

LEGAL UPDATE – CORONAVIRUS #FRANCE

#France - Main legal and business measures adopted

Dealing with the public health emergency of COVID-19, from mid – March onwards the French government has progressively adopted measures to face the coronavirus crisis in order to protect its citizens' health as well as French companies' business.

Like other countries, the French government has then introduced measures on sanitary rules and in order to increase hospital capacity and treatments, on one side; and to put companies in a position to overcome the crisis, on the other side.

In this context, we have prepared an overview of the key aspects concerning labour, taxes, trade & customs, real estate, construction, public procurement, Life Sciences and Intellectual property law issues.

Uncertainty could arise in the next weeks because of the evolution of the situation and potential new measures.

As usual, DS Avocats will be your partner to manage the situation and to meet new challenges

- 1. Labour
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1. Labour

Following the French government's announcements aimed to protecting people from the coronavirus pandemic, you will find hereafter the main measures to best organize your business.

What measures should be implemented to deal with the decline in the Company's business?

If possible, the implementation of telework

The French Labour Code expressly provides for the of the employer to implement telework under exceptional circumstances, including the threat of an epidemic, without the agreement of the employees.

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• The partial activity system

While the Government initially indicated that the coronavirus epidemic was an exceptional circumstance allowing companies to benefit from the partial activity procedure, it appears to have more recently given much stricter instructions to the DIRECCTE, (the French authority in charge of the treatment of partial activity requests).

These new directives in a general way limit application of partial activity only to companies that have had to shut down. For all the others, the use of telework should be given maximum priority.

In this case, lacking the possibility to implement telework, the Minister of Labour has enjoined companies to maintain the activity, which would mean that the partial activity would not be automatically accepted.

However, if companies and associations in any sector are not directly affected by the administrative closure, they will suffer the full impact of the activity decline.

Article R5122-1 of the French Labour Code currently in force provides that an employer may place its employees in a position of partial activity when the enterprise is forced to reduce or temporarily suspend its activity for one of the following reasons:

1° The economic situation;

- 2° Difficulties in the supply of raw materials or energy;
- 3° A disaster or bad weather of an exceptional nature;
- 4° The transformation, restructuring or modernization of the company;
- 5° Any other circumstances of an exceptional nature.

After having consulted staff representatives if they exist, and having informed employees individually of the project of partial activation, Company can make a prior request to the DIRECCTE, via a secure and confidential internet portal.

(https://activitepartielle.emploi.gouv.fr/apart/).

Pending clarification, particular care should be taken in compiling partial activity files and not simply invoke the health crisis linked to Covid-19. In our opinion, it will also be necessary to establish the reality of the decline in activity linked to the epidemic suffered by the company.

By way of illustration, it is possible to indicate that orders/works/events are cancelled; to specify the difficulties in the supply of raw materials or energy, and to specify the impact on turnover. This motivation may be the subject of a separate note to be attached to the application. Applications may be filed retroactively within 30 days. You must therefore take the time to justify your request, and even if you are currently opening files, take advantage of the 30-day retroactive period to "beef up" your arguments.

Finally, and for those who will not have opted for telework or who will be refused short-time working, the question of the employer's criminal liability will arise in the event that one of his employees is invited by the employer to return to physical work, despite the adoption of safety rules and information on the extreme need to respect barrier gestures. Here too, the Government is alerted to the need to provide clear rules in this area, which is not yet the case.

While the DIRECCTE usually has 15 calendar days to give its response, the Minister specified that the DIRECCTE would respond within 48 hours to employers via the dedicated website.

During the period of partial activity, the employee benefits from a single partial activity allowance paid by the employer, who in turn receives a partial activity allowance paid by the State.

Also, you will be required to pay employees an hourly allowance at the normal pay date. In return, the State will have to pay the companies a partial activity allowance.

The employer must pay its employees at the time of pay, an allowance equivalent to 70% of their gross hourly pay (based on paid holidays) which will correspond to 82% of the net (except for employees at the SMIC who will receive 100% of their salary).

On the other hand, according to a press release from the Ministry of Labour which has been transmitted on March 17, 2020, the compensation received by companies would no longer be capped at 8.04 €/hour but would be 100% of the payments within the limit of 4.5 Smic by virtue of a decree which will be issued shortly.

The companies will have a 30 days deadline to submit their request, which will be retroactive, (as the Minister specified on March, 16 2020).

The unemployed hours taken into account correspond to the difference between the number of hours actually worked and the legal working time (or the collective working time or that provided for in the employment contract if it is lower). Overtime hours worked due to collective working hours in excess of 35 hours do not have to be paid at the originally agreed salary. For employees who work a fixed number of hours or days over the year, the legal duration corresponding to the days on which the establishment or department is closed is taken into account (up to a limit of 7 hours per day or 3.5 hours per half-day). The allowance is paid monthly to the employer by the Service and Payment Agency (SPA). As an exception, the ASP pays the allowances directly to the employees in the event of receivership or judicial liquidation or the employer's financial difficulties.

Deadlines for the payment of social security contributions

It is possible to request, via the urssaf.fr (French Social Security Authority) website through the section "a declarative formality", then "declare an exceptional situation", a request for a delay in the payment of social security contributions and the exceptional remittance of surcharges and penalties for late payment for the periods concerned.

The URSSAFS have indicated that these requests will be processed as a matter of priority.

The alternative of training

The Government has indicated that FNE (French National Employment Fund) funds and OPCOs (skills operators) will be deeply involved in order to maintain the training effort for employees during their partial period of activity, but without further details to date.

Two options are available: the use of training within the framework of the partial activity ("common training law"), or the FNE FORMATION (with the benefit of State aid for the employer).

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DEFERRAL OF DIRECT TAXES PAYMENT

Companies can request to postpone, without penalty and condition, the payment of their next direct tax installments (advance payment of corporate income tax, payroll tax, Corporate Property Tax called "CFE", Contribution on the added value of companies called "CVAE") using a special form available on the French tax authorities website.

If payments for March have already been done, two solutions are possible:

- Companies that still have the possibility to do so should reject the SEPA Direct Debit corresponding to this payment with their online bank;
- Alternatively, they can request a refund from the corporate tax authority once the direct debit has been processed.

However, requests for direct tax rebates have a different regime and must be justified, as these can only be granted in the event of serious difficulties which cannot be overcome by deferring payment.

NOTE: VAT and assimilated taxes are excluded from the measure, as the repayment of withholding tax by collectors.

ACCELERATED REPAYMENT OF CORPORATE TAX RECEIVABLES

Companies benefiting from one or more tax credits refundable in 2020 can speed up the process and request immediately the refund of the balance of the available claim, after deduction, if applicable, from their corporate tax due for the 2019 financial year, without waiting for the filing of the income statement. This request can be made online at impots.gouv.fr.

This system applies to all tax credits that can be refunded in 2020, such as the CICE and the CIR. The system also applies to certain sectors in difficulty (cinema, audiovisual, phonographic, performing arts and video games tax credits).

CFE AND PROPERTY TAX

Possibility to suspend monthly contracts for the payment of the "CFE" or property tax, on the following website: <u>impots.gouv.fr</u> or by contacting the Service Deduction Centre: the remaining amount will be deducted from the balance, without penalty.

Independent professions

As it was already the case, it is possible to modulate the rate and withholding tax on salary at any time.

It is also possible to defer the payment of withholding tax installments on professional income from one month to another up to three times if the installments are monthly, or from one quarter to the next if the installments are quarterly. Any action taken on the individual area of the following website "<u>impots.gouv.fr</u>" before the 22nd of the month will be taken into account for the following month.

NOTE: In order to facilitate all procedures, the French Tax Authorities provides sample applications, available on the <u>impots.gouv.fr</u> website, to be sent to the corporate tax department.

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3. Trade & Customs

• The DGDDI is setting up a platform for Questions and Answers.

Government movement restrictions do not apply to goods. <u>https://www.douane.gouv.fr/covid-19-reponses-vos-questions-les-plus-frequentes</u>

Is there any facilities for the payment of duties and taxes collected by the customs administration (DGDDI)?

The DGDDI explains that at present the emergency measures taken by the government only concern <u>direct taxes</u>. Duties and taxes collected by the customs administration are therefore not included.

It should be recalled that since **VAT on imports** is an own resource of the European Union, the latter is fully competent, particularly in the area of remission. Furthermore, since 2016, a large number of companies have been granted a reverse-charge authorization enabling them to avoid paying import VAT.

Customs duties and anti-dumping duties are also own resources of the European Union budget, but their mechanism is different from that of VAT: it is not possible to deduct them, nor to proceed to a reverse-charge : it is a real burden for the company.

Finally, as regards **excise duties applicable to alcohol, tobacco and energy products** (i.e. National consumption taxes, NCT), they do not correspond to EU own resources but are directly fed into the general budget of each Member State. The absence of payment facilities is therefore all the more surprising insofar as the French State has total room for manoeuvre with regard to these taxes, the weight of which is very significant for companies which, for example, use petroleum products, natural gas or electricity for their manufacturing process.

The DGDDI states that each case will be analysed in the light of the applicant's financial situation.

The Customs & International Trade Department of DS is at your side to assist you in your dealings with the customs authorities.

Notice from French Customs to pharmacists wishing to manufacture hydro-alcoholic gel

The DGDDI has communicated for pharmacists wishing to prepare hydro-alcoholic solutions intended for human hygiene in application of the decree of the Directorate General for Health of 6 March 2020 on various measures relating to the fight against the spread of the covid-19 virus.

In order to be supplied with alcohol <u>exempted from tax</u> (i.e. excise duty) for the manufacture of these preparations, pharmacists must :

- Have a tax "user status"...
- Obtain alcohol from an alcohol supplier with authorized warehousekeeper (AW) status
- Apply the WHO formula contained in the decree of 6 March 2020 of the Directorate General for Health for the manufacture of hydro-alcoholic gel. This will allow the pharmacist to benefit from tax exemption, as this operation is equivalent to denaturing the alcohol by a special process in application of article 302 D bis I b of the CGI;
- To justify at any request of the administration that the alcohol received has been used in the conditions provided for (conservation of the documents accompanying the alcohol received, followed by the alcohol received and the quantities used for the preparation of hydroalcoholic gel).

<u>Commission ensures continuation of trade defence proceedings despite limitations imposed by the</u> <u>VIDOC epidemic-19</u>

These measures will allow the Commission to pursue its trade defence activity on a sound factual basis and within the legally binding deadlines. The current exceptional circumstances prevent the Commission services from carrying out verification visits at the premises of the companies concerned and may affect the respect of procedural deadlines by interested parties.

The measures include making greater use of written submissions and granting, where warranted, additional flexibility to companies with regard to time limits for submission. As soon as the health situation permits, the Commission will be ready to review on its own initiative any trade defence measures adopted on the basis of data which could not be fully verified due to the circumstances of COVID-19 and to adapt them if necessary.

More information : <u>Notice on the consequences of the COVID-19 outbreak on anti-dumping and anti-subsidy investigations</u>

<u>Commission acts to ensure the provision of personal protective equipment in the European Union</u>

The Commission has announced measures to ensure the provision of protective equipment for citizens. Trade Commissioner Phil Hogan said: "*The challenges posed by the spread of VIDOC-19 justify the urgency of this action. The Commission is sparing no effort to offer concrete help to our citizens and all those who care for them*".

The Commission thus adopted Implementing Regulation (EU) 2020/402 on 14 March 2020 making the export of certain products subject to the presentation of an export authorization. This implementing act, adopted by emergency procedure, provides for authorizations for exports to third countries. The export of personal protective equipment is now subject to authorization under penalty of an export ban. Member States shall process applications for export authorizations within a time limit set by national law, which may not exceed 5 working days. The products covered by this export authorization are protective goggles and visors (e.g. 9004 90 10), face shields (ex 3926 90 97), oral and nasal protection equipment (ex 6307 90 98), protective clothing (ex 3926 20 00) and gloves (ex 4015 11 00).

The Regulation will be valid for a period of six weeks, during which Member States will be consulted on potential adaptations and the scope of the current measure and future steps.

More information: <u>Règlement d'exécution 2020/402</u>

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4. Real Estate

The French health emergency bill was finally adopted on Sunday, March 22, 2020.

According to article 7.I.g, the government may, by ordinance, postpone in full or stagger the payment of rents. Please note that this text does not cover the charges which will thus remain due.

Above all, it can only benefit micro-enterprises (and not SMEs), which limits its scope of application.

Indeed, under Decree 2008-1354 of 18 December 2008, this will concern companies employing fewer than 10 people and whose turnover or balance sheet total does not exceed EUR 2 million.

Finally, the situation of lessors is not addressed even though non-payment of rent, particularly for small owners, can be very problematic.

It is therefore appropriate to await the implementation of this new provision.

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5. Construction – Consequences to date of Covid-19 related measures on construction sites

In this current context of unprecedented health crisis, in view of the quarantine measures ordered by the Government, the professional organizations of the construction industry and the Executive face major difficulties in reaching a consensus as to whether or not to continue work on construction sites, notably in view of the necessary measures to be taken to ensure the health of the persons working on sites, considering the spread of Covid-2019.

Decree No. 2020-260 of 16 March 2020 on the regulation of displacement in the context of the fight of the spread of the Covid-2019, requires that displacements are authorized for professional reasons and cannot be postponed 'in compliance with the general measures to prevent the spread of the virus and avoiding any gathering of people".

While the construction companies have not received any guideline from the Government to stop their activities, the professional organizations of the construction industry (CAPEB, FFB, FNTP) have risen to request temporary stoppage of the construction site, while organizational solutions are found, mainly of a sanitary kind, in order to ensure the safety of the workers on the building sites.

80% of companies, and therefore of construction sites stoppage, is then mentioned.

An agreement seems, however, to have been reached to ensure the continuation of the activity under satisfactory sanitary conditions and a guide for the proper continuation of operations should be published at any time, under the control of the *Organisme professionel de prevention du BTP* (Professional Body for the Prevention of Building and Public Works - OPPBTP), and previously approved by the Ministries of Labour, Solidarity and Health.

In the meantime, on behalf of the Government, the Minister of the Interior Security, Mr. Christophe Castaner, and the Minister of Labour, Ms. Muriel Penicaud, have confirmed that the

construction sites were not suspended to date and, on the contrary, has encouraged the continuation of the activity, despite the strong protests from the construction industry, in particular from Mr. Jacques Chanut, President of the FFB.

However, the Government has invited the Owners and other companies not to seek contractual liabilities from the Contactors, their subcontractors or suppliers when they had to suspend their activities while the conditions of performance were no longer possible to guarantee health and safety of the workers attending on the construction sites.

It is likely that this request will also concern companies which cannot materially comply with the guide to good sanitary practices on construction sites, which publication is firmly awaited.

In other terms, it is requested, and not imposed, that Owners should not apply penalties in the event of a suspension of the worksite at the initiative of the Contractor.

However, question must be raised as regard the claim that may arise after the crisis by the Contractor, particularly regarding the mobilization of materials and equipment on site:

WHO WILL HAVE TO TAKE FINANCIAL RESPONSIBILITY FOR IT?

Likewise, in the event of a site suspension, the company's duty to guard the site will have to be considered.

Moreover, will the operational losses resulting from the Covid-19 be compensated?

On this point, it is important to refer to the terms of the Civil Liability policies subscribed, in order to ascertain whether immaterial damages are covered in case of external event or force majeure.

However, this being said, the force majeure cause has not been officially enacted for the construction industry. Indeed, the Ministry of the Economy, Mr. Bruno Lemaire, mentioned it particularly for public construction contracts, at the closure of a working meeting with the social representatives on 28 February 2020, without returning to it since then.

As a consequence, without clarification from the Executive, it will be necessary to comply with the provision of the construction agreements, or with the CCAG to which they refer, if necessary.

Hence, many issues remain unresolved to date.

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6. Public procurement - Adaptation of the rules governing the award, procedure or performance of public contracts

The Ordinance on various measures for adapting the rules for the award, procedure or execution of contracts subject to the code of public procurement and public contracts that do not fall under it during the health crisis caused by the covid-19 epidemic, issued pursuant to Article 11 of Law No. 2020-290 of 23 March 2020 on emergency measures to deal with the covid-19 epidemic, was published in the OJ of 26 March (Order No. 2020-319).

Its content encourages buyers to agree to a certain number of flexibility measures, with the aim of protecting economic operators and allowing contracts to get back on track at the end of the health crisis.

SCOPE (ARTICLE 1)

The scope of application of the Ordinance is broad, since its provisions ultimately apply to the following contracts:

- Those, public as private, subject to the public procurement code, in progress or concluded as of March 12, 2020, which includes public procurement contracts concluded before the entry into force of the Public Procurement Code under the regime of previous texts;
- Administrative contracts that are not subject to the public procurement code, such as domain occupation agreements.

It is intended to apply for a period covering the entire duration of the health crisis, increased by two months, which should give buyers and operators time to anticipate the resumption of consultations or contracts in progress.

However, the application of the provisions of the Ordinance will have to be studied and justified on a case-by-case basis, as these provisions should only be implemented "*insofar as they are necessary to deal with the consequences, in the award and execution of these contracts, of the spread of the covid-19 epidemic and the measures taken to limit this spread*".

There is therefore no automaticity in the provisions summarized below.

In practice, this means that the flexibilities offered by the Ordinance, particularly in terms of termination, cannot be implemented lightly by buyers; and that operators who request the implementation of the flexibilities in terms of deadlines and subsequent non-application of penalties will have to document their requests.

ADJUSTMENT OF CURRENT PROCEDURES (ARTICLES 2 AND 3)

The Ordinance allows for two types of adjustments to ongoing consultations for the award of a contract subject to the Public Procurement Code:

• Extension, for a "sufficient period", of the delivery deadlines, unless "the services which are the subject of the contract cannot be delayed".

In practice, a margin of appreciation is therefore left to the buyers on this point. Of course, attention must be paid to the delivery deadlines closest to the start date of the confinement, and to procurements in which a visit is made mandatory or in which services are expected. Moreover, there is nothing to prevent candidates from requesting appropriate postponements.

With regard to the implementing arrangements, it may be necessary to publish a corrective notice or even a request for an extension of the period of validity of the tenders (to be obtained from all the candidates competing in the competition).

 Adaptation, "in compliance with the principle of equal treatment of candidates", of the competitive tendering procedures initially provided for in the consultation file which "cannot be complied with by the contracting authority".

One thinks, of course, of procedures involving negotiations with candidates, which could not be held in person because of the confinement. The question will then be whether it is possible, or more appropriate, to replace meetings by videoconferences, for example, or whether it is preferable to extend the time limits for the procedure, it being recalled that the same measure will have to be taken with regard to all candidates.

ADJUSTMENT OF CONTRACTUAL DEADLINES AND PENALTIES (ARTICLES 4 AND 6, 1° ET 2°)

In addition to the measures extending the consultation periods, the Ordinance authorizes the extension of the duration of contracts that would expire during its period of application, including beyond the maximum duration of four years for framework agreements, and without prior review for concessions.

A safeguard is nevertheless provided for: this extension may not exceed the duration necessary for reopening competition at the end of the period of application of the Ordinance (end of containment + 2 months).

Moreover, two specific cases of "difficulties in executing the contract, [...] notwithstanding any stipulation to the contrary, except for stipulations that would be more favorable to the contract holder" are provided for: the impossibility of execution or the impossible respect of contractual deadlines.

In such cases, and provided that he proves that the performance of the contract or an order form, or its execution within the contractual time limits "would require means the mobilization of which would place a manifestly excessive burden on [him]", the holder may be granted an extension of the time limits for execution upon request (again, this time limit may not exceed the time limit for application of the order), and may neither be sanctioned nor have his contractual liability incurred in the event of non-performance of the services which are the subject of the contract or of delay in performance.

On the other hand, the purchaser may, for his needs "which cannot be delayed in any way", and even in the presence of an exclusivity clause, have the services performed by a third party at his own expense within the framework of a substitute contract.

FRAMEWORK FOR THE FINANCIAL CONSEQUENCES OF THE SUSPENSION AND TERMINATION MEASURES TAKEN IN APPLICATION OF THE HEALTH CRISIS (ARTICLE 6)

Finally, with the aim of protecting incumbent operators in the event of difficulties in execution, and always "notwithstanding any stipulation to the contrary, with the exception of stipulations which would be more favorable to the holder of the contract", the Ordinance provides for the financial consequences of certain measures:

 In the event of cancellation or cancellation of a purchase order following a state of health emergency (this causal link is intended to be justified), "the holder may be compensated, by the buyer, for expenses incurred".

It should be noted that in a number of contracts, global or concessive in particular, compensation in the event of termination for prolonged force majeure period goes beyond strict compensation for expenses incurred; to the extent that such a stipulation is to be regarded as "more favorable" to the contract holder than that provided for in the Ordinance, it should be allowed to continue to apply.

If the buyer suspends performance of a lump-sum contract, "he shall proceed without delay to settle the contract in accordance with the terms and for the amounts provided for in the contract". At the end of the suspension, the parties shall make any necessary amendments by means of an amendment and shall draw the financial consequences thereof.

These provisions do not say whether the payment should concern the services actually performed, in accordance with the rule of the service rendered, which may require a contradictory statement of fact drawn up in accordance with procedures adapted to the current circumstances, or, exceptionally, the payment of the totality of the services corresponding to the lump sum.

 n the event of suspension of a concession by the grantor, "any payment of a sum to the grantor is suspended and, if the economic operator's situation justifies it and up to its needs, an advance on the payment of the sums due by the grantor may be paid to it".

This rule may concern, respectively, payments by the concessionaire of royalties or shares of the remuneration received from users, or payments by the grantor of subsidies for public service charges.

Moreover, if the grantor "significantly changes the terms of performance provided for in the contract, the concessionaire is entitled to compensation for the additional cost of performing the service or works, even partially, where the continued performance of the concession requires the use of additional resources not provided for in the original contract and which would represent a manifestly excessive burden in relation to the concessionaire's financial situation".

In the end, without finally addressing the notion of force majeure, the tone is set: buyers are in any case invited, in the context of the measures they will apply as a result of the health crisis, to protect their co-contractors financially. Constructive exchanges will have to be favored in order to implement adequate and proportionate measures, and to allow the continuation/resumption of contracts at the end of the period covered by the order.

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7. Life Sciences

For several weeks now, France has been actively fighting against the coronavirus. In addition to health measures, the Government has adopted various texts as a matter of urgency in order to put an end to speculation in strategic health products and limit the movement of French people.

Some of these unprecedented measures raise questions about their legal regime.

WHAT MEASURES HAVE BEEN TAKEN BY THE GOVERNMENT IN ORDER TO FIGHT AGAINST HEALTH PRODUCTS SPECULATION?

First measure to many to come, on March 4, 2020 (modified by the decree dated 13 March 2020) a decree was published in the *Journal Officiel* relating to the requisition by the government of stocks of protective masks (FFP2 and anti-projection masks) held by any legal entity under public or private law. The text aims in particular to ensure priority access to health professionals and patients affected by Covid-19.

The practice of requisitioning is not new. It is a constraint procedure attributed by specific texts to administrative authorities (mayors, prefects, etc.) authorizing them to obtain goods and services by force. Requisitioning is necessarily temporary and it is in this respect that it differs from expropriation.

Under French law, the requisition appears in a law of 1877 which is today codified in the defense code.

Regarding health matters, the Act dated March 5, 2007 relating to the preparation of the health system for large-scale health threats grants the administration with the means of action and in particular the possibility of requisitioning goods or putting in place places a health reserve.

This text was adopted in the context of health threats such as bird flu and Chikungunya.

The measures that can be adopted are codified in the French Public Health Code in articles L. 3131-1 and following. The issue of compensation for these requisitions is dealt with in the French Defense Code in articles L.2234-1 et seq.

Concerning the hydro-alcoholic gels prices, Article L.410-2 of the French Commercial Code establishes the principle of free pricing. However, its third paragraph states that this principle "*does not prevent the Government from adopting, by decree, temporary measures against excessive price, motivated by a crisis situation*..." These are the provisions used in the recently published decree of 5 March 2020, which corrects abnormal market prices linked to excessive speculation.

In addition, an Order dated March 7 authorizes pharmacies to prepare hydro-alcoholic solutions until May 31, 2020.

WHAT OTHER EXCEPTIONAL MEASURES HAVE BEEN TAKEN IN FRANCE TO GUARANTEE ACCESS TO HEALTHCARE FOR THE POPULATION?

Access to teleconsultation has been made more flexible by the Decree of 10 March 2020. For instance, from now and until April 30 teleconsultation is possible even if the patient is not directed by his doctor and if even if it is not known to the teleconsultant.

In addition, healthcare professionals can use any digital tool to consult them which worries in particular with regard to the protection of the health data of patients who will now circulate via applications such as FaceTime or WhatsApp which belong to GAFAM...

WHAT ABOUT CONTAINMENT MEASURES AND THE STATE OF HEALTH EMERGENCY?

On March 16, 2020 The Prime Minister Edouard Philippe has imposed containment measures on the population, who are under a 14-day nationwide lockdown.

Moreover, The Prime Minister announced Monday evening additional rules to safeguard the public, which include a ban on leaving one's house for more than one hour, once a day, and further than a 1km radius away; a ban on open-air markets except in regions where they are the primary source of a food supply; and an increase in a fine for violating confinement, from

€135 (\$147) to €1,500 (\$1,630) for recidivism within 15 days; in the event of four violations in 30 days, a fine of €3,700 (\$4,021) and six months in prison is imposed.

Alongside, the state of health emergency has been adopted by the French Parliament which "*is the basis for any regulatory or individual measure restricting certain freedoms in order to combat the epidemic*".

This law replaces the legal framework of "*exceptional circumstances*", circumstances which, since the famous Dame Dol and Laurent Council of State ruling of 1919, allowed the administration, under the supervision of the judge, to derogate from ordinary legality in order to ensure the continuity of the public service.

It was these exceptional circumstances that led to the adoption of the decree of March 16, 2020 issued by the Prime Minister on the basis of his general police powers and which allowed the adoption of the specific orders issued by the Minister of Health on the basis of articles L. 3131-1 et seq. of the Public Health Code.

The state of health emergency is now becoming the specific framework that will serve as legal basis for the administrative policies measures needed to manage the health crisis we are going through.

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8. Intellectual Property

The INPI - Institut National de la Propriété Industrielle, and the EUIPO - European Union Intellectual Property Office, have decided to extend the deadlines for monitoring trademark and design registration procedures due to Coronavirus pandemic.

By decision of March 16, 2020 No. 2020-32, the Director of the INPI thus decided that the time limits set by the INPI and not expired on March 16, 2020 are extended to 4 months with the exception of the time limits relating to trademark opposition proceedings.

The two-month period for filing opposition against a trademark application from the date of publication is therefore not interrupted.

DS AVOCATS assures you of its fully availability to initiate all oppositions to trademark applications that could present a risk of confusion with your prior rights, whether they are constituted by a company name or business name, a trade name, a sign, a domain name, a geographical indication, a name, an image or the reputation of a local authority or the name of a public entity.

The EUIPO has also decided to extend all time limits expiring between 9 March and 30 April 2020 inclusive until 1 May 2020.

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