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COMMISSION ON TRANSNATIONAL CORPORATIONS
Seventh session
Geneva, 31 August-14 September 1981
Item 3 of the provisional agenda

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ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

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ANNOTATIONS

1. Opening of the session
2. Election of officers

The proceedings of the Commission on Transnational Corporations are governed, mutatis mutandis, by the rules of procedure of the Economic and Social Council. Rule 18 thereof provides that the Bureau shall consist of five officers. The Commission may wish to follow the practice adopted at its previous sessions and elect a Chairman, three Vice-Chairmen and a Rapporteur.

3. Adoption of the agenda and organization of work

The provisional agenda for the seventh session was approved by the Commission at its sixth session. 1/

4. Report on the activities of the United Nations Centre on Transnational Corporations

The reports before the Commission will cover the activities engaged in by the United Nations Centre on Transnational Corporations since the sixth session of the Commission and arrangements and activities related to the joint units established in each of the regional commissions.

Pursuant to a recommendation by the Committee for Programme and Co-ordination, 2/ the Commission decided at its sixth session 3/ also to review under this agenda item the proposed programme budget for transnational corporations for the biennium 1982-1983.

1/ See Official Records of the Economic and Social Council, 1980, Supplement No. 10 (E/1980/40/Rev.1), chap. I, draft decision I.

2/ Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 38 (A/34/38), para. 307.

3/ See Official Records of the Economic and Social Council, 1980, Supplement No. 10 (E/1980/40/Rev.1), chap. I, draft decision I.

Documentation

Report on the activities of the United Nations Centre on Transnational Corporations (E/C.10/77)

Report on the joint units on transnational corporations established in the regional commissions (E/C.10/78)

Proposed programme budget for transnational corporations (sect. 9) for the biennium 1982-1983

5. Work related to the formulation of a code of conduct: report of the Intergovernmental Working Group on a Code of Conduct

At its sixth session, the Commission recommended that the Economic and Social Council should authorize the Intergovernmental Working Group on a Code of Conduct to hold three sessions before the seventh session of the Commission, the first to take place before the end of 1980. 4/ Subsequently, the Council, in its decision 103 of 6 February 1981, authorized the Group to hold an additional (fourth) session. Upon a recommendation of the Commission at its sixth session, 5/ the Economic and Social Council adopted resolution 1980/60 of 24 July 1980, in which it affirmed that the draft code should be completed before the seventh session of the Commission.

Documentation

Report of the Intergovernmental Working Group on a Code of Conduct on its eleventh, twelfth, thirteenth and fourteenth sessions (E/C.10/79)

6. Comprehensive information system

(a) Establishment of a comprehensive information system

At its sixth session, the Commission noted that the Centre would submit a report to it at the seventh session, indicating the further progress achieved in the development of the comprehensive information system. 6/

Documentation

The information system on transnational corporations: progress report prepared by the Secretariat (E/C.10/80)

4/ Ibid., draft decision II.

5/ Ibid., draft resolution II.

6/ Ibid., chap. V, para. 52 (f).

(b) International standards of accounting and reporting

At its sixth session, the Commission on Transnational Corporations noted with appreciation the interim report of the Ad Hoc Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (E/C.10/64) 7/ and requested the Economic and Social Council to authorize the Group to hold the second session requested by the Economic and Social Council in its resolution 1979/44 of 11 May 1979 during the last quarter of 1980 and to hold two additional sessions before the seventh session of the Commission. 8/ In its decision 1980/172 of 24 July 1980, the Council decided to authorize the Ad Hoc Intergovernmental Working Group to hold three sessions before the seventh session of the Commission. The three sessions were held, accordingly, at Geneva in November 1980 and at United Nations Headquarters in January 1981 and March 1981.

Documentation

Report of the Ad Hoc Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting on its first, second, third and fourth sessions (E/C.10/81).

7. Technical co-operation

At its sixth session, the Commission requested the Centre to submit to it at its seventh session a report on its technical co-operation activities. 9/

Documentation

Programme of technical co-operation on matters related to transnational corporations: report prepared by the Secretariat (E/C.10/82)

8. Studies on the effects of the operations and practices of transnational corporations

(a) Activities of transnational corporations in southern Africa and their collaboration with the racist minority régimes in that area

In resolution 1980/59 of 24 July 1980, the Economic and Social Council requested the Secretary-General to submit to the Commission at its seventh session an addendum to its reports on the activities of transnational corporations in South Africa and Namibia, bringing up to date the information and analysis contained therein.

7/ Ibid., para. 58 (a).

8/ Ibid., para. 58 (b); see also ibid., chap. I, draft decision III.

9/ Ibid., chap. VI, para. 82.

Documentation

Transnational corporations in southern Africa - an updating of information on financial activities and employment practices: report prepared by the Secretariat (E/C.10/83)

(b) Other studies

At its sixth session, the Commission requested the Centre to continue its research work as suggested in the report on ongoing and future research (E/C.10/72), noting the discussions held in the Commission regarding topics and the priorities to be assigned to projects. 10/ In line with this request, the Centre is submitting five studies to the Commission at its seventh session.

Documentation

Transnational corporations: direct effects on the balance of payments: report of the Secretary-General (E/C.10/84)

Transnational corporations in the pharmaceutical industry in developing countries (E/C.10/85)

Aspects of the social and political effects of the activities of transnational corporations (E/C.10/86)

Transborder data flows and transnational corporations: an overview (E/C.10/87)

Review of ongoing and future research (E/C.10/88)

9. Work related to the definition of transnational corporations

At its sixth session, the Commission accepted three elements as basic for the definition of a transnational corporation: namely, that a transnational corporation was a commercial enterprise comprising economic entities, which operated: (a) in two or more countries, regardless of the legal forms of the entities or the sector of operation; (b) under a system of decision-making based upon effective control by one or more decision-making centres over the entities, leading to coherent or common policies that may reflect a global strategy, which influence might be exercised by way of ownership or other links between the entities; and (c) through the sharing of information, resources and responsibilities among the entities. 11/

It was also decided that further work should be done by the Intergovernmental Working Group on a Code of Conduct towards a possible elaboration of the definition of transnational corporations in the context of the code of conduct, in the light of the discussion at the sixth session of the Commission. 11/

10/ Ibid., chap. VII, para. 98.

11/ Ibid., chap. VIII, para. 106.

Documentation

Report of the Intergovernmental Working Group on a Code of Conduct on its eleventh, twelfth, thirteenth and fourteenth sessions (E/C.10/79)

10. Question of expert advisers

In line with the discussions held at the sixth session, the Commission decided to consider matters related to the composition of the expert advisers at its seventh session.

Documentation

The question of expert advisers: note by the Secretariat (E/C.10/89)

11. Issues arising from decisions taken by the General Assembly and the Economic and Social Council

(a) In its resolution 35/186 of 15 December 1980, entitled "Exchange of information on banned hazardous chemicals and unsafe pharmaceutical products", the General Assembly declared itself "Aware that the Commission on Transnational Corporations will examine the report on the activities of the United Nations Centre on Transnational Corporations and the study on transnational corporations in the pharmaceutical industry in developing countries". The General Assembly requested the Commission, inter alia, "to study, during its seventh session, the ways and means within the information system on transnational corporations to improve the exchange of information on banned hazardous chemicals and unsafe pharmaceutical products, with a view to formulating appropriate recommendations".

Documentation

Role of the information system on transnational corporations regarding the exchange of information on banned hazardous chemicals and unsafe pharmaceuticals: report prepared by the Secretariat (E/C.10/90)

(b) At its thirty-fourth session, the General Assembly, in resolution 34/224 of 20 December 1979, decided, inter alia, that the medium-term plan should cover a period of six years and that the next medium-term plan should cover the years 1984-1989. At its twentieth session, the Committee for Programme and Co-ordination recommended to the Economic and Social Council and to the Assembly that the relevant chapters of the proposed medium-term plan for the period 1984-1989 should be reviewed by the relevant sectoral, functional and regional intergovernmental bodies prior to their review by the Committee for Programme and Co-ordination, the Economic and Social Council and the General Assembly. 12/ In resolution 35/9 of 3 November 1980, the General Assembly, inter alia, decided to

12/ Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 38 (A/35/38), para. 319.

endorse the conclusions and recommendations of the Committee on Programme and Co-ordination concerning the medium-term planning process as contained in the report of the Committee on its twentieth session. In addition, in paragraph 5 of resolution 35/9, the Assembly requested "intergovernmental bodies regularly to review programmes within their areas of competence in order to convey in time their views and concerns about such programmes to the Committee for Programme and Co-ordination". The Commission is therefore requested to review the proposed medium-term plan for the period 1984-1989 of the programme of transnational corporations.

Documentation

Proposed medium-term plan for 1984-1989: transnational corporations: note by the Secretariat

12. Draft provisional agenda for the eighth session of the Commission

In accordance with the provisions of paragraph 3 of Economic and Social Council resolution 1894 (LVII) of 1 August 1974, the Secretary-General will prepare a draft provisional agenda for the eighth session of the Commission, together with a list of the documents to be submitted under each agenda item and the legislative authority for their preparation.

13. Adoption of the report of the Commission

The Commission will adopt its report to the Economic and Social Council.
