
TURKEY, BOSNIA-HERZEGOVINA INK DEAL FOR SARAJEVO-BELGRADE HIGHWAY

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Ankara and Sarajevo signed a memorandum of understanding (MoU) for the construction of the Sarajevo-Belgrade highway, dubbed the "Peace Highway," yesterday at a meeting attended by President Recep Tayyip Erdoğan and Bosnia-Herzegovina's Presidential Council's Serbian member Milorad Dodik and Bosniak member Sefik Dzaferovic.

In his speech at the press conference with the Bosniak and Serbian leaders, President Erdoğan announced the signing of the MoU and stressed that the highway project will boost the development and welfare of the region while contributing to the increase of Turkey's trade with Bosnia-Herzegovina.

In December 2018 Turkey's Taşyapi Group signed a contract with the Serbian government for the highway. Turkey sees the highway's role as a guarantor for peace in the region. In February, officials from Bosnia-Herzegovina finally agreed on a route for a highway linking Sarajevo to Belgrade, Serbia's capital. Milorad Dodik, chairman of the Bosnia-Herzegovina Presidency, had said entire project will cost nearly \$3.41 billion and Turkey is ready to provide the necessary funds.

President Erdoğan also announced that the scope of the free trade agreement (FTA) with Bosnia-Herzegovina has been updated. "The updated foreign trade agreement will, I believe, enable our countries to reach the trade target of \$1 billion," he said.

The bilateral trade volume between Turkey and Bosnia-Herzegovina was \$71.6 million in 2003 when the FTA took effect. Since then, the bilateral trade volume has increased ninefold, reaching approximately \$661.45 million last year, according to the Turkish Statistical Institute (TurkStat). Turkey's exports to the country amounted to nearly \$420.23 million, while its imports stood at \$241.22 million.

One of the major topics of yesterday's meeting was energy cooperation. Erdoğan explained, "Turkey will provide support for the TurkStream natural gas pipeline project going through Bosnia-Herzegovina." The Bosniak leader of the country's presidential council Sefik Dzaferovic also stressed that Sarajevo is willing to receive gas from the TurkStream pipeline and is looking for Turkey's support.

Serbia has already started construction of its section of the TurkStream pipeline to carry Russian natural gas to Europe, the country's Foreign Minister Ivica Dacic said in April.

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