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1. Name of Registrant  <b>PRAIRIE AVENUE ADVISORS LLC</b>	2. Registration No.  <b>5940</b>
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3. This amendment is filed to accomplish the following indicated purpose or purposes:

To give a 10-day notice of change in information as required by Section 2(b) of the Act.

To correct a deficiency in

Initial Statement

Supplemental Statement for the period ending

**MAY 31, 2010**

Other purpose (specify): \_\_\_\_\_

To give notice of change in an exhibit previously filed.

4. If this amendment requires the filing of a document or documents, please list -

5. Each item checked above must be explained below in full detail together with, where appropriate, specific reference to and identity of the item in the registration statement to which it pertains. (If space is insufficient, a full insert page must be used.)

**ITEM # 19: MONTH OF MARCH: INQUIRED AS TO STATUS OF SENATE RESOLUTION ON SERBIA. PHONED DAVID WADDE, C.O.S. TO SENATOR JOHN KERRY. SPOKE ON PHONE WITH DILLON BOUTLER OF KERRY'S STAFF. INQUIRED WITH SENATOR DURBIN STAFF AS WELL. THESE WERE INQUIRIES ONLY. RESOLUTION PASSED APRIL 4<sup>TH</sup>**

NSD/CES/REGISTRATION UNIT  
2010 AUG 17 AM 8:14



EMBASSY OF THE REPUBLIC OF SERBIA  
2134 Kalorama Road NW; WASHINGTON, DC 20008  
Phone: (202) 332-0333 Fax: (202) 332-3933  
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KSD/CES/REGISTRATION  
UNIT

2010 AUG 17 AM 8:44

Honorable Richard Durbin  
US Senate

November 12th, 2009

Dear Senator Durbin,

It is my distinguished honor and pleasure to kindly request you to take membership in the Serbian-American Congressional Caucus. In August 2004, for the first time since the establishment of the diplomatic relations between the United States and the Republic of Serbia almost 130 years ago, the Serbian-American Congressional Caucus was formed in the House of Representatives. The formal initiative for its establishment was launched by Representatives Rahm Emanuel (D-IL) and Dan Burton (R-IN) who were also the first Co-Chairs of the Caucus. In 2005, the Embassy of the Republic of Serbia also launched an initiative to establish a "Serbian Caucus" in the Senate as well. Senators G. Voinovich, D. Vitter and J. Inhofe joined the Serbian-American Congressional Caucus in June 2005, thus making it bi-cameral. In this Session of Congress, the Serbian Congressional Caucus is chaired by Representatives Melissa Bean of Illinois and Dan Burton of Indiana. It currently has twenty nine members, five of them representing the State of Illinois.

One of the purposes of this Caucus is to have a group of Congressional legislators who will be active in keeping Serbian issues at the forefront by educating members of Congress on problems affecting the political, economic, and security climate in Serbia and elsewhere in the Balkans as well to support and promote common interests and issues of the Serbian diaspora in the United States. It is estimated that the State of Illinois has more than 700 000 Serbian-Americans living there, many of them 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> generations. It is my opinion and hope that your membership in this Caucus would have a substantial impact on raising awareness of the US Congress about the Serbian-American community in the United States and also improving the bilateral relations between our two respective countries.

Since the visit of Vice-President J. Biden to Serbia in May of this year, our bilateral relations have considerably improved and we are having more and more significant interaction between our officials and government institutions. I am confident that your participation in the Serbian-American Caucus will affirm these positive trends and facilitate even more the cooperation and political dialogue of our countries.

I stand at your disposal to personally brief you and give you any additional information regarding this and other issues concerning our bilateral relations and the political situation in the Balkans.

Thank you for your consideration to this matter and please accept the assurances of my highest consideration.

Respectfully yours,

Vladimir Petrovic  
Ambassador

<b>Member</b>	<b>Serb LA</b>	<b>Phone Number</b>	<b>Email</b>
Sen. George Voinovich	Jospeh Lai	225-3353	<a href="mailto:Joseph_Lai@Voinovich.senate.gov">Joseph_Lai@Voinovich.senate.gov</a>
Sen. Inhofe	Anthony Lazarski	225-4721	<a href="mailto:Anthony_Lazarski@inhofe.senate.gov">Anthony_Lazarski@inhofe.senate.gov</a>
Sen. Vitter	Michael Wong	225-4623	<a href="mailto:Michael_Wong@vitter.senate.gov">Michael_Wong@vitter.senate.gov</a>
Ben Chandler	Jennifer Prather	225-4706	<a href="mailto:Jennifer.Prather@mail.house.gov">Jennifer.Prather@mail.house.gov</a>
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Diane Watson	Abdul Henderson	225-7084	<a href="mailto:Abdul.Henderson@mail.house.gov">Abdul.Henderson@mail.house.gov</a>
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Tim Holden	Keith Pemrick	225-5546	<a href="mailto:Keith.Pemrick@mail.house.gov">Keith.Pemrick@mail.house.gov</a>
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<b>Caucus Member?</b>	<b>Party</b>	<b>Senate</b>
Yes	Rep	Senate
Yes	Rep	Senate
Yes	Rep	Senate
Yes	Dem	
Yes	Dem	
Yes	Dem	
Yes	Dem	
Yes	Dem	Co-Chair
Yes	Dem	
Yes	Dem	
Yes	Dem	
Yes	Dem	
Yes	Dem	109th
Yes	Dem	109th
Yes	Dem	109th
Yes	Dem	109th
Yes	Dem	
Yes	Rep	Co-Chair
Yes	Rep	
Yes	Rep	
Yes	Rep	
Yes	Rep	
Yes	Rep	
Yes	Rep	109th
Yes	Rep	109th
Yes	Dem	
Yes	Dem	

## History

Serbia has a turbulent history wrought with conflict and struggle for independence. The most recent example was the war-torn 1990's which saw the collapse of communist Yugoslavia and the emergence of its former republics as independent states. The conflicts ended in 1999 with NATO led air strikes which resulted in Serbia agreeing to the introduction of UN administration in Kosovo and Metohija province in accordance with the UN Security Council Resolution 1244.

October 2000 saw Serbia defeat Slobodan Milosevic's regime and establishment of a democratic government led by Prime Minister Zoran Djindjic that set a firm reformist course geared towards privatization and free market economy. Following a referendum held in Montenegro in 2006 (which signaled the dissolving of the State Union of Serbia and Montenegro) and the adoption of a new constitution in the same year, Serbia has re-established its status as an independent state. In 2008 Boris Tadic was re-elected President and his Democratic Party leads a coalition that formed the new government headed by Mirko Cvetkovic.

In February 2008 Kosovo unilaterally declared independence from Serbia, which Serbia vehemently opposes. The issue has been brought before the International Court of Justice in an effort to determine the legality of such an action.

The current government follows the path of economic and social reform centered on transition to free market economy and privatization of the public sector. Ascension to the European Union remains a top priority for Serbian administration. Efforts towards realizing this goal are made through adopting new legislation as well as through unilateral application of the Stabilization and Association Agreement (as of January 2009) signed with the EU.

## Geography and climate

The Republic of Serbia is located in South East Europe, central part of the Balkan Peninsula and covers 77,474 km<sup>2</sup> (excluding Kosovo and Metohija). It is situated at the intersection of Pan European Corridors Nr. 10 and Nr. 7 linking Europe and Asia. River Danube runs through Serbia (588 km). The climate is temperate continental, with gradual transition between the four seasons of the year, warm summers and snowy winters. The average annual temperature is around 12 oC. The temperatures in January and June average 0 oC and 22-23 oC respectively. The average annual precipitation ranges from 660 mm to 800 mm in the plains to between 800 mm and 1,200 mm in the mountains.

Major cities are, the capital Belgrade (population around 1.6 million), Novi Sad (popn. 300,000), Nis (popn. 250,000), Kragujevac (popn. 175,000).

## Government structure

The national legislature of Serbia is a unicameral assembly of 250 deputies chosen in direct general elections for a period of four years. The deputies in the National Parliament elect the Government of the Republic of Serbia, which, together with the President of the Republic, represents the country's executive authority. The judiciary is independent.

## Legal system - Legislative framework

Serbia has a civil law system, meaning the courts interpret legislation rather than being bound by preceding rulings on the issue.

The Parliament is the supreme legislator. Certain bodies with executive powers, such as the government and ministries, are competent to pass decrees and by-laws in specific areas. Decrees and by-laws must be in compliance with parliamentary legislation. Legislative acts, decrees and by-laws come into force after publication in the Official Gazette of Serbia.

## Courts

The organization of the court system in Serbia and jurisdiction of courts is regulated currently by the Law on Organization of Courts and the Law on Courts. However, as of 1 January 2010, the newly adopted Law on Organization of Courts shall come into force. The court system consists of

the Constitutional Court, courts of general jurisdiction and courts of special jurisdiction. According to the currently applied system the courts of general jurisdiction are the following: municipal courts, district courts and the Supreme Court. The courts of specific jurisdiction are the following: commercial courts and Higher Commercial Court. Although envisaged by the Law on Organization of Courts, appellate courts (which are in general to be second instance courts to district courts and in most cases to municipal courts), Misdemeanor courts, Higher Misdemeanor Court, and the Administrative Court (for adjudicating in administrative disputes), have still not been formed. In the meantime, in the absence of appellate courts, second instance court for district courts is the Supreme Court. As introduced by the new Law on Organization of Courts, it is expected that as of 1 January 2010, municipal courts shall be replaced by basic courts with similar competencies, as well as higher courts shall replace district courts. Since in certain cases it may take several years to receive a final judgment, many business entities opt for arbitration, providing for it in their contracts. There is a Foreign Trade Court of Arbitration at the Serbian Chamber of Commerce in Belgrade. It is international, general (all conflicts arising from international business relations are considered), open (domestic and foreign citizens are on its list), independent and autonomous. Its judgments are final. Specific rules of procedure can be agreed between the parties and specialist arbitrators can be chosen. The United Nations Commission on International Trade Law (UNCITRAL) book of rules may be applied.

#### People - Population

According to the recent data the population of Serbia (not including Kosovo and Metohija) is approximately 7.4 million, around 64% of which is of working age. Statistics show that Serbia has, on average, an old population (the average year of age being cca. 40.2 according to recent information) which has been identified as a leading concern and is attributed mainly to emigration. The country's population is mostly Serbian (82.86%) with the most significant ethnic minorities being Hungarian (3.9%), Bosnian (1.8%) and Roma (1.4%).

#### Language

Serbian is the only official language while members of ethnic minorities are entitled to use their own language. English is taught as a compulsory foreign language, while in many areas students choose an additional language from German, French or Russian.

#### Religion

Religion is practiced freely and Orthodox Christianity is the dominant confession (84.1%). Other prominent religions are Roman Catholic 6.24%, Islam 4.82% and Protestant 1.44%. Most Catholics reside in Vojvodina, Serbia's Northern Province, while Muslims are predominant in the region of Raska to the south of the country.

#### Education

Elementary and high school education in Serbia is free with eight years elementary schooling being compulsory. Around 78% of the population completes elementary schooling while 11% achieves higher education.

#### Living standards

The total percentage of the population living below the poverty line is 6.6%. The distribution of poverty is uneven with 4.3% living in urban zones and 9.8% in rural areas. Gross average income is also significantly higher in cities (Belgrade in particular) than in rural areas. According to the recent data average monthly gross salary in Serbia amounts to RSD 42 thousand, while in Belgrade amounts to RSD 54 thousand.

#### Economy

##### General description

Serbia is considered an upper-middle income economy by the World Bank, with a GDP for 2008 estimated at \$80.717 billion (\$10,985 per capita PPP). Since the political reforms of 2000, the

country has experienced fast economic growth and has been preparing for membership in the European Union.

#### Currency

Serbian official currency is Dinar (RSD). On 31 March 2009 the exchange rates were 1 EUR = 94.78 RSD and 1 USD = 71.59 RSD, according to the National Bank of Serbia (NBS).

#### Transport

In Serbia all means of transportation are present. The total length of roads is 42,692 km (asphalt) and 24,860 km (concrete). Railway network enables cost effective transportation thanks to good communication with all major European destinations through the Pan European Corridor X.

There are 3 major airports in Serbia: Belgrade Nikola Tesla Airport, Nis Airport and the Vrsac international airport. Serbian rivers belong to the basins of the Black, Adriatic and Aegean Seas. Three of them, the Danube, Sava and Tisa, are navigable.

The longest river is the Danube, which flows for 588 of its 2,857 kilometer course through Serbia. Serbia does not have access to sea.

#### Business climate

##### Aims of government policy

- Key goals and instruments of the economic policy are:
- Maintaining exchange rate stability and curbing domestic aggregate demand through restrictive monetary policy,
- Further reduction of public spending, freezing public sector ages through tight fiscal policy,
- Price stability,
- Simulative subventions for the economy – approval of credits for investments in total of RSD 162 billion

Government of the Republic of Serbia approved in January 2009 a package of measures aimed at mitigating the effects of the global economic crisis on Serbia, maintaining the competitiveness of the economy, preserving jobs and stimulating domestic demand. The proposed measures include directly subsidizing interest rates on loans for liquidity, co-financing loans for investments with the guarantees from the Guarantee Fund and direct subsidies for interest rates on consumer loans for certain consumer goods from international sources. The Government has also adopted a strategy for the development of Serbian trade, strengthening competition of commercial companies in the local market with the aim to create modern market and trade system and accelerate Serbia's EU accession.

#### Economic development

Over the past five years of extensive political and economic reforms, Serbia has developed into a stable democratic country with a fast growing market economy. Western-oriented, democratic political parties have a strong majority among citizens and the Government is shaping an attractive environment for business activities, while legislative activities are intensely bringing the legal framework in line with the EU regulations.

As a member of the International Monetary Fund, Serbia exercises a sound and consistent economic policy resulting in a strong economic growth, state budget surplus, and rapid export expansion. The country's progress is fully supported by leading international development institutions, such as the World Bank and the European Bank for Reconstruction and Development, while the processes of the European Union and the World Trade Organization accession are under way.

## International agreements

### Current status:

- Serbia's application for the WTO accession accepted accession expected in mid 2009,
- The Stabilization and Association Agreement and Interim Trade Agreement with the EU signed in April 2008; membership candidacy planned for 2009; accession preparations to be over by 2012,
- Regional free trade agreement (CEFTA), ratified by Serbia in 2007, integrates the countries of the South East Europe, thus creating a possibility for companies to place their goods customs free to a market of close to 30 million people,
- Serbia is the only European country with free trade agreements with the EU, Russia and Belarus. Apart from its favorable economic agreements with both the East and West, such steps could be soon undertaken with Turkey and Iran,
- The trade with US is pursued under Generalized System of Preferences (GSP). The GSP program provides preferential duty-free entry for more than 4,650 products,
- Serbia is member of Black Sea Economic Cooperation (BSEC).

## Regulations for businesses

### Competition Law

Law on Competition was adopted in September 2005, replacing the existing 1996 Anti-Monopoly Law.

The Law applies to antitrust provisions, including restrictive agreements and abuses of dominant positions. The new Law now makes a differentiation between horizontal (agreement operating on the same production/supply level) and vertical agreements restricting competition, mergers and concentration among market participants. The Law, which is generally in compliance with EU requirements, covers any instrument, e.g. agreements, contracts, explicit or tacit agreements etc. Any such instrument designed to have or having the effect of preventing, restricting or distorting competition on the relevant market is null and void.

A participant has a dominant position in the relevant market if it has the power to behave independently of other undertakings, thus being in a position to make business decisions without taking into account the effect on competitors, purchasers or suppliers and/or final users of its goods and/or services.

A participant having a market share exceeding 40 percent may or may not be considered dominant, depending on the market share of competitors, barriers to entry and the economic strength of potential competitor(s), as well as the eventual dominant position of the buyer. A participant having a market share below 40 percent may also be considered to be dominant. The Law creates an independent competition body: the Commission for the Protection of Competition (the Commission). The Commission is organized as an independent body. The Commission is responsible to the Serbian Parliament.

### Consumer protection

The Law on Consumer Protection was adopted in September 2005.

Under the Law, the competent Authorities dealing with this area are the Serbian Ministry of Trade and Services (the Ministry) and the Council for Consumer Protection (the Council). The Council is created as an advisory body. The Law prescribes the fundamental rights and protection of the Consumer's economic interests. It regulates, inter alia, provisions on water and air quality, issuing of invoices, warranty clauses in commerce, consumer credits, packaging issues and time sharing. Protection of the Consumer is possible both in and out-of-courts. The Law also regulates operations of a consumer protection organization.

### Intellectual Property (IP) Rights

Protection- Patents, Trademarks, Copyrights

All existing IP laws were enacted during the last decade and are generally in compliance with international standards. The main issues remain the implementation of the IP laws and a better trained and organised judicial system. The laws dedicated to the protection of IP rights are as follows:

## Serbia - US Bilateral Relations

Relations between the United States of America and Serbia (established in 1881 while the Consulate-General in New York was opened in 1879) have been traditionally friendly and comprehensive with the exception of the past decade. This was reflected, inter alia, in the US support to the creation of the first South Slav common state in 1918 (support of the right of peoples to self-determination), the alliance in two world wars, developed political contacts and sizable economic assistance provided by the US to Yugoslavia after the Second World War.

Ever since the democratic changes in Serbia in October 2000, the United States of America has gradually lifted all previously imposed sanctions except on the owners of bank accounts and financial transactions of Slobodan Milosevic's closest associates. The most important act in the process of normalization of relations was the decision of President Bush of 29 May 2003 to cancel the extraordinary measures introduced on 30 May 1992 and 9 June 1998 which established a special oversight regime on this country. The United States assistance since 5 October 2000 has been of crucial importance in the normalization and stabilization of the political and economic situation in Serbia while, in view of its political weight and influence, the support of the United States for Serbia's gradual inclusion into international regional organizations was also of essential importance.

The US has been of important support the Serbia's EU integrations as well as to normalization of relations with the Western countries.

For the first time since the establishment of the diplomatic relations with the United States, the so-called Serbian Congressional Caucus was established in the House of Representatives in August 2004. The formal initiative for its establishment was launched by Representatives Rahm Emanuel (D-IL) and Dan Burton (R-IN) who were also the first Co-Chairs of the Caucus. The Caucus scored its first success by preventing a resolution on the independence of Kosovo and Metohija from being adopted in the House of Representatives Committee on International Relations on 7 October 2004. The Embassy of Serbia also launched an initiative to establish a "Serbian Caucus" in the Senate as well. Senators Voinovich (R-OH), Vitter (R-LA) and Inhofe (R-OK) joined the Serbian Congressional Caucus in June 2005, making it thus bi-cameral. One of the purposes of this Caucus is to have a certain group of Congressional legislators who will be active in keeping Serbian issues at the forefront by educating members of Congress on problems affecting the political, economic, and security climate of Serbs in Serbia and elsewhere in the Balkans.

In this Session of Congress, the Serbian Congressional Caucus is chaired by Representatives Melissa Bean (D-IL) and Dan Burton (R-IN). It has 29 nine members.

Though Serbia and the U.S. may disagree on the specific question of Kosovo's unilateral declaration of independence, with the support from Congress by means of the bi-partisan Serbian Congressional Caucus, Serbia and the US have a great deal in common that should not be overshadowed by the Kosovo issue.

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In his 2004 address to the Democratic National Convention, then-Sen. Barack Obama (D-Ill.) said that America should not divide itself along political lines, red states and blue states. Similarly it is believed in Serbia that countries must act together within the framework of a worldwide community of nations, not define themselves as Eastern states or Western states.

### Economic Cooperation

The trade exchange between the Republic of Serbia and the United States is constantly on the rise. In 2004, it amounted to about US\$450 million, with Serbia and Montenegro's export to the United States standing at US\$42.054 million and import from the United States at US\$424.763 million. In 2005, Serbia and Montenegro's export amounted to US\$59.218 million and its import to US\$379.318 million. By the volume of the trade exchange, the United States was the ninth trade partner of the Republic of Serbia in 2005. The United States included Serbia into the list of the Generalized System of Preferences (GSP), which is particularly appreciated by Serbia in view of the fact that it enables tariff-free export of over 4 600 products from Serbia to the United States.

A Conference on trade and United States investment in Serbia was held in November 2005. Along with the increase of trade exchange, the Conference provided a new impetus to the development of bilateral economic cooperation.

### United States Assistance for Serbia in 2008

As it has been the case in the past, the United States assistance for Serbia amounts to around \$ 150 million. The need for the certification of Serbia's compliance with its obligations after 31 May 2006 has been retained. In other words, Serbia may count on US\$150 million and United States support in international financial institutions if the United States Secretary of State "certifies" on behalf of the President of the United States that Serbia fully cooperates with the Hague Tribunal. However, in addition to the obligation to enable access by the Tribunal investigators to relevant documents and witnesses during investigations, surrender and transfer of Ratko Mladic and other indictees and/or the provision of assistance in his arrest. It is explicitly said that the United States Secretary of State must confirm to the Appropriations Committees of both Houses of Congress that this individual no longer stays in Serbia.

The old provision of the need for certification that Serbia takes steps in accordance with the Dayton Agreement and that it has ceased financial, political, security and other assistance to separate institutions of the Republic of Srpska has been reiterated. Likewise, the certification of Serbia's active strengthening of the policy of minority rights and the rule of law is necessary.