## 25 January 2017: New regulation stipulating the draw procedure for applications to establish notary offices

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## The *Autorité de la concurrence* welcomes the resumption of the draw process for applications

to create new notary offices in green areas (free-establishment areas).

The Autorité hopes that the reform will rapidly yield its first appointments.

A new Regulation from the French Ministry of Justice<sup>1</sup> (*Garde des sceaux*) defining the draw procedure for applications to open notary offices in green areas was published in the Official Journal of the French Republic today. For reference, the previous Regulation governing this draw procedure had been suspended on 14 December, 2016 by the Judge responsible for dealing with urgent matters of the French Administrative Supreme Court (*Conseil d'État*)<sup>2</sup>.

The Regulation adopted by the French Minister of Justice enhances the procedural guarantees associated with the draw and provides additional transparency for all applicants.

The *Autorité* welcomes the French Minister of Justice's decision to adopt several of the suggestions for improvements that it issued last December<sup>3</sup>. In particular, the Autorité had suggested stating the rules for determining the draw order for the relevant areas, and publishing the corresponding calendar in advance on the Ministry of Justice website. This is henceforth expressly stipulated in the regulatory text.

Further, the Regulation implemented the Autorité's proposal that one of its representatives would attend such draws, alongside the representatives of the French notary services regulator (*Conseil Supérieur du Notariat* – CSN). The

*Autorité* notes that the Minister wished to entrust it with a broader role, whereby one of its rapporteurs would not only attend such operations, but also participate in checking and recounting entries, physically perform the draw and sign off the corresponding report.

The draw process is a complex operation that will concern 247 areas of France. The *Autorité* notes that the French Ministry of Justice has specified in the press this morning a calendar for the draws, which are likely to take place from February to September 2017. The implementation of a specific calendar for the draw process is a very positive factor as it ensures the resumption of the process under proper conditions.

The *Autorité* welcomes the rapid resumption of the process which will enable the establishment of new offices already this March.

The *Autorité* welcomes the government's resolute efforts to implement this reform, adopted in 2015, which will gradually restore the balance between the number of notaries and the needs of the French public and economy, while also offering opportunities to newly graduated notaries wishing to establish private notary offices.

## <sup>1</sup> See <u>regulation of 24 January 2017</u> and the <u>press release of the Ministry of</u> Justice of 25 January 2017

<sup>2</sup> Conseil d'État, interim order of 14 December 2016, M. B., No. 405269.

<sup>3</sup> See the **press release** of 14 December 2016.

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