

Renault and Nissan end standoff over post-Ghosn governance

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Renault announced Thursday that it had reached an agreement with its partner Nissan on the Japanese carmaker's governance overhaul, paving

the way for the French company to back changes decided in the wake of the Carlos Ghosn scandal.

Renault, which owns 43 percent of Nissan, had threatened to block the reforms, complaining that it was not being given enough of a say in the new structure.

In a statement the French carmaker said it welcomed the decision by Nissan to give its representatives a seat on two of the three new oversight committees Nissan wants to create.

They are being set up to prevent a repeat of the alleged financial misconduct by Ghosn, who some Nissan leaders say accrued too much power as head of both automakers.

Renault had demanded the seats in exchange for its backing of the reforms, which will be put to a vote at Nissan's annual shareholders' meeting next Tuesday.

According to a source close to Renault, the company's chairman Jean-Dominique Senard will sit on Nissan's new appointments committee, and CEO Thierry Bollore will sit on the [audit committee](#).

But Renault will not be represented on a new [committee](#) on pay—possibly reflecting longstanding rancour in Japan over Ghosn's high pay compared to most Japanese CEOs.

Strained car alliance

Renault said the agreement "confirms the spirit of dialogue and mutual respect that exists within the alliance" between the two carmakers and their third partner, Mitsubishi.

The alliance, the world's biggest-selling automotive group, was sorely strained after last November's shock arrest of Ghosn, long considered one of the most astute and powerful executives in the auto industry.

Since then Nissan 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.

Ghosn, who was sacked from all his roles, is awaiting trial in Japan on charges of under-reporting millions of dollars in salary and of using company funds for personal expenses—accusations he denies.

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