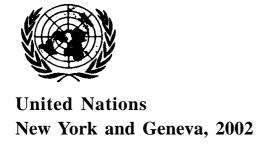
United Nations Conference on Trade and Development

World Investment Report 2002 Transnational Corporations and Export Competitiveness



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Two dots (...) indicate that data are not available or are not separately reported. Rows in tables have been omitted in those cases where no data are available for any of the elements in the row;

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A slash (/) between dates representing years, e.g., 1994/95, indicates a financial year;

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Reference to "dollars" (\$) means United States dollars, unless otherwise indicated;

Annual rates of growth or change, unless otherwise stated, refer to annual compound rates;

Details and percentages in tables do not necessarily add to totals because of rounding.

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PREFACE

In today's globalizing world economy, no country can sustain growth or achieve development without active participation in world trade. All countries need exports to help them raise standards of living and escape poverty. For developing countries in particular, the challenge is not only to expand and diversify their exports, but also to make them more competitive.

Transnational corporations (TNCs) are increasingly involved in this process, providing additional resources and technology and facilitating access to new markets. But in order to take full advantage of their partnerships with TNCs, governments must do their utmost to mobilize their own countries' resources and capabilities. Investments in education and health pay enormous dividends in building productive labour forces. Investments in science and technology — and in particular information and communications technologies — are essential if countries are to keep pace with an increasingly knowledge-based economy. These are areas where far-sighted government policies can make the difference between integration and marginalization.

This year's *World Investment Report* examines the role of TNCs in making the exports of developing and transition countries more competitive. It highlights the strategies used by TNCs in their international production networks. And it aims to help countries — especially the least developed countries — adopt sound policies, attract foreign investment and make their exports, as they surely should be, a key part of their strategy to achieve Millennium Development Goals. I hope this report reaches a wide readership and strengthens global partnerships for development.

New York, July 2002

Kofi A. Annan

Secretary-General of the United Nations

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