



**OFFICE OF THE HIGH COMMISSIONER FOR
HUMAN RIGHTS**



**The relationship between the enjoyment of economic, social and cultural rights
and the right to development, and the working methods and
activities of transnational corporations**

Sub-Commission resolution 1998/8

The Sub-Commission on Prevention of Discrimination and Protection of Minorities,

Recalling that, under the Charter of the United Nations, one of the purposes of the United Nations is to achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character, and in promoting and encouraging respect for human rights for all,

Reaffirming the Declaration on Social Progress and Development proclaimed by the General Assembly in its resolution 2542 (XXIV) of

11 December 1969, the Declaration and Programme of Action on the Establishment of a New International Economic Order proclaimed by the General Assembly in its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, the Charter of Economic Rights and Duties of States adopted by the General Assembly in its resolution 3281 (XXIX) of 12 December 1974, the Declaration of the Principles of International Cultural Cooperation proclaimed by the General Conference of the United Nations Educational, Scientific and Cultural Organization in 1966, and General Assembly resolution 1803 (XVII) of 14 December 1962, entitled “Permanent sovereignty over natural resources”,

Mindful that, in the Vienna Declaration and Programme of Action (A/CONF.157/23), the World Conference on Human Rights reaffirmed the right to development as a universal and inalienable right and an integral part of all fundamental human rights, reaffirmed that the human person was the central subject of development and underlined the need for a concerted effort to ensure recognition of economic, social and cultural rights at the national, regional and international levels,

Noting that the Working Group on the Right to Development identified the concentration of economic and political power as one of the obstacles to the realization of the right to development,

Noting also that lasting progress towards the implementation of the right to development requires effective development policies at the national level, as well as equitable economic relations and a favourable economic environment at the international level,

Taking into account the fact that the Working Group on the Right to Development recommended the adoption of new international legislation and the creation of effective international institutions to regulate the activities of transnational corporations and banks, and in particular the resumption of multilateral negotiations on a code of conduct for transnational corporations,

Bearing in mind the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy adopted by the Governing Body of the International Labour Office in November 1977,

Recognizing that the activities of the various organizations in the United Nations system should be closely interrelated and that it is necessary to draw on all the efforts made in the various disciplines relating to the human person in order to promote all human rights effectively,

Recalling in particular its resolution 1997/11 of 22 August 1997,

Recalling Commission on Human Rights resolutions 1989/15 of 2 March 1989, 1990/17 and 1990/18 of 23 February 1990, 1991/13 of 22 February 1991, 1992/9 of 21 February 1992, 1993/12 of 26 February 1993,

1994/11 of 25 February 1994, 1995/13 of 25 February 1995, 1996/15 of 11 April 1996 and 1997/9 of 3 April 1997,

Taking into account the background document (E/CN.4/Sub.2/1995/11) and the report (E/CN.4/Sub.2/1996/12 and Corr.1) submitted by the Secretary-General in accordance with its resolution 1995/31,

1. Takes note with satisfaction of the working document on the question of the relationship between the enjoyment of human rights and the working methods and activities of transnational corporations, prepared by Mr. El-Hadji Guissé (E/CN.4/Sub.2/1998/6);
2. Supports the Declaration on the Right to Development and underlines the multidimensional, integrated and dynamic character of this right which favours a partnership for development and constitutes a relevant framework for international cooperation and national action aiming at universal and effective respect for all human rights in their universality, indivisibility and interdependence;
3. Affirms, that the global and multidimensional approach defined in the Declaration on the Right to Development should constitute a basis for the work undertaken on the relationship between the enjoyment of human rights and the working methods and activities of transnational corporations;
4. Decides to establish, for a three-year period, a sessional working group of the Sub-Commission, composed of five of its members, taking into account the principle of equitable geographical distribution, to examine the working methods and activities of transnational corporations, with the following mandate:
 - (a) To identify and examine the effects of the working methods and activities of transnational corporations on the enjoyment of economic, social and cultural rights and the right to development, as well as civil and political rights;
 - (b) To examine, receive and gather information, including any working paper prepared by a member of the Sub-Commission, on the effects of the working methods and activities of transnational corporations on the enjoyment of economic, social and cultural rights and the right to development, as well as of civil and political rights;
 - (c) To analyse the compatibility of the various international human rights instruments with the various investment agreements, regional as well as international, including, in particular, the Multilateral Agreement on Investment;
 - (d) To make recommendations and proposals relating to the methods of work and activities of transnational corporations in order to ensure that such methods and activities are in keeping with the economic and social objectives of the countries in which they operate, and to promote the enjoyment of economic, social and cultural rights and the right to development, as well as of civil and political rights;
 - (e) To prepare each year a list of countries and transnational corporations, indicating, in United States dollars, their gross national product or financial turnover, respectively;
 - (f) To consider the scope of the obligation of States to regulate the activities of transnational corporations, where their activities have or are likely to have a significant impact on the enjoyment of economic, social and cultural rights and the right to development, as well as of civil and political rights of all persons within their jurisdiction;
5. Requests the working group to submit its first report to the Sub-Commission at its fifty-first session.

26th meeting
20 August 1998

[Adopted without a vote. See chap. VI.]