste, already a key gateway for Central European markets, could serve as the western anchor of this axis, while Belgrade functions as the central logistics node. Such a corridor would effectively create a continuous Indo-Mediterranean–European land bridge, integrating IMEC flows with existing European transport networks. **That way, Trieste and Constanta, two of the most important ports in the future, will be directly connected via railway.**



“New Parliamentary Cross-Group for the IMEC Corridor”
 Source: **Adapted from AdriaPorts**

For Serbia and Romania, this implies a shift from parallel infrastructure development to coordinated corridor-building. First, both countries should prioritize joint investment in rail modernization, focusing on speed, capacity, and interoperability. Second, the Danube should be fully integrated as a feeder system into Constanța, combining river and rail transport to maximize efficiency. Third, harmonization of customs procedures and digital tracking systems is essential to reduce delays and increase reliability. Finally, this initiative should be explicitly framed within EU Global Gateway and US-backed connectivity efforts, unlocking political support and financing.

Gas sector cooperation and diversification

Romania’s emergence as a significant natural gas producer is reshaping the energy architecture of Southeast Europe, with direct implications for Serbia’s long-term energy security. The development of the **Neptun Deep offshore project** in the Black Sea, operated by OMV Petrom and Romgaz, is expected to come online around 2027 and is projected to add approximately 8–10 billion cubic metres (bcm) of gas annually to Romania’s production profile. This would effectively transform Romania into a net gas exporter for the first time in its modern history, positioning it as one of the most important new non-Russian suppliers in the wider European market.

This development is reinforced by Romania’s expanding gas transmission and interconnection infrastructure, which is increasingly integrated into the EU’s internal energy market. A central component of this system is the **BRUA corridor (Bulgaria–Romania–Hungary–Austria)**, which enables bidirectional gas flows across Southeast and Central Europe. The Romanian segment of BRUA has a technical transmission capacity of approximately 1.75 billion cubic metres (bcm) per year in its initial phase, with system design allowing for significantly higher reverse-flow flexibility once fully optimized within the regional grid. This infrastructure is strategically important because it

connects Black Sea supply sources directly to Central European demand centres, bypassing traditional east–west dependency routes.

In parallel, Serbia’s integration into regional gas diversification architecture has advanced through the **Serbia–Bulgaria gas interconnector (Niš–Dimitrovgrad pipeline)**, which became operational in 2023. This pipeline has a technical capacity of approximately **1.8 bcm per year in the Serbian direction**, enabling Serbia for the first time to access alternative supply routes linked to LNG terminals in Greece (Revithoussa and Alexandroupolis) and to Caspian gas flows via the Southern Gas Corridor. This marks a structural shift away from exclusive dependence on Russian pipeline gas and introduces a multi-source supply framework, although Serbia’s overall diversification remains partial and still evolving, as annual domestic consumption stands at approximately **2.7 bcm**.

At the broader regional level, these developments are embedded in a rapidly changing Southeast European gas network defined by interconnectivity, reverse-flow capability, and LNG integration. Romania already maintains multiple interconnections with Hungary (Arad–Szeged), Moldova, and Bulgaria, with combined cross-border capacities enabling it to function as a regional gas transit hub. Once Neptun Deep becomes operational, Romania’s export potential of approximately **8–10 bcm annually** will exceed domestic incremental demand growth, positioning the country as a structural net exporter within the Balkans-Central Europe gas system.



*Serbian Minister of Mining and Energy Dubravka Đedović Handanović and Romanian Minister of Energy Sebastian Burduja signing the **Memorandum of Understanding** on the Serbia–Romania gas interconnector in Kladovo, marking the launch of a strategic project that will connect Serbia’s Mokrin gas hub with Romania’s BRUA pipeline and enable a new, diversified supply route with a planned capacity of at least 1.6 bcm annually.
Source - Serbian Government Website*

At the systemic level, the post-2022 European energy transition has accelerated this reconfiguration. The European Union’s efforts to reduce dependence on Russian gas have

led to a rapid expansion of LNG import capacity and cross-border pipeline flexibility, effectively transforming Southeast Europe from a terminal consumption zone into a multi-vector energy corridor. In this context, Romania's offshore production, Serbia's interconnector expansion, and the wider BRUA-linked network form a contiguous infrastructure chain linking the Black Sea to Central Europe and the Eastern Mediterranean LNG system.

The planned **Serbia–Romania gas interconnector**, expected to be completed by **2027**, is therefore not just another infrastructure project, it is a strategic necessity. Interest in Romanian gas is already high across the region. Hungary has publicly signaled its intention to import significant volumes, potentially routing them through Serbia, while other Central European markets are positioning themselves early to secure long-term contracts. In such a context, Serbia faces a very concrete risk. If it does not lock in access on time, it may once again find itself competing for limited supply rather than shaping its own energy security.

An additional layer of regional relevance is the role of Moldova in the broader Romania–Serbia connectivity space. As a country closely aligned with Romania and increasingly integrated into EU structures, Moldova functions as an intermediate geopolitical and logistical space between the Balkans, the Black Sea, and Ukraine. Energy interconnections, electricity exchanges, and transport routes linking Romania with Moldova further reinforce Romania's position as a regional hub for energy and logistics redistribution. For Serbia, this creates indirect access to wider Eastern European networks that extend beyond bilateral frameworks.

However, infrastructure alone will not be sufficient. What is currently missing is a broader strategic framework. Political dialogue between the two countries remains underdeveloped, particularly at the highest levels, and this limits the ability to coordinate long-term energy planning. At the same time, the absence of complementary infrastructure, such as a direct highway connection, reflects a wider pattern of underintegration that extends beyond the gas sector. Energy cooperation must therefore be embedded in a wider agenda. This includes aligning gas interconnection projects with existing transit routes, integrating them with regional networks, and ensuring compatibility with EU energy frameworks. It also requires Serbia to act proactively, securing supply agreements in advance of full production ramp-up in Romania, rather than reacting to market pressures later.

For Serbia, Romanian gas offers **diversification toward a neighboring, politically stable and EU-aligned partner**, reducing exposure to geopolitical risks associated with overdependence on a single supplier. For Romania, Serbia represents a natural transit and consumption market, enabling monetization of its new production and strengthening its role as a regional energy hub.

Strategic Recommendations

The following text outlines concrete measures for decision-makers in Serbia and Romania, along with policy recommendations aimed at maximizing the full potential of their bilateral partnership:

I. Institutionalization of Strategic Dialogue and Governance

1. **Institutionalize high-level political coordination:** Serbia and Romania should institutionalize an annual joint intergovernmental summit, co-hosted on a rotating basis. The summit should define shared priorities in energy, infrastructure, trade, security cooperation, and regional development, and serve as the highest-level coordination mechanism for bilateral relations.
2. **Establish permanent Serbia–Romania working groups for energy, logistics, and trade:** Permanent Serbia–Romania working groups in energy, transport/logistics, and trade/industrial cooperation should be established with a clear operational mandate. Their role should go beyond dialogue and focus on delivering concrete outputs, including project pipelines, regulatory alignment, financing strategies, and sector-specific roadmaps. This is particularly important in sectors where complementarities are already strong, such as energy, industrial inputs, metals, and agro-food production.
3. **Seek and sign a formal strategic partnership agreement:** Serbia and Romania should jointly pursue a formal Strategic Partnership Agreement that reflects the existing depth of their cooperation. Such an agreement should not be symbolic. It should explicitly define cooperation in energy diversification, Danube logistics, rail connectivity, industrial value chains, border modernization, and Ukraine-reconstruction-related transport planning.

II. Economic Integration and Industrial Development

4. **Transition toward joint industrial value chains:** Serbia and Romania should jointly promote the development of integrated industrial ecosystems in sectors with strong complementarity, including automotive components, electrical systems, metals, machinery, agriculture, and food processing. The focus should shift from trade exchange to co-production within shared regional value chains.
5. **Strengthen bilateral investment and production integration:** Both countries should encourage cross-border investment, joint ventures, and industrial cooperation, particularly in manufacturing, logistics, and energy infrastructure. This would enable deeper structural integration into European industrial supply networks.
6. **Expand structured business and investment platforms:** Serbia and Romania should jointly organize regular business forums, sector-specific investment platforms, and export promotion missions targeting high-potential industries such as energy, industrial components, agriculture, and consumer manufacturing.

III. Connectivity and Infrastructure Integration

7. **Formalize operational cooperation between Serbian river ports and Constanța:** Serbia and Romania should establish a structured operational framework linking Serbian Danube river ports with the Port of Constanța. This should include synchronized barge scheduling, harmonized customs procedures, digital cargo tracking systems, and coordinated logistics planning. The objective is to transform the Danube into a fully integrated inland extension of Black Sea maritime logistics.
8. **Prioritize the Vršac–Timișoara rail link as the first step toward a wider Constanța–Belgrade–Trieste axis:** Serbia should revive and modernize the rail connection between Vršac and Timișoara, two cities located roughly 77–82 kilometers apart by road, as an immediately realistic bilateral connectivity project and as the first building block of a larger East–West logistics corridor. The strategic rationale goes beyond local mobility. A functioning and modernized rail link in this area could later be folded into a broader Constanța–Belgrade–Trieste corridor, linking the Black Sea and the Adriatic, two ports that are likely to become even more important in Europe’s future trade geography.
9. **Improve border efficiency, not only border infrastructure:** Serbia should work with Romania to accelerate customs processing and reduce administrative bottlenecks through digital pre-clearance systems, interoperable logistics data platforms, and shorter waiting times at border crossings. Hard infrastructure investments alone cannot deliver their full economic impact if procedural friction remains high.
10. **Launch a joint Serbia–Romania initiative toward other Danube countries:** Serbia should work with Romania to create a coordinated Danube policy platform toward other riparian states, especially on infrastructure bottlenecks, navigation reliability, digital river management, and postwar logistics planning for Ukraine. The core idea should be to position the Danube not just as a transport route, but as a shared strategic corridor. In addition, All infrastructure development should be explicitly embedded within EU Global Gateway initiatives and complementary international connectivity programs. This ensures access to financing, regulatory alignment, and integration into broader European logistics networks.

III. Energy Security and Diversification

11. **Deepen gas cooperation beyond infrastructure alone:** Serbia should treat the planned Romania interconnector not as a standalone project, but as the basis for a broader gas-security arrangement. The interconnector will link Serbia’s Mokrin hub to Romania’s BRUA system, with a projected capacity of at least 1.6 bcm annually. The Serbian section is expected to be completed by 2027, while the line will run about 13 km in Serbia and around 86 km in Romania. Serbia should now start negotiating indicative supply volumes, emergency delivery clauses, reverse-flow guarantees, and medium-term commercial arrangements, so that access is secured before Romanian production scales up and competition intensifies.

12. **Integrate Romanian gas into Serbia's diversification strategy:** Romanian offshore gas production should be incorporated into Serbia's broader energy diversification framework alongside LNG imports via Greece and pipeline supplies from Azerbaijan. The objective should be a balanced, multi-source energy portfolio that reduces vulnerability to external shocks.
13. **Expand cooperation toward integrated regional energy markets:** Beyond infrastructure, both countries should work toward electricity market coupling, cross-border balancing mechanisms, storage coordination, and gradual alignment with EU energy market regulations, creating deeper systemic integration.

IV. Regional and Strategic Positioning

14. **Jointly initiate a Danube Connectivity and Reconstruction Summit:** Serbia and Romania should co-lead the establishment of a multilateral Danube Connectivity and Reconstruction Summit, bringing together riparian states to coordinate infrastructure development, logistics integration, and post-conflict reconstruction logistics for Ukraine. The aim would be to align infrastructure planning, port capacity, rail links, customs procedures, and industrial supply chains, positioning the Danube as a coordinated reconstruction corridor rather than a fragmented transport route.
15. **Frame the partnership in geopolitical, not merely bilateral terms:** Finally, Serbian decision makers should present the Romania relationship as part of a wider agenda of European connectivity, energy resilience, Danube strategy, and strategic repositioning in Southeast Europe. Romania is not just another neighbor. It is a NATO and EU member, a future major Black Sea gas producer, and the state controlling the most important Black Sea maritime gateway for the wider Danube basin.
16. **Frame rail and bridge modernization as dual-use infrastructure enhancing regional resilience and military mobility:** Serbia and Romania should position key connectivity projects, particularly rail corridors and Danube crossings, within the EU's evolving security architecture. By emphasizing their role in enabling rapid movement of goods, energy flows, and, where necessary, military assets between a NATO member and a Partnership for Peace country, these projects can better align with EU strategic priorities, increase eligibility for Connecting Europe Facility (CEF) funding, and embed bilateral infrastructure development within the broader context of European resilience and the ongoing war in Ukraine.

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