

resolutions, to South Africa and Namibia, to facilitate trade with or investments in those countries;

12. *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 régime of South Africa;

(b) To submit to the Commission on Transnational Corporations, at its seventh session, an addendum to its reports on the activities of transnational corporations in South Africa and Namibia, bringing up to date the information and analysis contained therein;

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

(d) To organize symposia, workshops, seminars and other programmes of enlightenment, 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 régime of South Africa.

44th plenary meeting
24 July 1980

1980/60. Progress made towards the establishment of the new international economic order and obstacles that impede it: the role of transnational corporations

The Economic and Social Council,

Recalling that, in paragraph 3 of General Assembly resolution 33/198 of 29 January 1979 on preparations for its special session in 1980, the Assembly invited "the governing bodies of the organs and organizations concerned within the United Nations system to assess, within their respective areas of competence, the progress made towards the establishment of the new international economic order, as well as to indicate the obstacles that impede its establishment... with a view to submitting comprehensive reports to the Assembly at its special session in 1980",

Recalling also 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 further its resolutions 1908 (LVII) of 2 August 1974 and 1913 (LVII) of 5 December 1974 establishing the Commission on Transnational Corporations and the United Nations Centre on Transnational Corporations,

Recalling also its resolutions 1978/73 of 12 October 1978 and 1979/75 of 3 August 1979 on the activities of transnational corporations in southern Africa and their

collaboration with the racist minority régimes in that area,

Recognizing that the fundamental purpose of the new international economic order is based on equity, sovereign equality, interdependence, common interest and co-operation among all States, irrespective of their economic and social systems, which will correct inequalities and redress existing injustices, making it possible to eliminate the widening gap between the developed and developing countries and ensure steadily accelerating economic and social development and peace and justice for present and future generations,

Recognizing further the importance of the fundamental principles of the new international development strategy.

Having considered the report of the Secretariat entitled "Progress made towards the establishment of the new international economic order: the role of transnational corporations",⁴⁵

Noting the value of providing a framework in the countries in which transnational corporations operate by which generally beneficial relations among all parties concerned can be enhanced,

Noting also that, although the interests of transnational corporations and of the countries in which they operate can be divergent, transnational corporations play a significant role in the areas of industrialization, financial resources, commodities, trade, science and technology, and food and agriculture,

Noting that the pattern of the activities of transnational corporations has not yet changed so as to realize their full potential to contribute to progress towards redressing the economic imbalance between developed and developing countries and towards enhancing the capacity of developing countries for self-reliant development, and recognizing therefore that substantial adaptation is called for to achieve the necessary change,

Convinced that the capacity of countries in which transnational corporations operate, particularly developing countries, to deal with those corporations has to be strengthened,

Aware of the right of each Government to have a regulatory system in order to ensure that the activities of transnational corporations are carried out in accordance with national objectives,

Recognizing that national action in this regard should be supplemented by effective intergovernmental co-operation and appropriate international arrangements,

Convinced that a universally accepted, comprehensive and effective code of conduct is an important element in such national and international efforts and that it will make an essential contribution to the new international economic order,

Considering that the progress made in the formulation of a code of conduct has not met the expectations of all, and stressing the need for its early conclusion,

⁴⁵ E/C.10/74.

1. *Takes note* of the report entitled "Progress made towards the establishment of the new international economic order: the role of transnational corporations", prepared by the United Nations Secretariat, and decides to submit it to the General Assembly for consideration at its eleventh special session;

2. *Recommends* that efforts should be intensified by all parties concerned, with the aim of enhancing the contribution of transnational corporations towards the establishment of the new international economic order, thereby also contributing towards the achievement of the individual and collective self-reliance of developing countries;

3. *Also recommends* that the individual and collective self-reliance of developing countries should be enhanced, *inter alia*, by strengthening their negotiating capacity in their dealings with transnational corporations, particularly in financing and investment, science and technology, management, production and marketing, and by improving their capacity to regulate and accordingly to monitor the activities of transnational corporations;

4. *Invites* the General Assembly at its eleventh special session to bear in mind the importance of the work on the code of conduct and the results achieved so far in this regard, as reflected in the report of the Commission on Transnational Corporations on its sixth session;⁴⁶

5. *Considers* in particular that the code of conduct, which is of the highest priority in the work of the Commission, will be an essential contribution to the accomplishment of the goals of the new international development strategy and the new international economic order;

6. *Affirms* that the code of conduct should, *inter alia*:

(a) Be effective, comprehensive, generally accepted and universally adopted;

(b) Associate effectively the activities of transnational corporations with the efforts to establish the new international economic order and their capabilities with the developmental objectives of the developing countries;

(c) Reflect the principle of respect by transnational corporations for the national sovereignty, laws and regulations of the countries in which they operate, and for the established policies of those countries and the right of States to regulate and accordingly to monitor the activities of transnational corporations;

(d) Encourage the contribution that transnational corporations can make towards the achievement of developmental goals and the established objectives of the countries in which they operate, particularly the developing countries;

(e) Proscribe subversion, interference in the internal affairs of countries and other inadmissible activities by transnational corporations which aim to undermine the political and social systems of the countries in which they operate;

(f) Deal in the most effective and appropriate manner with the issue of the activities of transnational corporations

in South Africa and Namibia, recognizing that concern was widely expressed in the Commission on Transnational Corporations, in the context of the struggle against *apartheid*, at the collaboration of transnational corporations with the racist minority régime;

(g) Include provisions relating to the treatment of transnational corporations, jurisdiction and other related matters;

(h) Provide appropriate arrangements for the effective implementation of the code;

(i) Be considered as an integrated whole in which all the parts are related to each other;

7. *Affirms also* that the draft code should be completed before the seventh session of the Commission on Transnational Corporations in 1981 and that the code should be expeditiously adopted by all members of the international community;

8. *Reaffirms* that the Commission on Transnational Corporations is the forum within the United Nations system for the comprehensive and in-depth consideration of issues relating to transnational corporations, and for the promotion of the exchange of views among all parties concerned, as mentioned in paragraph 3 (b) of Council resolution 1913 (LVII) of 5 December 1974;

9. *Further reaffirms* that, under the guidance of the Commission on Transnational Corporations, the United Nations Centre on Transnational Corporations is the central unit in the United Nations system at the Secretariat level for work on matters related to transnational corporations, having due regard to the need for co-ordination, that it should pursue its important activities in accordance with its programme of work and that its resources should be commensurate with its work programme.

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1980/61. Industrial development co-operation

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 Lima Declaration and Plan of Action on Industrial Development and Co-operation,⁴⁷ adopted at the Second General Conference of the United Nations Industrial Development Organization, which laid down the main measures and principles for industrial development and co-operation within the framework of the establishment of the new international economic order,

Recalling further General Assembly resolution 34/98 of 13 December 1979 on industrial development co-

⁴⁶ *Official Records of the Economic and Social Council, 1980, Supplement No. 10 (E/1980/40).*

⁴⁷ See A/10112, chap. IV.