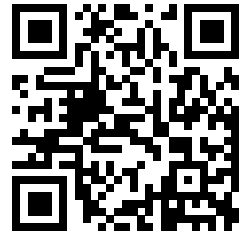


**Title:**

Asante, Samuel, The Concept of Stability of Contractual Relations in the Transnational Investment Process, in: Hossain (ed.), Legal Aspects of the New International Economic Order, London, New York 1980, at 234 et seq.



**Content:**


[250 et seq.](#)

The Ad Hoc Inter-Governmental Working Group of the United Nations Commission on Transnational Corporations has before it a formulation on renegotiation of contracts in the following terms:

As parties to contracts freely entered into, transnational corporations should respect and adhere to such contracts. In the absence of contractual clauses providing for review or renegotiation, transnational corporations should respond positively to requests for review or renegotiation of contracts concluded with Governments or governmental agencies in circumstances marked by duress, or clear inequality between the parties, or where the conditions upon which such a contract was based have fundamentally changed, causing thereby unforeseen major distortions in the relations between the parties and thus rendering the contract unfair or oppressive to either of the parties. Aiming at ensuring fairness to all parties concerned, review or renegotiation in such situations should be undertaken with due regard to applicable legal principles and generally recognized legal practices.<sup>16</sup>

<sup>16</sup>Paragraph 5 of the Chairman's formulation of the Basic Principles in the Code of Conduct for Transnational Corporations.

**Referring Principles:**

 IV.6.7 - Duty to renegotiate