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Agreed Record of Meeting Held Between American and Danish
Representatives July 9 and 10 in Copenhagen on Contracts and
Labor Used in Work on Defense Areas in Greenland

From the 9th-11th July discussions have taken place in Copenhagen between representatives of the Danish and of the United States Governments (see Annex) on questions relating to the participation by Danish enterprises and labor in work on defense areas in Greenland. As a result of the discussions agreement was reached on the following:

1. With regard to participation in work on defense areas in Greenland, Danish enterprises shall in every respect as in the past enjoy treatment no less favorable than that accorded to American concerns. The American Representatives again reiterated their intention to use Danish labor and contractors to the maximum extent possible. As regards the use of material, reference is made to the Department of State's note of August 22, 1951, addressed to the Ambassador of Denmark, which states in part, "It is the general policy in carrying out military projects in areas not under sovereignty of the United States to utilize local contractors, labor and materials to the greatest extent practicable and consistent with other considerations..."

2. Construction, Operation and Maintenance contracts for works in the defense areas in Greenland will in future only be awarded to Danish and American enterprises. The following exceptions will apply:

a) In the rare cases where employment of a third part contractor for work in Greenland is considered desirable, the American forces will employ such third country contractor only after prior consultation and agreement with the Danish Government.

b) The employment of third country contractors for emergency cases. The Danish authorities will be notified concurrent with the emergency or in any event as soon as possible.

The problem of small maintenance contracts mentioned in the American note of May 4 was discussed.

It was noted that these contracts have since been awarded to DAC for the current year.

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3. The American representatives reiterated their full agreement with the principle of employment of only American or Danish labor.

The following exception shall apply:

Employment of third country labor for emergency only. The Danish authorities will be notified concurrent with the emergency, and in any event as promptly as possible.

It was pointed out that at neither Thule nor Sondrestromfjord was third country labor employed, and even though at present at Narsarssuak, approximately 170 non-clerical third country workers are employed, the principle of employment of only American and Danish labor is fully recognized.

4. The Danish position as to the use of American or Danish labor hired to carry out maintenance and operations was restated. NEAC will endeavor to replace third country labor by Danish or American labor to the fullest extent possible. It was agreed that the Danish position would be made known to Commander NEAC with the view of overcoming the obstacles previously hindering the employment of Danish labor. NEAC representatives will discuss this subject on their semi-annual visit to Copenhagen in September 1956.

5. With regard to the procedure to be followed for the awarding of contracts for work in Greenland the American representatives explained that the normal procedure is to call for proposals for negotiations and to select the lowest responsible proposal with a view of negotiating a contract at a price not exceeding the proposal received in the first instance.

The American representatives assured the Danish representatives that conditions of tender will as in the past be clearly and exactly formulated, including stipulation that only Danish and American labor may be employed.

The Danish representatives took note of this statement, and it was agreed that if it was felt that the nature of the conditions was such as to place Danish enterprises at a handicap, consultation should take place between the contracting officers and contractors with a view of ensuring that proposals be submitted on an equal basis.

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With particular reference to the procedure set out above, the Danish representatives stated that broader considerations of a general nature made it essential that full recognition be given to the special Danish interest in the observance of the principles contained in numbered paragraph 1. The American representatives took note of this statement.

6. In the case of contracts concluded without a preceding call for proposals, Danish enterprises shall be given consideration in accordance with the principles stated in numbered paragraph 1 above. If, however, the American authorities deem it desirable to use an American enterprise, the Danish authorities shall be informed of the considerations leading to the award of such contract.

7. The two countries are prepared to discuss any questions which may arise in connection with the provisions outlined above.

Copenhagen, July 11th, 1956

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