

AGREEMENT TO AMEND THE MEMORANDUM OF UNDERSTANDING BETWEEN

THE GOVERNMENT OF THE KINGDOM OF DENMARK

AND

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

CONCERNING

THE PRINCIPLES GOVERNING MUTUAL COOPERATION IN THE

RESEARCH, DEVELOPMENT, PRODUCTION, PROCUREMENT, AND LOGISTIC SUPPORT  
OF DEFENSE EQUIPMENT

The Government of the United States and the Government of the Kingdom of Denmark agree that the Memorandum of Understanding (MOU) between them, effective January 30, 1980, is amended by adding at the end of Article I the following paragraphs:

15. The Governments agree to exchange information and to discuss the extent to which equitable opportunities are provided for procurements subject to the MOU, i.e., coverage of similar classes of goods and services.

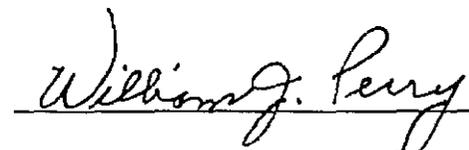
16. The Governments agree to discuss measures to limit any adverse effects of offsets and other regulations and measures that may have a negative impact on the defense industrial base of each country.

Subject to the above amendments, and the addition of Annex V, the MOU dated January 30, 1980, remains in effect.

This amendment will enter into force on the date of the later signature.

For the Government of the  
United States  
The Secretary of Defense

For the Government of the  
Kingdom of Denmark  
The Minister of Defense





Date: 28 April 1994

Date: 27 May 1994

Place: Washington, DC

Place: Copenhagen

Denmark Memorandum of Understanding.

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING THE PRINCIPLES GOVERNING MUTUAL COOPERATION IN THE RESEARCH, DEVELOPMENT, PRODUCTION, PROCUREMENT AND LOGISTIC SUPPORT OF DEFENSE EQUIPMENT

PREAMBLE

The Government of the United States of America and the Kingdom of Denmark duly represented by their Ministers of Defense:

Intending to increase their respective defense capabilities through more efficient cooperation in the fields of research, development, production, procurement and logistic support in order to:

- Make the most cost-effective and rational use of the resources available for defense,
- Ensure the widest possible use of standard or interoperable equipment,
- Develop and maintain an advanced industrial and technological capability for the North Atlantic Alliance, and particularly with respect to the parties to this Memorandum of Understanding (MOU), and

Seeking to improve the present situation and to strengthen their military capability and economic position through the further acquisition of standard or interoperable equipment,

Have entered into this Memorandum of Understanding in order to achieve the above aims.

This Memorandum of Understanding sets out the guiding principles governing mutual cooperation in research, development, production, procurement and logistic support of conventional defense equipment.

The two Governments conclude this MOU to strengthen the North Atlantic Alliance. In so doing, the Governments are fully aware that the Independent European Program Group (IEPG) wants to enhance equipment collaboration by more comprehensive and systematic arrangements. They therefore agree that in the event of a possible conflict between agreements entered into between the IEPG and the Government of the United States, and this MOU, the parties hereto will consult with a view to amending this MOU.

The two Governments further agree that this MOU should be viewed in the larger context of the cooperation between Europe and North America within the Alliance.

#### ARTICLE I

##### Principles Governing Mutual Defense Cooperation

1. Both Governments intend to facilitate the mutual flow of defense procurement, taking into consideration relative technological levels of such procurement, and consistent with their national policies. This facilitation shall be sought through the provision of opportunities to compete for procurements of defense equipment and services as well as through the coproduction of defense equipment and defense R&D cooperation.
2. This MOU is intended to cover areas in which possible bilateral cooperation could be achieved in research, development, production, procurement and logistic support of conventional defense equipment, complementing the work of the Conference of National Armament Directors (CNAD), the Independent European Program Group (IEPG), and the Senior NATO Logisticians Conference (SNLC).
3. The two Governments will, consistent with their relevant laws and regulations, give the fullest consideration to all requests for cooperative R&D, and to all requests for production and procurement which are intended to enhance standardization and/or interoperability within the Alliance.

4. In the interests of standardization and effective utilization of scarce resources, the two Governments shall, to the extent possible, adopt qualified and cost-effective defense items that have been developed or produced in the other country to meet their requirements. Defense items or services are those items or services which may be procured utilizing appropriated funds of the U.S. Department of Defense or budgeted funds of the Danish Ministry of Defense.

5. The two Governments shall mutually determine the counting procedures to be laid down in an Annex to this MOU that will apply to all defense items and defense services purchased by them directly or through their relevant industries under this MOU.

6. Each Government shall from time to time notify the other Government of defense items that may not be acquired by the notifying Government from other than domestic sources, as well as those defense items that may be particularly suitable for acquisition by the other Government.

7. Both Governments will provide appropriate policy guidance and administrative procedures within their respective defense acquisition organizations to facilitate achievement of the aims of this MOU.

8. Competitive contracting procedures shall normally be used in acquiring items of defense equipment developed or produced in each other's country for use by either country's defense establishment.

9. The detailed implementing procedures, to be agreed, will, consistent with and to the extent permitted by national laws and regulations, incorporate the following:

a. Offers or proposals will be evaluated without applying price differentials under buy national laws and regulations and without applying the costs of import duties;

b. Full consideration will be given to all qualified industrial and/or governmental resources in each other's country;

c. Offers or proposals will be required to satisfy requirements of the purchasing Government for performance, quality, delivery, and costs.

10. Both Governments will review items submitted as candidates for respective requirements. They will indicate requirements and proposed purchases in a timely fashion to ensure adequate time for their respective industries to qualify for eligibility and submit a bid or proposal.

11. Each Government will ensure that the technical data packages (TDP's) made available under this MOU are not used for any purpose other than for the purpose of bidding on and performing a prospective defense contract, without the prior agreement of those owning or controlling proprietary rights and that full protection shall be given to such proprietary rights, or to any privileged, protected, or classified data and information they contain. In no event shall the TDP's be transferred to any third country or any other transferee without the prior written consent of the originating Government.

12. Third party transfers of defense articles or technical data made available under this MOU, and of articles produced with such data, will be subject to the agreement of the Government that made available the defense articles or technical data, except as otherwise provided in particular arrangements between the two Governments.

13. Both Governments will use their best efforts to assist in negotiating licenses, royalties and technical information exchanges with their respective industries or other owners of such rights.

14. Arrangements and procedures will, at the request of the purchasing government, be established concerning follow-on logistic support for items of defense equipment, purchased pursuant to this MOU. Both Governments will make their defense logistic systems and resources available for this purpose as required and mutually agreed.

## ARTICLE II

### Implementing Procedures

1. Representatives of the two Governments will be appointed to determine in detail the procedures for implementing this MOU and the terms of reference for a Danish-U.S. Committee for Mutual Cooperation.

2. The Under Secretary of Defense for Research and Engineering will be the responsible authority in the United States Government for the development of implementing procedures under this MOU.

3. The Armaments Director in the Ministry of Defense will be the responsible authority of the Kingdom of Denmark for the development of the implementing procedures under this MOU.

## ARTICLE III

### Industry Participation

1. Each Government will be responsible for calling to the attention of its relevant industries the basic understanding of this MOU, together with appropriate implementing guidance. Both Governments will take all necessary steps so that the industries comply with the regulations pertaining to security and to safeguarding classified information.

2. Implementation of this MOU will involve full industrial participation. Accordingly, the Governments will arrange to inform their respective procurement and requirements offices concerning the principles and objectives of this MOU. However, primary responsibility for finding business opportunities in areas of research and development and production shall rest with the industries in each nation.

#### ARTICLE IV

##### Security

1. To the extent that any items, plans, specifications or information furnished in connection with the specific implementation of this Memorandum of Understanding are classified by the furnishing Government for security purposes, the other Government shall maintain a similar classification and employ all measures necessary to preserve such security equivalent to those measures employed by the classifying Government throughout the period during which the classifying Government may maintain such classification.

2. Information that has been provided by either of the Governments to the other on condition that it remain confidential shall either retain its original classification designation, or be assigned a classification designation, that shall ensure a degree of protection against disclosure equivalent to that required by the other Government. To assist in providing the desired protection, each Government will mark such information furnished with a legend indicating the origin of information that the information relates to the Memorandum of Understanding and Annexes thereto, and that the information is furnished in confidence.

#### ARTICLE V

##### Administration

1. The Danish-U.S. Committee for Mutual Cooperation, referred to in Article II above, will meet as agreed or at the request of either Government to review progress in implementing the MOU. They will discuss research and development, production and procurement and logistics support needs of each nation and the likely areas of cooperation; agree to the basis of, and keep under review, the financial statement referred to below; and consider any other matters relevant to this MOU.

2. Each Government will designate points of contact at the Ministry of Defense level and in each purchasing service/agency under the Ministries of Defense.

3. An annual United States-Denmark statement of the current balance, and long-term trends, of R&D cooperation and purchases between the two nations will be prepared on a basis to be mutually agreed.

ARTICLE VI

Annexes

Annexes negotiated by the responsible officials and approved by the appropriate Government authorities will be incorporated in this MOU and made an integral part thereof.

ARTICLE VII

Duration

1. This MOU will remain in effect for a ten-year period and will be extended for successive five-year periods, unless the Governments mutually decide otherwise.

2. If, however, either Government considers it necessary for compelling national reasons to terminate its participation under this MOU before the end of the ten-year period, or any extension thereof, written notification of its intention will be given to the other Government six months in advance of the effective date of termination. Such notification of intent shall become a matter of immediate consultation with the other Government to enable the Governments fully to evaluate the consequences of such termination and, in the spirit of cooperation, to take such actions as necessary to alleviate problems that may result from the termination. In this connection, although the MOU may be terminated by the Parties, any contract entered into consistent with the terms of this MOU shall continue in effect, unless the contract is terminated in accordance with its own terms.

ARTICLE VIII

Implementation

This MOU will come into effect on the date of the last signature.

For the Government of the United  
States of America  
The Secretary of Defense

The Kingdom of Denmark  
The Minister of Defense

Harold Brown

Poul Søgaard

Date 30 January 1980

Date 2 January 1980

## Annex I

to

Memorandum of Understanding (MOU) between the Government of the United States of America and the Government of the Kingdom of Denmark concerning the Principles Governing Mutual Cooperation in the Research, Development, Production, Procurement and Logistic Support of Defense Equipment, in effect from 30 January 1980.

### Principles Governing Implementation

#### 1. Introduction

On 30 January 1980 a Memorandum of Understanding (MOU) relating to the principles governing mutual cooperation in research and development, production, procurement and logistic support of defense equipment came into effect between the Governments of the United States and the Kingdom of Denmark. This document sets forth the agreed implementing procedures for carrying out the MOU.

#### 2. Major Principles

A. The U.S. Department of Defense (DoD) and the Ministry of Defense of Denmark (MOD) will consider for their defense requirements qualified and cost-effective defense items and services developed or produced in the other country.

B. It will be the responsibility of government and/or industry representatives in each country to acquire information concerning the other country's proposed research, developments and purchases and to respond to requests for proposals in accordance with the prescribed procurement procedures and regulations. However, the responsible government agencies in each country will assist sources in the other country to obtain information concerning intended research and development, proposed purchases, necessary qualifications and appropriate documentation.

#### 3. Action

DoD and MOD will review and, where considered necessary, revise policies, procedures and regulations to ensure that the principles and objectives of this MOU, which are intended to be compatible with the broad aims of NATO Rationalization/Standardization, are taken into account. DoD and MOD agree that the following measures shall be taken, recognizing that among other factors, delivery date requirements for supplies, the interest of security and the timely conduct of the procurement process, are considerations related to ensure free and full competition for the award of contracts:

A. Ensure that their respective requirements offices are familiar with the principles and objectives of this MOU.

B. Ensure that their respective research and development offices and institutes are familiar with the principles and objectives of this MOU.

C. Ensure that their respective procurement offices are familiar with the principles and objectives of this MOU.

D. Ensure wide dissemination of the basic understanding of this MOU to their respective industries producing and/or developing defense items and/or services.

E. Ensure that, consistent with national laws and regulations, offers of defense items produced in the other country will be evaluated without applying to such offers either price differentials under buy-national laws and regulations, or the cost of import duties. Full consideration will be given to all qualified industrial and/or governmental sources in each other's country. Provisions will be made for duty-free entry certificates and related documentation to the extent that existing laws and regulations permit.

F. Assist industries in their respective countries to identify and advise the other government of their production capabilities and assist such industries in carrying out the supporting actions to maximize industrial participation.

G. Review defense items and requests for services submitted by the other country as candidates for respective requirements. Identify requirements and proposed purchases to the other country in a timely fashion to ensure that the industries of such country are afforded adequate time to be able to participate in the research and development, production and procurement process.

H. Use best efforts to assist in negotiating licenses, royalties, and technical information exchanges among their respective industries, and research and development institutes.

I. Ensure that those items and services excluded from consideration under this MOU for reasons of protecting national requirements, such as the maintenance of a defense mobilization base (Appendix 1) are limited to a small percentage of total annual defense procurement spending. It is intended that such defense items and services, as well as those items and services that must be excluded from consideration under this MOU because of legally imposed restrictions on procurement from non-national sources, be identified as soon as possible by the MOD and the DoD, and that such defense items and services be kept under review at this level.

J. Ensure that the balance of reciprocal purchases takes into consideration the levels of technology involved, as well as the monetary value of purchases hereunder.

K. Arrange visits, from time to time, in order to actively explore possibilities for cooperation on research and development, procurement, and logistical support.

#### 4. Counting Procedures

The following purchases, to be identified jointly by DoC and MCO, will be included in the counting procedures:

A. Purchases of items and services funded from appropriated funds of the U.S. Department of Defense or budgeted funds of the Danish Ministry of Defense and which are:

- (1) directly purchased by the MOD or DoD from one another; or
- (2) directly purchased by the MOD or DoD from the industry of the other country; or
- (3) purchased by the industry of one country from the Government or industry of the other country; or
- (4) purchased as a result of jointly funded defense projects to which the United States and Denmark are the only contributors, to be credited in proportion to each country's financial contribution to the project, and to work carried out in each country. The extent to which such purchases will be counted against the goals of the MOU will be agreed upon between MOD and DoD in each case;
- (5) license fees, royalties and other associated income, when separately contracted, by industry and/or DoD or MOD with a licensor in the other country.

B. Purchases by the MOD or DoD from the industry of the other country, on behalf of other governmental departments and agencies.

C. Purchases by a third country government from the MOD or DoD or from industries of these two countries as direct result of the efforts of the government of the other country.

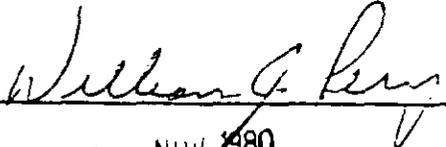
5. Administration

A. Each government will designate points of contact (procurement and logistics) at the Ministry of Defense level and in each purchasing service/agency and major acquisition activity.

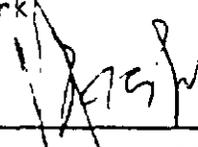
B. Quality Assurance procedures outlined in STANAG 4107 and 4108 (subject to the U.S. Government reserve concerning reimbursement) will apply unless other provisions are mutually agreed to on any specific contract. Reimbursement of services provided shall be afforded in accordance with the national laws and regulations of each country.

C. The terms of reference of United States/Danish Committee of Procurement Cooperation are contained in Annex II.

For the Government of the  
United States of America

  
Date 12 NOV 1980

For the Government of  
Denmark

  
Date 12 NOV 1980

Appendices

- 1. DoD List of Restricted Defense Items.

Appendix I Annex I

DoD LIST OF RESTRICTED DEFENSE ITEMS UNDER MOU  
FOR RECIPROCAL DEFENSE PROCUREMENT

Section I - Items Procured Pursuant to DAR 3-216

NAVY

Fuzes, Safe and Arm Devices, and Similar Items

MK-13 Safe and Arm Device  
MK-13 Triggering Device  
MK-17 Safe and Arm Device  
MK-33 Safe and Arm Device  
MK-330 Fuze  
MK-334 Fuze  
MK-404 Fuze  
MK-407 Fuze  
FMU-109 Fuze

Missiles and Missile Components

AIM-7F Sparrow Missile  
Guidance and Controls Section  
MK-58 Rocket Motors  
MK-71 Warhead Mecal Parts

AIM-9L Sidewinder Missile  
Guidance and Control Section  
MK-36 Rocket Motors  
DSU-15 Target Detector  
AN/WDU-17 Warhead  
MK 1 Wing and AN/BSU-32 Fins

Trident I (C-4) Missile System  
Guidance and Control System  
MK-5 Electronic Assemblies (EA)  
MK-5 Inertial Measurement Unit Electronics (IMUE) and Monitor  
Component Assembly (MCA)  
Backfit of Poseidon (C-3) SSBMs

Flares

MK-46 Flares, Infrared Decoy

Sonbuoys and Components

AN/SSQ-36  
AN/SSQ-413  
AN/SSQ-53A  
AN/SSQ-57A  
AN/SSQ-62

Ship Gun Systems

MK-75 Gun Mounts

Submarine Systems

Type 18B/D Periscope System  
TR 155 K 33 Transducers

Military Sealift Cargo

Ocean Transportation and Services

AIR FORCE

MAC Commercial Airlift  
GAU-8/A and 30mm Ammo

DEFENSE LOGISTICS AGENCY

Textiles - Worsted

ARMY

L.A.P., Manufacturing & testing of projectiles (5.56mm through 8 inch), mines, dispensers, rockets, pyrotechnic devices, grenades, demolition charges, small arms ammunition and components, fuzes and components containing mechanical timing devices

TOW Missile and Launcher

2.75 Rocker Items

LAP Motor	Igniter
Fin & Nozzle Assy	Motor Tube
Stabilizer Rod	Seal Rings
Felt Washer	Disc Charge Support
Ring Charge Support	Spacer Charge Support
O Ring	Lockwire
Metal Spacer	Launcher
Intervalometer	Fin Blades

Projectile Metal Parts for Cartridge 105mm (Beehive)

Projectile M406, M107 - 155mm

Projectile M509 - 8"

Projectile M735

Projectile M735, Metal Parts and Cores

Projectile M713/M141

155mm Cannister, XM625, XM626:

Projectile Metal Parts for Cartridge 90mm

155mm Projectile, AT M713/M741 (RAAM): Component, Electronic Assemblies

Cartridge Case M118, M1484

Fuze:

M1 Delay

MK-1

MK-30

MK-38 Energizer  
MK-40 Energizer  
MK-54  
MK-73-13  
MK-339-1/Inert  
MK-379  
MK-393/403  
MK-404  
MK-407  
FMU-54B  
M19  
M42/46  
M62A2  
M91A2  
M84A1  
M114 S&A  
M118 S&A  
M201A1  
M213  
M19E1  
M223  
M228  
M427/M423  
M494/571  
M505A3 (MPTS)  
M505  
M509A2  
M509A2  
M564  
M565  
M567 (Comp Pts/Rwk)  
M577/M582  
M578  
M578 (Comp Pts)  
M732:  
Elec Head Final Assy  
Detonator  
Power Supply  
Sleeve  
Elec Timer, W/IC  
M904E3  
Casing Bursting Warhead, M156  
Fin Assy ~~M152~~ M170  
Adapter Booster - M147, M148  
Body Assy and Base Plug, M404  
Bomb, M117A1E1  
Launcher Rocket LAU 68A/A  
Warhead Flechettes WDU 4A/A  
M18 Mine Program  
Blasting Cap, Firing Device, Metal Parts, Test Secs  
Laser Range Finder VVG-2 and M21 for Solid State Ballistic Computer  
for M60 Series Tank  
Limited Light Sight  
MX-9644 Image Intensifier Tube 25mm

MX-7845 Image Intensifier Tube (1st generation)  
MX-8501 Image Intensifier Tube (1st generation)  
BA-4386 Battery  
AN/PVS-4 Night Vision Sights  
AN/PVS-3 Night Vision Goggles  
AN/PVS-5A Night Vision Goggles  
AN/VVS-2 Viewer  
AN/VSS-3 Searchlight  
Common Module Program (Thermal Imaging System)  
    Tactical night vision systems -  
        AN/TAS-4                   AN/TAS-6  
        AN/TAS-5                   GLLD/TAS-4  
Machine Gun M240  
Machine Gun M240 Spare Parts  
Electronic Time Fuze KM587E2/KM724  
Power Supply PS127  
Fuze Setter KM36E1  
Tank Thermal Sights AN/VSG-2  
Night Vision Goggles AN/PVS-5A  
Image Intensifier Assy MX-9916/UV  
Maintenance of idle portions of 21 GOCO facilities  
Consolidated Facilities Scranton AAP

Section II-Items Procured Pursuant to referenced DAR requirement

DAR 1-2207.2 - Jewel Bearings & Related Items  
DAR 1-2207.3 - Miniature & Instrument Ball Bearings  
DAR 1-2207.4 - Precision Components for Mechanical Time Devices

Section III-Other Critical National Defense Items

Hydraulic Turbine - Army (Civil Works)

Annex II

to

Memorandum of Understanding (MOU) between the Government of the United States of America and the Government of the Kingdom of Denmark concerning the Principles Governing Mutual Cooperation in the Research, Development, Production, Procurement and Logistic Support of Defense Equipment, in effect from 30 January 1980.

Terms of References

1. The U.S. - Danish Committee for Mutual Cooperation (hereafter called "the Committee") will serve, under the direct responsibility of the authorities, listed in Article II, paragraph 2 and 3 of the MOU respectively, as the main body in charge of the adequate implementation of the MOU.

2. In particular, the Committee is responsible for ensuring that the guiding principles of the MOU governing the mutual cooperation in research, development, production, procurement and logistic support of conventional defense equipment are being implemented to facilitate efficient cooperation and mutual flow of defense equipment and services. To this end the Committee will meet as required, but not less than annually to review progress in implementing the MOU. In this review:

2.1. They will discuss research, development, production, procurement and logistic support needs of each country and the likely areas of cooperation including joint activities in those fields.

2.2. They will exchange information as to the way the stipulations of the MOU have been carried out and, if need be, prepare proposals for amendments of the MOU and its annexes.

2.3. They will agree to the financial statement of the current balance, give guidance for its yearly preparation and formulate conclusions from it, such conclusions to include any long-term trends which may be established.

2.4. They will consider any other matter relevant to the MOU.

2.5. They will report after each meeting and advise as appropriate. Resolutions taken by the Committee will be recorded and serially numbered.

2.6. The Committee will meet in the United States and Denmark as agreed. The country in which a particular meeting will take place will provide the Chairman and the secretariat for that meeting.

For the Government of the  
United States of America



Date 12 NOV 1980

For the Government of  
Denmark



Date 12 NOV 1980

Annex III

to

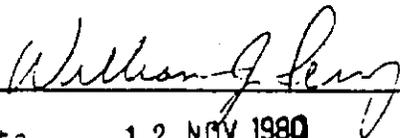
Memorandum of Understanding (MOU) between the Government of the United States of America and the Government of the Kingdom of Denmark concerning the Principles Governing Mutual Cooperation in the Research, Development, Production, Procurement and Logistic Support of Defense Equipment, in effect from 30 January 1980.

Principles Governing Logistic Support of Common Equipment

In implementing Article I, paragraph 14, of the MOU, the two Parties shall be governed by the following:

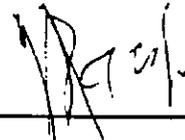
1. When developing or procuring defense equipment, both Parties will agree upon the basis for joint follow-on logistic support in areas such as configuration control; interchangeability of assemblies, components and spare parts; maintenance; conversion; storage; spare parts provisioning; etc.
2. Arrangements and procedures will be established concerning follow-on logistic support and other forms of logistic cooperation, e.g., joint utilization of facilities.
3. In the contracting procedure for logistic support, Article I, paragraph 9, of the MOU shall apply.
4. Both Parties will issue directives and guidelines to their respective armament and logistics agencies to achieve the described goals of this MOU.

For the Government of the  
United States of America



Date 12 NOV 1980

For the Government of  
Denmark



Date 12 NOV 1980

ANNEX  
RECIPROCAL QUALITY ASSURANCE SERVICES  
UNDER THE MEMORANDUM OF UNDERSTANDING BETWEEN THE UNITED STATES AND  
DENMARK  
REGARDING DEFENSE R&D, PRODUCTION, AND PROCUREMENT

I. PREAMBLE

This annex sets forth the terms, conditions and procedures under which the participating governments shall provide one another with quality assurance services in support of defense contracts and subcontracts contemplated or executed under the Memorandum of Understanding (MOU). The procedures of STANAG 4107 and AQAP 10 shall apply as supplemented by this annex to the extent consistent with the laws of both governments.

If special quality assurance arrangements are made for international cooperative projects in which the United States and Denmark participate, those special arrangements shall have precedence over this annex. Purchases by Denmark under the Foreign Military Sales (FMS) Program will be handled under U.S. FMS procedures in existence at the time of acceptance of the FMS agreement. Normally, FMS purchases will be afforded the same quality assurance that is provided for similar DoD procurements for use by the U.S. DoD. Similar provisions will apply, to be changed if necessary, to U.S. Government purchases from the Danish Government.

The objective of this annex is to insure each participating government is able to employ the most effective and efficient quality assurance support possible when acting under this MOU.

Nothing is to be construed as impairing a purchasing government's access to its contractors and their records as may be contractually authorized.

17. GENERAL

A flexible arrangement is envisioned under which a purchasing government may, on a case-by-case basis, request full quality assurance support as described in AQAP-10 or, alternatively, request specified services listed in AQAP 10 as it considers appropriate to the circumstances, for the purchase of defense items made outside of government-to-government channels. The purchasing government may elect to perform other necessary services through its own on-site representative and will inform the host government in such cases, in order to avoid duplication of the work performed by the host government. The purchasing government may modify a request for support during contract performance after consultation with the host government.

The participating governments shall accept requests for services to the extent resources are available and carry them out according to the procedures each government uses for its own contracts.

Contracts shall contain suitable provisions for the host governments to act for and on behalf of the purchasing government and shall authorize access to contractor facilities and records and use of contractor assets as necessary for the performance of contract administration services.

Where representatives of both participating governments deal with a contractor at the same location in support of the same or separate contracts, they shall operate in full concert according to terms of reference mutually agreed or to be agreed upon.

The participating governments shall each designate a single office to receive requests for quality assurance services. This office shall arrange for the required services to be performed by the appropriate national organization. In addition, each participating government may elect to designate an office in or near the other participating country to act as focal point through which requests for quality assurance will be forwarded. The host government will endeavor to keep the purchasing Government's focal point apprised of current quality assurance practices and resources to help insure that requests for services are reasonable and prudent. The focal point shall advise the host government concerning contract requirement and clarify requests for services as necessary.

### III. PROCEDURES

Request for government quality assurance in Denmark shall be directed to (name and address of receiving focal point).

Requests for government quality assurance in the United States shall be directed to (address).

The format for requests for quality assurance shall be as described in Annex A to STANAG 4107, with the following additional information:

- in block 7, the type of equipment which the material or spare parts pertaining to, and the Armed Forces (Army, Navy, and Air Force) that employs the equipment;
- in block 10, desired services, if less than comprehensive support is needed.

The requests shall reference STANAG 4107 and this annex to the MOU, and shall be processed according to the procedures in the STANAG. Acceptance or rejection shall be made within 30 calendar days of receipt by the performing government. The STANAG procedures shall be followed in regard to notifying the purchasing office of unsatisfactory conditions, processing deviations and waivers, and issuing certificates of conformity.

Direct communications between the purchasing office and the assigned quality assurance office are authorized and encouraged in resolving contract problems. The purchasing government shall retain final authority over contract interpretations and enforcement actions, and shall advise the quality assurance office in a timely fashion on such matters as needed.

In the event the purchasing government envisions the assignment of on-site representatives, proposed terms of reference describing an appropriate working relationship with host government representatives will be suggested to the host government as early as possible.

#### IV. RESPONSIBILITY AND LIABILITY

Nothing in this annex shall relieve the contractor of any responsibilities under the contract. No liability will attach to the Government, its officers or agents, acting under this Annex

V. PROTECTION OF INFORMATION

Data obtained through implementation of this annex shall receive the same protection against unauthorized disclosure as such data would normally receive under the laws and rules of the country which possesses it.

VI. CHARGES

Services will be provided under this annex free of charge, for all contracts, subcontracts, and FMS Letters of Offer and Acceptance entered into on or after the date of implementation of this annex, provided that a joint review of the services being exchanged between the participating governments performed at not less than three year intervals indicates that general reciprocity is being maintained. If, as a result of such a joint review, either government determines that charges will be necessary, they may be imposed for future services after not less than one year advance notice. Should charges by the United States become necessary, Foreign Military Sales procedures then in effect will apply.

VII. DURATION

This annex will remain in effect for a period as set forth in Article VII of the MOU, and may be terminated under the conditions as set forth in that Article.

VIII. VALIDITY OF TEXT

The English language and Danish language versions of this text have equal validity.

IX. IMPLEMENTATION

This Annex will come into effect on the date of the last signature.

FOR THE GOVERNMENT OF THE

UNITED STATES OF AMERICA

*Richard A. Holman*

DATE 19 SEP 1984

FOR THE GOVERNMENT OF THE

KINGDOM OF DENMARK

*Arne Rasmussen*

DATE 3/4. 1985

## ANNEX V

### TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING THE PRINCIPLES GOVERNING MUTUAL COOPERATION IN THE RESEARCH, DEVELOPMENT, PRODUCTION, PROCUREMENT, AND LOGISTIC SUPPORT OF DEFENSE EQUIPMENT

1. Each Government will publish or have published, in a generally available periodical a notice of proposed purchases, in accordance with national rules and Departmental/Ministerial provision on publication thresholds. The Governments will notify one another any time threshold levels change. This notice will contain:

- a. Subject matter of the procurement;
- b. Time limits set for the submission of offers or an application for solicitation; and
- c. Addresses from which solicitation documents and related data may be requested.

2. The Governments shall provide on request copies of solicitations for proposed purchases. A solicitation shall constitute an invitation to participate in the competition and shall contain the following information:

- a. The nature and quantity of the products or services to be supplied;
- b. Whether the procedure is by sealed bids or negotiation;
- c. The basis on which the award is to be made, such as by lowest bid price or otherwise;
- d. Any delivery date;
- e. The address and final date for submitting offers as well as the language or languages in which they must be submitted;
- f. The address of the agency awarding the contract and providing any information required by suppliers;
- g. Any economic and technical requirements, financial guarantees, and information required from suppliers;

h. The amount and terms of payment of any sum payable for solicitation documentation.

3. Any conditions for participation in procurements shall be published in adequate time to enable interested suppliers to meet the conditions, and solicitations shall allow adequate time for response, consistent with user needs.

4. Competing suppliers shall be promptly notified as to the successful offeror.

5. Upon request, suppliers shall promptly be provided pertinent information concerning the reasons why they were not allowed to participate in a procurement or were not awarded a contract.

6. There shall be published procedures for the hearing and review of complaints arising in connection with any phase of the procurement process to ensure that, to the greatest extent possible, disputes arising under procurements covered by this agreement will be equitably and expeditiously resolved between the offeror and the procuring Government.

To this end, there shall be established a centrally located focal point in each country.

For the Government of the  
United States

For the Government of the  
Kingdom of Denmark

William J. Perry

Date: 28 April 1994

Place: Washington, DC

Hans Kallwitz

Date: 27 May 1994

Place: Copenhagen