INFORMATION March 1998

## COMMERCIAL PRODUCTION OF INDUSTRIAL HEMP

Effective March 12, 1998, the commercial production (including cultivation) of industrial hemp is now permitted in Canada, under licences and authorizations, issued by Health Canada.

Industrial Hemp usually refers to varieties of the *Cannabis* plant that have a low content of THC (delta-9 tetrahydrocannabinol) and that are generally cultivated for fibre. Industrial hemp should not be confused with varieties of *Cannabis* with a high content of THC which are referred to as marijuana. The psychoactive ingredient in marijuana is THC.

Internationally, *Cannabis* is regulated by the United Nation's *Single Convention on Narcotic Drugs*. Canada has signed and ratified this Convention. The *Controlled Drug and Substance Act (CDSA)* came into force effective May 14, 1997. The *Industrial Hemp Regulations* to the CDSA will permit the commercial cultivation of industrial hemp in Canada.

The Regulations control the activities relating to importation, exportation, possession, production, sale, provision, transport, sending, delivering and offering for sale of industrial hemp.

The Regulations define industrial hemp as the plants and plant parts of the *Cannabis* plant, whose leaves and flowering heads do not contain more than 0.3 percent THC. It includes derivatives of the seeds such as oil and seedcake. It does not include non-viable *Cannabis* seed, but it includes its derivatives.

It also does not include the mature stalks or the fibres derived from those stalks. This means that such fibres or the products made from the mature cannabis stalk may be imported, treated and sold in Canada.

The Regulations consist of the following components:

• Importers and exporters of industrial hemp, in the form of seed or viable grain, will be licensed. In addition to holding a licence they will also be required to obtain a permit for each shipment.

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- The importer must ensure that shipments of viable grain are accompanied by foreign certification. A list will be published by Health Canada indicating which countries are designated as having equivalent controls on the production of viable grain. Viable grain may only be imported from listed countries. This will ensure that viable grain imported will not produce a plant containing more than 0.3% THC.
- Seed growers will be restricted to a 0.4 hectare minimum plot size and will be required to demonstrate current membership in the Canadian Seed Growers Association as part of their licence application. Seed growers will be required to provide the number of hectares grown in the previous two years as part of their licence application.
- Plant breeders will not be restricted to minimum plot sizes. Persons applying for a licence as a plant breeder must be registered with the Canadian Seed Growers Association and may only cultivate industrial hemp under this regulatory framework. The pedigreed seed restriction which applies to growers in the year 2000 does not apply to plant breeders nor does the limitation to the *List of Approved Cultivars*.
- Growers for fibre or viable grain will require a licence before they can purchase seeds from a distributor or cultivate industrial hemp. Growers will be required to provide the number of hectares grown in the previous two years as part of their licence application.
- Only approved varieties of industrial hemp seeds, as listed on Health Canada's *List of Approved Cultivars* may be planted. Commencing January 1, 2000, only pedigreed seeds of approved varieties may be planted. Growers will be required to identify their fields, and maintain records of production and distribution.
- Licences and audit trails will also be required for processing activities such as pressing seeds into oil. All parties licensed or authorized will be required to identify a person resident in Canada who will be responsible for the licensed activities.
- To obtain a licence for the importation, exportation, production or sale of industrial hemp, applicants will be required to produce a police security check.
- Derivatives of seed or viable grain, such as oil and seed cake, will be exempted from the Regulations if there is evidence that the derivatives contain no more than 10 micrograms of delta-9-tetrahydrocannabinol per gram and carry appropriate labelling statements. Products made from derivatives of seed or viable grain will be exempted if there is evidence that each lot or batch contains no more than 10 micrograms of delta-9-tetrahydrocannabinol per gram.
- Importers and exporters of derivatives will be required to provide proof with each shipment that the shipment contains no more than 10 micrograms of delta-9-tetrahydrocannabinol per gram for each lot to ensure that the product is within the limit. Similarly products made from the derivatives of seed or viable grain must be accompanied with evidence that each shipment contains no more than 10 micrograms of delta-9-tetrahydrocannabinol per gram. .../3

- No person will be permitted to import or export a derivative or a product produced from a derivative that contains more than 10 micrograms of delta-9-tetrahydrocannabinol per gram.
- No person will be permitted to import or sell whole plants, including sprouts or the leaves, flowers or bracts of industrial hemp; or import, sell, or produce any derivative or any product made from a derivative of the above.
- Authorizations will be required for transportation, when products are transported outside the
  direction or control of a licence holder, or for possession for the purpose of testing for
  viability.
- No person shall advertise to imply that a derivative or product is psychoactive.
- Testing for the level of THC in leaves or in derivatives must be done by a competent laboratory according to standards defined by Health Canada.

Health Canada will continue to issue licenses for approved research studies related to the cultivation of hemp for industrial purposes.

Application Forms and relevant Guidance Documents, aimed at expediting the review of licences and authorizations for the commercial cultivation of industrial hemp and also for research licences, are available.

The documents are available from:

Internet: www.hc-sc.gc.ca/hpb-dgps/therapeut

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Copies of the *Controlled Drugs and Substances Act* are available from:

Internet: canada.justice.gc.ca/FTP/EN/Laws/

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