

## Potential Amendments to the Industrial Hemp Regulations

### CHTA SUBMISSION

---

The Canadian hemp industry is hopeful that Health Canada's intention to amend regulations affecting the Canadian hemp industry will both reduce red tape (financial and non-financial restrictions to industry growth and development) and reduce overall regulatory burden; while protecting consumer, animal, and environmental safety. The notice of Intent was published in [Canada Gazette, Part I, Volume 160, Number 20](#) on May 16, 2026. The consultation will close on June 30, 2026

This current consultation builds on the Health Canada's amendments to Certain Regulations Concerning Cannabis (and Hemp) in 2025. In turn, both the Cannabis Act, Industrial Hemp Regulations, and Cannabis Exemption (Food and Drugs Act) Regulations were amended. THC limits and testing on hempseed derivatives (e.g. dehulled hempseed, hempseed hulls, hempseed fines, hempseed oil, hempseed meal, hemp protein concentrates, and hemp protein isolate) that do not contain concentrated or isolated phytocannabinoids have been eliminated. THC limits on exported hempseed derivatives have been eliminated. Use of hempseed derivatives as natural health and non-prescription drugs are now regulated exclusively by the Food and Drugs Act (i.e. no longer regulated under the Cannabis Act or Industrial Hemp Regulations).

The Canadian hemp industry encourages the Government of Canada to align regulations with its international agreements; particularly the [1961 Single Convention on Narcotic Drugs](#) (C61). This convention informs global regulation opium, cocaine, cannabis, and synthetic drugs. Article 28 exempts the cultivation of the cannabis plant exclusively for industrial purposes (fibre and seed) or horticultural purposes [hemp] from drug controls. The [UN Commission on Narcotic Drugs](#) (CND) re-classified cannabis extracts and tinctures under [Schedule III](#) (Preparations containing narcotic drugs that are intended for medical use and are unlikely to be abused). The [International Narcotics Control Board](#) (INCB) Policy Brief 110/2023 clarified that the C61 Article 28 exemption considers that the cultivation of all hemp plants – even *cultivation of cannabis plant with low THC content (commonly referred to as 'hemp')* for the extraction of cannabinoids that are not internationally controlled – can be considered as industrial cultivation and exempt from drug regulation. The INCB further clarified that countries are [only] required to ensure that any internationally controlled cannabinoids [THC] obtained as a byproduct of the extraction process need to be controlled and reported in accordance with the requirements of the conventions. [UN Trade and Development](#) (UNCTAD) recommended the removal of legislative barriers to industrial hemp cultivation may increase production by farmers and recommended that the common practice of having entities related to the control of narcotic drugs issue licences for growing industrial hemp should be reconsidered.

Health Canada has communicated its intention to amend industrial hemp regulations to reduce red tape and remove impediments to industry growth and development. It was noted that potential amendments must: protect human, animal, and environmental safety; decrease compliance costs; and, reduce barriers to market entry and expansion.

## Health Canada Feedback Questions

This questionnaire must be completed and submitted by 30June2026 to:  
[cannabis.consultation@hc-sc.gc.ca](mailto:cannabis.consultation@hc-sc.gc.ca)

---

1. **What are the regulatory requirements under the IHR that impose an unnecessary burden related to: Cultivation; Importing and Exporting; Testing for THC Concentration; Selling Flowering Heads; Leaves, and Branches, and, Reporting Certain Information?**

The following IHR regulatory requirements impose unnecessary regulatory burdens and serve as monetary and non-monetary constraints to growth and development of the Canadian hemp industry.

- a. **Cultivation**

The Canadian hemp licensing system is largely based on Article 23 (National Opium Agencies) of the 1961 Single Convention on Narcotic Drugs (C61). Canada is not compliant with its international agreements regarding hemp cultivation licensing, as hemp cultivation licensing is not required by the 1961 Single Convention on Narcotic Drugs (C61, Article 28 and INCB Policy Brief 110/2023).

Hemp cultivators are currently required to obtain a Health Canada license to cultivate hemp for hempseed, fibre, and/or flower production. This licensing system is unique within the Canadian field crops sector, and communicates by its existence a higher risk associated in cultivating hemp as compared to other crops, including wheat (10.8M hectares) canola (8.4M hectares), barley (2.6M hectares), soybeans (2.4M hectares), corn (1.6M hectares), peas (1.3M hectares), oats (1.2M hectares), flaxseed (300,000 hectares), chickpeas (230,000 hectares), mustard (200,000 hectares), and canary seed (120,000 hectares). The additional perceived risk of cultivating hemp – requiring drug-type licensing – is a non-economic disincentive to cultivate hemp in Canada.

It is estimated that a producer will allocate approximately 10 hours/year obtaining, amending, and maintaining their cultivation license. The Federation of Independent Business estimates that the fully loaded cost of complying with regulatory requirements costs up to \$125/hour. The estimated cost of applying for obtaining, amending, and maintaining hemp cultivation licenses is \$125/hours x 10 hours/license holder x 541 hemp cultivation license holders = \$676,250. This cost is not incurred when cultivating other field crops in Canada; and therefore makes hemp less competitive to produce than other field crops. This cost is an economic disincentive to cultivate hemp in Canada.

Licensing of hemp cultivation is not required by the 1961 Single Convention on Narcotic Drugs (Article 28 and INCB Policy Brief 110/2023). Arbitrarily mandating hemp cultivation licensing represents a loss of competitiveness and economic and non-economic disincentives to cultivate hemp (UNCTAD, 2024).

**Recommendation:** Align Canada's definition of hemp with C61 (Article 28 and INCB Policy Brief 110/2023).

**Recommendation:** Rescind all industrial hemp licensing and permitting to: sell industrial hemp; import or export seed or grain; cultivate industrial hemp; possess seed or grain

for the purposes of cleaning it; to possess grain for the purpose of processing it; and, to obtain seed by preparing it.

**b. Importing and Exporting**

The Canadian hemp export and import permitting system is largely based on Article 23 (National Opium Agencies) of the 1961 Single Convention on Narcotic Drugs (C61). Canada is not compliant with its international agreements regarding hemp export and import permitting, as hemp export and import permitting is not required by the 1961 Single Convention on Narcotic Drugs (C61, Article 28 and INCB Policy Brief 110/2023).

Industrial Hemp licensed holders must obtain permits from Health Canada to either export (export permits) or import (import permits) viable hempseed (capable of normal germination), whether for sowing or other than for sowing. Permits include the name and mailing address of the holder of the permit; the permit number and the number of the licence that authorizes the importation; the name of the exporter or importer and their address in the country of export or import; each mode of transportation used; the quantity, in kilograms, of each form exported or imported; the variety of industrial hemp from which the seed or grain was harvested or, in the case of germplasm, its name or number; the concentration of THC, expressed as a percentage w/w, in the flowering heads and leaves of the variety of industrial hemp from which the seed or grain was harvested; the effective date of the permit; and the date of expiry of the permit.. An exporter must additionally provide an import permit issued by the importing authority, whether the importing jurisdiction requires import permits or not.

This permitting system is unique within the Canadian field crops sector, and communicates by its existence a higher legal risk associated in exporting or importing viable hempseed as compared to other crops, including wheat (18M tonnes exports/120,000 tonnes imports) canola (5M tonnes exports/100,000 tonnes imports), soyabeans (4.7M tonnes exports/126,000 tonnes imports), barley (2.4M tonnes exports/74,000 tonnes imports), peas (1.6M tonnes exports/7,000 tonnes imports), oats (1M tonnes exports/10,000 tonnes imports), lentils (1.5M tonnes exports/30,000 tonnes imports) flaxseed (167,000 tonnes exports/4,000 tonnes imports), and chickpeas (162,000 tonnes exports/24,000 tonnes imports). The additional perceived risk of exporting or importing hemp – requiring drug-type permitting – is a non-economic disincentive to cultivate hemp in Canada.

It is estimated that a buyer or seller will allocate approximately 20 hours obtaining, amending, and reporting on each export/import permit. The Federation of Independent Business estimates that the fully loaded cost of complying with regulatory requirements costs up to \$125/hour. The estimated cost of applying for obtaining, amending, and reporting on hemp export and import permits is \$125/hour x 20 hours/license holder x 100 hemp import/export permits/year = \$250,000. This cost is not incurred when exporting or importing other field crops in Canada (requiring only a CFIA phyto-sanitary certificate, and therefore makes hemp less competitive to export or import than other field crops. This cost is an economic disincentive to import or export viable hempseed.

The burden imposed by lengthy and unpredictable regulatory processes falls exclusively on legitimate breeders and businesses that are committed to operating within the law. CSGA recognized breeders invest considerable time and resources to acquire licenses, comply with permit requirements, cultivar registration standards, and reporting

obligations. By contrast, individuals or organizations intent on circumventing regulations are unlikely to be deterred by administrative delays or procedural complexity, as they do not rely on lawful access to regulatory systems in the first place. As a result, excessive regulatory friction disproportionately impacts compliant stakeholders while providing limited additional protection against bad actors.

Plant breeders routinely produce and use pre-commercial genetic material (experimental hemp plants used exclusively for plant breeding). These research plants may or may not themselves be LOAC-compliant and will mostly never be LOAC-registered. Instead, they are used within breeding programs designed to develop plants that can be LOAC-registered and used to produce conventional, hybrid, and feminized seed that are Certified and LOAC registered. This genetic material must be allowed to be imported or exported for use in plant breeding programs without the need for LOAC registration, naming as LOAC-compliant, and without the need to provide THC concentration Certificates of Analysis (COAs) The above plant breeding restrictions represent both economic and scientific disincentives to hemp breeding in Canada.

**Recommendation:** Rescind all industrial hemp licensing and permitting to: sell industrial hemp; import or export seed or grain; cultivate industrial hemp; possess seed or grain for the purposes of cleaning it; to possess grain for the purpose of processing it; and, to obtain seed by preparing it.

**Recommendation:** Allow exports of genetic material (viable hempseed, hemp plants, and tissue culture clones/seedlings) for exclusive use in plant breeding programs without listing on the plant breeding licence, LOAC registration, or THC testing COAs, or export permits.

**Recommendation:** Allow imports of genetic material (viable hempseed, hemp plants, and tissue culture clones/seedlings) for exclusive use in plant breeding programs without listing on the plant breeding licence or LOAC registration. THC testing COAs and import permits are to be required for genetic materials not certified under AOSCA or an OECD seed scheme to be compliant with Canadian regulations.

### c. **Testing for THC Concentration**

The Canadian THC concentration testing system is largely based on Article 23 (National Opium Agencies) of the 1961 Single Convention on Narcotic Drugs (C61), prior to the Industrial Hemp Regulations being published (2019) and amended (2025).

The Canadian hemp THC concentration testing requirements for hemp cultivators were largely brought into alignment with C61 (Article 28 and INCB Policy Brief 110/2023) through the 2025 Cannabis Act and Industrial Hemp Regulations amendments. Hemp cultivators are no longer required to test commercial hemp fields (flowers and leaves of the inflorescence) for THC concentration so long as they are sowing Certified seed from LOAC-compliant cultivars.

The Canadian hemp THC concentration testing requirements for hemp food processors were largely brought into alignment with C61 (Article 28 and INCB Policy Brief 110/2023) with the 2025 Cannabis Act and Industrial Hemp Regulations amendments. Hemp food processors were no longer required to test hemp foods (hempseed derivatives) for THC concentration so long as they are processing hempseed grown from Certified seed from LOAC-compliant cultivars.

The Canadian hemp THC concentration testing requirements for hemp breeders have not yet been aligned with with C61 (Article 28 and INCB Policy Brief 110/2023). Plant breeding materials – sometimes including hundreds of test plants that will never be commercialized – used exclusively within breeding programs designed to develop plants that can be LOAC-registered and used to produce seed (conventional, hybrid or feminized) that are Certified and LOAC registered. This genetic material must be allowed to be in plant breeding programs without the need for being named on the plant breeding licence or LOAC registration. The above plant breeding restrictions represent both economic and scientific disincentives to hemp breeding in Canada.

**Recommendation:** Allow the import and export of genetic material (experimental viable hempseed, hemp plants, and tissue culture clones/seedlings) used exclusively for research (plant breeding) without naming or LOAC registration.

**Recommendation:** Establish the maximum THC concentration in hemp plant flowers and leaves of hemp inflorescence at 1.0%;

**Recommendation:** Establish the compliance trigger level for THC concentration in hemp plant flowers and leaves of hemp inflorescence at 1.5%;

**Recommendation:** Establish the maximum THC concentration in the flowers and leaves of genetic material used by licensed seed breeders operating Seeds Act and Seeds Regulations at 2.0%;

**Recommendation:** Maintain THC testing requirements for hemp plants grown in breeding programs at the research, breeder seed, select seed, foundation seed, and registered seed levels;

**Recommendation:** Rescind THC concentration guidelines, regulated maximum concentration limits, and testing requirements for hemp plants produced from LOAC-compliant certified seed and all processed hemp products.

#### d. **Selling Flowering Heads, Leaves, and Branches**

The Canadian hemp sales control system is largely based on Article 23 (National Opium Agencies) of the 1961 Single Convention on Narcotic Drugs (C61). Canada is not compliant with its international agreements regarding the ability for hemp cultivators to sell viable hempseed and hemp flowers, leaves, and branches only to buyers who are licensed under the Industrial Hemp Regulations or Cannabis Act.

C61 (Article 1) defines Cannabis as *the flowering or fruiting tops of the cannabis plant (excluding the seeds and leaves when not accompanied by the tops) from which the resin has not been extracted, by whatever name they may be designated*. This clearly specifies that only flowers of the cannabis plant inflorescence – from which the resin has not been extracted – are subject to Article 23 drug controls. By exclusion, cannabis plant seeds, leaves (when not accompanied by the tops), branches, stocks, and roots are not subject to Article 23 drug controls. In addition to the above cannabis plant exclusions, C61 Article 28 states that Article 23 drug controls shall not apply to the cultivation of the cannabis plant exclusively for industrial purposes (fibre and seed) or horticultural purposes. Further the, INCB (Policy Brief 110/2023-Circular Letter E/INCB/NAR/CL20/2024) clarified that the specification of fibre and seed in the Single Convention can be seen as an example. Therefore, the cultivation of cannabis plant

with low THC content (**commonly referred to as 'hemp'**) for the extraction of cannabinoids that are not internationally controlled can be considered as industrial cultivation. Countries are required to ensure that any internationally controlled cannabinoids obtained as a byproduct of the extraction process need to be controlled and reported in accordance with the requirements of the conventions." Taken together, compliance with Canada's international agreements requires that:

- i. The whole hemp plant (including flowers, leaves, and branches) and all hemp-derived products that do not contain concentrated or isolated cannabinoids are exempt from Cannabis Act and Industrial Hemp Regulation controls and that such controls only apply to cannabinoids obtained as a byproduct of the extraction process on hemp flowers
- ii. Cannabis Act controls apply to the application of an extraction process on hemp flowers.

**Recommendation:** Exempt hemp plants and hemp products (that do not contain concentrated or isolated phytocannabinoids) Add hemp flowers, leaves, and branches to Schedule 2 (exempt products) of the Cannabis Act with an annotation that extraction of concentrated phytocannabinoids from hemp flowers remains a restricted activity requiring a Cannabis Act license.

**Recommendation:** Rescind the restriction on hemp cultivators' ability to sell the whole hemp plant – including hemp flowers, leaves, and branches – to buyers that do not possess an Industrial Hemp Regulations licence or Cannabis Act licence.

**Recommendation:** Maintain Cannabis Act licensing requirements for the extraction of concentrated phytocannabinoids from hemp flowers. Extraction processes create crude extract (intermediate product) containing concentrated cannabinoids that can be further refined and/or diluted for use as an ingredient in cannabis tinctures or as an ingredient in natural and non-prescription health products. Sale of dried hemp flowers for the purpose of making hemp tea (infusing hemp flowers with water without subsequent concentration) should not be considered an extraction process and therefore be explicitly excluded from any cannabis licensing requirements or controls.

e. **Reporting Certain Information**

The Canadian hemp reporting requirements are largely based on Article 23 (National Opium Agencies) of the 1961 Single Convention on Narcotic Drugs (C61).

- i. Canada is not compliant with its international agreements regarding the requirement for hemp cultivators to provide information to Health Canada on: ownership; land tenure and/or landlord approval; production locations; and cultivars used as hemp cultivation licensing is not required by the 1961 Single Convention on Narcotic Drugs (C61, Article 28 and INCB Policy Brief 110/2023).

When applying for a hemp cultivation license, applicants are required to provide information about their:

1. Individual Identity – name, age, mailing address, responsible persons, cultivation site(s), non-cultivation site(s), cultivation site ownership details, record keeping site, and, consent to communicate;

2. Corporate Identity – name, incorporation number, proof of corporation, administrative authority, telephone number, email address, business address, business mailing address, list of officers and directors, applicant mailing address, responsible person(s), cultivation activities, non-cultivation site(s), cultivation site(s), ownership details, record keeping site, and, consent to communicate
3. Intended Scope of Activities – cultivation, sale, importation, exportation, cleaning, preparing (conditioning), rendering non-viable, production of derivatives (including starting material, method of production, and end product), part of industrial hemp plant applicable to each type of activity.

**Recommendation:** Rescind all reporting requirements related to industrial hemp licensing and permitting to: sell industrial hemp; import or export seed or grain; cultivate industrial hemp; possess seed or grain for the purposes of cleaning it; to possess grain for the purpose of processing it; and, to obtain seed by preparing it.

- ii. Within 30 days of seeding, each licensed hemp cultivator must submit a Notification of Cultivation. This report must include: hemp varieties seeded; : total area of cultivation in hectares; . GPS coordinates of the cultivation sites; proof of land ownership or landowner consent; and, .whether it is for seed, grain, fibre, or plant breeding/propagation. Use of the data input platform is cumbersome and becomes extremely time consuming when a cultivator plants multiple cultivars at multiple locations.

Canada is not compliant with its international agreements regarding the requirement for hemp cultivators to provide information to Health Canada on: ownership; land tenure and/or landlord approval; production locations; and cultivars used as hemp cultivation licensing is not required by the 1961 Single Convention on Narcotic Drugs (C61, Article 28 and INCB Policy Brief 110/2023)..

It is estimated that a hemp cultivator will allocate approximately 10 hours preparing and submitting their Notice of Cultivation. The Federation of Independent Business estimates that the fully loaded cost of complying with regulatory requirements costs up to \$125/hour. The estimated annual cost of preparing and submitting Notifications of Cultivation is \$125/hours x 10 hours/license holder x 541 hemp cultivation license holders = \$676,250. This cost is not incurred when cultivating other field crops in Canada. This cost is an economic disincentive to cultivate hemp in Canada.

**Recommendation:** Rescind the requirement for hemp cultivators to prepare or submit Notifications of Cultivation.

- iii. Upon completion of export or import shipments, license holders must file a report with all details of the completed transaction, including dates, volumes, delivery address, and transportation provider.

It is estimated that a buyer or seller will allocate approximately 5 hours preparing that submitting each export/import completion report. The Federation of Independent Business estimates that the fully loaded cost of complying with regulatory requirements costs up to \$125/hour. The estimated cost of applying for obtaining, amending, and reporting on hemp export and import permits is

\$125/hour x 5 hours/license holder x 100 hemp import/export permits/year = \$62,500. This cost is not incurred when exporting or importing other field crops in Canada. This cost is an economic disincentive to export or import hemp from/to Canada.

**Recommendation:** Rescind the requirement for hemp license holders to prepare or submit export or import completion reports.

2. **What are the most important control measures to ensure industrial hemp is distinguishable from cannabis, and to prevent the illegal cultivation and diversion of cannabis?**

The current methods used by Health Canada to identify locations where compliance investigations may be completed are: random inspections at locations indicated in Notifications of Cultivation; and public complaints.

Random inspections at locations indicated in Notifications of Cultivation reflects a self-selecting bias on the assumption that legal hemp cultivators file NOCs and illegal hemp cultivators do not file NOCs. This method will rarely allow Health Canada to prevent the illegal cultivation and diversion of cannabis.

Public complaints are rarely of high value in identifying non-compliant “hemp” cultivation. While public complaints should always be acted upon, they are expected to yield few confirmations of illegal activity.

Illegally grown cannabis is rarely grown in broadacre farming operations with large scale and highly mechanized equipment due to security and visibility vulnerabilities. Illegally-grown cannabis is instead typically grown in outdoor non-pollinated orchard -style production systems or indoor non-pollinated horticulture systems. Other typical hallmarks of legal hemp production is the lack of any security, motion cameras, perimeter barriers. Identifying unprotected broadacre pollinated production is a first step in confirming that hemp is hemp and not cannabis being misrepresented as hemp.

Legally-grown hemp produced in outdoor non-pollinated orchard -style production systems or indoor non-pollinated horticulture systems is more difficult to differentiate from illegally grown hemp or cannabis produced in outdoor non-pollinated orchard -style production systems or indoor non-pollinated horticulture systems. The lack of any security, motion cameras or, perimeter barriers is a good first step in confirming that hemp is hemp and not cannabis being misrepresented as hemp.

Blue Tag Washing has been a previously identified method of moving illegally produced cannabis flowers or illegally imported non-compliant hemp flowers into the legal cannabis extraction market. This method involves: A licensed hemp cultivator purchasing certified seed of an LOAC-compliant cultivar (and thereby receiving Blue Tag documentation); Employing the services of a licensed to offer illegal marijuana or hemp flowers for sale by attaching the cooperating hemp cultivator’s certified seed Blue Tag to the offer; and, Delivering illegal of product to a licensed cannabis processor (typically with claimed CBD levels much higher than what is possible when using legal hemp).

The primary methods for to ensure industrial hemp is distinguishable from cannabis, and to prevent the illegal cultivation and diversion of cannabis is for Health Canada to:

- a. Maintain the requirement that all hemp grown in Canada must be propagated from LOAC-compliant certified seed or LOAC-compliant tissue culture clones/seedlings. This is a strategic advantage of the Canadian hemp industry by ensuring that all genetic material: is fit for purpose; will reliably produce plants with legal THC concentrations at maturity; and represents a known genetic base from which to confirm legality;
- b. Establish a genome library of all LOAC-compliant hemp cultivars and require licensed cannabis processors to test each lot of hemp flower material to ensure that the claimed cultivar (Blue Tag) is the actual cultivar (genome testing results);
- c. Publish both regulated maximum THC concentrations (1.0%) and compliance trigger levels (1.5%) to clearly demarcate a level of THC concentration above which a plant is automatically deemed to be cannabis (not hemp);
- d. Conduct research on hemp and cannabis plant populations to confirm the range of THC, CBD, CBG, and CBN concentrations produced in hemp and cannabis to clearly demarcate THC, CBD, CBG, and CBN concentrations above which a plant is automatically deemed to be cannabis (not hemp);
- e. Require licensed cannabis processors to report any lot of hemp flowers being offered for sale that claim to have THC, CBD, CBG, or CBN levels above established norms.

Where a lot does not pass a genome confirmation test or contains higher than possible legal CBD levels, the licensed hemp processor would be required to hold the lot in question and inform Health Canada. Health Canada would then be able to initiate a compliance investigation with the hemp biomass broker and licensed hemp cultivator.

Should Health Canada wish to access a reliable database of legal hemp producers, an agreement can be made with Hemp Canada Chanvre to share contact information of all levy-paying hemp producers in Canada.

Should Health Canada wish to access detailed information on legal hemp producers and cultivars are grown, an agreement can be made with the Canadian Seed Growers' Association and its members to share contact information of all certified hempseed buyers in Canada.

### **3. What changes would you suggest to streamline the IHR?**

The United National Trade and Development (UNCTAD) studied the global hemp industry in 2024, and found that hemp was generally regulated under C61 guidelines and that drug regulators were generally given the regulatory responsibility for hemp. UNCTAD identified that drug regulators (in addition to drug regulation) had become an impediment to growth and development of the global hemp industry:

*A regulatory framework allowing for the exploitation of all parts of the plant would facilitate the implementation of industrial strategies in order to optimize product diversification and increase the resilience of farmers and processors. Such strategies could adopt a whole-plant approach.*

*Countries wishing to promote an industrial hemp sector need to consider the reform of existing regulations, to facilitate the exploitation of all parts of the plant. The removal of legislative barriers to industrial hemp cultivation may increase production by farmers. For example, the common practice of having*

*entities related to the control of narcotic drugs issue licences for growing industrial hemp should be reconsidered.*

Drug regulators generally do not carry an economic mandate, leading to a reduction of any mandate designed to encourage the growth and development of the hemp industry. The cultural elements of a drug regulatory also reduce the potential for open and engaged communication and cooperation between industry and the regulator.

In the European Commission, the agricultural and cultivation aspects of hemp have generally falls under the Directorate-General for Agriculture and Rural Development (DG AGRI). Health and safety policy generally falls under the Directorate-Genera Sante and the European Food Safety Authority.

There is Canadian precedent is allocating specific agri-food functions to multiple departments, based on choice, culture, and capacity.

The Canadian meat industries are excellent cases in point:

- a. industry development policy and program services are delivered by Agriculture and Agri-Food Canada (AAFC);
- b. Inspection and compliance services are delivered by the Canadian Food Inspection Agency;
- c. Information services are delivered by AAFC and Statistics Canada; and,
- d. Veterinary drug registration services are delivered by Health Canada's Veterinary Drugs Directorate.

**Recommendation:** The Canadian hemp industry requires the following allocation of federal services:

- a. Industry development policy and program services delivered by Agriculture and Agri-Food Canada (AAFC);
- b. Food safety inspection and compliance services delivered by the Canadian Food Inspection;
- c. Variety registration administered by the Canadian Food Inspection and delivered by the Canadian Seed Growers' Association (enhanced Form 300);
- d. Information services delivered by AAFC and Statistics Canada;
- e. Pesticide registration services delivered by Health Canada's Pesticides Regulatory Directorate; and,
- f. Food safety policies administered by Health Canada's Health Products and Food Branch.

Health Canada's Controlled Substances and Cannabis Branch would no longer have a direct roll in the oversight or delivery of hemp-industry policies or programs.

**a. What requirements would you eliminate or reduce, and why?**

The Canadian hemp regulatory system is largely based on Article 23 (National Opium Agencies) of the 1961 Single Convention on Narcotic Drugs (C61). Canada is not compliant with its international agreements the regulation of hemp is exempt from drug controls (C61, Article 28 and INCB Policy Brief 110/2023).

The United National Trade and Development (UNCTAD) studied the global hemp industry in 2024, and found that hemp was generally regulated under C61 guidelines and that drug regulators were generally given the regulatory responsibility for hemp.

UNTAD identified that drug regulators (in addition to drug regulation) had become an impediment to growth and development of the global hemp industry:

*A regulatory framework allowing for the exploitation of all parts of the plant would facilitate the implementation of industrial strategies in order to optimize product diversification and increase the resilience of farmers and processors. Such strategies could adopt a whole-plant approach.*

*Countries wishing to promote an industrial hemp sector need to consider the reform of existing regulations, to facilitate the exploitation of all parts of the plant. The removal of legislative barriers to industrial hemp cultivation may increase production by farmers. For example, the common practice of having entities related to the control of narcotic drugs issue licences for growing industrial hemp should be reconsidered.*

The following recommended reduction or elimination of hemp regulatory requirements are consistent with: Canada's current international obligations; global expectations for hemp regulators; Canada's legal framework; and the needs of Canada's hemp industry.

**Recommendation:** Amend the Cannabis Act definitions of cannabis plant and cannabis as follows:

1. **Cannabis Plant**, n – Any plant of the genus Cannabis in which the concentration of total available delta-9-THC at physiological maturity is more than 1.0% w/w in the flowers and leaves of the inflorescence.
2. **Cannabis**, n – The inflorescence of the cannabis plant (excluding the seeds and leaves when not accompanied by the flowers) from which the resin has not been extracted, by whatever name they may be designated.

**Recommendation:** Add Cannabis Act and amend Industrial Hemp Regulations definitions of hemp plant and hemp as follows:

1. **Industrial Hemp Plant**, n – Any plant of the genus Cannabis in which the concentration of total available delta-9-THC at physiological maturity is no more than 1.0% w/w in the flowers and leaves of the inflorescence. Note: Industrial Hemp is synonymous with Hemp.
2. **Industrial Hemp**, n – Any part of the hemp plant, including any product derived from such a plant that does not contain a concentrated or isolated phytocannabinoid. Note: Industrial Hemp is synonymous with Industrial Hemp Product.

**Recommendation:** Rescind all industrial hemp licensing and permitting to:

1. sell industrial hemp;
2. import or export seed or grain;
3. cultivate industrial hemp;
4. possess seed or grain for the purposes of cleaning it;
5. to possess grain for the purpose of processing it; and,
6. to obtain seed by preparing it.

**Recommendation:** Rescind all reporting requirements related to industrial hemp licensing and permitting to:

1. sell industrial hemp;
2. import or export seed or grain (completion reports);

3. cultivate industrial hemp (notification of cultivation);
4. possess seed or grain for the purposes of cleaning it;
5. possess grain for the purpose of processing it; and,
6. obtain seed by preparing it.

**Recommendation:** Allow the export of genetic material (experimental viable industrial hempseed, industrial hemp plants, and tissue culture clones/seedlings) used exclusively for research (plant breeding) without naming, LOAC registration, THC testing COAs, or export permits.

**Recommendation:** Allow the import of genetic material (experimental viable industrial hempseed, industrial hemp plants, and tissue culture clones/seedlings) used exclusively for research (plant breeding) without naming, or LOAC registration. THC testing COAs and import permits would still be required for hemp genetic materials not certified by AOSCA or an OECD Seed Scheme as meeting Canadian regulatory requirements.

**Recommendation:** Amend THC concentration and testing guidelines as follows:

1. Establish the maximum THC concentration in the flowers and leaves of industrial hemp inflorescence at 1.0%;
2. Establish the compliance trigger level for THC concentration in the flowers and leaves of industrial hemp inflorescence at 1.5%;
3. Establish the maximum THC concentration in the flowers and leaves of genetic material used by licensed seed breeders operating under the Seeds Act and Seeds Regulations at 2.0%;
4. Maintain THC testing requirements for industrial hemp plants grown in breeding programs at the research, breeder seed, select seed, foundation seed, registered seed, and, certified levels;
5. Rescind THC concentration guidelines, regulated maximum concentration limits, and testing requirements for industrial hemp plants produced outside of breeding programs from LOAC-compliant certified seed and all processed industrial hemp products.

**Recommendation:** Maintain Cannabis Act licensing requirements for the extraction of concentrated phytocannabinoids from industrial hemp flowers. Extraction processes create crude extract (intermediate product) containing concentrated cannabinoids that can be further refined and diluted for use as an ingredient in cannabis tinctures or as an ingredient in natural and non-prescription health products. Sale of dried industrial hemp flowers for the purpose of making hemp tea (infusing hemp flowers with water without subsequent concentration) should not be considered an extraction process and therefore be explicitly excluded from any cannabis licensing requirements.

**Recommendation:** Realign the provision of federal government services to the Canadian industrial hemp industry as follows:

1. industry development policy and program services delivered by Agriculture and Agri-Food Canada (AAFC);
2. food safety inspection and compliance services delivered by the Canadian Food Inspection;
3. information services delivered by AAFC and Statistics Canada;
4. pesticide registration services delivered by Health Canada's Pesticides Regulatory Directorate; and,

5. food safety policies administered by Health Canada's Health Products and Food Branch.

**Recommendation:** Transfer the responsibility and management of the List of Approved Cultivars from Health Canada to the Canadian Seed Growers Association. Cultivar approval will be completed using an augmented Variety Recognition Process (Form 300); adding stabilized THC concentration levels in the flowers and leaves of the inflorescence of industrial hemp plants propagated from certified seed or tissue culture clones/seedlings to the existing criteria. Health Canada will no longer be involved in the recognition or registration of LOAC-compliant industrial hempseed.

**Recommendation:** Amend Schedule 2 of the Cannabis Act as follows:

1. Industrial hemp plant
2. Industrial hemp
3. A non-viable seed of a cannabis plant
4. A mature stalk of a cannabis plant, without any leaf, flower, seed or branch, of such a plant
5. Fibre derived from a stalk referred to in item 4
6. The root or any part of the root of the cannabis plant
7. A derivative made by processing parts of the cannabis plant referred to in items 3, 5 or 6, or a product made from that derivative
8. A derivative made by processing a stalk referred to in item 4, or a product made from that derivative, that does not contain a concentrated or isolated phytocannabinoid.

The above amendments have the intended effect of:

1. Rescinding the restriction on industrial hemp cultivators' ability to sell industrial hemp flowers, leaves, and branches to buyers that do not possess an Industrial Hemp Regulations licence or Cannabis Act licence;
2. Exempting all industrial hemp-derived products that do not contain a concentrated or isolated cannabinoid; and,
3. Confirming that Cannabis Act controls continue to apply to concentrated or isolated phytocannabinoids obtained as a byproduct of the extraction process on industrial hemp flowers and leaves of the inflorescence.

**b. How would you decrease the administrative burden for industrial hemp licence holders?**

The Canadian industrial hemp regulatory system is largely based on Article 23 (National Opium Agencies) of the 1961 Single Convention on Narcotic Drugs (C61). Canada is not compliant with its international agreements the regulation of industrial hemp is exempt from drug controls (C61, Article 28 and INCB Policy Brief 110/2023).

The United National Trade and Development (UNCTAD) studied the global industrial hemp industry in 2024, and found that industrial hemp was generally regulated under C61 guidelines and that drug regulators were generally given the regulatory responsibility for industrial hemp. UNCTAD identified that drug regulators (in addition to drug regulation) had become an impediment to growth and development of the global industrial hemp industry:

*A regulatory framework allowing for the exploitation of all parts of the plant would facilitate the implementation of industrial strategies in order to optimize product diversification and increase the resilience of farmers and processors. Such strategies could adopt a whole-plant approach.*

*Countries wishing to promote an industrial hemp sector need to consider the reform of existing regulations, to facilitate the exploitation of all parts of the plant. The removal of legislative barriers to industrial hemp cultivation may increase production by farmers. For example, the common practice of having entities related to the control of narcotic drugs issue licences for growing industrial hemp should be reconsidered.*

Industrial hemp is an agri-food industry in Canada. Industrial hemp is grown primarily as a broadacre field crop with a small proportion grown as an outdoor orchard-style crop. Its products include industrial hempseed, industrial hemp stalk and branches, industrial hemp roots, industrial hemp leaves, and industrial hemp flowers; all of which are agri-food products. Processed industrial hemp products include industrial hemp food, industrial hemp livestock ingredients, industrial hemp fibre, industrial hemp health and wellness products, building materials, insulating materials, absorbent materials, and other processed products derived from the industrial hemp plant; none of which contain concentrated or isolated phytocannabinoids.

The industrial hemp industry's single bridge to the cannabis industry is the extraction of phytocannabinoids (concentrated phytocannabinoids/crude extract) from cannabinoid extraction biomass (hemp flowers and leaves of the inflorescence). As the extraction of phytocannabinoids from industrial hemp flowers is and will remain regulated under the Cannabis Act, the industrial hemp industry, including industrial hemp plants and industrial hemp products, remains an agri-food industry.

**Recommendation:** Reallocate the following services administered and delivered by the Government of Canada:

1. Industry development policy and program services delivered by Agriculture and Agri-Food Canada (AAFC);
2. Food safety inspection and compliance services delivered by the Canadian Food Inspection;
3. Information services delivered by AAFC and Statistics Canada;
4. Pesticide registration services delivered by Health Canada's Pesticides Regulatory Directorate;
5. Food safety policies administered by Health Canada's Health Products and Food Branch; and,
6. Variety registration administered by the Canadian Food Inspection and delivered by the Canadian Seed Growers' Association (enhanced Form 300).

The above reallocation of responsibilities requires amendments to sections of the Industrial Hemp Regulations

**Recommendation:** Amend the following sections of the Industrial Hemp Regulations:

- i. Interpretation – Rescind the following definitions:
  1. Export permit
  2. Form
  3. Grain

4. Import permit
5. Licence
6. Partnership
7. Seed
8. Determination of THC concentration
- ii. Interpretation – Add the following definition:
  1. Industrial Hemp Plant, n – Any plant of the genus Cannabis in which the concentration of total available delta-9-THC at physiological maturity is no more than 1.0% w/w in the flowers and leaves of the inflorescence
- iii. Interpretation – Amend the following definition:
  1. Industrial Hemp, n – Any part of the industrial hemp plant, including any product derived from the industrial hemp plant that does not contain concentrated or isolated phytocannabinoids. Note: The term industrial hemp is synonymous with hemp.
- iv. License – Rescind
- v. Import Permit – Rescind
- vi. Export Permit – Rescind
- vii. Importation
  1. 18 Accompanying document – Rescind
  2. 19 Provision of copy of import permit – Rescind
  3. 20 Information and documents – Rescind
  4. 21 Disclosure of information – Rescind
- viii. Exportation – Rescind
- ix. Possession of grain for processing – Rescind
- x. Cultivation and Propagation
  1. 26(1) Seed of pedigreed status of approved cultivar – Amend – a cultivator must sow only seed of pedigree status that is of an approved cultivar
  2. 26(2) Authorized variety or germplasm – Amend - A plant breeder must cultivate or propagate only varieties of industrial hemp that are approved for research by the Canadian Seed Grower’s Association.
  3. 27 Notification – Rescind
- xi. Declaration – Rescind
- xii. Sale – flowering heads, leaves and branches – Rescind
- xiii. 29(1) Testing – Amend – A seed breeder must, for the purpose of determining the concentration of THC in the flowering heads and leaves (a) have a representative sample of the flowering heads and leaves collected and dried; and (b) have a portion of the representative sample tested at a competent laboratory using validated test methods.
- xiv. 30 Maintenance of equipment – Rescind
- xv. General Provisions – Rescind
- xvi. Documents – Rescind

In addition to the costs associated with obtaining and reporting on cultivation licences and export/import permits, all other industrial hemp licence holders incur licensing application and maintenance costs. It is estimated industrial hemp processors, transporters, cleaners, conditioners, and marketers will allocate approximately 10 hours/year obtaining, amending, and otherwise maintaining their IHR licences. The Federation of Independent Business estimates that the fully loaded cost of complying with regulatory requirements costs up to \$125/hour. The estimated cost of obtaining,

amending, and otherwise maintaining their IHR licences is \$125/hour x 10 hours/license holder x 83 non-cultivator licence holders = \$103,750. This cost is not incurred providing similar services other field crops in Canada, and therefore makes industrial hemp less competitive to export or import than other field crops. This cost is an economic disincentive to provide services to the Canadian industrial hemp industry. In addition to the economic disincentive, potential industrial hemp stakeholders may not enter the industry due to the perception of elevated risk by having to comply with drug-style regulations managed by Health Canada.

By implementing the above recommended reduction and elimination of industrial hemp regulation requirements (Question 3e.), the administrative burden on the Canadian industrial hemp industry would be significantly reduced:

1. The administrative burden of complying with industrial hemp licencing and permitting would be eliminated. This is estimated to save the industry approximately \$807,000/year. The savings to the government of Canada would be far greater.
  2. The administrative burden of providing information within the industrial hemp licencing system would be eliminated. This is estimated to save the industry approximately \$676,250/year. The savings to the government of Canada would be far greater.;
  3. The administrative burden associated with obtaining and reporting requirements of industrial hemp export and import permits would be eliminated. This is estimated to save the industry approximately \$312,500/year. The savings to the government of Canada would be far greater; and,
  4. The removal of the above licencing and permitting requirements would also eliminate the higher perceived “drug risks” associated with the industrial hemp industry and its products; which has been identified as a major barrier to market entry, consumer acceptance, and export development. While the financial cost of industrial hemp’s elevated risk perception (reduced customer purchases, reduced consumer demand, and reduced market access) has not been estimated, the cost is believed to be far greater than the industrial hemp industry’s \$1,796,000/year direct costs associated with industrial hemp licensing and permitting.
4. **Would you modify the current definition of industrial hemp and, if so, how and why?**
- a. Maximum THC Concentration
- Dr. Earnest Small has stated the following:
- i. the 0.3% criterion for THC content in the inflorescence of the plant, which I originated in 1976 on strictly taxonomic considerations, is a hindrance to the industry today when it is considered as a criterion for “safely” growing hemp on the basis of abuse potential;
  - ii. The 0.3% criterion, when considered as a criterion for drug abuse potential is extremely conservative, and therefore has been useful for much of the world which adopted the criterion in limiting the possibility of drug abuse insofar as cannabis is concerned;

- iii. The “abuse” potential (i.e. ability to provoke a state of intoxication) in practical terms requires a concentration of approximately 1% THC (strictly, THC + the acidic form, THCA) in herbal material. This is not the only applicable safety consideration, but it is the predominant practical issue. As you are aware, the 0.3% THC criterion is often demanding for breeders to achieve;
- iv. [A 1% concentration] would also produce cultivars with other desirable characteristics;
- v. I believe that a 1% THC criterion would be more appropriate today is that society and society’s evaluation of the abuse potential of cannabis have changed greatly. Cannabis (i.e. high-THC material) is legal today for adults in Canada and is widely available, so the need to regulate low-THC material (such as plants with 1% or less THC) has been dramatically reduced;
- vi. Re-examination of the 0.3% criterion has to do with how opium poppy (*Papaver somniferum*) plants are regulated. Opium poppy – a true ‘narcotic’ pharmacologically unlike marijuana and the world’s most significant drug of abuse – has far more abuse potential than marijuana, but a similar percentage content of chemicals (opioids) as a prohibition criterion has never been instituted; and,
- vii. These considerations constitute why I have come to the opinion that 1% THC would be a more suitable criterion for Canadian legislation.

Increasing the regulated maximum level to 1.0% is consistent with other jurisdictions (e.g. Switzerland, Australia, and Argentina) where the higher THC concentration has not introduced human or animal risks. Further, the industry believes that higher concentration cultivars will primarily be developed for broadacre fibre production (allowing profitable fibre:flower co-harvest) and orchard-style flower production (allowing for economically viable cannabinoid extraction biomass). Based on the Australian experience and Canadian food/processor intentions, It is unlikely that higher-concentration cultivars will be used for producing hempseed, as increased resin levels in flowers (and consequently on hempseed) complicate harvest, cleaning, conditioning, and food/feed processing processes by gumming up equipment without producing any marketable advantages.

It should also be noted that other jurisdictions have increased their regulated maximum THC concentrations (e.g. European Union from .02% to 0.3%), or are considering increasing their regulated maximum THC concentrations (e.g. the United States from 0.3% to 1.0%).

Increasing the regulated maximum total available delta-9-THC concentrations industrial hemp plant flowers and leaves of the inflorescence from 0.3% to 1.0% will maintain global competitiveness for the Canadian industrial hemp industry.

**Recommendation:** The Canadian industrial hemp industry is requesting that the regulated maximum concentration of total available delta-9-THC in the flowers and leaves of the industrial hemp plant be increased from 0.3% to 1.0%.

b. Definitions

- i. The Industrial Hemp Regulations (2) inferred definition of industrial hemp plant is:  
**A plant that belongs to the genus Cannabis (plante de cannabis) in which the concentration of THC is 0.3% w/w or less in the flowering heads and leaves.**

- ii. The Industrial Hemp Regulations (2) definition of industrial hemp is:  
**A cannabis plant — or any part of that plant — in which the concentration of THC is 0.3% w/w or less in the flowering heads and leaves.**

The Industrial Hemp Regulations (3) further state that  
**The determination of the THC concentration must take into account the potential to convert delta-9-tetrahydrocannabinolic acid into THC.**

- iii. The Cannabis Act (2026-03) definition of cannabis plant is:  
**A plant that belongs to the genus Cannabis. (plante de cannabis)**
- iv. The Cannabis Act (2026-03) definition of cannabis is:  
**A cannabis plant and anything referred to in Schedule 1 but does not include anything referred to in Schedule 2. (cannabis).**

Schedule 1 (Cannabis Act Regulated)

1. Any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, other than a part of the plant referred to in Schedule 2
2. Any substance or mixture of substances that contains or has on it any part of such a plant
3. Any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained

Schedule 2 (Cannabis Act Exempt)

1. A non-viable seed of a cannabis plant
  2. A mature stalk, without any leaf, flower, seed or branch, of such a plant
  3. Fibre derived from a stalk referred to in item 2
  4. The root or any part of the root of such a plant
  5. A derivative made by processing parts of such a plant referred to in items 1, 3 or 4, or a product made from that derivative
  6. A derivative made by processing a stalk referred to in item 2, or a product made from that derivative, that does not contain an isolated or concentrated phytocannabinoid
- ii. The definition of Industrial Hemp Plant by the Federation of International Hemp Organizations:  
**A cannabis sativa L. plant — or any part of that plant — in which the concentration of total available delta-9-THC is no more than 1.0% w/w in the flowers and leaves of the inflorescence.**
  - iii. The definition of Cannabis Plant in the 1961 Single Convention on Narcotic Drugs is:  
**Any plant of the genus Cannabis.**
  - iv. The definition of Cannabis in the 1961 Single Convention on Narcotic Drugs is:  
**The flowering or fruiting tops of the cannabis plant (excluding the seeds and leaves when not accompanied by the tops) from which the resin has not been extracted, by whatever name they may be designated.**
  - v. The inferred definition of Industrial Hemp Plant in the 1961 Single Convention on Narcotic Drugs is:

**A cannabis plant exclusively for industrial purposes (fibre and seed) or horticultural purposes.**

- vi. The inferred definition of Industrial Hemp Plant by the International Narcotics Control Board is:

**A cannabis plant with low THC content.**

The definition of Cannabis Plant, Cannabis, Industrial Hemp Plant, and Industrial Hemp require updated definitions to be internally consistent and to be compliant with international agreements and norms.

**Recommendation:** Adopt the following definitions within the Cannabis Act and Industrial Hemp Regulations:

**Cannabis Plant**, n – Any plant of the genus Cannabis in which the concentration of total available delta-9-THC at physiological maturity is more than 1.0% w/w in the flowers and leaves of the inflorescence.

**Cannabis**, n – The inflorescence of the cannabis plant (excluding the seeds and leaves when not accompanied by the flowers) from which the resin has not been extracted, by whatever name they may be designated.

**Industrial Hemp Plant**, n – Any plant of the genus Cannabis in which the concentration of total available delta-9-THC at physiological maturity is no more than 1.0% w/w in the flowers and leaves of the inflorescence.

**Industrial Hemp**, n – Any part of the industrial hemp plant, including any product derived from the industrial hemp plant that does not contain concentrated or isolated phytocannabinoids.

**Recommendation:** Amend Schedule 2 of the Cannabis Act as follows:

7. The industrial hemp plant
8. Industrial hemp
9. A non-viable seed of a cannabis plant
10. A mature stalk of a cannabis plant, without any leaf, flower, seed or branch, of such a plant
11. Fibre derived from a stalk referred to in item 4
12. The root or any part of the root of such a plant
13. A derivative made by processing parts of such a plant referred to in items 3, 5 or 6, or a product made from that derivative
14. A derivative made by processing a stalk referred to in item 4, or a product made from that derivative, that does not contain an isolated or concentrated phytocannabinoid

**5. What changes would you suggest to streamline the management of the LOAC?**

The CHTA is working with both the Canadian Seed Growers' Association and Health Canada to address issues arising from the demand for new industrial hemp cultivars that produce higher levels of CBD and other cannabinoids. The industry is supportive of streamlining the cultivar registration process to facilitate the continued arrival and development of these new genetics. The industry is concerned that all new registered industrial hemp genetics are stable and will reliably produce industrial hemp with THC levels less than the regulated

maximum level in the flowers and leaves of the inflorescence. We are addressing the challenge of balancing innovation and growth with maintaining a stable genetic basis for our industry with industry leaders and government regulators.

Industrial hemp breeders face significant burdens under Health Canada's regulatory framework mainly due to the unpredictability and delays associated with key approval processes. Breeding programs operate on strict seasonal timelines, requiring the timely movement of germplasm across international borders and the evaluation of new varieties. However, inconsistent processing times for import and export permits delay the acquisition of breeding material and restrict opportunities for international collaboration. There are delays and uncertainty regarding the registration of new varieties on the List of Approved Cultivars, this creates challenges for commercialization and long-term breeding investment. When breeders cannot reliably predict when permits will be issued or when a cultivar will be approved, they face increased costs, missed growing seasons, and reduced global competitiveness relative to breeders in jurisdictions with more efficient and predictable regulatory systems. Inefficient regulation ultimately hinders innovation and slows the development of improved hemp varieties for Canadian producers. Having two deadlines per year to submit applications for variety registration onto the LOAC also creates a burden.

The requirement to show your variety is below the total THC threshold is the only difference between a LOAC application than a CSGA variety eligibility certificate, this should not create a significant delay in the amount of time it takes to process an application and report results. HC insists on putting out an announcement with the LOAC, then delays the results. The reality is that there are few new varieties being added onto the LOAC and they can quietly update the list as they are approved. Delays have resulted in newly approved cultivars not being commercially available in the current-year seeding season.

In comparison to Health Canada, requirements for import/export permits, phytosanitary certificates and variety eligibility certificates from CFIA and CSGA are predictable, received quickly and have local agents that can be contacted easily.

The Canadian industrial hemp industry strongly endorses the continued requirement that industrial hemp, propagated by seed, must be: produced from pedigreed seed of at least certified status; from cultivars registered on the List of Approved Cultivars (LOAC); and, purchased from a member of the Canadian Seed Growers Association. It is important to the Canadian industrial hemp industry that we build on integrity of Canada's industrial hemp genetics sector while introducing regulatory agility.

6. Within the LOAC system, there are a number of suggested improvements:

**Recommendation:** Verified field data only from geographic regions from outside of Canada with similar growing conditions to Canada (e.g. latitude, elevation, temperature, humidity, and soil type) be accepted;

**Recommendation:** Add the date of registration, cultivar type (i.e. seed bearing or non seed bearing), and provide a hype-link to the seed breeder or seed company that provided original registration data and ongoing compliance data for that cultivar to Health Canada (responsible party).

**Recommendation:** Remove cultivars from the LOAC if Health Canada or the Canadian Seed Growers Association does not possess current information on the cultivar ownership or Canadian cultivar maintainer.

**Recommendation:** Maintain maximum THC levels (1% w/w in the flowers and leaves of the inflorescence) for industrial hemp plants produced for commercial sale in Canada;

**Recommendation:** Maintain current THC testing requirements within the hemp breeding program;

**Recommendation:** Maintain the requirement for genetic stability for all cultivars seeking registration on the LOAC (i.e. confirmed identity, purity, and “true to type” agronomic performance such as consistent plant height);

**Recommendation:** Document Health Canada monitoring, compliance and enforcement activities and interventions;

**Recommendation:** Approve new market opportunities in the face of international competition, and new breeding technologies and processes such as clonal (tissue culture) propagation, feminized seed and production systems, hybrid seed, and DNA genotyping (i.e. predictive THC expression);

**Recommendation:** Approve industrial hemp cultivars based only on the research methodology used to generate registration data. For example, do not allow cultivars registered with outdoor-grown pollinated test data (grain and fibre cultivars) to be cultivated in non-pollinated and/or indoor production systems. Cultivating such cultivars in a non-pollinated system (i.e. is outside of the registration methodology) – resulting in the plants producing more THC than the regulated limit – should be considered non-compliance of the cultivator and not the cultivar.

**Recommendation:** Add cultivars to the LOAC within 8 weeks of complete applications being submitted;

**Recommendation:** Review and revise THC testing requirements for hybrid and feminized cultivars to ensure that THC concentrations in the flowering heads and leaves during commercial production remain below the regulated level;

**Recommendation:** Additional transparency and engagement is required during the LOAC review/approval process. As an example of transparency and engagement in genetic development, the Prairie Grain Development Committee process - covering wheat, rye, triticale, oat, barley, pulse and special crops, and oilseeds – allows farmers, seed companies, and marketers to jointly review new candidate varieties prior to registration. The industrial hemp industry requires similar engagement that allows more transparency that protects farmers, their crops and markets, and the health of Canadians. We do not support Health Canada’s current “black box” approach to accrediting and approving industrial hemp cultivars. To partially address this issue, the CHTA previously requested membership on the LOAC Interdepartmental Working Group prior to restructuring;

**Recommendation:** The Canadian Seed Growers’ Association (CSGA) provides Variety Recognition for Seed Crop Certification (Form 300) data to the Interdepartmental Working Group charged with managing the LOAC registration process. The only additional data required by the Interdepartmental Working group is confirmation of stabilized THC concentration levels in the flowers and leaves of the inflorescence of industrial hemp plants propagated from certified seed. The additional THC data point can be added to create an augmented Form 300 process for the certification of LOAC -compliant industrial hempseed; and,

**Recommendation:** CSGA is committed to transparency of its processes and responsiveness to stakeholders. As a result of requests from soybean stakeholders, the Association is making public the list of CSGA-Recognized soybean varieties for seed crop certification. Other CSGA-Recognized varieties of other crop kinds, including industrial hemp, will be added in the near future.

The Canadian hemp industry believes that the current LOAC management systems needs to be replaced.

**Recommendation:** Transfer the responsibility and management of the List of Approved Cultivars from Health Canada to the Canadian Seed Growers Association. Cultivar approval will be completed using an augmented Variety Recognition Process (Form 300); adding stabilized THC concentration levels in the flowers and leaves of the inflorescence of industrial hemp plants propagated from certified seed or tissue culture clones/seedlings to the existing criteria. Health Canada will no longer be involved in the recognition or registration of LOAC-compliant industrial hempseed.

7. **Are there public health or public safety harms related to reducing the regulatory burden?**

There are no public health or public safety harms related to reducing the regulatory burden as described above.

## **United Nations Perspectives and Agreements on Global Hemp Regulation**

### **UN Commission on Narcotic Drugs**

The Canadian hemp industry encourages the Government of Canada to align regulations with its international agreements; particularly the 1961 Single Convention on Narcotic Drugs (C61). This convention informs global regulation opium, cocaine, cannabis, and synthetic drugs. Article 28 exempts cannabis (hemp) from drug controls.

#### **1961 Single Convention on Narcotic Drugs**

##### **Article 1**

##### **CANNABIS DEFINITIONS**

*“Cannabis” means the flowering or fruiting tops of the cannabis plant (excluding the seeds and leaves when not accompanied by the tops) from which the resin has not been extracted, by whatever name they may be designated.*

#### **1961 Single Convention on Narcotic Drugs**

##### **Article 23**

##### **NATIONAL OPIUM AGENCIES**

1. A Party that permits the cultivation of the opium poppy for the production of opium shall establish, if it has not already done so, and maintain, one or more government agencies (hereafter in this article referred to as the Agency) to carry out the functions required under this article.
2. Each such Party shall apply the following provisions to the cultivation of the opium poppy for the production of opium and to opium:
  - a. The Agency shall designate the areas in which, and the plots of land on which, cultivation of the opium poppy for the purpose of producing opium shall be permitted.
  - b. Only cultivators licensed by the Agency shall be authorized to engage in such cultivation.
  - c. Each licence shall specify the extent of the land on which the cultivation is permitted.
  - d. All cultivators of the opium poppy shall be required to deliver their total crops of opium to the Agency. The Agency shall purchase and take physical possession of such crops as soon as possible, but not later than four months after the end of the harvest.
  - e. The Agency shall, in respect of opium, have the exclusive right of importing, exporting, wholesale trading and maintaining stocks other than those held by manufacturers of opium alkaloids, medicinal opium or opium preparations. Parties need not extend this exclusive right to medicinal opium and opium preparations.
3. The governmental functions referred to in paragraph 2 shall be discharged by a single government agency if the constitution of the Party concerned permits it.

## 1961 Single Convention on Narcotic Drugs

### Article 28

#### CONTROL OF CANNABIS

1. *If a Party permits the cultivation of the cannabis plant for the production of cannabis or cannabis resin, it shall apply thereto the system of controls as provided in article 23 respecting the control of the opium poppy.*
2. ***This Convention shall not apply to the cultivation of the cannabis plant exclusively for industrial purposes (fibre and seed) or horticultural purposes.***
3. *The Parties shall adopt such measures as may be necessary to prevent the misuse of, and illicit traffic in, the leaves [flowers] of the cannabis plant.*

Health Canada is not compliant with C61 Article 28.2 by not exempting industrial hemp (INCB Clarification, 2024) from drug controls associated with the opium poppy (Article 23):

1. Party that permits the cultivation of the opium poppy for the production of opium shall establish, if it has not already done so, and maintain, one or more government agencies (hereafter in this article referred to as the Agency) to carry out the functions required under this article;
2. Each such Party shall apply the following provisions to the cultivation of the opium poppy for the production of opium and to opium:
  - a. The Agency shall designate the areas in which, and the plots of land on which, cultivation of the opium poppy for the purpose of producing opium shall be permitted.
  - b. Only cultivators licensed by the Agency shall be authorized to engage in such cultivation.
  - c. Each licence shall specify the extent of the land on which the cultivation is permitted.
  - d. All cultivators of the opium poppy shall be required to deliver their total crops of opium to the Agency. The Agency shall purchase and take physical possession of such crops as soon as possible, but not later than four months after the end of the harvest.
  - e. The Agency shall, in respect of opium, have the exclusive right of importing, exporting, wholesale trading and maintaining stocks other than those held by manufacturers of opium alkaloids, medicinal opium or opium preparations. Parties need not extend this exclusive right to medicinal opium and opium preparations.
3. The governmental functions referred to in paragraph 2 shall be discharged by a single government agency if the constitution of the Party concerned permits it.

The UN Commission on Narcotic Drugs reviewed C61 cannabis controls from 2017-2018, leading up to the 2020 classification of cannabis and cannabis resin under [Schedule III](#) (Preparations containing narcotic drugs that are intended for medical use and are unlikely to be abused).

#### **Expert Committee on Drug Dependence**

The UN Expert Committee on Narcotic Drugs (ECDD) completed several risk assessments on tetrahydrocannabinol (CBD), extracts and tinctures of cannabis, cannabis and cannabis resin, and tetrahydrocannabinol (THC) in 2017-2018. The ECDD found that 6 isomers of THC have the potential to intoxicate, addict, and habituate when consumed above certain levels and represent a modest risk to human health and safety.

The ECDD found that CBD does not have the potential to intoxicate, addict, and habituate; is not toxic; is well tolerated up to high daily doses (e.g. 10-20 mg/kg body weight); and had therapeutic potential for a wide range of human health conditions.

The ECDD recommended that a footnote be added to Schedule I of the 1961 Single Convention on Narcotic Drugs to read:

*Preparations containing predominantly cannabidiol and not more than 0.2 per cent [2,000 ppm] of delta-9-tetrahydrocannabinol are not under international control.*

While the recommended footnote was not approved by the Commission on Narcotic Drugs, the Canadian official representative voted in favour of the addition.

### **United Nations Trade and Development**

The United National Trade and Development (UNCTAD) studied the global hemp industry in xxx, and found that hemp was regulated under C61 guidelines and that drug regulators were generally given the regulatory responsibility for hemp. UNTAD identified that drug regulators (in addition to drug regulation) had become an impediment to growth and development of the global hemp industry:

#### **Industrial hemp: An old crop in a new era Policy Brief 110 (June 2023)**

*A regulatory framework allowing for the exploitation of all parts of the plant would facilitate the implementation of industrial strategies in order to optimize product diversification and increase the resilience of farmers and processors. Such strategies could adopt a whole-plant approach.*

*Countries wishing to promote an industrial hemp sector need to consider the reform of existing regulations, to facilitate the exploitation of all parts of the plant. The removal of legislative barriers to industrial hemp cultivation may increase production by farmers. For example, the common practice of having entities related to the control of narcotic drugs issue licences for growing industrial hemp should be reconsidered.*

### **International Narcotics Control Board**

The continued inappropriate application of drug regulation to industrial hemp was identified as problematic by the International Narcotics Control Board. It appears that INCB identified the core constraint as regulators not exempting hemp as use was not “exclusively” for industrial (fibre and seed) or horticultural purposes. Regulators generally applied drug controls to the entire hemp industry, as hemp flowers and leaves of the inflorescence could be processed for the extraction of cannabinoids. INCB clarified the appropriate C61 interpretation as follows;

#### **International Narcotics Control Board Policy Brief 110/2023 Circular Letter E/INCB/NAR/CL20/2024**

*The system of control of cannabis set out in article 28, as provided in article 23, of the Single Convention does not apply to the cultivation of cannabis plant exclusively for industrial purposes (fibre and seed) or horticultural purposes. However, the specification of fibre and seed in the Single Convention can be seen*

*as an example. Therefore, the cultivation of cannabis plant with low THC content (**commonly referred to as 'hemp'**) for the extraction of cannabinoids that are not internationally controlled can be considered as industrial cultivation. Countries are required to ensure that any internationally controlled cannabinoids obtained as a byproduct of the extraction process need to be controlled and reported in accordance with the requirements of the conventions."*

It is time for Canada to:

1. Comply with Article 28.2 of 1961 Single Convention on Narcotic Drugs;
2. Implement the 2024 INCB guidance (Policy Brief 110/2023) and rescind all drug regulation of the hemp plant and all hemp products that do not contain concentrated or isolated phytocannabinoids; and,
3. Reflect the UNTAD regulatory recommendations to migrate regulatory oversight from Health Canada (drug regulator) to Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, and Statistics Canada.

Additional amendments to the Cannabis Act and Industrial Hemp Regulations are required to both reduce red tape and remove constraints to growth and development of the Canadian hemp industry.

## **Health Canada's Amendments to Regulations Concerning Cannabis (and Hemp)**

This current consultation builds on the Health Canada's amendments to Certain Regulations Concerning Cannabis (and Hemp) in 2025. In turn, both the Cannabis Act, Industrial Hemp Regulations, and Cannabis Exemption (Food and Drugs Act) Regulations were amended. CHTA's analysis of amendments affecting hemp include:

### **What Changed**

1. Testing industrial hempseed derivatives (e.g. dehulled hempseed, hempseed hulls, hempseed fines, hempseed oil, hempseed meal, hemp protein concentrates, and hemp protein isolate) is no longer required;
2. THC labelling of industrial hempseed derivatives for wholesale sale is no longer required;
3. Imported and exported industrial hemp derivatives no longer have zero/trace cannabinoid requirements;
4. Derivatives of viable industrial hempseed, non-viable (devitalized) industrial hempseed and roots can be imported and exported without a licence;
5. Importers and exporters are no longer required to designate ports of entry/exit on viable hempseed import/export permit applications;
6. Derivatives made from the processing of Cannabis Act Schedule 2 plant parts (devitalized hempseed, roots and mature stalks without any leaf, flower, seed or branch), or products made from those derivatives are also exempt from the application of the Act;
7. Persons are permitted to make derivatives from Schedule 2 plant parts without a licence;
8. Once [viable] hempseed is processed, such as through seed oil extraction or grinding, it typically becomes non-viable and is therefore excluded from the definition of cannabis and from requirements under the Act;
9. Processing technologies [including extraction] can be used without a licence under the Act on hemp roots and devitalized hempseed, for all purposes;
10. Mature stripped hemp stalks may be processed without an industrial hemp licence provided there is no concentration or isolation of phytocannabinoids;
11. Industrial hempseed derivatives ( e.g. dehulled hempseed, hempseed hulls, hempseed fines, hempseed oil, hempseed meal, hemp protein concentrates, and hemp protein isolate) that do not contain concentrated or isolated cannabinoids are defined separately from cannabis in the Cannabis Exemption (Food and Drugs Act) Regulations and can therefore be used as natural and non-prescription health product (i.e. cosmetics and supplements) and veterinary health product ingredients without "cannabis" restrictions or cannabinoid (THC or non-THC) concentration limits;
12. Food, supplements, and cosmetics containing hempseed derivatives (that do not contain concentrated or isolated cannabinoids) will be regulated under the Food and Drugs Act, and will no longer be differentiated as cannabis for ingredient reviews, in processing guidelines, or on labels]; and,
13. Industrial Hemp Regulations licence holders can sell hemp pollen to all Industrial Hemp Regulations licence holders and Cannabis Act licence holders.

### **What Did Not Change**

1. Possession, sale, or processing of viable industrial hemp seeds or grain will continue to require an industrial hemp licence;
2. Young hemp stalks can not be processed without an Industrial Hemp Licence;
3. Mature hemp stalks with branches and/or leaves can not be processed without an Industrial Hemp Licence;
4. Licensed hemp cultivators are only allowed to sell flowers to Industrial Hemp Regulation license holders and Cannabis Act license holders (e.g. processors that extract cannabinoids); and,
5. Tinctures and other products containing low concentrations of concentrated or isolated cannabinoids can not be exported, or imported without a Cannabis Act Licence, or sold domestically outside regulated retail or medical cannabis markets.

Additional amendments to the Cannabis Act and Industrial Hemp Regulations are required to both reduce red tape and remove constraints to growth and development of the Canadian hemp industry.

### **Required Regulatory Clarifications**

CHTA has prepared several regulatory clarifications that do not require amendments to the Cannabis Act or Industrial Hemp Regulations. The clarifications are required due to Health Canada's restrictive interpretation of the Cannabis Act and Industrial Hemp Regulations, including: zero tolerance for non-THC cannabinoids in primary and processed hemp products; application of Prescriptions Drug Regulations regarding use of CBD in natural health products for humans (NHPs) and animals (VHPs); and restrictions on advanced processing technologies – including but not limited to extraction technologies – on primary and processed hemp products. The effect of these Health Canada regulatory interpretations have included: increased risk in carrying out normal hemp processing and sales activities (many of which predated the Cannabis Act); reduced capital investment in the Canadian hemp industry; reduced hemp seeded hectares; and related constraints to industry growth.

The following regulatory clarifications are required:

1. Confirm that the only hemp processing activity requiring Cannabis Act licensing and controls is the extraction of concentrated or isolated cannabinoids from hemp extraction biomass or chaff (i.e. flowers and leaves contained within the inflorescence);
2. Confirm that: there are no Cannabis Act or Industrial Hemp Regulations maximum concentrations for naturally-occurring non-THC cannabinoids in any primary or processed hemp product for use as food, food ingredients, livestock feed ingredients, and natural health product ingredients for humans (NHPs)

and animals (VHPs); such products are not subject to Prescription Drug Act controls; such products can be mixed with other active or inactive ingredients; and, natural non-THC cannabinoids in primary and processed hemp products are not considered to be contaminants;

3. Confirm that the only current regulatory restrictions on the processing, import/export, and wholesale sale of primary hemp products are:
  - a. Viable LOAC-compliant certified hempseed – for sowing and other than for sowing – can only be bought or sold, transported, cleaned, prepared, or processed in the domestic market by industrial hemp license holders;
  - b. Viable LOAC-compliant certified hempseed – for sowing and other than for sowing – can only be exported or imported: by industrial hemp license holders; and, requires Health Canada import/export permits;
  - c. Viable hempseed of cultivars not registered on the List of Approved Cultivars (non-LOAC hempseed) – for sowing and other than for sowing – can only be exported or imported: by industrial hemp license holders with a seed breeder relationship; and, require Health Canada import/export permits;
  - d. Industrial hemp cultivation license holders can only sell fresh, dried, or conditioned hemp extraction biomass or hemp chaff (i.e. hemp flowers and leaves of the inflorescence) to Industrial Hemp Regulations licence holders or Cannabis Act licence holders; and,
  - e. The only Cannabis Act or Industrial Hemp Regulations restriction on the use of extraction technologies is that only licensed cannabis processors can extract concentrated phytocannabinoids from hemp flowers and leaves of the inflorescence

#### Additional Regulatory Priorities

The Canadian hemp industry have identified a number of other priorities actions for the Government of Canada. Addressing the following priorities will remove obstacles to growth.

1. Ensure that LOAC cultivars remain free from genetically engineered (GE) or genetically modified (GM) material until such time that domestic and international market risks have been adequately quantified and mitigated;
2. Implement a modified process to register all potential hempseed-based feed ingredient:livestock class combinations without requiring additional: content analyses (i.e. nutrient, anti-nutrient, cannabinoid, heavy metal, and microbial); toxicology analyses; livestock efficacy and safety feeding trials; or, cannabinoid residue analyses in livestock tissues (i.e. meat, fat, kidney, liver, milk, and

eggs). The existing data on hempseed and hempseed derivatives, and hempseed screenings have demonstrated that these products represent high-quality and safe livestock feed ingredients for all livestock classes, including at least: young ruminants; fed ruminants; pregnant and lactating ruminants; mature ruminants; piglets; feeder pigs; guilts; lactating sows; mature sows and boars; chicks; broilers; laying hens; mature hens and roosters; and all species of farmed fish). The current process is: too complex, slow, and expensive while providing no significant additional animal safety, worker safety, or consumer safety;

3. Facilitate Canadian government procurement of sustainable hemp-derived products (i.e. paper and building products) as they become commercially available and can reduce the Government of Canada's carbon footprint;
4. Health Canada to engage the Canadian Bankers Association and Insurance Institute of Canada to clearly delineate Canadian hemp and Canadian Cannabis and remove domestic and export banking and insurance restrictions for licensed hemp cultivators (farmers) and processors. Confusion in the banking and insurance sector emerged after implementation of the Cannabis Act without clearly delineating the differences between Hemp and Cannabis (marijuana); and,
5. Advocate to the World Health Organization Commission on Narcotic Drugs (CND) and all CND member nations to remove hemp flowers and leaves of the inflorescence (Hemp Extraction Biomass and Hemp Chaff) and low-THC ( $\leq$  2,000 ppm THC) hemp-derived extracts and tinctures from the 1961 UN Single Convention on Narcotic Drugs (C61) and 1971 UN Single Convention on Psychotropic Substances (C71). Should that not be possible in the next review, then seek to reschedule the same products in C61 (move from Schedule I to Schedule III) and C71 (move from Schedule II to Schedule IV).

## **CHTA Recommended Amendments to the Cannabis Act**

CHTA recommends the following regulatory priorities for consideration:

### 1. Delivery of national services

The United Nations Conference on Trade and Development (UNCTAD) released the [Industrial Hemp: An old crop in a modern era \(Policy Brief 110\)](#) recommended that the “...common practice of having entities related to the control of narcotic drugs issue licences for growing industrial hemp should be reconsidered;”

The Canadian industrial hemp industry recommends delivery of national services as follows:

- a. industry development policy and program services delivered by Agriculture and Agri-Food Canada (AAFC);
- b. food safety inspection and compliance services delivered by the Canadian Food Inspection;
- c. variety registration administered by the Canadian Food Inspection and delivered by the Canadian Seed Growers’ Association (enhanced Form 300);
- d. information services delivered by AAFC and Statistics Canada;
- e. pesticide registration services delivered by Health Canada’s Pesticides Regulatory Directorate; and,
- f. food safety policies administered by Health Canada’s Health Products and Food Branch.

Health Canada’s Controlled Substances and Cannabis Branch would no longer have a direct roll in the oversight or delivery of hemp-industry policies or programs

2. Transfer LOAC registration responsibility from Health Canada’s Interdepartmental Working Group on Industrial Hemp Cultivars to the Canadian Seed Growers Association (Form 300 + THC data). This move will allow for increased industry participation and enhanced transparency.
3. Maintain the requirement for propagation by hemp cultivators to plant LOAC-compliant certified seed and tissue culture (clones and seedlings);
4. Add the ability for propagation by hemp cultivators to grow and plant LOAC-compliant certified tissue culture clones and seedlings;
5. Amend the definition of industrial hemp plant to:

Any plant of the genus Cannabis in which the concentration of total available delta-9-THC at physiological maturity is no more than 1.0% w/w in the flowers and leaves of the inflorescence.

Increasing the THC content is consistent with other global regulatory approaches (i.e. 1% in Switzerland, Czech Republic and Australia, and 0.6% in Italy) and do not represent a risk to

human or animal health. The recommended daily consumption of hemp foods – even derived from industrial hemp plants at the new higher THC limits - would result in extremely low THC exposure:

Product	THC Concentration			Product Consumption		THC Mg/Day
	µg/gram	PPM	%	Gr/Serving	Servings/Day	
Protein Concentrates	10	10	0.00100	30	2	0.60
Dehulled Hempseed	15	15	0.00150	30	2	0.90
Hempseed Oil	20	20	0.00200	15	2	0.60
Protein Bar	15	15	0.00150	50	2	1.50
Chocolate/Candy	25	25	0.00250	9	2	0.45
Beverage	2	2	0.00020	350	2	1.40
Tinctures	750	750	0.07500	1	2	1.50
gram/µg	1,000,000					

6. Define Industrial Hemp, Cannabis Plant, and Cannabis as:
  - a. Industrial Hemp, n – Any part of the industrial hemp plant plant, including any product derived from the industrial hemp plant that does not contain a concentrated or isolated phytocannabinoid.
  - b. Cannabis Plant, n – Any plant of the genus Cannabis in which the concentration of total available delta-9-THC at physiological maturity is more than 1.0% w/w in the flowers and leaves of the inflorescence.
  - c. Cannabis, n – The inflorescence of the cannabis plant (excluding the seeds and leaves when not accompanied by the flowers) from which the resin has not been extracted, by whatever name they may be designated.
  
7. Amend Schedule 2 of the Cannabis Act
  - a. The hemp plant
  - b. Hemp products
  - c. A non-viable seed of a cannabis plant
  - d. A mature stalk, without any leaf, flower, seed or branch, of such a plant
  - e. Fibre derived from a stalk referred to in item 2
  - f. The root or any part of the root of such a plant
  - g. A derivative made by processing parts of such a plant referred to in items 1, 3 or 4, or a product made from that derivative
  - h. A derivative made by processing a stalk referred to in item 2, or a product made from that derivative, that does not contain an isolated or concentrated phytocann.
  
8. Replace all [Limits of Quantification \(LOQs\) for Pesticides](#) in fresh and dried hemp flowers and leaves of the inflorescence (i.e. hemp extraction biomass and hemp chaff) with Maximum Residue Levels (MRLs). MRLs associated with approved products should be adopted as published under the Minor Use program. For pesticides where Minor Use has not been licensed, [MRLs should be adopted that are consistent for pesticides that are licensed for similar products](#) (i.e. mustard greens, rape leaves, and hops). As an example, the Health Canada LOQ for Boscalid in dried Cannabis (including hemp) is 0.02 ppm while the MRL for Boscalid in Hops is 35 ppm. In cases where no MRLs are otherwise available, a

default MRL should be adopted. This will halt the current “detection = rejection” challenge for outdoor grown hemp extraction biomass and hemp chaff.

9. Remove regulations that limit the ability of hemp cultivators (farmers) to sell fresh, dried, or conditioned hemp flowers and leaves of the inflorescence (i.e. hemp extraction biomass and hemp chaff) in the domestic market (without supplementary licenses or permits) and outside of CA controls to consumers, retailers (i.e. health food stores, pharmacies, and supermarkets) and NHP Site License Holders for direct consumption or as an ingredient in low-THC tinctures and extracts ( $\leq 2,000$  ppm THC), natural health products ( $\leq 20$  ppm THC) for humans (NHPs) and animals (VHPs), herbal products ( $\leq 20$  ppm THC), and supplemented foods ( $\leq 2$  mg/day THC);
10. Amend all hemp-related CA and IHR terminology to match Canadian industry and ASTM International terminology;
11. Open a regulatory pathway for licensed cannabis processors (LPs) to sell hemp-derived cannabinoid extracts, tinctures, concentrates, and isolates with THC concentrations of no more than 2,000 ppm (0.2%) to NHP Site License Holders for use as ingredients in non-prescription health products for humans (NHPs) and animals (VHPs), herbal products (including teas), and supplemented foods. (Note: This is lower than the 3,000 ppm limit in the USA);
12. Open a regulatory pathway to allow the manufacture, distribution, and sale of non-prescription health products for humans (NHPs) and animals (VHPs) and herbal products (including tea) containing hemp-derived cannabinoid extracts, tinctures, concentrates, and isolates, and with THC concentrations in the final products of no more than 2,000 ppm, outside of the domestic medical cannabis market and provincial/territorial/indigenous (P/T/I) regulated (adult use) retail markets (i.e. direct consumer, pharmacies, health food stores, and supermarkets);
13. Open a regulatory pathway to allow the manufacture, distribution, and sale of foods supplemented with cannabinoid extracts, tinctures, concentrates, or isolates, and maximum THC dosages of no more than 0.75 mg/day, outside of the domestic medical cannabis market and P/T/I regulated (adult use) retail markets (i.e. direct consumer, pharmacies, health food stores, and supermarkets);
14. Open a regulatory pathway and negotiate trade protocols to allow LPs and NHP Site License Holders to export the following hemp-derived products to international markets that allow imports of such products outside of research or medical marijuana programs:
  - a. Cannabinoid extracts, tinctures, concentrates, and isolates with THC concentrations of no more than 2,000 ppm; and,
  - b. Natural health products for humans (NHPs) and animals (VHPs) with THC concentrations of no more than 2,000 ppm; and Herbal products, and supplemented foods with maximum THC daily dosages of no more than 2 mg;
15. Open a regulatory pathway to allow licensed hemp cultivators (farmers) to export fresh, dried, or conditioned hemp flowers and leaves of the inflorescence (i.e. hemp extraction biomass, hemp chaff and hemp flowers) without supplementary licenses or permits to international markets that allow imports of such products within or outside of research or medical marijuana programs;

16. To halt the the “hemp seed tag washing” of illegally imported or produced cannabinoid extraction biomass sold to licensed cannabis processors (LPs), Health Canada must develop an LOAC Cultivar genetic marker verification database and require LPs to test all outdoor grown cannabis, and fresh, dried or conditioned hemp flowers and leaves of the inflorescence (i.e. hemp extraction biomass or hemp chaff) against the genetic marker verification database to ensure that the purchased biomass was derived from the declared LOAC cultivar. Any non-matched lots must automatically result in: detention of the lot; and, a Health Canada compliance investigation;

June 18, 2021

**Dr. Ernest Small, Senior Research Scientist, Agriculture and Agri-Food Canada**  
**Statement on the Regulated Maximum of THC in Industrial Hemp Inflorescence**

The Canadian Hemp Trade Association is the leading organization in advancing the hemp industry in Canada, and I will attempt to respond to your specific inquiries in detail, as you have requested.

With the COVID situation, it seems like a century ago that I presented the lecture you mentioned on cannabis in Vancouver in 2018. I did indeed, as I have in other lectures, mention my viewpoint that the 0.3% criterion for THC content in the inflorescence of the plant, which I originated in 1976 on strictly taxonomic considerations, is a hindrance to the industry today when it is considered as a criterion for “safely” growing hemp on the basis of abuse potential. As I noted, the 0.3% criterion, when considered as a criterion for drug abuse potential is extremely conservative, and therefore has been useful for much of the world which adopted the criterion in limiting the possibility of drug abuse insofar as cannabis is concerned.

As I also noted, it is extremely difficult to get this criterion (or the even more conservative European criterion of 0.2%) changed because of lingering concern about drug abuse potential of cannabis, and the extremely conservative nature of those involved in drug legislation. I have in fact drawn my concerns to the attention of Health Canada in recent years, while participating in an advisory capacity, but the topic was not considered to merit action. Changing legislation, as has been drawn to my attention, can be a major exercise, especially when there are possibly associated international legislations, so one can understand reluctance to do so. But we both also understand that the current restrictions are handicapping the Canadian hemp industry.

It is well established that the “abuse” potential (i.e. ability to provoke a state of intoxication) in practical terms requires a concentration of approximately 1% THC (strictly, THC + the acidic form, THCA) in herbal material. This is not the only applicable safety consideration, but it is the predominant practical issue. As you are aware, the 0.3% THC criterion is often demanding for breeders to achieve and also produce cultivars with other desirable characteristics. These considerations constitute one reason why I have come to the opinion that 1% THC would be a more suitable criterion for Canadian legislation.

The second reason that I believe that a 1% THC criterion would be more appropriate today is that society and society’s evaluation of the abuse potential of cannabis have changed greatly. Cannabis (i.e. high-THC material) is legal today for adults in Canada and is widely available, so the need to regulate low-THC material (such as plants with 1% or less THC) has been dramatically reduced.

A third reason for re-examination of the 0.3% criterion has to do with how opium poppy (*Papaver somniferum*) plants are regulated. Opium poppy – a true ‘narcotic’ pharmacologically unlike marijuana and the world’s most significant drug of abuse – has far more abuse potential than marijuana, but a similar percentage content of chemicals (opioids) as a prohibition criterion has never been instituted. Indeed, ornamental opium poppy plants are widely grown and marketed without legal constraints throughout Canada, although they may have substantial content of opioids, and the same is true in much of the world. I have noted this in my publications. I have also drawn this situation to the attention of legislators and regulators over the years, who have chosen to simply ignore the inconsistency of treating a less dangerous plant (marijuana) much more harshly than a significantly more dangerous plant (opium poppy).

## **Canadian Industry and ASTM International Terminology**

### 1. Synonyms

- a. Industrial Hemp = Hemp; and,
- b. Hemp Stalk = Hemp straw

### 2. New Terminology

- a. Hemp seed => Hempseed;
- b. Hemp grain => Devitalized hempseed;
- c. Flowering tops => Hemp inflorescence;
- d. Derivative => Processed hempseed (including but not limited to):
  - i. Hempseed fines;
  - ii. Toasted hempseed;
  - iii. Hempseed hulls;
  - iv. Dehulled hempseed;
  - v. Hempseed oil;
  - vi. Refined hempseed oil;
  - vii. Hempseed meal;
  - viii. Hemp protein, including:
    - 1. high fibre hemp protein;
    - 2. hemp protein concentrate;
    - 3. refined hemp protein concentrate; and,
    - 4. hemp protein isolate;
  - ix. Hempseed screenings; and,
- e. Hemp straw;
- f. Hemp fibre
  - i. Hemp bast;
  - ii. Hemp hurd;
  - iii. Hemp fibre screenings;
  - iv. Hemp fibre dust;
  - v. Hemp fibre trash;
- g. Hemp chaff;
- h. Hemp chaff screenings;
- i. Hemp extraction biomass;
- j. Hemp extraction biomass screenings;
- k. Residual hemp paste; and,
- l. Post-extraction hemp mash;