

No. 127

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Kingdom of Denmark together with the Ministry of Foreign Affairs and Energy of the Government of Greenland, and has the honor to refer to the Joint Statement of the United States and the Kingdom of Denmark on the Resolution of the Thule Base Maintenance Contract Acquisition Matter ("Thule Air Base Joint Statement"), signed March 24, 2015, and to the ongoing discussions between the United States and the Kingdom of Denmark, including the Government of Greenland, regarding the U.S. defense presence at Pituffik (Thule Air Base). Valuing the longstanding, close partnership between the Government of the United States of America and the Government of the Kingdom of Denmark, and in particular with the Government of Greenland, the Embassy would like to take this opportunity to propose the following initiatives by the U.S. Department of Defense intended to provide real, tangible, and substantial benefits to the people of Greenland and strengthen our close and continued defense cooperation.

In order to fulfill the commitments made in the Thule Air Base Joint Statement, and to ensure that the Thule Base Maintenance Contract is awarded to a "Danish/Greenlandic source" as required by the Memorandum of Understanding between the United States of America and the Government of the Kingdom of Denmark (including the Home Rule Government of Greenland) Concerning Use of Sondrestrom Aviation Facility, Kulusuk Airfield, and Other Matters Related to United States Military Activities in Greenland, signed at Copenhagen March 13, 1991, as amended July 16, 2008, and January 27, 2009, the U.S. Department of Defense will apply the following eligibility criteria:

1. As part of its offer, an offeror must certify that at the time of offer submission and throughout the term of the contract:
 - a. it is, and shall remain, registered as a Danish or Greenlandic company in the Danish Central Business Register;
 - b. more than 50 percent of the offeror's equity, defined as the entire capital of the company, is, and shall continue to be, owned by Danish and/or Greenlandic individuals or legal entities; and
 - c. a non-Danish or non-Greenlandic individual or legal entity does not, and shall not, have a "decisive influence" (in Danish: "bestemmende indflydelse") over the offeror¹.
2. As part of its offer, an offeror must present a letter from a Danish or Greenlandic bank certifying banking service.

Additionally, in order to implement the Thule Base Maintenance Contract in a manner that accords maximum mutual benefit, the U.S. Department of Defense will award the Thule Base Maintenance Contract to the source providing the best overall value, rather than as a Lowest

¹ Discussed in the Declaration of March 19, 2015, submitted by the Kingdom of Denmark to the U.S. Court of Federal Claims in Nos. 1:15-cv-00215, 00272 and 00330- CFL.

Price Technically Acceptable source selection, thus fully accounting for the benefits of local expertise and knowledge and other non-monetary benefits in the competition.

As part of the best-value analysis, the process for the forthcoming competition will include a non-cost factor competitive enhancement for an offeror that is registered as a Greenlandic source as well as the contractor's physical presence in Greenland, including management presence.

The contract itself, as supported by market research, will include a combination of requirements, incentives, and/or evaluation factors to fulfill the defense mission, including positive and inclusive relations with the people and business community of Greenland, in the spirit of the Agreement Between the Government of the United States of America and the Government of the Kingdom of Denmark, Including the Home Rule Government of Greenland, to Amend and Supplement the Agreement of 27 April 1951, Pursuant to the North Atlantic Treaty Between the Government of the United States of America and the Government of the Kingdom of Denmark Concerning the Defense of Greenland (Defense Agreement), Including Relevant Subsequent Agreements Related Thereto, signed at Igaliku August 6, 2004, which entered into force on that date. Examples include, but are not limited to:

1. the contractor's physical presence in Greenland, including management presence, necessary to interface effectively with the Government of Greenland, the business community of Greenland, and other entities in order to meet the contract targets, including the labor targets;
2. target metrics for employing Greenlandic residents;
3. targets for measurable increases in Greenlandic workers' participation over the contract period;
4. contractor outreach efforts to employ Greenlandic workers to the greatest extent possible, including for placement of apprentices and trainees and for older adult placement.

If this proposal is acceptable to the Ministry of Foreign Affairs of the Kingdom of Denmark together with the Ministry of Foreign Affairs and Energy of the Government of Greenland, this note and attachment, together with your affirmative reply, will constitute an understanding between our Governments, recognizing that this understanding does not constitute a treaty under Article 2 (1)(a) of the Vienna Convention on the Law of Treaties.

The Embassy of the United States of America takes this opportunity to renew to the Ministry of Foreign Affairs of the Kingdom of Denmark together with the Ministry of Foreign Affairs and Energy of the Government of Greenland the assurances of its highest consideration.

Embassy of the United States of America, Copenhagen, October 27, 2020





Note Verbale

The Ministry of Foreign Affairs of the Kingdom of Denmark together with the Ministry of Foreign Affairs and Energy of the Government of Greenland has the honor to acknowledge receipt of note no. 127 of October 27 2020 including attachment, and to accept the proposal therein in order to ensure Greenland and the Greenlandic society the greatest possible benefits from the U.S. defense presence at Pituffik (Thule Air Base).

The Ministry of Foreign Affairs of the Kingdom of Denmark together with the Ministry of Foreign Affairs and Energy of the Government of Greenland avails itself of the opportunity to renew the Embassy of the United States of America of the assurances of its highest consideration.

Copenhagen, October 27 2020



Embassy of the United States of America

COPENHAGEN