

**1992/35. Activities of the former United Nations Centre on Transnational Corporations and of its successor, the Transnational Corporations and Management Division of the Department of Economic and Social Development**

*The Economic and Social Council*

1. *Takes note* of the reports of the Secretary-General on trends in foreign direct investment,<sup>89</sup> transnational corporations and economic growth through technology,<sup>90</sup> transnational corporations in the new world economy: issues and policy implications,<sup>91</sup> the international framework for transnational corporations<sup>92</sup> and the activities of the former United Nations Centre on Transnational Corporations and of the joint units established with the regional commissions;<sup>93</sup>

2. *Reaffirms* that the Commission on Transnational Corporations and the Transnational Corporations and Management Division of the Department of Economic and Social Development of the Secretariat are focal points within the United Nations system for matters concerning foreign direct investment as it relates to transnational corporations and that the mandate of the former United Nations Centre on Transnational Corporations is fully subsumed under this Division;

3. *Emphasizes* the importance of the research, technical cooperation, advisory services, training programmes and information services provided by the former United Nations Centre on Transnational Corporations to the Member States and, to this end, affirms the importance of maintaining these activities and programmes as well as improving upon them, as appropriate, under the new administrative arrangements;

4. *Notes* the need for the Commission to examine, during its nineteenth session, the activities and programme of work of the Division in the field of foreign direct investment as it relates to transnational corporations in order to ensure coordination with, and avoid duplication of, the activities of other United Nations bodies;

5. *Stresses* the importance of transparency in the area of foreign direct investment, and requests the Division to contribute towards increasing that transparency in the framework of its technical assistance and information activities;

6. *Takes note* of the report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting at its tenth session,<sup>94</sup> and reaffirms the importance of its work in contributing towards greater transparency in the activities of transnational corporations;

7. *Requests* the Division to assist developing countries in the creation of a favourable investment climate and, to that end, in the development of their endogenous capacity conducive to the encouragement of foreign investment;

8. *Also requests* the Division to continue to include in its technical cooperation activities advice on the interrelationship between foreign direct investment and interregional, regional and subregional economic integration;

9. *Further requests* the Division to examine ways and means of assisting Member States, in particular developing countries, in attracting foreign investment, *inter alia*, through the setting up of joint ventures and free economic zones;

10. *Calls upon* the Division to strengthen its work concerning cooperation in, and related to, the transfer of technology;

11. *Requests* the Division to strengthen its activities in matters relating to the role of transnational corporations in the development of small and medium-sized enterprises;

12. *Also requests* the Division to study the effects of deregulation and privatization policies in developing countries on attracting foreign direct investment flows and, in this context, to make appropriate recommendations;

13. *Notes* the consultations being undertaken by the President of the General Assembly in accordance with Assembly resolution 45/186 of 21 December 1990 on a code of conduct on transnational corporations;

14. *Encourages* the Division to strengthen and further develop the functions of the joint units established with the regional commissions, especially by developing programmes that are adapted to the needs of the respective regions;

15. *Invites* donor countries, particularly developed countries, to provide extra financial support for research and the advisory and information work of the Division so as to contribute further to a better understanding between transnational corporations and developing countries;

16. *Requests* the Division to pay particular attention to developing countries, especially the least developed countries and other countries in Africa that have faced a drop in foreign direct investment inflows, and to report thereon to the Commission at its nineteenth session;

17. *Takes note* of the conclusions of the United Nations symposium on globalization and developing countries, held at The Hague on 30 March 1992, and requests the Secretary-General, in collaboration with the United Nations Conference on Trade and Development and other organizations, to develop a joint programme on the inter-relationship of investment, trade, technology and development, with a view to enhancing the contribution of transnational corporations to the development of developing countries through trade and investment, for consideration by the Commission at its nineteenth session.

*41st plenary meeting  
30 July 1992*