

Non-executive directors demand seat on EU forum

NON-executive directors should be included in the EU's Corporate Governance Forum, according to the chairman of a new lobby group, the European Confederation of Directors' Associations (ECODA).

Daniel Lebègue said that one of the organisation's priorities would be to try to ensure that independent directors were fully represented at EU level.

The EU Corporate Governance Forum, which held its first meeting in January this year, is intended to encourage co-ordination and convergence of national corporate governance codes. Chaired by the European Commission, its membership includes representatives from member states, European regulators, issuers and investors, other market participants and academics.

"The forum is a very good and positive initiative, but for the time being non-executive board members are not represented on it," he said.

According to Lebègue, who currently sits on the boards of four French companies and has been the chairman of l'Institut Français des Administrateurs since 2003, the views of company directors have been under-represented in the increasing focus on corporate governance, both at national and European level.

"In France for example, recommendations have been formulated by committees or professional groups mainly



Around the table: non-executives seek role

representing managers and executive directors," he said. "But in corporate governance there are three main actors: executive directors, shareholders and board members and we believe it is important for our members to give their views."

Lebègue's opinion is that better governance should be achieved through exchange of best practice rather than legislation, although he noted that regulation was probably needed in the areas of shareholder rights and the transparency of public accounts.

ECODA, which will hold a launch reception in the European Parliament on 25 April, currently comprises the UK's Institute of Directors, the French Institut Français des Administrateurs and the Belgian Fondation des Administrateurs.

Lebègue said that Luxembourg's directors' association would join in a few weeks and the Spanish and Scandinavian associations would follow suit by the end of the year.