Statement on Improved Cooperation in Greenland

- Including at Pituffik (Thule Air Base) -

We – the representatives of the Government of the United States of America and the Government of the Kingdom of Denmark together with the Government of Greenland – issue the following Joint Declaration.

The United States of America, Denmark, and Greenland share a long history of cooperation based on a deep respect for each other and for democracy, human rights, and the rule of law. We recognize that our future security and prosperity are linked to strong trans-Atlantic cooperation. Pituffik (Thule Air Base) in Northwest Greenland is central to securing this fundamental cooperation now and into the future. In view of Pituffik's and Greenland's key role in Greenlandic, U.S., and transatlantic security, and based on our close dialogue concerning the base maintenance contract at Pituffik, we set out together to increase the benefits to the people of Greenland, through the understanding set forth in the exchange of diplomatic notes, including attachment, dated October 27, 2020, and the Common Plan for U.S.-Greenland Cooperation signed October 28, 2020.

We are committed to strengthening and deepening our cooperation in all areas, including politically, economically, and on peace and security. Accordingly, we acknowledge the relevance of a full-fledged strategic partnership.

We are committed to advancing and monitoring the progress of the initiatives specified in the paragraphs above within the framework of the Permanent Committee, established in 1991, and the Joint Committee, established in 2004, as applicable.

Washington D.C., Copenhagen, and Nuuk - October 28, 2020

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 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:

- 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;
- 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





File.no. 2020-6318

<u>NoteVerbale</u>

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

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Additional Initiatives for Improved Cooperation at Pituffik (Thule Air Base)

The U.S. Department of Defense, in coordination with the wider U.S. Government, is committed to maximizing the benefits of the U.S. presence at Pituffik, beyond the security benefits Greenland already derives from the U.S. presence. Some recently achieved or planned additional initiatives include:

- The approval for Air Greenland to use Pituffik for its operations in the near-term regarding weather divert use, and the commitment to discuss possible efficiencies to provide greater commercial air access for local communities. This program should be documented in writing in an arrangement between the U.S. Department of Defense, the Government of Greenland, and Air Greenland in the near future. Moreover, discussions regarding further cooperation should be launched as soon as possible.
- Documentation in writing of the local population's current access to acute and emergency care at Pituffik. Additionally, the U.S. Department of Defense is working with other U.S. departments and agencies and the Government of Greenland to explore additional ways to increase access to medical and dental care for local populations—learning from the best practices of the Kingdom of Denmark's Joint Arctic Command and the Danish Ministry of Defence. The increased access to such care should be documented in writing in the near future, including the appropriate funding and/or reimbursement mechanisms for each initiative.
- The Department of Defense, as represented by the U.S. Air Force, has begun to enhance the outreach to the Greenlandic business community to assist the Greenlandic business community in understanding the economic opportunities available due to the U.S. military presence in Greenland, and how to compete for future U.S. Department of Defense contracts.
- Working with the local authorities, the U.S. base at Pituffik provides an essential augmentation for search and rescue capability to the people living and working in the surrounding areas.
- The U.S. base at Pituffik continues to act as a hub for researchers to pursue scientific advances.
- Expanding economic, cultural, and linguistic outreach to the local communities potentially including the creation of a "Thule Air Base-Greenland Chamber of Commerce"—that should be enhanced by the opening of the U.S. Consulate in Nuuk.
- Increasing the Greenlandic language skills of people at the U.S. base at Pituffik in order to interface more closely and effectively with the local community.

Common Plan for U.S.-Greenland Cooperation in Support of our Understanding for Pituffik (Thule Air Base)

The Government of the United States of America and the Government of Greenland seek to collaborate and expand the existing cooperation to unlock the great potential for partnerships and future initiatives to deepen and strengthen the relationship between the United States and Greenland in the areas described below. This Common Plan for U.S.-Greenland Cooperation ("Common Plan") is intended to contribute to strengthening the partnership and the prosperous relationship between the United States of America and Greenland by building on the close relationship reflected in the exchange of diplomatic notes dated October 27, 2020, regarding the Pituffik (Thule Air Base) base contract and related matters. The United States is committed to working with the Government of Greenland to realize this Common Plan through mutual efforts, exchange of good practices, and close coordination. The Common Plan's objectives are intended to be met through diplomatic engagement and agency and ministry cooperation.

United States and Greenland. Trade, Investment, and Economic relations:

- The Government of the United States of America and the Government of Greenland are working to enhance bilateral trade and investment cooperation. We are discussing formally launching an Economic Policy Dialogue to promote greater trade and investment and facilitate a more competitive business and investment environment.
- The United States and Greenland continue to work together to resolve any existing regulatory and tariff barriers and to increase market access for Greenlandic goods and businesses.
- The United States plans to leverage U.S. Export-Import Bank and U.S. International Development Finance Corporation, to increase commercial cooperation between U.S. and Greenlandic companies.
- The United States and Greenland are encouraging commercial partnerships between U.S. and Greenlandic businesses, including at the national and local level, across all sectors, with a specific focus on tourism, seafood and fisheries, and natural resource extraction, including by facilitating business contacts and raising awareness of business and investment opportunities among U.S. and Greenlandic companies.
- The United States has assigned a Senior Development Advisor to Greenland, to assess economic growth and community development potential to target future assistance and capacity building support.

Energy and mining sector cooperation:

- The United States and Greenland are promoting investments, advancing the deployment of new technologies, exchanging good practices, and ensuring the continued incorporation of leading international practices in the mining sector.
- The United States and Greenland are, in line with the educational policies of the Government of Greenland, cooperating on capacity building and training to strengthen Greenland's technical and vocational training in mining operations, safety, and search and rescue in this regard.
- The United States and Greenland continue to collaborate to enhance energy security and resiliency.

Building Educational Ties:

- The U.S. Government and the Government of Greenland (Ministry of Education) are, in line with the educational policies of the Government of Greenland, working to leverage a U.S. university to work with counterparts in Greenland to build capacity in academic programs and vocational studies in land and fisheries management, hospitality, and sustainable tourism.
- The United States also is promoting Greenlandic participation in professional exchange programs.
- The United States, through the U.S. Peace Corps, is assessing the feasibility of volunteer placements focused on English language teaching in secondary schools in medium-sized communities across Greenland.
- The United States expects to award small grants to science and health projects. The purpose is to work with Greenland on community-based resilience, exchange of good practices, science education, and sustainable fisheries.

Tourism Sector Cooperation:

- The U.S. Government and the Government of Greenland (Ministry of Industry) are working together to build capacity within the tourism sector, including to develop an overarching strategy for growth within the tourism sector, through (but not limited to) seminars/webinars on sustainable tourism, parks management, and cruise ship management.
- The United States aims to provide U.S.-based training to Greenlandic delegations, to share experience on engaging local communities in the tourism planning process as well as creating eco-tourism products, marketing strategies, and training programs for hospitality professionals.

Nature management cooperation:

• The U.S. Government and the Government of Greenland (Ministry of Research and Environment) seek to inspire and exchange experiences between nature managers in Greenland and the United States on nature management issues where both countries can benefit from closer collaboration. To this end, the Ministry of Research and Environment has initiated cooperation with the U.S. National Park Service on nature management.