

**1989/23. Role of transnational corporations in the least developed countries**

*The Economic and Social Council,*

*Mindful* of the role that transnational corporations can play in the development of the least developed countries, and concerned that transnational corporations have largely bypassed those countries,

*Stressing* the need for appropriate policies and measures, including those instituted by Governments of home countries of transnational corporations, and for international action, including action by the United Nations Centre on Transnational Corporations, to enhance the contribution of transnational corporations in the least developed countries,

*Mindful* of the development objectives and priorities of the least developed countries,

*Taking note with appreciation* of the report of the Secretary-General on the role of transnational corporations in the least developed countries,<sup>43</sup>

1. *Emphasizes* the crucial need for the United Nations Centre on Transnational Corporations to provide assistance to the Governments of the least developed countries, at their request, in various areas pertaining to foreign direct investment by transnational corporations, as outlined in the report of the Secretary-General,<sup>43</sup> with a view to strengthening their capabilities in dealing with transnational corporations, as well as to devise innovative and action-oriented approaches in that regard, aimed at substantially increasing the contribution of transnational corporations in the least developed countries;

2. *Requests* the Secretary-General to conduct a study on home-country legislation on investment by transnational corporations in the least developed countries;

3. *Invites* the Secretary-General to study further the impact of levels of official development assistance, balance-of-payment support, technical assistance and other forms of assistance to the least developed countries on flows of foreign direct investment to those countries;

4. *Requests* the United Nations Centre on Transnational Corporations to participate actively in the Second United Nations Conference on the Least Developed Countries, to be held in 1990, and in the preparatory meetings for that Conference;

5. *Requests* the Secretary-General to submit a report to the Commission on Transnational Corporations at its sixteenth session on the implementation of the present resolution.

*15th plenary meeting  
24 May 1989*