

# **COMMISSION ON TRANSNATIONAL CORPORATIONS**

## **REPORT ON THE FIFTH SESSION**

(14-25 May and 16-17 July 1979)

**ECONOMIC AND SOCIAL COUNCIL**

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#### NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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I. ISSUES REQUIRING ACTION BY OR BROUGHT TO THE  
ATTENTION OF THE ECONOMIC AND SOCIAL COUNCIL

1. The Commission on Transnational Corporations recommends to the Economic and Social Council the adoption of the following draft resolution and draft decision:

DRAFT RESOLUTION

Activities of transnational corporations in  
southern Africa and their collaboration with  
the racist minority régimes in that area 1/

The Economic and Social Council,

Recalling General Assembly resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974 containing the Declaration and the Programme of Action on the establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974 containing the Charter of Economic Rights and Duties of States and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation,

Recalling also the resolutions adopted by the Commission on Transnational Corporations at its third and fourth sessions on the activities of transnational corporations in southern Africa and their collaboration with the racist minority régimes in that area, 2/

Recalling further the Maputo Declaration in Support of the Peoples of Zimbabwe and Namibia and Programme of Action for the Liberation of Zimbabwe and Namibia 3/ and the Lagos Declaration for Action against Apartheid, 4/ and General Assembly resolution S-9/2 of 3 May 1978,

Having considered the report of the United Nations Centre on Transnational Corporations entitled "The activities of the transnational corporations in the industrial, mining and military sectors of southern Africa", 5/

Gravely concerned at the continued collaboration by transnational corporations with the racist minority régimes in southern Africa in contravention of United Nations resolutions,

1/ See paras. 90-94 and 122-124 below.

2/ See Official Records of the Economic and Social Council, Sixty-third Session, Supplement No. 5 (E/5986), para. 14 and Official Records of the Economic and Social Council, 1978, Supplement No. 12 (E/1978/52 and Corr.1-3), para. 1.

3/ See Official Records of the Security Council, Thirty-second Year, Supplement for July, August and September 1977, document S/12344/Rev.1, annex V.

4/ Report of the World Conference for Action against Apartheid, Lagos, 22 to 26 August 1977 (United Nations publication, Sales No. E.77.XIV.2 and corrigendum), sect. X.

5/ E/C.10/51.

Gravely concerned further about the adverse trends in policies of home Governments which encourage transnational corporations to continue to collaborate with the racist minority régimes in southern Africa in violation of United Nations resolutions and in defiance of the legitimate aspirations of the oppressed peoples,

Considering that the cessation of the activities of transnational corporations in the area would constitute an important step in the struggle against the racist minority régimes,

Conscious of the continued need to enlist the active support of the home Governments of transnational corporations which operate in the territories occupied by the racist minority régimes,

Welcoming as a positive step measures taken by some home Governments to curtail the activities of their transnational and other corporations in southern Africa,

Mindful of the imperative need to maintain and strengthen international solidarity in support of the legitimate struggle of the oppressed peoples in southern Africa for self-determination and independence,

Recognizing the importance of mobilizing world public opinion against the involvement and collaboration of transnational corporations with the racist minority régimes in southern Africa,

1. Takes note of the report of the United Nations Centre on Transnational Corporations entitled "The activities of the transnational corporations in the industrial, mining and military sectors of southern Africa";
2. Reaffirms the inalienable right of the oppressed peoples of southern Africa to self-determination and permanent sovereignty over their natural resources and all economic activities;
3. Reiterates that the activities of transnational corporations in the area and their collaboration with the racist minority régimes are detrimental to the interests of the oppressed peoples in South Africa, Southern Rhodesia and Namibia;
4. Recognizes the urgent need to take further and effective measures including sanctions, in order to terminate the continuing collaboration by transnational and other corporations with the racist minority régimes in southern Africa;
5. Calls upon all Governments to adhere strictly to and ensure the effective implementation of sanctions and decisions already adopted by the General Assembly and the Security Council,
6. Strongly condemns the continued investments and the exploitation of black labour by transnational and other corporations which continue to collaborate with the racist minority régimes in southern Africa in contravention of United Nations resolutions, thereby contributing to the perpetuation of oppression and other inhuman practices perpetrated against the majority of the population by the racist minority régimes;

7. Further condemns recent laws and regulations, such as that curtailing the flow of information on the activities of foreign subsidiaries, adopted by the racist minority régimes particularly South Africa in order to enlist the support of transnational corporations in the perpetuation of its inhuman policies of apartheid, and calls upon home Governments to adopt measures to ensure that transnational corporations of their nationality do not collaborate in the enforcement of such laws and regulations;

8. Urges all transnational corporations to comply fully with the relevant United Nations resolutions by terminating all further investments in the area and by ending their collaboration with the racist minority régimes;

9. Calls upon all Governments which have not yet done so to take legislative, administrative, judicial and other measures in respect of their nationals and transnational corporations of their nationality owning or operating enterprises in the area in order to put an end to such activities;

10. Calls further upon all States to terminate all forms of collaboration by their nationals and by transnational and other corporations of their nationality with the racist minority régimes in southern Africa and, in particular:

(a) To refrain from supplying petroleum, petroleum products or other strategic materials to the racist minority régimes;

(b) To refrain from extending loans, investments and technical assistance to the racist minority régimes in southern Africa and to corporations registered in those territories;

(c) To prohibit economic and financial interests under their national jurisdiction from co-operating with the racist minority régimes and enterprises registered in southern Africa;

(d) To refrain from all activities which may directly or indirectly contribute to the strengthening of the military capability of the racist minority régimes;

(e) To deny tariff and other preferences to exports from the territories occupied by the racist minority régimes in southern Africa as well as any inducements or guarantees for investment and trade in the area;

(f) To prohibit all persons and enterprises of their nationality from making any royalty or tax payments to, or from knowingly transferring any assets or other financial resources in contravention of United Nations resolutions to facilitate trade with or investments in the territories occupied by the racist minority régimes;

11. Requests the Secretary-General:

(a) To instruct the Secretariat to continue its useful research on the activities of transnational corporations in southern Africa and their collaboration with the racist minority régimes in the area;

(b) To submit to the Commission on Transnational Corporations at its sixth

session, an in-depth analysis of the role of transnational corporations in the industrial, military and nuclear sectors of South Africa, Southern Rhodesia and Namibia;

(c) To update and expand the list of transnational corporations which recognize and negotiate with non-white and multiracial trade unions as well as those which do not, contained in the report mentioned in paragraph 1 above;

(d) To continue to collect and publicize information on the activities of transnational corporations which collaborate directly or indirectly with the racist minority régimes in southern Africa in contravention of United Nations resolutions;

(e) To organize symposia, workshops, seminars and other public enlightenment programmes, in collaboration with other United Nations bodies concerned, with a view to educating the general public in the home countries of transnational corporations on the activities of those corporations in southern Africa and the extent of their collaboration with the racist minority régimes in the area.

#### DRAFT DECISION

The Economic and Social Council approved the provisional agenda and documentation for the sixth session of the Commission on Transnational Corporations set out below: 6/

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

Documentation: Report of the Secretary-General on the activities of the United Nations Centre on Transnational Corporations

2. Work related to the formulation of a code of conduct

Documentation: Report of the Intergovernmental Working Group on a Code of Conduct

3. Comprehensive information system:

(a) Establishment of a comprehensive information system

Documentation: Progress report on the establishment of a comprehensive information system

(b) International standards of accounting and reporting

Documentation: Report of the Ad Hoc Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting

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6/ See paras. 146-152 below.

4. Technical co-operation

Documentation: Report on the programme of technical co-operation on matters related to transnational corporations

5. Studies on the effects of the operations and practices of transnational corporations:

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

Documentation: In-depth analysis of the role of transnational corporations in the industrial, military and nuclear sectors of South Africa, Southern Rhodesia and Namibia

- (b) Other studies

- (c) Future research

Documentation:

- (i) The activities and impact of transnational banks
- (ii) The activities and impact of transnational corporations in tourism
- (iii) The activities and impact of transnational corporations in insurance
- (iv) The activities and impact of transnational corporations in the food and beverage industries
- (v) Linkages of transnational corporations with domestic enterprises in developing countries
- (vi) Topics for future research

6. Work related to the definition of transnational corporations

7. Work related to the elaboration of an international agreement on illicit payments

Documentation: Report of the Committee on an International Agreement on Illicit Payments 7/

8. Question of expert advisers

Documentation: Note by the Secretariat

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7/ Subject to the decision of the Economic and Social Council on this question at its second regular session for 1979.



## II. REPORT ON THE ACTIVITIES OF THE UNITED NATIONS CENTRE ON TRANSNATIONAL CORPORATIONS

2. The Commission took up item 4 of the agenda at its 54th and 55th meetings, on 14 and 15 May 1979. It had before it the report of the Secretary-General on the activities of the United Nations Centre on Transnational Corporations (E/C.10/45). The Commission decided not to discuss in detail those chapters in the report relating to questions included in the agenda as separate items. It complimented the Secretariat on the report and noted with satisfaction the diversity and scope of functions carried out by the Centre.

3. At the 54th meeting the Director-General of Development and International Economic Co-operation, Mr. K. K. S. Dadzie, addressed the Commission. In his statement he said that transnational corporations embodied an exceptional concentration of financial power, technological know-how and productive capacity, which had enabled them to occupy a dominant position not only in the trade in developing countries but also in world trade in general. He also noted that the issue of transnational corporations would be taken into account in the drawing up of a new international development strategy. He expected that the code of conduct would become an important segment of the strategy dealing with qualitative changes in the structure of the economic relations between developed and developing countries.

4. Several delegations expressed their appreciation of the high quality of the work done by the Centre, especially in the areas of the comprehensive information system, research and technical co-operation. Most delegations welcomed the progress made by the Intergovernmental Working Group on a Code of Conduct. In this connexion, several delegations expressed appreciation for the contributions made by the expert advisers. A number of representatives also expressed their satisfaction with the CTC Reporter, which was generally considered a valuable publication for the dissemination of information concerning the Centre's work and the activities of transnational corporations.

5. Some delegations felt that the Centre should intensify its work on the political and social implications of the activities of transnational corporations, particularly in the developing countries, and that it should give due regard to the influence of transnational corporations on international political relations and on the question of disarmament. Several delegations stressed that future reports in that area should be based on carefully checked factual data.

6. Several delegations attached considerable importance to the functions of the joint units. In stressing their importance for the Centre's technical co-operation programme and their possibilities to analyse, collect and disseminate information on transnational corporations in the different regions, many delegations felt that the mandates of the joint units should be widened and their resources increased. Several delegations expressed a wish for more descriptive material on the work of the joint units. They asked for a clear division of responsibilities between the Centre and the joint units and for additional and detailed information on the

administrative work of the joint units. In response to that request, the Centre later provided the necessary information.

7. Some delegations noted the budgetary constraints facing the Centre. Several delegates stressed the need for more information on the financial implications of the subprogrammes so as to be able to set priorities. The Commission was informed, however, that the Financial Regulations and Rules of the United Nations prohibited the submission of the proposed programme budget before the publication of the report of the Advisory Committee on Administrative and Budgetary Questions on that budget. Some delegations expressed the view that this did not prevent the Centre from informing the Commission on the percentages of the resources which it had used in its various activities.

8. Some delegations made reference to the evaluation report on the programme on transnational corporations prepared by the secretariat of the Committee on Planning and Co-ordination. <sup>8/</sup> They found the report to be a useful document and stated that they endorsed many of its recommendations.

9. Several delegations drew attention to the importance of having documentation in all languages available well in advance of meetings of the Commission although they appreciated the resource limitations encountered by the Secretariat with regard to the timely production and distribution of the reports.

#### Action by the Commission

10. The Commission:

(a) Expressed its general appreciation of the work undertaken by the United Nations Centre on Transnational Corporations, as reflected in the report on its activities;

(b) Stressed the need for more information on the financial implications of the Centre's programme and the necessity to set priorities in the Centre's work;

(c) Drew attention to the importance of having documentation in all languages available well in advance of the meetings of the Commission;

(d) Stressed the need to have summary records available during the session.

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<sup>8/</sup> E/AC.51/98 and Add.1 and 2.

### III. WORK RELATED TO THE FORMULATION OF A CODE OF CONDUCT: REPORT OF THE INTERGOVERNMENTAL WORKING GROUP ON A CODE OF CONDUCT

11. The Commission considered item 5 of the agenda at the 56th and 57th meetings on 15 and 16 May 1979. The Rapporteur of the Intergovernmental Working Group on a Code of Conduct, Mr. B. Sepúlveda (Mexico), introduced the report of the Working Group on the work of its fifth, sixth and seventh sessions (E/C.10/46). He pointed out that the Group had prepared a detailed report in which it had described the progress of its work. He noted that further discussions would need to be held on the preamble, definitions, implementation and intergovernmental co-operation, for most of which, working papers had been prepared by the Centre, before a stage could be reached at which formulations on these by the Chairman would become possible. He also noted that the issue of the legal nature of the code had been discussed but not yet resolved and that formulations on technology, restrictive business practices and corrupt practices had not been drafted since work in those areas was under way in other United Nations bodies and the Group had decided to await further progress in the work of the respective intergovernmental groups. He concluded by drawing attention to the request by the Group for three more two-week sessions in order to discharge its mandate, the first of which could be held in September 1979. The Group intended to continue its work by following the same methods that had proved to be helpful in its progress so far.

12. The Chairman of the Group, Mr. S. Niklasson (Sweden), elaborated further on the progress achieved by the Group. He noted that the Group, after having had a first reading of the formulations in most of the substantive areas and discussions on the fundamental elements involved in the implementation of the code, as well as the follow-up procedures at various levels, was ready to start drafting the end product. The Chairman of the Group indicated further that the Group was dealing with a host of complex issues in its attempts to elaborate consistent standards of commonly agreed behaviour which could supplement national legislation. He noted that basic agreement on a number of important issues and concepts had already been achieved. The innovative procedures adopted by the Group and the service rendered by the Centre contributed to this progress which, in his view, was impressive. In spite of the impatience that some delegations might feel, he emphasized that the Group should maintain those procedures during the three sessions which were deemed necessary for the Group to accomplish its task.

13. The Chairman of the Group proceeded to highlight the issues that were still subject to disagreement. He pointed out the legal nature of the code and expressed the hope that a decision on that matter would be taken with regard to the actual content and effectiveness of the code. As to the sovereignty of States, he thought it important to bear in mind that the sovereign right of States to regulate the establishment of transnational corporations would not be affected by the code since its provisions would deal only with the activities and treatment of transnational corporations already established. Several of the standards being formulated explicitly called upon transnational corporations to act in conformity with the interests of the countries in which they operated: however, to date there had been no agreement on language that would avoid placing in some of these standards what a

number of delegations regarded as unrealistic requirements. Another matter still to be determined referred to whether and under what conditions transnational corporations could seek the diplomatic protection of their home country. The Chairman of the Group thought that it should be possible to find formulations that would set reasonable and practicable standards also in these respects without compromising the principle of national sovereignty. Other contentious issues, in the Chairman's view, were nationalization and compensation; he thought that an appropriate approach to these might be a short, simple formulation recognizing the fact that most cases are settled through negotiations among the parties concerned. With regard to the areas in the code with which other international bodies are concerned, the Group had decided to make a reference to the Tripartite Declaration of Principles concerning multinational enterprises and social policy (E/C.10/AC.2/3, annex II) regarding employment and labour adopted by the International Labour Organisation (ILO) and to await further progress in the work of the United Nations Conference on Trade and Development (UNCTAD) on technology and restrictive business practices and in the work of the Committee on an International Agreement on Illicit Payments. However, if the work of those bodies had not been finalized by the time the Group was ready to submit its report to the Commission, the Group could decide either to draft its own formulations or leave gaps to be filled in later, the second alternative being, according to the Chairman, the realistic one.

14. The Chairman of the Group finally underlined the importance of the implementation of the code at the national and international levels and expressed his satisfaction with the progress achieved so far in that field. He concluded by wishing that the negotiations, which were expected to intensify in the coming months, would be characterized by pragmatism and imagination.

15. All delegations expressed their appreciation for the statements by the Chairman of the Group and the Rapporteur as well as for the part the Centre had played in contributing to the progress achieved by the Intergovernmental Working Group. The members agreed to endorse the request of the Group for three more two-week sessions with a view to presenting a comprehensive draft code to the Commission at its sixth session. Several delegations stressed that negotiations should be intensified during the coming sessions and that this would require an exercise of political will.

16. Several delegations noted that despite the progress achieved, some important issues remained outstanding, in particular the legal nature of the code and the definition of transnational corporations. A delegation emphasized the ambiguity that existed in the absence of such a definition. Some delegations stressed that the results achieved by the Group so far were not to be considered as a sufficient step towards eliminating and limiting the negative aspects of the activities of transnational corporations.

17. The primacy of national sovereignty was stressed by several delegations which thought that the code should not contain any provisions that would compromise or restrict it.

18. Several delegations emphasized that the code should enhance the beneficial effects of transnational corporations and reduce the negative effects and that the discussion of the Group should strive towards pragmatic solutions and effectiveness. It was also underlined that transnational corporations should not be placed on the

same levels as Governments. They noted that the work in UNCTAD and in the Committee on an International Agreement on Illicit Payments could be useful inputs into the work on the code. A number of delegations recalled that the issue of transnational corporations in southern Africa should be dealt with fully by the Group.

#### Action by the Commission

19. The Commission took note of the report of the Intergovernmental Working Group on a Code of Conduct on the work of its fifth, sixth and seventh sessions (E/C.10/46); expressed its appreciation for the progress made so far and for the substantial reports which were presented by the Chairman of the Group and the Rapporteur; also expressed its appreciation for the assistance provided by the United Nations Centre on Transnational Corporations to the work of the Intergovernmental Working Group on a Code of Conduct; instructed the Working Group to continue its work with a view to presenting a comprehensive draft code of conduct to the Commission at its sixth session; and requested the Economic and Social Council to decide that the Intergovernmental Working Group on a Code of Conduct hold three more sessions of two weeks' duration in order to accomplish its task as set out in its mandate, that those three sessions be held before the sixth session of the Commission and that the eighth session of the Group be held before the thirty-fourth session of the General Assembly.

#### IV. COMPREHENSIVE INFORMATION SYSTEM

(a) Progress report on the establishment of a comprehensive information system

20. The Commission considered item 6 (a) of the agenda at its 57th to 61st meetings, on 16 to 18 May 1979. It had before it a report of the Secretariat on the progress achieved in the information system on transnational corporations (E/C.10/47). In his introductory statement on the item, the Executive Director clarified further certain basic aspects and considerations referred to in the report and mentioned some of the conclusions of the evaluation study of the Committee for Programme and Co-ordination (E/AC.51/98 and Add.1 and 2). He also invited the representatives to attend a presentation on the technical aspects of the comprehensive information system and on the content of its components, to be held on 18 May 1979 before the opening of the 60th meeting. The Commission expressed its appreciation of the introductory statement of the Executive Director.

21. The Executive Director recalled that at its fourth session the Commission had reiterated the principal objectives and purposes to be served by the Centre's information system and had endorsed the general approach contained in the documents circulated at the time on that subject.

22. The Executive Director reported on the results of an inquiry with Governments to determine specific information needs to which the information system should be made to correspond. Most countries had accorded high priority to information on laws, regulations and policies relating to transnational corporations. Most Governments, particularly of developing countries, had also stressed that information on contracts and agreements, operations of transnational corporations, in particular in industrial sectors, and trends in the activities of transnational corporations should receive high priority. The survey of information needs had been valuable in highlighting those aspects of the information system on which greater attention would need to be concentrated. With the mass of information and data which could be collected on transnational corporations and the magnitude of the financial resources that would be required for the collection, analysis and dissemination of such information, considerable selectivity must be exercised.

23. The Executive Director summarized the progress of work made in each of the components of the comprehensive information system, namely: (a) policies, laws and regulations on matters related to transnational corporations; (b) industry analyses; (c) trends in the activities of transnational corporations; (d) information on individual corporations; (e) contracts and agreements between transnational corporations and host country entities; and (f) information on information. Advances were also seen in a number of the priority areas identified by the Commission at its second session where information gaps were most pressing.

24. An important suggestion in the evaluation report related to assistance to member States in the use of the information system was that closer co-ordination should be ensured with information systems of other United Nations agencies.

25. The Centre was keenly aware of the need to obtain accurate and reliable information. To that end, the Centre had intensified efforts to ensure that information collected from publicly available sources was accurate. In particular, a note verbale was sent in January 1979 to all States, requesting them to contribute information relating to transnational corporations in order to facilitate the development of the information system at the Centre. The Centre had also invited a number of trade associations and corporations to provide publicly available materials regularly and automatically; in particular, some transnational corporations had been asked to appoint liaison persons who could provide a channel through which corporations would be invited to verify or make observations on the material.

26. In view of the severe budgetary limitations and resource constraints and the fact that the existing work programme of the Centre was already fairly extensive, no additional proposals for work activities were being made at this stage.

27. In conclusion, the Executive Director emphasized that by its scope and nature, a comprehensive information system on transnational corporations was a highly complex exercise. With very limited resources, the Centre was gradually and in an evolutionary fashion developing what had been referred to in the evaluation study as one of the largest programmes for information systems within the United Nations family.

28. Delegations generally expressed their satisfaction with the report of the Centre and the progress made in the development of its comprehensive information system. They also emphasized their support for the development of the information system.

29. All delegations stressed the importance of the comprehensive information system to the work of the Commission and the Centre and its close relationship to all the other elements of the Centre's programme. They also emphasized that as the information on transnational corporations is vast it should be selective, relevant and adequate to the programme of work. Some delegations noted the close relationship of the information system with the formulation of a code of conduct and stressed its potential role in monitoring the compliance of transnational corporations with the code once it was established. Other delegations indicated that the mandate of the information system would not provide for the monitoring of corporations, selectively or otherwise.

30. Many delegations drew attention to the three broad objectives of the comprehensive information system as set forth in the reports on the second and fourth sessions <sup>9/</sup> of the Commission and to the 13 priority areas on which the Centre had been asked, at the second session, to collect publicly available information of a general or specific nature at the aggregate and enterprise levels,

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<sup>9/</sup> See Official Records of the Economic and Social Council, Sixty-first Session, Supplement No. 5 (E/5782), para. 6 and Official Records of the Economic and Social Council, 1978, Supplement No. 12 (E/1978/52 and Corr. 1-4), para. 95.

by country. <sup>10/</sup> Some delegations urged the Centre to give equal attention to all three objectives and not to give prominence to one over the other two. They clearly expressed the need for information on transnational corporations already established in host countries, since that would assist Governments in monitoring and regulating their activities.

31. Some delegations expressed the view that the Centre should collect information on the whole range of the activities of transnational corporations and their impact on economic development, on the political and socio-cultural life of host countries and on international relations. They also expressed the view that priority should be given to the collection and analysis of information on interference by transnational corporations in host countries, their participation in the international arms trade, their activities in southern Africa and their exploitation of the natural and human resources of host countries. Furthermore, those delegations objected to the inclusion, in the Centre's publications of information on enterprises based in their countries on the grounds that they could not be put on the same footing as transnational corporations.

32. Some delegations considered it useful to make the Centre a focal point for collecting all relevant public information relating to transnational corporations and stressed the need for co-ordination with other United Nations bodies and other organizations.

33. All delegations stressed the importance of accurate, reliable and adequate information, since the Centre's information could be the basis for action. One delegation pointed out that accuracy applied to numerical information and reliability to non-numerical information. Several delegations asked for information concerning the manner in which the Centre checked on the accuracy of information which it put into the system.

34. Some delegations stressed the importance of verifying the information contained in the system. Some delegations claimed that clarification was essential because of the unreliability of some secondary information sources and pointed to the danger of decisions being taken on the basis of unreliable information. A number of delegations thought that establishing a liaison staff within the transnational corporations would be helpful for purposes of verification. One delegation stated that by following such a procedure the Centre would have access to additional information directly from the transnational corporations. Another delegation pointed out that verification by transnational corporations would place the corporations above Governments, since it would put them in the position of reviewing United Nations files. Some delegations brought up the question of when verification should take place, i.e. prior to the entry of data into the system or prior to their dissemination. A number of delegations said that it would be impracticable for the Centre to submit every item of information for verification and that the need for verification should be left to the judgement of the Centre.

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<sup>10/</sup> See Official Records of the Economic and Social Council, Sixty-first Session, Supplement No. 5 (E/5782), para. 23 (b).



35. Some delegations expressed the opinion that only in-depth corporate information or information contained in journal articles would require verification. A few delegations thought that information received from or verified by transnational corporations might not always be accurate or complete.

36. Many delegations noted the difficulty of obtaining comparable information from a broad spectrum of sources. Some suggested that accountants' foot-notes to financial reports should be included in the system to establish the definition of information items; others stated that with every item of information in the system, the Centre should include the source; others thought that the Centre should endeavour to formulate reporting standards in order to achieve comparability.

37. A number of delegations referred to the importance of preserving the legitimate confidentiality of information about transnational corporations. One delegation, however, said that much information was available from various government agencies and was therefore not confidential. Another delegation said that the issue of confidentiality should not apply to the collection of information by the Centre and to its dissemination to Governments.

38. All delegations agreed that the primary users of the information system should be Governments. A number of delegations re-emphasized the need for wide dissemination of information, as appropriate, to non-governmental organizations, including trade unions, universities and other interested groups. Some delegations noted that some kinds of information might be disseminated on a regular basis and others only upon request from Governments. Some delegations congratulated the Centre on the usefulness of the CTC Reporter in popularizing the work of the Commission and the Centre and requested that it be issued more frequently, and disseminated more widely.

39. A number of delegations requested detailed information concerning the dissemination of information by the Centre and asked which Governments had submitted requests for information to the Centre and to which issues such requests were directed. Some delegations inquired about the internal guidelines followed by the Centre and the joint units in responding to information requests.

40. Many delegations requested the Centre to prepare a manual concerning the collection and the use of information by the Centre as well as the procedures to be followed in requesting such information. A few delegations suggested that the Centre might charge a fee for the supply of information in order to help defray part of the costs of the comprehensive information system.

41. Most delegations stressed the need for the Centre to establish priorities in its work on the comprehensive information system, because of the limitation of resources. In this connexion, many delegations welcomed the survey of Government's information needs and referred to the responses of their Governments to the survey.

42. Most delegations expressed satisfaction with the industry studies undertaken by the Centre but some said that developing nations had a greater need for information on individual transnational corporations.

43. A number of delegations recommended that information on laws, regulations and policies relating to transnational corporations should be extended to include information on administrative practices; however, some delegations pointed out that such information was very difficult to obtain.

44. Several delegations considered the Centre's collection of contracts and agreements to be valuable but some pointed to the need for confidentiality. One delegation stated that the collection should include only contracts between transnational corporations and Governments and not between private parties. Another delegation pointed to the danger of misleading information if the Centre were to summarize contracts instead of issuing the complete text. A third delegation thought that the Centre should publish only model contracts of all kinds, based on actual contracts in its collection. A fourth delegation thought that this work was of limited value because of the specificity of many contracts.

45. Many delegations expressed the need for a policy regarding the updating of information because it changed so rapidly; however, it was recognized that there were financial implications and that these had to be borne in mind.

46. In reply to a number of questions, the Director of the Information Analysis Division of the Centre provided clarification on several points. With respect to the objectives of the information system, he pointed out that they had been clearly stated and affirmed by the Commission at its fourth session 11/ and that the Centre's programme was directed towards them. Referring to the sources of information, he said the Centre had guidelines for collecting publicly available information and did not endeavour to acquire confidential information, although sometimes the party concerned made such information available. As to the need for reliable and accurate information he said that since everyone agreed that such information was crucial for the reputation and the usefulness of the information system, the Centre attached great importance to it. With respect to verification, he said that when information on laws and regulations was collected from Governments and summarized, the Centre would ask the Governments if the summaries were correct. With respect to company information, which was collected from various sources, including company reports, press releases and journal reports, the Centre did not try to verify every piece of collected information. He explained that the in-depth corporate information was defined by the industry studies, which had concentrated on the experience and strategies of those companies on which information was especially useful to developing countries. The information collected for issue analysis in relation to the 13 priority areas of information was also part of the in-depth information. In these instances, the Centre checked with the appropriate sources. He said that the principle of selectivity was not in conflict with the idea of a comprehensive information system because the word "comprehensive" in that context meant that information should not be limited to a specific sector or issue. On access to the information, he said that the Centre followed the general practice of the United Nations Secretariat. The information was primarily for Governments but close contact was maintained with other bodies. Although there was no "closed-door policy", judgement had to be exercised as to whether the Centre was in a position to supply information to all who asked for it. Regarding the distribution of users, he said that although the Centre could not give a full indication of the types of users at this stage, he could say that about one third of the users were Governments.

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11/ See Official Records of the Economic and Social Council, 1978, Supplement No. 12 (E/1978/52 and Corr. 1-4), paras. 76-105.

47. Regarding the question of resource allocation, he said that if the entire budgetary and extrabudgetary resources and the resources of the joint units were taken together, the information system would account for one quarter of all resources. Taking only the regular budgetary resources, it would account for one third. As for co-ordination with other units, especially the joint units, he explained that the work of the joint units was closely related to the work of the Centre. Referring to the study on laws and regulations and whether administrative practices were within the scope of that study, he said that in the case studies being conducted, the Centre was concentrating on whether laws were being implemented. As to whether the Centre had taken into consideration the discussions on the new international economic order and the preparations for the third United Nations development decade, he said the Centre took into account the broad objectives of the United Nations. As for preparing a manual, he said that since a manual would be useful the Centre would certainly prepare one.

48. Delegates expressed their appreciation of the statement by the Director of the Information Analysis Division of the Centre and the Commission requested that the statement be circulated in written form. The Commission noted that the Centre had approached some transnational corporations to ask them to appoint liaison persons for communication with the Centre.

49. Many delegations thanked the Centre for its presentation on the technical aspects of the comprehensive information system and on the contents of its components (see para. 20 above). A number of delegations asked that this information be prepared as a document, along with detailed information on the dissemination of information and the allocations of resources within the system.

#### Action by the Commission

50. The Commission recalled its consideration of the item at its fourth session on the basis of the Centre's reports of the Secretariat on the establishment of a comprehensive information system on transnational corporations (E/C.10/41 and E/C.10/42).

51. The Commission recalled that the purpose of the comprehensive information system was:

(a) To further the understanding of the nature of the political, legal, economic and social effects of the activities of transnational corporations in home countries and host countries and in international relations, particularly between developed and developing countries;

(b) To secure effective international arrangements for the operation of transnational corporations designed to promote their contribution to national developmental goals in world economic growth while controlling and eliminating their negative effects; and

(c) To strengthen the negotiating capability of host countries, in particular the developing countries in their dealings with transnational corporations.

52. The Commission reiterated that all the three purposes should receive equal attention.

53. The Commission took note with appreciation of the progress report of the Centre on the information system on transnational corporations (E/C.10/47), of the remarks of the Executive Director and the Director of the Information Analysis Division, and of the presentation on the technical aspects of the development of the comprehensive information system and the content of its components.

54. The Commission also took note with appreciation of the report of the Executive Director on the survey of Governments undertaken with a view to obtaining additional proposals on specific information which they would find helpful and which could be included in the information system. The Commission recommended that all Governments that had not already done so should respond to the survey.

55. The Commission stressed that information should be selective and relevant to its programme of work and reiterated the need for the Centre to ensure that the information in the system was accurate, reliable, adequate and comparable and to establish procedures towards those objectives.

56. The Commission proposed that the Centre should give priority to the collection of information on transnational corporations already established in host countries, especially developing countries. It reiterated that the information system should cover all aspects of transnational corporation activities: political, social, economic and legal.

57. The Commission recalled the recommendations of its fourth session with regard to sources of information to be used and accuracy of the information system. With regard to dissemination of information, the Commission noted that the recommendation contained in paragraph 104 of the report on its fourth session was still valid.

58. The Commission noted with approval that the Centre would prepare a manual on the collection and use of the information system which would also describe the information that could be obtained and the procedures to be followed to obtain it.

59. The Commission also noted that the Centre would include in its report to the sixth session of the Commission specific details concerning the content, structure and functioning of the information system, the total resources used, the allocation of resources within the system and the types of users of the information.

60. The Commission noted that the Centre would elaborate on the presentation given at the fifth session by preparing for the sixth session a report on the precise nature and content of the information collected, analysed and disseminated by the Centre.

(b) International standards of accounting and reporting

61. The Commission considered item 6 (b) of the agenda at its 59th meeting on 17 May 1979. It had before it a note by the Secretariat on the item (E/C.10/48).

62. The Chairman invited Mr. Jorge Eduardo Navarrete (Mexico), Vice-President of the Economic and Social Council, to make a statement on the recent decision of the Economic and Social Council by resolution 1979/44 to establish, at the Commission's request, an Ad Hoc Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting.

63. Mr. Navarrete informed the Commission that the resolution had been adopted on 11 May 1979 at the first regular session of 1979 of the Economic and Social Council. Recalling that the draft resolution had been submitted by him on the basis of informal consultations, he drew attention to its main features. He further advised that there had been an understanding to the effect that there was no difficulty about having the Chairman of the Group elected from among the representatives of the developing countries. It had been decided that the rules of procedure of the functional commissions of the Council would apply to the Ad Hoc Group and that the provisions of paragraph (f) of the resolution, which requested the Secretary-General to endeavour to find extrabudgetary resources to facilitate the effective participation of members of the Ad Hoc Group, were applicable to one representative from each elected State.

64. The Chairman thanked Mr. Navarrete for his statement and for his efforts in bringing about the adoption of the resolution. On behalf of the Commission, the Chairman expressed appreciation to the Economic and Social Council for adopting the resolution, which reflected the recommendation made by the Commission at its fourth session. In response to a question from a delegation, he said that the resolution adopted by the Council was binding on the Commission.

65. The Chairman pointed out that the members of the Ad Hoc Group would be elected by the Council at its second regular session of 1979. Pursuant to paragraph (e) of resolution 1979/44, "the Group should hold two sessions of two weeks each and should report to the Commission on Transnational Corporations at its sixth session on further steps to be taken in the field of international standards of accounting and reporting within the scope of the work of the Commission ...". In the interest of implementing the mandate contained in the resolution, the Chairman considered it necessary to define the scope of the Ad Hoc Group's work and asked the delegations for their suggestions. Based on the comments of delegations and subject to their agreement, a work programme would be specified for the forthcoming two sessions of the Ad Hoc Group.

66. All delegations expressed satisfaction with the Council's resolution. They stressed the need for international standards of accounting and reporting and recognized the difficulty and complexity of the task that would be undertaken by the Ad Hoc Group. Given the broad mandate, it was deemed desirable to provide the Ad Hoc Group with specific guidelines within the framework of the resolution. In addition, several delegations placed on record the desire of their Governments to be involved in the work of the Ad Hoc Group.

67. Several delegations commented on issues that would merit the Ad Hoc Group's attention, including, inter alia, the different rules, practices and systems of accounting and reporting in existence; the lack of available data on certain geographical regions and on certain types of transnational corporation activities; and the lack of comparability in the data already available. Bearing in mind the need to obtain adequate and comparable information, the Ad Hoc Group should concentrate on disclosure requirements and the harmonization of accounting standards. Some delegations proposed that priorities should be established

for dealing with disclosure requirements and for developing specific accounting standards. Others advocated that the Ad Hoc Group should analyse the existing systems, pinpointing common features, analyse the gaps in the data published and identify any action that might be taken to reduce the differences between accounting systems.

68. A few representatives, noting the reference to the report of the Group of Experts on International Standards of Accounting and Reporting 12/ in paragraph (d) of Council resolution 1979/44, reiterated the views they had expressed at the fourth session. Opinions differed on the disclosure of non-financial information and special purpose reporting. One delegation recalled that the Secretary-General had recommended the report of the Group of Experts for acceptance by the Commission at its fourth session.

69. On the question of consulting the international accounting bodies, some delegations noted that the mandate of the Ad Hoc Group specifically provided for such consultations.

#### Action by the Commission

70. The Commission:

(a) Expressed its appreciation to the Economic and Social Council for adopting the resolution entitled "Establishment of an Ad Hoc Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting";

(b) Took note that the Ad Hoc Group, to be elected by the Council at its second regular session of 1979, would hold two sessions of two weeks each and report to the Commission at its sixth session;

(c) Requested the Intergovernmental Working Group on a Code of Conduct to define at its next session the questions on which it would like to get advice from the Ad Hoc Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting;

(d) Expressed the hope that the first of those two sessions would be held as soon as possible in order to make it possible for the Ad Hoc Group to provide assistance to the Intergovernmental Working Group on a Code of Conduct before January 1980;

(e) Suggested that the Ad Hoc Group focus attention on international standards of accounting and reporting within the scope of the Commission's mandate, particularly as regards the code of conduct currently being formulated and the comprehensive information system.

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12/ See International Standards of Accounting and Reporting for Transnational Corporations (United Nations publication, Sales No. E.77.II.A.17).

## V. TECHNICAL CO-OPERATION

71. The Commission considered item 7 of the agenda at its 61st and 62nd meetings on 18 and 21 May 1979. It had before it the report of the Secretariat on developments in the programme of technical co-operation on matters related to transnational corporations since the fourth session of the Commission (E/C.10/49), as well as a report on a round table convened by the United Nations Centre on Transnational Corporations on strengthening the negotiating capacity of developing countries (E/C.10/50). The Commission also heard a statement by the Executive Director of the Centre introducing those reports and reporting on developments since their issuance.

72. In his introductory remarks, the Executive Director stated that during the past year the Centre's technical co-operation programme had been marked by a rapid expansion in the number of government requests and by an increasing ability by the Centre to render assistance quickly and effectively. He informed the Commission of the arrangements being concluded leading to the designation of the Centre as an executing agency of the United Nations Development Programme (UNDP) for projects on matters related to transnational corporations. He added that the number of advisory and training projects carried out since the fourth session of the Commission had doubled over the previous period. He pointed out that since the issuance of the report only some six weeks earlier, nine additional requests for advisory services had been received and that the number of workshops planned for the forthcoming period was even larger than for the period just covered. He stated that even though there was a trend towards larger and more complex projects, the Centre's ability to respond quickly continued to improve, pointing out that 37 per cent of all projects were implemented in less than one month and that the average delivery time was under two months. He informed the Commission of the Centre's growing in-house capability to respond to government requests, which was reflected in the fact that 60 per cent of the missions were carried out by full-time or part-time persons associated with the Centre. He added that over 50 per cent of consultants engaged on an ad hoc basis came from developing countries.

73. The Executive Director informed the Commission of the growing links and co-operative arrangements established between the Centre and its joint units in the regional commissions, as well as with other United Nations organizations and agencies. He stressed the importance attached by the Centre to technical co-operation among developing countries and referred to various features of the Centre's technical co-operation activities, which support the aims of TCDC. In that connexion, he drew the attention of the Commission to document E/C.10/50. He pointed out that such round tables provided a unique opportunity for developing country officials to meet and share their respective experiences in dealing with transnational corporations and to draw the lesson that those experiences suggested. He informed the Commission that the Centre intended to disseminate the report widely, as it should be found most useful by all interested parties, and in particular, Governments of developing countries.

74. The Executive Director expressed his deep gratitude to the Governments which had made voluntary contributions to the Centre's technical co-operation programme and informed the Commission that to date some \$2.1 million had been received from or pledged by the Governments of the Netherlands, Norway, Sweden, Switzerland and the United Kingdom. He indicated that given the growing number of requests received by the Centre, the funds currently available were likely to be exhausted by the middle of 1980, and therefore hoped that the Commission would renew its appeal for voluntary financial support for the programme.

75. He informed the Commission that the evaluation of the Centre's technical co-operation programme carried out over the past few months within the framework of the Committee for Programme and Co-ordination exercise was based primarily on the views of the users of the Centre's technical co-operation programme which provided a good basis for evaluation. He pointed out that as could be seen from document E/C.10/49 and its annex containing 18 replies from Governments, as well as from the five additional replies being circulated to the Commission with his statement, Governments had found the advisory services of the Centre most helpful. He said that this was further supported by the fact that 80 per cent of Governments had addressed more than one request to the Centre. With respect to training workshops, he pointed out that 97 per cent of the participants replying to the questionnaire indicated that they had benefited very much or sufficiently from those workshops. He added that the experience gained by the Centre to date, together with the very useful suggestions received from participants would enable the Centre to make specific improvements in its future activities.

76. The Commission agreed on the great importance of the Centre's technical co-operation programme and that the results of the evaluation exercise were most encouraging. Many delegations stated that the Centre's rapidly growing programme of technical co-operation reflected the great need for such services by developing countries. Several delegations stated that their Governments had been beneficiaries of the Centre's technical co-operation programme, which enabled them to attest to the high quality of the services provided and the promptness of delivery. It was agreed that the services provided by the Centre had been of great usefulness to developing countries, and that the Centre had carried them out in an efficient, prompt and effective manner.

77. Most delegations approved the projects implemented over the past year, as well as the quality of the services provided by the Centre and the promptness of delivery. Many delegations expressed the hope, given the great need of developing countries for technical co-operation to strengthen their capability of dealing with matters related to transnational corporations, that the Centre's technical co-operation would be reinforced and developed further in the future, and that the evaluation had brought out the capability of the Centre to deliver such a growing programme. Some delegations stressed the importance of ensuring that the Centre had sufficient staff to enable it to carry out a growing programme of technical co-operation in that field.

78. Many delegations stressed that the fullest use should be made of experts coming from developing countries and that they were pleased to note that more than half of the consultants contracted by the Centre for technical co-operation assignments were from developing countries.

79. Many delegations complimented the Centre on the growing links and co-operative arrangements being made with other United Nations organizations and agencies and in particular, with the joint units in the regional commissions. They were glad to note that specific arrangements had been worked out with the joint units and that meetings were being organized in the regions with senior government officials to identify their priority needs for technical co-operation, in particular, as concerned training workshops. The programme was generally supported as responding to the needs of developing countries. Some delegations stressed the need for the advisory projects to be related to policies, laws and regulations. Some delegations stated that given the rapidly growing number of requests addressed to the Centre, there would be a need to establish priorities



for the programme, and in that connexion, that emphasis should be given to the needs of the least developed among the developing countries. One delegation stated that its contribution should mainly be focused on the least developed countries. One delegation speaking on behalf of the Group of 77, supported by some other delegations, stated that the Centre's technical co-operation programme should in no way be restricted to the least developed among the developing countries and that such services should be available to all requesting developing countries.

80. Some delegations stated that they still had some concern about the possibility that the Centre might become directly involved in negotiations between transnational corporations and host Governments or entities.

81. Several delegations indicated that the reports on round tables as well as materials for workshops should be published so as to be available to all Governments. Some delegations stated that experts from transnational corporations should be invited to participate in the work of technical co-operation organized by the Centre.

82. Many delegations stressed the importance of technical co-operation among developing countries, and noted with pleasure the many important features of the Centre's technical co-operation activities which supported the aims of the TCDC.

83. Many delegations expressed their gratitude to the Governments of the Netherlands, Norway, Sweden, Switzerland and the United Kingdom for their voluntary financial contributions to the Centre's technical co-operation programme. The representative of Sweden announced a third contribution by his Government to the Centre's technical co-operation programme. Many delegations urged that other Governments should make similar contributions so as not to hamper this important activity of the Centre by lack of funds. In this connexion one delegation suggested that at least one third or one half of the total cost of a project should be borne by the Governments of the countries benefiting from the projects. Several delegations stressed that such contributions should not be tied to specific projects but be provided to the Centre's technical co-operation as a whole.

84. The Associate Director in charge of the Centre's technical co-operation programme, in replying to questions raised during the debate, expressed his deep appreciation for the many encouraging comments and the useful suggestions made during the discussion of this item. He reiterated that the Centre was not involved directly in negotiations and that its technical co-operation activities fell squarely within the established pattern of technical co-operation of the United Nations system.

#### Action by the Commission

85. The Commission took note with appreciation of the report of the United Nations Centre on Transnational Corporations on its programme of technical co-operation on matters related to transnational corporations (E/C.10/49), of its report on a round table on strengthening the negotiation capacity of developing countries (E/C.10/50), and of the introductory remarks by the Executive Director.

86. The Commission endorsed the value of the Centre's technical co-operation programme. It considered that the growing number of requests received by the Centre underlined the great need by developing countries for technical co-operation to strengthen their capability of dealing with matters related to transnational corporations. It reiterated its view that the scope and content of the Centre's technical co-operation corresponded to the needs of developing countries. The Commission welcomed the manner in which the Centre had carried out its work.

87. The Commission stressed the importance of the growing links and co-operative arrangements being established between the Centre and other United Nations organizations and agencies, as well as with the joint units in the regional commission. The Commission noted with pleasure that over half of the consultants contracted by the Centre for technical co-operation assignments came from developing countries and expressed the hope that that trend would continue.

88. The Commission expressed its deep appreciation to the Governments of the Netherlands, Norway, Sweden, Switzerland, and the United Kingdom for the voluntary contributions they had made to the Centre's technical co-operation programme. It reaffirmed the vital importance of voluntary contributions. It also expressed the hope that recipient Governments would make efforts to help defray part of the cost of the services being provided to them by the Centre.

89. The Commission requested the Centre to pursue on a regular basis its work with regard to evaluation by participants in the technical co-operation programme and to submit a report on its technical co-operation activities, including the results of the evaluation, to the Commission at its sixth session.

VI. STUDIES ON THE EFFECTS OF THE OPERATIONS AND PRACTICES  
OF TRANSNATIONAL CORPORATIONS

- (a) In-depth study on the activities of transnational corporations in southern Africa and their collaboration with the racist minority régimes in that area

90. The Commission considered item 8 (a) of the agenda at its 64th and 65th meetings on 22 and 23 May 1979. It had before it a report of the Secretariat entitled "The activities of transnational corporations in the industrial, mining and military sectors of southern Africa" (E/C.10/51), which was introduced by the Executive Director of the Centre. Most delegations that spoke on this item expressed appreciation for the report and supported the research being done on this topic.

91. Addressing themselves to the general situation, most delegates referred to the increasingly critical climate caused in the international community by South Africa's policies; some also spoke of a threat to international security. Many delegations noted that despite all resolutions adopted in international and other forums which condemned the white minority régimes in southern Africa, those régimes had maintained their systems of racial discrimination.

92. Some delegations suggested that concrete steps, such as a cessation of further investment and financial loans, were needed as a complement to the arms embargo. As noted by some delegations, only one home Government had as yet proposed legislation with a view to prohibiting new investments by its transnational corporations in South Africa and to prevent expansion of operations of its corporations already established in South Africa. Another delegation stated that it had already prohibited direct investments by transnational corporations under its jurisdiction in southern Africa. A few delegations remarked that existing codes of conduct for transnational corporations operating in South Africa were not effective. It was felt by another delegation that there were some modest signs that such efforts could possibly have a positive impact. Several countries stressed that resolutely condemning the policy of racial discrimination practised by the Government of the Republic of South Africa, they had been led to adopt concrete measures encouraging enterprises to eliminate racial discrimination in the field of social rights. They stressed that a growing number of enterprises indeed and in a concrete way had committed themselves to this approach.

93. Commenting upon the South African policy of attempting to increase economic self-sufficiency, many delegations criticized the continued supply of capital and technology, particularly in strategic sectors, by transnational corporations. A few delegations also noted South African attempts to restrict the flow of information by the subsidiaries of transnational corporations even, in some instances, to parent companies. One delegation emphasizing the vital role of transnational corporations in southern Africa, stated that transnational corporations active in South Africa should be encouraged and, if necessary, compelled, by appropriate international and national measures, to operate and behave in harmony with concerted actions of the international community.

94. Some delegations suggested that more information could be obtained and disseminated on this subject by the Centre. Several delegations expressed the view that the work of the joint units and other United Nations agencies should be more fully utilized in the preparation of reports on the activities of transnational corporations in southern Africa. One delegation expressed its regret that that part of the Centre's work programme caused exception to the general rule of the Commission's operating by consensus.

(b) Other studies

95. The Commission considered item 8 (b) of the agenda at its 62nd, 63rd and 64th meetings on 21 and 22 May 1979. The Executive Director introduced the reports before the Commission; a study entitled "Transnational corporations in world development: a re-examination" (E/C.10/38 and Corr.1), <sup>13/</sup> the note by the Secretariat (E/C.10/52) on the highlights of the main issues dealt with in that study and the reports of the transnational corporations and the pharmaceutical industry (E/C.10/53), <sup>14/</sup> transnational corporations in advertising (E/C.10/54) <sup>15/</sup> and some methodological issues related to the social, political and legal impacts of transnational corporations (E/C.10/55).

96. Many delegations expressed general appreciation and considered that the documents were very useful and were a valuable input to the work of the Commission. However, several criticisms were made regarding specific points in the reports. It was pointed out that the Centre was solely responsible for the studies and that they did not commit the members of the Commission. Several delegations pointed out that research was a basic activity of the Centre and thanked the Centre for its efforts. One delegation suggested that in the future these documents should contain conclusions which could be discussed by the Commission. Therefore more emphasis should be given to action-oriented reports. Delegations emphasized the need for accuracy in the reports and for timely distribution to the Commission. Many delegations proposed that the Centre verify the data with the parties concerned and hold discussions with experts in the field, including Governments and transnational corporations before the reports were issued so that no factual errors were contained in them. They also stressed the importance of identifying the sources on which the reports were based.

97. Regarding document E/C.10/38 and Corr.1, several delegations expressed their satisfaction that the report was resubmitted to the Commission. With regard to document E/C.10/52 they found it to be useful and that the information contained in it should be updated regularly. Most delegations wished that information under paragraph 9 of E/C.10/52 indicating the characteristics and trends in the activities of transnational corporations be updated regularly. Some delegations

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<sup>13/</sup> Subsequently circulated as United Nations publication, Sales No. E.78.II.A.5.

<sup>14/</sup> See also Transnational Corporations and the Pharmaceutical Industry (United Nations publication, Sales No. E.79.II.A.3), of which document E/C.10/53 and Corr.1 is an excerpt and summary.

<sup>15/</sup> See also Transnational Corporations in Advertising (United Nations publication, Sales No. E.79.II.A.2), of which document E/C.10/54 is a condensed version.

stated that more attention should be given to improving the investment climate since there was not at present a satisfactory level of investment world wide and in the developing countries.

98. All delegations referred to the need for accuracy in the integrated study and in future updates of it. One delegation stated that Transnational Corporations in World Development: a Re-examination was being sold without the corrections that had resulted from the discussion of that publication at the fourth session of the Commission.

99. A few delegations expressed the belief that the integrated study should focus on the full range of issues, political, economic, social and legal, relating to transnational corporations, including the impact on inflation, participation in the arms race and interference in international relations and détente.

100. One delegation noted, with regard to paragraph 9 (k) of E/C.10/52, that developing nations were aware that they paid heavily for technology transfer. The delegation also noted that the chapter on the search for new directions could provide a useful basis for further discussions within Governments of developing countries.

101. Referring to documents E/C.10/38 and Corr.1 and E/C.10/52, some delegations pointed out that the focus had shifted compared with that of the 1973 study and that these new studies concentrated more on empirical data. They said that future studies should examine international division of labour, restrictive business practices, transfer pricing, international relations between developed and developing countries and the impact on host developing countries within the framework of the development goals of those countries. A few delegations also drew attention to the increasing number of countries acting as home countries of transnational corporations and noted that future studies should focus on questions raised by the increase in conflicting requirements placed by home and host Governments on the various entities of a transnational corporation.

102. Regarding document E/C.10/53 and Corr.1, several delegations stated that it contained useful information, particularly regarding the marketing of pharmaceutical products and options available to developing countries. It provided a useful description of the structure of the pharmaceutical industry, its largest transnational corporation, its main issues, the involvement of the United Nations in the area of health delivery and some possible policy options for developing countries related to that industry. These and some other delegations thought, however, that the report did not sufficiently stress the monopolistic position of some large transnational corporations in the field, the high profits made in the industry, the measures that developing countries could adopt to increase production of pharmaceutical products, and the role of trade marks and an international system for their registry. They suggested that further research could be usefully conducted in these areas.

103. Some other delegations noted that the report was excessively oriented towards United States experience, that it contained some factual errors and did not sufficiently take into account policies of countries other than the United States. One delegation noted that the experience of centrally planned economies was missing. Two delegations stated that the Commission had been established in order to analyse transnational corporations and not to investigate the actions of socialist countries and their enterprises. Two delegations made explicit that their Governments could

not associate themselves with the report in its current form. Another delegation thought that the report should have included policy options at the international level. Another delegation thought that while the descriptions of the industry and its historical development was well presented, other sections included some generalizations, even some unfounded conclusions, and did not take sufficiently into account the need to protect intellectual property, issues related to research and development and the risks that pharmaceutical companies take; furthermore, undue stress was laid on government intervention. Several delegations expressed their concern that during the preparation of the document their Governments and national industry associations had not been contacted in order to verify the facts. One delegation suggested that such studies should be used as a basis for consultations between Governments and with transnational corporations.

104. Some delegations expressed appreciation of document E/C.10/54, which they considered to be an interesting and useful description of the activities of transnational corporations in relation to advertising and of the implications of those activities in host countries. Several delegations pointed out that transnational advertising agencies were instruments of transnational corporations in entering new markets, often at the expense of domestic enterprises. Some delegations pointed out that the report could have gone further into the negative effects of advertising on socio-cultural values in developing countries. One delegation considered the report a welcome first effort in this area and pointed out that more attention should have been paid to the experience of firms other than those of the United States. Another delegation praised the Centre for pointing out that more extensive regulations existed in developed countries more than in developing countries because this information would benefit the latter. Finally, another delegation noted that the report contained many positive elements and that it could assist in the formulation of a code of conduct by underlining the need for transnational corporations to make efforts to meet the basic needs of developing countries.

105. Regarding document E/C.10/55, the views of the delegations differed. While some thought that the document was a useful initial contribution to the discussion of the social, political and legal impacts of transnational corporations, others thought that it lacked objectivity by stressing the negative effects of transnational corporations without providing evidence to that effect. Some delegations thought that the document was necessary and that it should have been more definite in reflecting the desiderata expressed in the Declaration and the Programme of Action on the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States. While some delegations thought that the paper did not adequately meet the needs of the Commission, others thought that it was an excellent analysis of the possible negative socio-political effects of transnational corporations in developing countries. One delegation pointed out that many of the effects attributed to transnational corporations could equally be attributed to domestic companies and suggested that future research on that subject should concentrate on case studies, on methodology of comparing the effects of domestic enterprises with transnational corporations and on issues related to the code of conduct. Another delegation pointed out that transnational corporations could have positive effects on society - an aspect which was not brought out in the paper. Another delegation thought that more emphasis should have been placed on the legal effects of transnational corporations. Finally, one delegation thought that the paper constituted a brave effort on the part of the Centre but that it should have focused also on the fact that Governments had failed in many instances to form strategies for long-term economic and social development. Therefore, transnational

corporations controlling immense resources of great importance for development were often left to indicate and steer the direction of social and economic development. Noting that transnational corporations played a dominant role in industrialization in developing countries, that delegation felt that the research efforts of the Centre should be based on a balanced and realistic perception of the interplay between Governments and transnational corporations and that the Centre should evolve appropriate methodologies to meet that objective.

(c) Topics for future research

106. The Commission considered item 8 (c) of the agenda at its 65th and 66th meetings on 23 May 1979. The item was introduced by the Deputy Executive Director of the Centre who summarized the scope of the research topics proposed in the corresponding report of the Secretariat (E/C.10/56). Views of the Commission were sought on both the substance of the proposals and, in view of the limited resources available, the priorities among new research activities to be carried out during the 1980-1981 biennium.

107. Delegations expressed satisfaction with the introductory statement by the Deputy Executive Director of the Centre. Some delegations, however, emphasized that the ongoing research work programme was very large and that great caution should be exercised in assuming new projects before completing work already assigned by the Commission. On this point, various delegations called attention to the continuing need for careful design of the projects including specification of objectives, methodology, phasing and budget requirements. Some delegations reiterated the need to focus the research activities on questions of most immediate importance to the work of the Commission, in particular the formulation and implementation of the code of conduct and the strengthening of the negotiating capacity of host, particularly developing, countries.

108. Some delegations cautioned against studies which could be considered speculative. The need for empirical orientation and full identification of data sources was emphasized, as was the need for a balanced approach which considered fully both the positive and negative effects of the operations of transnational corporations.

109. Some delegations recalled the need to assure the accuracy of data with interested parties, including the industry, in order to enhance the reliability of analytical and normative parts of the studies. Other delegations recognized that no study could be free of errors but that efforts should be made to ensure that the information was accurate enough not to affect the conclusions of the study.

110. With respect to areas for future research, several delegations suggested that the highest priority should be given to the linkages of transnational corporations with host economies, to in-depth industry studies in the various sectors, to transnational corporations and international financial transfers, to the comprehensive survey of transnational corporation activities and to the social and political impact of transnational corporations.

111. Other delegations suggested that priority be given to national policies affecting balance of payments and transfer pricing by transnational corporations, as well as to transnational corporations and international financial transfers.

With respect to the latter proposal, some delegations pointed out the serious methodological and data collection problems experienced in designing useful research in this area.

112. Some delegations suggested that priority be given to study of competition and corporate strategies; it was also indicated that such a study would require the close collaboration of corporations in its execution.

113. Other delegations urged that high priority be given to the social and political impact of transnational corporations, both as a specific topic and within sectoral and other studies. The need to investigate the social and political effects of transnational corporations at both the national and international levels was particularly emphasized by some delegations. Other delegations pointed out that research on that topic was extremely difficult to carry out and should be approached with great care.

114. Some delegations stressed that priority should be given to studies on the impact of transnational corporations' activities on international relations generally and especially on détente and the arms race.

115. Several delegations suggested that work on a variety of possible arrangements with transnational corporations for acquisition of technology be given low priority in view of the extensive ongoing work of UNCTAD in this area.

116. Some delegations suggested priorities among industry sectors for further in-depth research. The sectors mentioned included extractive industries, chemical and petrochemicals, refining and electronics.

117. In carrying out the research, several delegations suggested that, although the primary focus must be upon transnational corporations, adequate attention should also be given to performance of national or domestic corporations to permit comparisons with transnational corporations.

#### Action by the Commission

118. The Commission noted with appreciation the reports submitted and the progress made by the Centre in its research activities.

119. The Commission again called attention to the need for the research activities to be action-oriented and geared to supporting the two principal goals of the Commission, namely the formulation of a code of conduct and the strengthening of the negotiating capacity of host, particularly developing, countries.

120. Appropriate attention should be given by the Centre to the careful review of data on transnational corporation activities in order for its studies to be most useful, as well as to the need for accuracy in the reports and for timely distribution to the Commission.

121. In programming its future research, the Centre should take full account, within the resources allocated to this activity, of the views expressed by the Commission regarding priorities among projects and procedures to be followed in project formulation and execution.



122. At the 67th meeting the representative of Tunisia, on behalf of the States members of the Group of 77, introduced a draft resolution entitled "Activities of transnational corporations in southern Africa and their collaboration with the racist minority régimes in that area" (E/C.10/L.34).

123. At its 68th meeting, the Commission considered the draft resolution. The representative of Tunisia, speaking on behalf of the Group of 77, expressed regret that the discussion between the sponsors and some other delegations had not led to a consensus. He therefore proposed that the Commission should take a roll-call vote. The Commission adopted draft resolution E/C.10/L.34 by 30 votes to 6, with 5 abstentions (for the text see para. 1 above). The voting was as follows:

In favour: Algeria, Argentina, Benin, Brazil, Cuba, German Democratic Republic, Ghana, India, Indonesia, Iran, Iraq, Jamaica, Kenya, Kuwait, Madagascar, Mexico, Nigeria, Panama, Peru, Poland, Romania, Suriname, Swaziland, Tunisia, Uganda, Union of Soviet Socialist Republics, Venezuela, Yugoslavia, Zaire, Zambia.

Against: Canada, France, Germany, Federal Republic of, Switzerland, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstentions: Italy, Japan, Netherlands, Sweden, Turkey. 16/

124. Before and after the roll-call vote the representatives of a number of countries made statements in explanation of their votes. Many delegations reiterated their strong support for the resolution and expressed disappointment that previous resolutions had not been heeded by the parties concerned. They called upon the Governments concerned to reconsider their positions and take effective measures to implement the resolution. A number of delegations explained that they had voted against the resolution because, while strongly opposed to the system of apartheid, they considered that the resolution contained provisions such as the one under paragraph 11 (e) regarding the requests made to the Secretary-General that they were not able to support and that other paragraphs of the resolution were outside the competence of the Commission. Some other delegations which abstained explained that although they shared many of the underlying concepts included in the resolution, they felt that some of its provisions were outside the competence of the Commission. Another delegation which had abstained in the vote requested that its abstention be changed to an affirmative vote.

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16/ After the voting, the representative of Turkey indicated that he had inadvertently abstained and that he had meant to vote in favour of the resolution.

VII. REPORT OF THE COMMITTEE ON AN INTERNATIONAL  
AGREEMENT ON ILLICIT PAYMENTS

125. The Commission considered item 9 of the agenda at its 66th meeting on 23 May 1979.

126. The Commission expressed its disappointment that the report of the Committee on an International Agreement on Illicit Payments on its first and second sessions (E/1979/104) was not ready in time for consideration at the fifth session of the Commission.

127. Several delegations suggested that the Economic and Social Council, in accordance with Council resolution 1978/71 of 4 August 1978, should consider the report of the Committee on an International Agreement on Illicit Payments at its second regular session of 1979.

128. Some delegations suggested that in view of the fact that the Committee on an International Agreement on Illicit Payments had not been able to report to the Commission on Transnational Corporations at its fifth session on the progress of its work in accordance with Council resolution 1978/71, the Commission should request the Council to postpone taking a final decision on the report of the Committee until the Commission had had an opportunity to consider that report at its sixth session.

VIII. WORK RELATED TO A DEFINITION OF TRANSNATIONAL CORPORATIONS

129. The Commission considered item 10 at its 66th and 67th meetings on 23 and 24 May 1979. It had before it the "Report of the Intergovernmental Working Group on a Code of Conduct on its fifth, sixth, and seventh sessions" (E/C.10/46), and a report of the Secretariat on supplementary material on the issue of defining transnational corporations (E/C.10/58). The Commission also heard introductory remarks by the Deputy Executive Director of the Centre, and requested that his statement be distributed in written form.

130. All delegations agreed on the fundamental importance of this item since it is basic to the work of both the Commission and the Centre, as well as being essential for the formulation and implementation of the code of conduct. Some delegations expressed doubt about arriving at a single definition which would be broad enough to include a large variety of enterprises, yet narrow enough to distinguish transnational corporations from other entities.

131. A number of delegations recalled that other bodies had dealt with definitions of transnational corporations; ILO, the Organization for Economic Co-operation and Development and the Group of Eminent Persons were mentioned specifically. Some delegations referred to the characteristics of transnational corporations described in Multinational Corporations in World Development 17/ and Transnational Corporations in World Development: A Re-examination.

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17/ United Nations publication, Sales No. E.73.II.A.11.

132. All delegations noted that various approaches to the issue might be taken, including legal, economic, political and functional approaches.

133. Most delegations agreed that a description of the characteristics of transnational corporations should precede the actual formulation of the definition itself. All delegations included transnationality - operation in more than one country - as a fundamental characteristic. Other characteristics proposed were size, centralization of ownership, management and control, degree of concentration, and geographic location of operations. Some delegations pointed out, however, the difficulties both in defining and measuring any of these criteria.

134. Some delegations expressed the view that the definition should cover primarily those corporations whose activities had a negative impact on international relations and on host countries, particularly developing countries.

135. Some delegations proposed that a number of definitions might be formulated for different purposes. They considered that a broad approach might be appropriate for a code of conduct; more specific definitions might be applicable to the collection and analysis of information. Other delegations thought there should be a single definition, which would be sufficiently broad and contain the necessary criteria, that would be applied differently in different situations.

136. A number of delegations stated that a definition should apply to both private and public enterprises. Some other delegations said that only privately owned enterprises should be included.

#### Action by the Commission

137. The Commission took note with appreciation of the report of the Secretariat on supplementary material on the issue of defining transnational corporations (E/C.10/58), the report of the Intergovernmental Working Group on a Code of Conduct (E/C.10/46), and the introductory remarks of the Deputy Executive Director of the United Nations Centre on Transnational Corporations. The Commission decided that the work related to a definition of transnational corporations should be continued, particularly in the context of the formulation of a code of conduct. The Commission noted that further discussions on this item would be held by the Intergovernmental Working Group on a Code of Conduct and that it would be taken up at the sixth session of the Commission.

### IX. THE QUESTION OF EXPERT ADVISERS

138. At its 68th meeting on 25 May 1979, the Commission considered under item 12 of the agenda the question of expert advisers, informal consultations having preceded this consideration.

139. During the discussion on the selection of expert advisers several delegations raised questions regarding the modalities of the selection and participation of the expert advisers.

#### Action by the Commission

140. Many delegations expressed the view that, pending the consideration of the whole question by the Commission at its sixth session, the Intergovernmental

Working Group on a Code of Conduct should reconsider at its next session the manner of participation of expert advisers in its work.

141. The Commission agreed to prolong the mandate of 12 of the 16 expert advisers who had indicated their willingness to continue to serve, for an additional year, that is, up to and including the sixth session of the Commission.

142. Owing to the absence of consensus concerning the appointment of four new expert advisers no decision was reached on these appointments.

143. The 12 persons who will assist the Commission in its work are:

Mr. James Dennis AKUMU (Kenya)	Secretary-General Organization of African Trade Union Unity
Mr. S. Babar ALI (Pakistan)	Industrial Consultant and Adviser Packages, Ltd.
Mr. Johan M. GOUDSWAARD (Netherlands)	Vice Chairman Board of Unilever, N.V.
Mr. Ivan D. IVANOV (USSR)	Chief of the Research Unit Institute of World Economy and International Relations
Ms. Elizabeth JAGER (United States of America)	Economist, American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)
Mr. Gilbert E. JONES (United States of America)	Vice-Chairman of IBM and President of IBM World Trade Corporation
Mr. Kiyoshi KOJIMA (Japan)	Professor of Economics Hitotsubashi University
Mr. David LEA (United Kingdom of Great Britain and Northern Ireland)	Assistant General Secretary Trades Union Congress (TUC)
Sir Arthur LEWIS (Saint Lucia)	James Madison Professor of Political Economy Princeton University
Prof. Samuel PAUL (India)	Director Indian Institute of Management
Mr. Gerd TACKE (Federal Republic of Germany)	Member of the Board of Siemens A.G. Chairman of the Board (retired)
Mr. Taha ZAKI (Egypt)	Industrial Consultant, Former Chairman Egyptian Chemical Industries (KIMA)

144. The Commission decided to request the Secretary-General, in consultation with States members of the Commission, to submit to the Commission three months prior to its sixth session a list of at least 48 names, from among whom the Commission could select the 16 expert advisers and, if so decided by the Commission, alternate expert advisers. It could include candidates also from States not members of the Commission.

145. The Commission requested the Executive Director of the United Nations Centre on Transnational Corporations, in consultation with the States members of the Commission, to submit to it three months prior to its sixth session a report setting out the options for the modalities of the selection, rotation and participation of the expert advisers taking into account suggestions put forward by delegations at the fifth session of the Commission.

#### X. DRAFT PROVISIONAL AGENDA FOR THE SIXTH SESSION OF THE COMMISSION

146. The Commission considered item 13 of the agenda at its 67th and 68th meetings on 24 and 25 May 1979.

147. It had before it a draft decision (E/C.10/L.35) prepared by the Secretariat in accordance with Economic and Social Council resolution 1979/41 of 10 May 1979 that states, inter alia, that "in future, the provisional agenda for its subsidiary bodies, together with the list of requested documentation, should be submitted to the Council for its review ...".

148. Some delegations were of the opinion that items 2 and 6 of the provisional agenda should be combined into one item.

149. Some other delegations stressed the need for separate consideration of those items since they dealt with different subjects.

150. Many delegations felt that a question on expert advisers should be included in the provisional agenda and that the Centre should prepare a document on modalities of participation of those persons in the work of the Commission.

151. A number of delegations stressed the need for including in the provisional agenda an item on the work related to the elaboration of an international agreement on illicit payments.

#### Action by the Commission

152. At the 68th meeting the Commission adopted the draft decision on the draft agenda and documentation for the sixth session as amended (as subsequently reflected in document E/C.10/L.35/Rev.1; for the text, see para. 1 above).

#### XI. ORGANIZATION OF THE SESSION

##### Opening and duration of the session

153. The Commission on Transnational Corporations held its fifth session at Headquarters from 14 to 25 May and on 16 and 17 July 1979. The Commission held 19 meetings, the summary records of which were issued as documents E/C.10/SR.54-72.

154. The session was opened by the temporary Chairman, Mr. Stafford Neil (Jamaica). The Director-General for Development and International Economic Co-operation addressed the Commission.

#### Membership and attendance

155. The following States are members of the Commission: Algeria, Argentina, Benin, Brazil, Canada, Colombia, Cuba, Fiji, France, German Democratic Republic, Germany, Federal Republic of, Ghana, India, Indonesia, Iran, Iraq, Italy, Ivory Coast, Jamaica, Japan, Kenya, Kuwait, Madagascar, Mexico, Netherlands, Nigeria, Pakistan, Panama, Peru, Poland, Romania, Suriname, Swaziland, Sweden, Switzerland, Thailand, Tunisia, Turkey, Uganda, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela, Yugoslavia, Zaire and Zambia.

156. All the members of the Commission were represented at the session except Fiji, Pakistan and Suriname.

157. The following expert advisers attended the session: 18/ Mr. James Dennis Akumu (Kenya), Mr. S. Babar Ali (Pakistan), Mr. Johan M. Goudswaard (Netherlands), Ms. Elizabeth Jager (United States of America), Mr. Gilbert E. Jones (United States of America), Mr. Kiyoshi Kojima (Japan), Mr. David Lea (United Kingdom of Great Britain and Northern Ireland, Sir Arthur Lewis (Saint Lucia), Mr. Samuel Paul (India), Mr. Mario Sanfelice (Italy), Mr. Gerd Tacke (Federal Republic of Germany), Mr. Taha Zaki (Egypt).

158. The following States Members of the United Nations were represented by observers: Finland, Lao People's Democratic Republic, Spain and Uruguay.

159. The United Nations Industrial Development Organization was represented.

160. The following specialized agencies were represented: the International Labour Organisation, the Food and Agriculture Organization of the United Nations, the United Nations Educational, Scientific and Cultural Organization, the World Health Organization and the International Monetary Fund.

161. The following intergovernmental organizations were also represented: the European Economic Community and the Organisation for Economic Co-operation and Development.

162. The following non-governmental organizations in category I consultative status were represented: the International Chamber of Commerce, the International Confederation of Free Trade Unions, the World Federation of Trade Unions and the International Organization of Employers.

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18/ A complete list of the names and designations of the expert advisers appointed by the Commission for a new term of one year, starting from the time of the fifth session of the Commission and up to and including the sixth session of the Commission, is contained in paragraph 143 of the present report.

### Election of officers

163. At its 54th meeting on 14 May 1979, the Commission elected by acclamation Mr. Horst Heininger (German Democratic Republic) as Chairman. At its 55th and 56th meetings on 15 May 1979, the Commission elected by acclamation Mr. Miguel Rodriguez Mendoza (Venezuela), Mr. R. S. Phatt (India) and Mr. Isaac Odoi (Ghana) as Vice-Chairmen and Mr. Philippe Lévy (Switzerland) as Rapporteur.

### Adoption of the agenda

164. At its 54th meeting on 14 May 1979, the Commission adopted the following agenda (E/C.10/44):

1. Opening of the session
2. Election of officers
3. Adoption of the agenda and organization of work
4. Report on the activities of the United Nations Centre on Transnational Corporations
5. Work related to the formulation of a code of conduct: report of the Intergovernmental Working Group on a Code of Conduct
6. Comprehensive information system:
  - (a) Progress report on the establishment of a comprehensive information system
  - (b) International standards of accounting and reporting
7. Technical co-operation
8. Studies on the effects of the operations and practices of transnational corporations:
  - (a) In-depth study on the activities of transnational corporations in southern Africa and their collaboration with the racist minority régimes in that area
  - (b) Other studies
  - (c) Topics for future research
9. Report of the Committee on an International Agreement on Illicit Payments
10. Work related to a definition of transnational corporations
11. Issues arising from decisions taken by the General Assembly and the Economic and Social Council

12. Other matters

13. Draft provisional agenda for the sixth session of the Commission

14. Adoption of the report of the Commission

165. The documents which were before the Commission at its fifth session are listed in the annex to the present report.

## XII. ADOPTION OF THE REPORT OF THE COMMISSION

166. The Commission considered the draft report (E/C.10/L.33/Add.1/Rev.1-Add.4/Rev.1, Add.5, Add.6/Rev.1 and Add.7-9) under agenda item 14 at its 69th to 72nd meetings on 25 May and 16 and 17 July 1979. Various delegations made oral amendments during the consideration of the draft report. The Commission adopted the draft report as orally amended.



Annex

LIST OF DOCUMENTS BEFORE THE COMMISSION  
AT ITS FIFTH SESSION

<u>Document number</u>	<u>Agenda item</u>	<u>Title</u>
E/C.10/44	3	Provisional agenda
E/C.10/45	4	Report of the Secretary-General
E/C.10/46	5 and 10	Report of the Intergovernmental Working Group on a Code of Conduct on its fifth, sixth and seventh sessions
E/C.10/47	6(a)	Progress report on the information system on transnational corporations: report of the Secretariat
E/C.10/48	6(b)	International standards of accounting and reporting: note by the Secretariat
E/C.10/49	7	Programme of technical co-operation on matters related to transnational corporations: report of the Secretariat
E/C.10/50	7	Strengthening the negotiating capacity of developing countries: report on a Round Table convened by the United Nations Centre on Transnational Corporations
E/C.10/51	8(a)	The activities of transnational corporations in the industrial, mining and military sectors of southern Africa: report of the Secretariat
E/C.10/52	8(b)	Transnational corporations in world development: a re-examination - highlights of the main issue: note by the Secretariat
E/C.10/53 and Corr.1	8(b)	Transnational corporations and the pharmaceutical industry - introduction and summary findings: report of the Secretariat
E/C.10/54	8(b)	Transnational corporations in advertising - a summary: report of the Secretariat

<u>Document number</u>	<u>Agenda item</u>	<u>Title</u>
E/C.10/55	8(b)	Social, political and legal impacts of transnational corporations - some issues: report of the Secretariat
E/C.10/56	8(c)	Report of the Secretariat
E/C.10/58	10	Supplementary material on the issue of defining transnational corporations. report of the Secretariat
E/C.10/L.33 and Add.1/Rev.1-Add.4/ Rev.1; Add.5; Add.6/ Rev.1; Add.7-9	14	Draft report of the Commission on its fifth session
E/C.10/L.34	8	Tunisia (on behalf of the States members of the Group of 77): draft resolution
E/C.10/L.35	13	Replaced by E/C.10/L.35/Rev.1
E/C.10/L.35/Rev.1	13	Revised draft decision
E/C.10/CRP.1	5	Note by the Chairman of the Intergovernmental Working Group on a Code of Conduct
E/C.10/INF.7		Control and limitation of documentation: note by the Secretariat
E/C.10/INF.8		List of representatives to the fifth session of the Commission

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