

French minister presses Renault to back Nissan reforms

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The French government is asking Renault to make nice with Nissan

French Finance Minister Bruno Le Maire on Tuesday urged Renault to back governance reforms at Japan's Nissan, saying it would send a "positive sign" for the future of the alliance between the two car makers.

Since the arrest late last year in Japan of former Renault boss Carlos Ghosn on charges of financial misconduct at Nissan, of which he was also chairman, the world's biggest-selling automotive alliance has come under unprecedented strain.

The Japanese firm has accused Renault of having too much weight in the alliance, and of keeping it in the dark over its tie-up plans with Fiat Chrysler (FCA), which foundered over reservations expressed by the French government.

The tensions were accentuated by a recent letter from Renault's new chairman Jean-Dominique Senard to Nissan, in which he threatened to block a governance overhaul at the Japanese firm aimed at improving internal oversight in the wake of the Ghosn affair.

Le Maire told Europe 1 radio that he hoped that Renault, which owns 43 percent of Nissan, would back the reforms when they come up for a vote at Nissan's annual shareholders' meeting on June 25.

Speaking on behalf of the French state, which is the biggest shareholder in Renault with a 15-percent stake, Le Maire said: "I would like Renault to be able to vote positively on the change of Nissan's statutes because it would send a positive sign on the strengthening of the alliance."

Nissan wants to set up three new internal committees to prevent a repeat of Ghosn's alleged misconduct. The 65-year-old former industry titan is awaiting trial in Japan on charges of under-reporting his salary and using company funds for personal expenses—charges he denies.

Senard has indicated that he would support Nissan's reforms only if Renault's top brass is represented on the new committees—a position that Nissan CEO Hiroto Saikawa described last week as "most regrettable".

At Renault's annual general meeting last week Senard sought to smoothe over the cracks, proposing a "fresh start" to the alliance that churned out some 10.8 million vehicles in 2018.

Le Maire on Tuesday reiterated that building up the alliance was the state's priority.

"Once the [alliance](#) has been reinforced and its solidity is beyond doubt then and only then can we think about consolidation," he said, referring to the proposed tie-up with Fiat.

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