



Business and Industry Advisory Committee to the **OECD**

Comité Consultatif Economique et Industriel Auprès de l' **OCDE**

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OECD Principles on Corporate Governance Strike the Right Balance: Business Calls for Effective Implementation

Ministers from the 30 OECD member countries endorsed today the newly revised OECD Principles on Corporate Governance. Commenting on the result of two years of arduous negotiations, business from OECD member countries, welcomed the new Principles as striking the right balance between different national corporate governance systems and rejecting any notion of "one size fits all". "Some level of diversity is necessary for the maintenance of an internationally competitive environment. OECD business welcomes the new emphasis given to the effective implementation of existing corporate governance rules", said Mr. Roy Ryu, the newly elected Korean Chairman of BIAC, the Business and Industry Advisory Committee to the OECD (BIAC).

For business, the essence of corporate governance remains to increase the growth and performance of companies and to guarantee shareholder rights. These are the elements that help generate economic growth and job creation in OECD countries. "The often emotional discussion on corporate governance is not the right place for achieving other, broader policy objectives", adds Ryu. Last minute efforts by trade unions to inject far-reaching language on increased employee participation in the boards of companies have been rejected by a majority of OECD members and the business community.

The 38 main business federations from 30 OECD countries belonging to BIAC and the companies they represent will continue to take the discussions on corporate governance seriously and participate actively in the elaboration and revision of corporate governance laws and codes in their countries.

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