



Memorandum of Understanding GRI & SAFA



Memorandum of Understanding

The Memorandum of Understanding (MOU) is signed on 27th November, 2011 at Dhaka, Bangladesh between the South Asian Federation of Accountants (SAFA) and Global Reporting Initiative (GRI).

Between

South Asian Federation of Accountants (SAFA), an apex organization of South Asian Association of Regional Cooperation (SAARC), headquartered at SAFA c/o The Institute of Chartered Accountants of India (ICAI), ICAI Bhawan, Post Box number 7100, Indraprastha Marg, New Delhi – 110002, India (hereinafter referred to as “SAFA”) of the **ONE PART** and represented by Mr. A.N. Raman, President, SAFA.

And

Global Reporting Initiative, Amsterdam, a non-for profit organization headquartered at Amsterdam, a foundation (stichting) under Dutch law, hereinafter referred to as “GRI”, of the **OTHER PART** and represented by Mr. P.W. Westra, Director of Operations, GRI.

SAFA and **GRI** shall hereinafter be jointly referred to as the “**Parties**” and separately as the “**Party**”.

Whereas:

About SAFA

South Asian Federation of Accountants (SAFA) was formed in 1984 to serve the accountancy profession in the South Asian Region and uphold its eminence in the world of accountancy. SAFA is an Apex Body of the South Asian Association for Regional Co-operation (SAARC) and a Regional Grouping of International Federation of Accountants (IFAC). SAFA represents over 2,50,000 accountants having membership of the nine national chartered accountancy and cost and management accountancy institutions in the South Asian countries namely Bangladesh, India, Nepal, Pakistan and Sri Lanka. SAFA came into existence at the initiative of the accounting professional bodies in the South Asian Region, which has a bond of culture and homogeneity of professional environment.

About GRI

GRI is a network-based nongovernmental organization that aims to drive sustainability and environmental, social and governance reporting. GRI produces the world’s most widely used sustainability reporting framework to enable this drive towards greater transparency. The Framework, incorporating the ‘G3 Guidelines’, sets out the principles and indicators that organizations can use to measure and report their economic, environmental, and social

performance. Using a multi-stakeholder process, GRI is committed to continuously improving and increasing the use of the Guidelines, which are freely available to the public. In addition to the office in Amsterdam, GRI also has regional 'Focal Points' in Australia, Brazil, China, India and the USA.

An MOU with GRI will pave way for access for all the member bodies of SAFA to the resources and competency development of GRI in developing the talents of their constituency. This will also enable GRI to create an action plan to support member bodies of SAFA and execute the same with support from their headquarters. With the in principle approval of the Board a detailed MOU can be signed at Dhaka in November 2011.

Background

On December 12th, 2010, the heads of the member bodies of SAFA approved the issue of Kathmandu Declaration which had brought Sustainable Development of the SAARC region as a common focus for all. Paragraph 2.3 of the Declaration is reproduced below:

"We as accounting institutes will play a facilitating role in influencing the enterprises and our governments to imbibe the above processes and will drive our members to acquire the relevant skills and competencies for participating in a sustainable development process."

The action plan which was also signed by the member bodies specifically stated below the following plan in paragraph 3.1 *"to develop and conduct continuous education programs for the members reflecting the goals of sustainable development."*

In pursuance of the declaration and the action plan SAFA and GRI have decided formalize their cooperation via this MOU.

A. Cooperation among institutions

Both the Parties here have identified the following areas and agree to mutually co-operate to the fullest extent.

1. The relationship between SAFA and GRI is one of equals, as set forth in this MOU, with each Institution contributing its unique value to the relationship. At a macro-level, each institution will undertake appropriate internal activities consistent with its own policies and guidelines and assume the corresponding cost of these activities.
2. At SAFA, the relationship is to be managed by President, SAFA with the aide and advice of SAFA Board and SAFA Assembly and at GRI, by the GRI Focal Point India, represented by Dr. Aditi Halder is to manage the relationship. The appointed representatives will ensure regular contact between the Institutions and also be the points of reference for counterparts from the respective Institutions to engage with the other Institution.
3. The overall goal of the collaboration between the SAFA and GRI is therefore, to advance the uptake of responsible business practices and making reporting on economic, environmental, and social performance by all organizations as routine and comparable as financial reporting. The Institutions shall collaborate in good faith with one another

for the achievement of this common goal. Opportunities for cooperation and collaboration between the Institutions in furtherance of their common goals shall be brought by each Institution to the notice of the other, and all steps shall be taken as mutually agreed between the Institutions from time to time.

4. SAFA to register as an Organizational Stakeholder of the Global Reporting Initiative network.

B. Collaborative Undertakings

1. SAFA and GRI collaborate to create a resources and competency development model of GRI in developing the talents of their constituency.
2. GRI to create an action plan to support member bodies of SAFA and execute the same with support from their headquarters, like ICAB(Bangladesh), ICAI(India), ICWAI (India), ICMA (Bangladesh), ICA Nepal, ICA (Pakistan), ICMA (Pakistan), ICA (Sri Lanka) and ICMA (Sri Lanka).
3. GRI to create a joint program with each of the member bodies of SAFA on creating awareness on sustainability and reporting through half days (4 hours) workshops for the practicing accountant, conferences and consultations on sustainability reporting framework on best endeavour basis.
4. SAFA and GRI to organize at least 2 workshops in the 12 months following the signage of this MOU on best endeavour basis.
5. All logistic costs will be borne by the respective SAFA entities.

C. Other Provisions

1. Effective Date. This MoU shall be effective upon the receipt of the latest of the signatures below of authorized representatives of each Institution.
2. Amendment and Termination. This MoU may not be amended except in written notice upon the mutual agreement of both institutions. This MoU may not be terminated except upon written notice of termination which notice specifies a date of termination and is delivered to the other institution at least 45 days before the date of termination.
3. Indemnification and Limitation of Liability. Each Institution agrees to indemnify, defend and hold harmless the other Institution against any cost, claim or damage resulting from the negligence or misconduct of the indemnifying Institution, except to the extent resulting from the negligence or misconduct of the other Institution. The liability of any Institution for any breach of this MoU, or arising in any other way out of the subject matter of this MoU, will not extend to any incidental or consequential damages or losses including, without limitation, loss of profits or attorney fees.
4. Agency; Use of Marks. The Institutions are strictly independent parties and are not, in any way, employees, partners, joint venturers or agents of the other. Neither shall, in any way, bind the other in any way unless such Institution has received the written consent of the other. Neither Institution will use the registered marks of the other without the prior written consent of the other in each instance.
5. Notices. All notices required or permitted under this MoU will be in writing and delivered by confirmed facsimile transmission or by certified mail, and in each instance

will be deemed given upon receipt. All communications will be sent to the addresses set forth below each signature or to such other address as may be specified by either Institution to the other in accordance with this section. Either Institution may change its address for notices under this MoU by giving written notice to the other Institution by the means specified in this section.

6. Assignment. Neither Institution shall assign this Agreement, in whole or in part, without the other Institution's prior written consent. Any attempt to assign this Agreement, without such consent, will be null and void.
7. Validity. This agreement is valid for an initial period of one (1) year with effect from the date of signing and may be extended thereafter by mutual consent.
8. Governing Law. This law shall be governed by the internal laws of the Kingdom of the Netherlands without reference to its conflict of law provisions.
9. Conflict. This MoU will stand on trust of each party and any conflict will be resolved by discussion.
10. The document is not intended to create a legal relationship and would be pursued on best endeavour basis at either end.

For and on behalf of SAFA

For and on behalf of GRI

Signature :
Name : Mr. A N Raman
Designation : President, SAFA
Address : SAFA, C/o ICAI, ICAI Bhawan, Post Box
Number 7100, Indraprastha Marg, New Delhi, India

Signature :
Name : Mr. P. W. Westra
Designation : Director of Operations
Address : Weesperstraat 95
1018 VN Amsterdam, The Netherlands

Date: 27th November, 2011

Place: Dhaka, Bangladesh

Witness:

1. Mr. Muhammad Rafi, Vice President, SAFA
2. Dr. Aditi Haldar, Focal Point GRI India