

Reform of the right of establishment

On 8 April 2022, Bill of Law 7989 amending the Law of 2 September 2011 regulating the access to the professions of craftsman, merchant, manufacturer and certain liberal professions, as amended, was submitted to the Chamber of Deputies.

This bill of law aims to modernise the right of establishment by making the law more comprehensible for applicants and "to stimulate entrepreneurship".

More specifically, the bill of law provides, inter alia, for the following amendments:

- the right to engage in a second undertaking after bankruptcy through the implementation of the second chance principle. This second chance is granted in the event of bankruptcy of the company due to misfortune (e.g. bad weather, fire, pandemic, etc.) or mismanagement;
- the manager (*dirigeant*) must no longer be a partner, shareholder or employee of the company;
- the number of business permits that a manager can hold at the same time for several craft companies varies depending on whether these companies are related to each other or not;
- the regulation of the short-term real estate rental business. Beyond a certain threshold of overnight stays, the aim is to bring the hygiene and safety requirements in line with those already in place in the hotel industry ;
- facilitation of administrative procedures. For example, it is no longer necessary to notify the Minister in charge of middle class directly of amendments to the information entered in the trade and company register;
- identification of certain activities, which can be subject to anti-money laundering control obligations, by creating wordings for specific business permits, such as the business permit for commercial vehicle sales activities and services; and
- consumers will in the future have real-time access to information regarding both the professional qualifications contained in the business permit of an undertaking and the validity of the permit.

Please note that this bill of law will still be subject to various opinions and may thus be amended.

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