

Cooperation agreement between

Justis- og Politidepartementet,
(Ministry of Justice and the Police), Norway

and

Dóms- og kirkjumálaráðuneytid, Iceland

Acquisition and commissioning of new rescue helicopters

1. Introduction

1.1. Based on the Memorandum of Understanding between Iceland and Norway dated 26 April 2007, Item 2.3.2, a follow-up agreement is hereby entered into which specifically covers the cooperation between Iceland and Norway, represented by each country's Ministry of Justice, concerning the acquisition of new rescue helicopters for the two countries' rescue services.

2. Purpose

- 2.1. This cooperation is to ensure that the needs of both countries can be met with regard to the properties of the helicopter, the delivery date and low project risk.
- 2.2. This cooperation shall also ensure that both countries benefit from the cooperation and that synergies can be achieved through the acquisition and the phasing in, as well as through maintenance and training schemes.
- 2.3. The cooperation shall also explore the possibility of a joint resource utilisation where this is natural.

3. The prerequisites of each country

3.1. *For Norway:*

3.1.1. Initially, a concept study must be prepared and quality-controlled in line with the Ministry of Justice's quality assurance policy, for the purpose of ensuring that the concept option chosen provides the best resource utilisation and value creation. Before the decision is made to initiate the actual acquisition process, a cost estimate and basic information associated with the governing document must also be prepared and quality-assured. This will include an uncertainty analysis for the project option chosen.

3.1.2. The helicopters will be operated by the Air Force on assignment from the Ministry of Justice.

3.2. *For Iceland:*

3.2.1. The helicopters must have civilian certification.

3.2.2. The helicopters will be operated by the Icelandic Coast Guard (Landhelgisgæsla Íslands), Reykjavík, on assignment from the Ministry of Justice.

3.2.3. The Ministry of Justice and the Ministry of Finance in Iceland are responsible for keeping the Icelandic government sufficiently informed to ensure the necessary approvals during the process.

4. Conditions for cooperation

These are conditions for our cooperation:

- 4.1. That both countries agree to buy the same type of helicopter.
- 4.2. That both countries agree to develop a joint training scheme
- 4.3. That both countries agree on a joint maintenance scheme that can be further developed into long-term cooperation with regard to exchange of materiel and back-up/operating solutions.
- 4.4. The acquisitions must be made in accordance with both countries' legislation and regulations.

4.5. Norway secures Iceland access to all relevant documents.

5. Scope

This cooperation includes all work associated with the acquisition and commissioning of new rescue helicopters. This includes preparation of conceptual assessments, a budget and uncertainty analyses, basic data, announcements, analyses, negotiations up to the signing of the contract, plus follow-up of the total delivery until the organisations in both states confirm that all deliveries have been satisfactorily carried out and the helicopters are in operation.

6. Mode of cooperation in the concept study phase

A Cooperation Council will be appointed during the period when Norway is to prepare and quality-assure a concept study.

6.1. Each country will develop its own strategy and documents that are brought into the Cooperation Council for discussion.

7. The Cooperation Council

7.1. The Cooperation Council is made up of representatives from Norway and Iceland. At least one meeting must be held where information is exchanged and status is reviewed.

8. Mode of cooperation in the acquisition phase

Once the concept study has been quality-assured, Norway establishes a project.

8.1. Norway as the project owner establishes a project on behalf of both countries. Norway also has the governing bodies.

8.2. Norway receives a specific assignment description that indicates the scope of Iceland's acquisition.

8.3. The project conducts the entire acquisition process on behalf of both countries.

8.4. The project receives the amount of project resources with the required authorisations from Iceland, as Iceland finds necessary to provide for its needs.

8.5. Iceland takes over its part of the solution/deliveries as they are completed.

9. The project Cooperation Group

9.1. Meetings will be held with representatives from Iceland and Norway twice a year, the venue alternating between Iceland and Norway, where project status is reviewed.

9.2. The guidelines which Iceland has for its order will be discussed in this Cooperation Group.

9.3. The Ministry of Justice in either country can ask for further meetings under Item 9.1., where the status of the project is reviewed.

10. Responsibilities

10.1.1. Each country's Ministry of Justice must make sure there is compliance with its own country's legislation and regulations and must secure the necessary political approvals during the process.

10.1.2. Both countries must make sure their own special interests are safeguarded as the project progresses and decisions are made. Each country ensures that its project participants have the necessary authorisations.

10.1.3. The parties conduct themselves as one, with one view stated to the outside world. Any disagreements will be discussed in the Cooperation Group.

11. Costs

11.1. Both parties cover their own costs plus a share of the joint costs according to a distribution key based on the number of helicopters each country is to acquire.

12. Confidentiality

All information of significance for security or competition issues that emerges in connection with the cooperation must be treated confidentially.

13. Agreement duration

This agreement will be in force until all helicopters have been phased in and all operational matters have been taken care of, unless it has been terminated by one of the parties. Further cooperation beyond this must be safeguarded through another agreement.

14. Termination

14.1. If it emerges during the process that some of the conditions in Items 3 and 4 cannot be fulfilled, either country may terminate the agreement in writing with immediate effect.

14.2. Either country may in any case terminate the agreement in writing without stating a reason with a minimum of six months' notice.

14.3. A termination of the agreement must be made in such a way that it does not unnecessarily inconvenience the remaining party.

14.4. All agreements and rights negotiated with suppliers through the process will

devolve on the project state, unless it is natural that both parties continue the ownership.

15. Language

This agreement will exist in Icelandic and Norwegian. The parties shall ensure that the agreement is available in both languages. In the event of a dispute, the Norwegian version of the agreement takes precedence over the Icelandic version.

Date: _____

Date: _____

Signature: _____

Signature: _____