MEMORANDUM OF UNDERSTANDING
between the
UNITED NATIONS GLOBAL COMPACT
and
GLOBAL COMPACT NETWORK [COUNTRY]
For the year (insert year)

WHEREAS, the Global Compact, the United Nations office that is primarily responsible for supporting the UN Global Compact initiative, with its headquarters located in New York, New York 10017, U.S.A., (hereinafter referred to as “United Nations Global Compact Headquarters (UNGCHQ)) and Global Compact Network [Country], located in [Country] (hereinafter referred to as “GCLN”) have agreed that the GCLN will help root the UN Global Compact and its principles in [Country] and will engage in activities that are consistent with the purposes and objectives of the UN Global Compact, as outlined in this Memorandum of Understanding.

NOW, THEREFORE, the Parties hereby agree as follows.

Article 1
Purpose
The purpose of this Memorandum of Understanding (“MOU”) is to set forth the terms and conditions of the collaboration (the “Collaboration”) between the UNGCHQ and GCLN on their respective responsibilities and activities.

Article 2
Relationship between the UNGCHQ and GCLN
The UNGCHQ receives its mandate from the UN General Assembly, which is to “advance United Nations values and responsible business practices within the United Nations system and among the global business community” (A/RES/68/234). GCLNs are independent entities that have a relationship with the UNGCHQ through a MOU, such as this one, and play a very important complementary role in advancing the UN Global Compact and its principles in the country concerned. They work in support of a UN initiative, but are not thereby UN entities and do not have the privileges and immunities that apply to such entities and their staff are not thereby UN staff. The GCLN must not imply that it is a UN entity or that its staff are UN staff.

Article 3
Duration
This MOU shall become effective upon signature by authorized representatives of the Parties hereto, and shall remain in force until 31 January [year] unless terminated in accordance with Article 11.
Article 4
Responsibilities of Global Compact Network [Country]

The responsibilities of the GCLN under this MOU include the following:

1. Commit to promoting the ten principles and practices of the Global Compact and broader UN development goals within their county context. This includes, but is not limited to, the practice of learning by doing, dialogue, partnership and striving to bring together other stakeholders;
2. Host at least two activities annually on substantive issues advanced by the Global Compact (at least one thematic area) based on local priorities to which all Network members are invited;
3. Establish and maintain a transparent governance structure for the activities of the network in accordance with Article 6;
4. Actively support efforts by participants to develop a Communication on Progress (COP) or Communication on Engagement (COE) and articulate how the GCLN will support these activities;
5. Inform Network participants of the policy on the use of the UN Global Compact name and logos and Global Compact Network [Country] name and logos;
6. Regularly share the GCLN’s key events and activities with the GCO via the Global Compact Local Network Knowledge Sharing System (KSS) in accordance with Article 7;
7. Disclose financial resources and relevant statements to GCLN stakeholders on an annual basis; and
8. Uphold the integrity of the Global Compact initiative in accordance with Article 9 below.

Article 5
Responsibilities of the UN Global Compact Headquarters

The responsibilities of the UNGCHQ under this MOU include the following:

1. Inform the GCLN on key developments and issues related to the overall governance of the Global Compact;
2. Provide a monthly update to the GCLN on upcoming UNGCHQ events and activities and provide advance notice to the GCLN of communications to all Global Compact participants;
3. Communicate relevant information about new signatories to the Global Compact from the GCLN’s respective country;
4. Provide access to the COP and COE status of participating companies via the Global Compact website;
5. Provide guidance to the GCLN on the Global Compact’s Logo Policy and Integrity Measures;

1 Such as – but not limited to – COP and COE trainings, webinars, one to one consultations, etc...
2 At a minimum to LN members and the UNGCHQ
6. Provide a knowledge-sharing system to serve as a global repository of information about Network activities to encourage the sharing of experiences and activities. The UNGCHQ will update the system with materials that can be utilized by participants in the GCLN;
7. Produce an overview of the activities undertaken by Networks in the Annual Local Network Report;
8. Undertake activities to help build and strengthen the capacity of the GCLN via several programs, including in-person trainings during the ALNF and regional meetings and quarterly webinars to keep the networks informed of major updates from the UNGCHQ;
9. When requested by Local Networks, provide a list of experts that the GCLN may call on for their events and other activities;
10. Provide translation of key UNGCHQ tools and resources as requested by the GCLN – subject to sufficient resources at the UNGCHQ;
11. Assist the GCLN in developing and implementing an activity plan which links the Network to different issue areas within the UNGCHQ that are most relevant to its local priorities and will help enhance local engagement opportunities and its value proposition;
12. Assist the GCLN in recruitment drives and Global Compact participant retention drives when requested;
13. Publish a Good Practices for Local Networks note with the aim of promoting learning and sharing amongst GCLNs;
14. Present the annual LN awards based on selections made by GCLNs and in accordance with agreed upon criteria; and
15. Convene the Annual Local Networks Forum in collaboration with partners.
16. Provide support in the Annual Local Networks Regional Meetings by suggesting agenda items and trainings for Local Networks capacity building and empowerment as identified by the local networks and aligned with the Global Compact strategy.
17. Support Local Networks in their effort to advance the principles by actively sharing knowledge and providing updates on issue areas and platforms.
18. Share with Local Networks the GC annual report which includes financial information.

**Article 6**

**Governance of the GCLN**

1. The GCLN shall establish and maintain a transparent governance structure for the activities of the Network. A template for a governance structure is available from the UNGCHQ upon request. The governance structure, at minimum, must designate:

   a. A Contact Person through whom the GCLN will liaise with the UNGCHQ on day-to-day issues related to the management of the Network. The responsibilities of a Contact Person are defined in the Local Networks Management Tool Kit; and
   b. A Network Representative authorized to represent the GCLN at the Annual Local Networks Forum and Regional Meetings and to manage the GCLN’s name, association and logo with guidance from the UNGCHQ. The responsibilities of a Network Representative are defined in the Local Networks Management Tool Kit.

2. The Contact Person and/or the Network Representative should attend the Annual Local Networks Forum and/or the Local Networks Regional Meeting.
3. The GCLN should also establish:

   a. A governance structure at the national level which sets the priorities and work plan of the GCLN; and
   b. By-laws outlining the purpose of the GCLN within the context of the UNGCHQ’s activities, and the rules and procedures of the local governance structure, including but not limited to, the procedure by which individuals may be elected to join that governance structure and the number of members needed to adopt a resolution or designate a new Network Representative or Contact Person.

**Article 7**

**Reporting**

1. The GCLN will regularly update the UNGCHQ on its events and activities. By 31 January [Year], the GCLN will update the Knowledge Sharing System (KSS) with information pertaining to:

   a. Network Management and Fast Facts;
   b. Integrity Measures indicating the governance structure of the GCLN;
   c. Awards received (if any); and
   d. Events and Activities undertaken by the GCLN.

2. The GCLN will produce and upload to the KSS an Annual Report and a financial report, which may be combined in one report.

**Article 8**

**Logo Use**

1. The GCLN acknowledges that the UN Global Compact name and logo are the exclusive property of the UNGCHQ. The Global Compact logo and its variants are registered with the World Intellectual Property Organization and are protected worldwide under Article 6ter of the Paris Convention for the Protection of Industrial Property.

2. Upon signature of this MOU by the authorized representatives of the Parties hereto, the GCLN is granted status as a **Formal Network** for one year and is authorized to use the Global Compact Network [Country] logo, attached to this MOU in accordance with the policy established by the Global Compact Office for its use (Annex 1).

3. The GCLN shall only use the Network logo provided by the GCO and may not under any circumstances alter the appearance of the logo, including but not limited to, the text, size, shape, or colour.

4. The words “United Nations” or “UN” or the United Nations emblem shall not appear in front of or be associated with the GCLN name or logo in any material, including but not limited to, business cards or other stationary, or in any social media account or sharing platform.
5. The GCLN is required to post and explain the permitted and prohibited uses of the Network logo and the GCLN Endorser logo (“We Support Network [Country]”) to all local participants. The GCLN should also refer to the Global Compact logo policies on the Global Compact website (http://www.unglobalcompact.org/AbouttheGC/Global_Compact_Logo/GC_Logo_Policy.html).

**Article 9**

**Integrity Measures**

The GCLN is expected to uphold the integrity of the Global Compact initiative. This includes, but is not limited to, the following:

a. Maintaining the highest ethical standards at all times, respecting the Global Compact principles;

b. Conducting a reasonable review of third parties to be contracted by the Local Network for significant Global Compact activities;

c. Asking contractors to respect the 10 principles of the UN Global Compact;

d. Assisting with dialogue facilitation involving Global Compact participants at the local level, and where possible, handling matters raised under the Global Compact integrity measures at the local level, based on training and guidance provided by the Global Compact to Local Networks (Please refer to the role of Local Networks in implementation of the UN Global Compact’s dialogue facilitation process (Annex 2); and

e. In the event the Network plans to change hosting entities, first informing the UNGCHQ in a timely manner in order that it may ensure alignment of the mission of the new entity with the Global Compact initiative, and safeguarding of all integrity measures.

**Article 10**

**Termination**

1. The collaboration described in this MOU will automatically terminate one year from the date of commencement of this agreement unless renewed by the Parties prior to that date. However, a change in the Network Representative or Contact Person for the GCLN will not terminate this MOU provided the change is communicated in writing to the UNGCHQ prior to the assignment of a new Network Representative or Contact Person.

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3 The review should be proportional to the risk considering such factors as the professional reputation of the third party and the subject matter of the contract. Local Networks conducting reviews are welcome to contact the UNGCHQ for assistance.
2. The MOU may be terminated by either Party before the automatic expiration of the agreement upon giving 60 days-notice in writing if the other party breaches its responsibilities under this MOU.

3. However, in the event of a serious breach\(^4\) of this MOU of an ethical character, the UNGCHQ reserves the right to terminate this MOU immediately. The Local Network Advisory Group, (http://unglobalcompact.org/NetworksAroundTheWorld/local_network_advisory_group.html) shall be consulted in such cases regarding the potential delisting of a Local Network.

4. Both Parties may also jointly agree to terminate the collaboration in writing before the expiration date.

5. On termination of this MOU, the GCLN’s status as a Formal Network and permission to use the “Global Compact Network [Country]” name and the Global Compact Network [Country] logo (“Network logo”) will cease.

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**Article 11**<br>Privileges and immunities

Nothing in or relating to this MOU shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations.

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**Article 12**<br>Entire Agreement and Amendments

This MOU constitutes the entire agreement between the UNGCHQ and GCLN concerning its subject matter and may be modified or amended only by a written agreement signed by persons duly authorized to sign agreements on behalf of the respective parties.

If any provision of this MOU is held to be invalid or unenforceable, (i) the remaining terms and provisions hereof shall be unimpaired and shall remain in full force and effect and (ii) the invalid or unenforceable provision or term shall be replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term or provision.

The undersigned duly authorized representative of the United Nations Global Compact Headquarters and the GCLN have signed this Memorandum of Understanding in ________ and [ ] on the dates indicated below.

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\(^4\) For example but not limited to the misuse of the UN and/or the GC logos and financial irregularities
FOR THE UNITED NATIONS
GLOBAL COMPACT HEADQUARTERS

Georg Kell
Executive Director
UN Global Compact
Date:

Walid Nagi
Head of Local Networks
UN Global Compact
Date:

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