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## The One-Stop Shop for Business Formalities: Story of a (very) difficult start

Open since January 1, 2023, the One-Stop Shop for business formalities (*Guichet Unique* in French) introduced by the 2019 Pacte Law in order to simplify administrative procedures for businesses has already raised harsh criticism and discontent as its too many malfunctions make it almost ineffective.

## Legal and accounting professionals are unanimously mobilized to assist and support companies through this reform.

Created by the so-called Pacte Law (Law No. 2019-486 of May 22, 2019) on the transformation of businesses and Decree No. 2020-946 of July 30, 2020 on the designation of the *Institut National de la Propriété Industrielle* [1] as the single body mentioned in Article 1 of the said law, the new online one-stop shop for business formalities (*Guichet Unique*) is officially since January 1, 2023 the single channel for carrying out all business formalities.

The online service "guichet-entreprises.fr" will replace the network of business formalities centers (*CFE*), which were previously managed by chambers of commerce and industry, chambers of trade and crafts, chambers of agriculture, clerks of commercial courts, URSSAF[2] and local business tax departments. The *Guichet Unique* has also replaced the websites on which formalities were carried out (CFE métiers, lautoentrepreneur.fr, CFE-urssaf.fr and Infogreffe).

Business creation, changes requiring the updating of registration information (in particular, changes of activity, address, name, capital increase or reduction, etc.) as well as cessation of business activities must now be carried out via the *Guichet Unique*. The dematerialized filing of the annual accounts can also be done via the *Guichet Unique* (the "paper filing" of the annual accounts remains possible with the competent commercial court clerk).

The stated objective of this new system is to ensure the simplification and dematerialization, via a single platform, of the procedures to be followed by businesses, to accelerate their processing and to eliminate administrative red tape.



This is a laudable and necessary objective in the age of dematerialization and given the French government's determination, which has been stated for nearly 10 years, to relieve French companies from administrative burdens that slow down job creation and that adversely affect their international competitiveness.

However, since January 1, 2023, there is no escaping the fact that this new system has unfortunately experienced a series of failures and malfunctions.

Legal and accounting professionals, including lawyers, notaries and chartered accountants, quickly mobilized to inform the relevant authorities of all these malfunctions and to obtain the complete restoration and reopening of the Infogreffe website for all formalities previously carried out (successfully and efficiently) via this portal.

This is a highly critical issue because the legal certainty of some transactions and the start or survival of companies awaiting initial or amended official registration are at stake.

As a result, and given the difficulties encountered with the *Guichet Unique*, it is now possible again to carry out some formalities falling within the remit of commercial court clerks through the Infogreffe portal. The list of these formalities is detailed on the website <a href="https://www.infogreffe.com/">https://www.infogreffe.com/</a>.

The Ministry of the Economy gave assurance that the *Guichet Unique* should be operational by the end of February. In the meantime, chartered accountants and lawyers are calling for Infogreffe to be fully reopened. Without explicitly stating whether the Infogreffe.com portal will be fully restored, the press office of the Ministry of the Economy indicated that "the objective is to accelerate the timetable in order to switch all the formalities [designed to amend registration details] from the online business service to the one-stop shop in March".

Businesses and company representatives must, therefore, pay specific attention to the completion of business formalities. We are committed to following as closely as possible any progress in the resolution of the encountered difficulties and to advising our clients as best as possible in the completion of their business formalities.

[1] French Trademark and Patent Office, commonly known by the acronym "INPI"

[2] URSSAF (Unions de Recouvrement des Cotisations de Sécurité Sociale et d'Allocations Familiales) is the body responsible for collecting social related contributions.

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