



Notice to Industry

Health Canada has issued a Section 56, *Controlled Drugs and Substances Act* exemption to producers of Industrial Hemp in an effort to simplify the licence application process for the 2017 growing season.

Background:

On November 21, 2016, Health Canada issued a *Section 56 Class Exemption in Relation to the Industrial Hemp Regulations* (Exemption). The Exemption better aligns regulation of industrial hemp with the demonstrated low public health and safety risk of the crop. The Exemption is an interim measure to simplify the licence application process as the Government moves forward with its commitment to legalize, strictly regulate, and restrict access to marijuana.

Please refer to the *Section 56 Class Exemption in Relation to the Industrial Hemp Regulations* for more details, including the terms and conditions of the Exemption.

What does this Exemption mean?

Health Canada has reduced and simplified the licencing and regulatory requirements placed on growers of Industrial Hemp. These changes include:

- A cultivation licence will be issued without the need to pre-identify planting sites.
 - Industrial Hemp cultivators will be able to choose planting sites at the time of planting, and send a “Notification of Cultivation of Industrial Hemp” to the Office of Controlled Substances within 15 days of seeding.
- There is no longer a minimum acreage requirement for Industrial Hemp cultivation.
- One Industrial Hemp licence will cover all cultivation sites and activities, reducing the number of licences and licence amendments required.
- The requirement for THC testing for most crops (grain and fiber) has been eliminated;
 - A THC testing requirement remains for cultivators of Industrial Hemp for pedigreed seed or for inclusion of an Industrial Hemp variety on the List of Approved Cultivars (LOAC). THC test results must still be submitted by November 15 of the year the test was performed, unless the cultivar is exempted from the LOAC.
- The expiry date of a licence has been extended until March of the following year to allow for the sale and purchasing of products grown in the previous year.
- Criminal record checks are now valid for one year from the date they were issued.
- Less information will be required regarding registration or memberships. Instead, applicants will provide a simple attestation rather than submit proof.
- Applications will be accepted electronically via email.

Licence holders must comply with the terms and conditions of the Exemption and of the licence.

Who will this Exemption affect?

An Industrial Hemp licence is required for all persons conducting activities with Industrial Hemp. This Exemption applies to anyone who wishes to obtain a licence to import, export, possess, cultivate, produce, process, and distribute (sell/provide) Industrial Hemp.

Persons who may require a licence include:

- Producers of seed, grain, fibre
- Plant breeders
- Sale and distributors
- Processors
- Testers for viability of grain
- Importers and exporters

The application process for Industrial Hemp crop samplers and researchers remains the same.

What forms need to be submitted to obtain a licence?

The following forms are attached:

- Application for an Industrial Hemp Licence
- Notification of Cultivation of Industrial Hemp
- Refer to Appendix 1 and 2 for additional information on the licencing process and requirements under this Exemption

Please note that applications that have already been received by the Office of Controlled Substances will be processed in accordance with this Exemption. There is no need to re-submit a new application.

Applications may be submitted by email to hemp@hc-sc.gc.ca or by mail to:

Industrial Hemp Section
Office of Controlled Substances
Health Canada
161 Goldenrod Drwy
AL 0300B
Ottawa ON K1A 0K9

Note: In order to avoid delays in processing applications, please ensure that complete applications are submitted. If a complete application is not submitted, the application will be immediately returned.

Questions?







Should you have any questions, please do not hesitate to contact us at hemp@hc-sc.gc.ca or call us at 613-954-7799.

Sincerely,

Industrial Hemp Section
Office of Controlled Substances

APPENDIX 1: STEP BY STEP PROCESS TO OBTAIN AN INDUSTRIAL HEMP LICENCE FOR CULTIVATION

This step by step process is to assist in the application process for an industrial hemp licence.

STEPS:	TIMELINE:
1. Submit a complete application to possess, cultivate, produce, process, distribute, import and/or export industrial hemp to the Office of Controlled Substances. 	Beginning in November
<ul style="list-style-type: none"> • Health Canada prioritizes the screening and reviewing of applications. Incomplete applications will be immediately returned. • Licence issued covering activities for which an application was submitted. 	November – April
2. Licence holder to begin activities with industrial hemp after licence issued. 	After licence is issued
3. Licence holder submits the “Notification of Cultivation of Industrial Hemp” form to the Office of Controlled Substances. 	Within 15 days after seeding
<ul style="list-style-type: none"> • Health Canada registers cultivation sites. 	----
4. Licence holder cultivating seed submit THC results. 	November 15 of the year the test was performed
<ul style="list-style-type: none"> • Health Canada analyses submitted THC results for consideration on the LOAC. 	December

APPENDIX 2: GENERAL REQUIREMENTS TO OBTAIN A LICENCE UNDER THE SECTION 56 EXEMPTION IN RELATION TO ACTIVITIES WITH INDUSTRIAL HEMP (Please consult the *Section 56 Exemption in Relation to the Industrial Hemp Regulations* for more details.)

	ELIGIBILITY	WHAT TO SUBMIT?	WHEN TO SUBMIT?
BEFORE OBTAINING A LICENCE:			
Step 1: Submit Application	<ul style="list-style-type: none"> Applicant must reside in Canada or at least one person of a partnership must reside in Canada In the case of a corporation or cooperative, the head office must be located in Canada At least 18 years of age or older No drug offence that occurred within the previous 10 years, or if residing in a country outside of Canada, an offence that if committed in Canada would constitute a designated drug offence All required information on the application is provided 	<ul style="list-style-type: none"> Complete and signed application form for all proposed activities (possess, produce, process, distribute, import and/or export) Criminal Record Check In the case of corporation, cooperative, or partnership, a copy of certificate of incorporation or a copy of a document registered with a province, or evidence of partnership agreement Submission of GPS coordinates and maps are <u>no longer</u> required 	Before starting activities
AFTER OBTAINING A LICENCE:			
Step 2: Submit “Notification of Cultivation of Industrial Hemp” form (cultivation only)	<ul style="list-style-type: none"> Persons must hold a licence for cultivation Location of cultivation sites submitted within 15 days after seeding 	<ul style="list-style-type: none"> Notification of Cultivation of Industrial Hemp GPS coordinates Number of hectares seeded Other notifications as per Section 11 of the IHR 	Within 15 days after seeding
AMENDING A LICENCE:			
Step 3: Submit “Application for Amendment to Industrial Hemp Licence” form	<ul style="list-style-type: none"> If changes must be made to the existing licence (e.g., activity, form of hemp, address on the licence, approved cultivar) 	<ul style="list-style-type: none"> Complete application form for proposed change(s) Original licence must be returned 	Before implementation of change
Step 4: Submit THC test results (cultivation of seed only)	<ul style="list-style-type: none"> Persons must hold a licence for cultivation of pedigreed seed If a plant breeder, persons must hold a licence for breeding seed 	<ul style="list-style-type: none"> Copy of THC results from a competent laboratory 	November 15 of the year the test is performed