

NSW Hemp Industry Development Plan



Introduction



Hemp (low tetrahydro-cannabinol (THC) *Cannabis sativa* L.) is an emerging industry in Australia – one that is projected to grow.

Research from AgriFutures Australia¹ points to the Australian hemp industry, under the right circumstances, feasibly becoming a

\$100 million-dollar industry by 2032.

The NSW hemp industry is already an Australian leader in hemp cultivation and production with the largest area under cultivation of all states and territories for the last three years. Current and potential growers are supported by an effective policy and regulatory framework to guide and support their investments.

There are, however, key opportunities to focus efforts to meet NSW industry needs, including:

- Collaborative research, development and extension activities that increase crop productivity, attract new entrants to the industry and secure consistent market supply².
- Exploring flexible or co-operative models for hemp processing infrastructure, including on-farm processing, regional hubs and colocation with other agricultural industries³.
- Increasing investment and consumer awareness of the hemp industry and identification of clear market pathways for hemp-based products produced in NSW⁴.

2024/25 NSW hemp industry snapshot



172 hemp industry licences
in NSW (at 30 June 2025)



244 hemp licensed facilities
across NSW (at 30 June 2025)



19,306 hectares approved harvest area in 2024/25



1088 hectares crop production
based on 2024/2025 annual production returns from licenses



22 new licence applications
were approved between 1 July 2024 and 30 June 2025



15 licenses renewed for a further 5 years
between 1 July 2024 and 30 June 2025

The Department of Primary Industries and Regional Development (DPIRD) will work with the NSW hemp industry to capitalise on this opportunity by outlining a pathway for growth through this NSW Hemp Industry Development Plan (the Plan).

This Plan outlines a vision and objectives to guide actions to support the growth of the NSW industry and contribute to achieving the goals set out in the [AgriFutures Australian Industrial Hemp Strategic RD&E Plan \(2022-2027\)](#) and the [NSW Hemp Industry Taskforce Report](#).

Given the emerging nature of the industry, it is critical that industry collaborates to deliver results for industry as a whole. Accordingly, the Plan has been informed by a range of sources including the [NSW Hemp Industry Taskforce Report](#), the AgriFutures [Australian Industrial Hemp Strategic RD&E Plan \(2022-2027\)](#), and reviews of the regulatory and policy frameworks supporting industrial hemp in other Australian jurisdictions.

Purpose

The NSW Hemp Industry Development Plan outlines a vision and objectives to focus on where government, industry and stakeholders can collaborate and focus to support the growth of a profitable, sustainable and innovative hemp industry in NSW.

Vision statement



Hemp is considered a mainstream crop and a sustainable source of products in the future low-carbon, circular economy of NSW.

This vision supports the aim of industry growing from an emerging to a mature industry that overcomes its constraints and realises its potential.

Industry development objectives



Four industry development objectives are proposed to provide strategic direction for actions that will capitalise on the key opportunities for growing the NSW industry.

Achieving these objectives will require industry leadership and collaboration, supported by a clear regulatory and policy framework and other stakeholders.

Industry Development Objectives	Benefit Statement for Industry
<p>Primary producers have access to information and support to confidently select hemp varieties suited to their production environment, supported by best practice crop production guides.</p>	<p>Yield gains will increase the volume and quality of supply into secure and higher-value market pathways.</p>
<p>Hemp processing and value adding infrastructure is accessible across production areas and considers community and place-based needs.</p>	<p>Increased processing capacity drives demand for hemp supply and the creation of local hemp economies supporting jobs across regional NSW.</p>
<p>Consumers have confidence in, and greater awareness of, hemp-based products that are supported by the development of product standards, quality assurance programs and evidence-based performance information.</p>	<p>There is increased market demand for NSW grown hemp and hemp-based products, with clear definition of market pathways and identification of their potential value in the transition to a low carbon, circular economy.</p>
<p>The NSW regulatory environment continues to support the hemp industry, balancing innovation and flexibility with community and stakeholder expectations.</p>	<p>NSW maintains a progressive regulatory approach to hemp, which supports individual licence holders and the wider industry to grow in reputation and scale.</p>

Actions for industry development

To progress delivery against the Plan it is critical that industry, stakeholders and government work collaboratively.

DPIRD will draw on its expertise to support the industry's development in a way that balances regulatory oversight and innovation, while meeting stakeholder expectations regarding the cultivation, production and supply of hemp into domestic and global markets.

The following actions will be the focus for DPIRD to work with industry:

Theme:

NSW regulation and policy frameworks



- We will proactively engage with stakeholders to progress industry development.
- To improve outcomes for the NSW hemp industry, we will consider options to amend the *Hemp Industry Act 2008* and the *Hemp Industry Regulation 2016*.
- We will enhance the administration and operation of the NSW licensing scheme.

Performance measures

Progress legislative amendments, starting with amendments to the *Hemp Industry Regulation 2016*.



Review and update licence and regulatory guidance material available on the NSW Government website.



Theme:

Research, development and extension priorities



- We will continue to work collaboratively with industry and other stakeholders to foster research and development partnerships.
- We will contribute to the development and provision of information and advice for NSW hemp businesses, particularly in relation to hemp cultivation and production, biosecurity planning, and business development and improvement.

Performance measures

Delivery of project management, research and extension activities under the Australian Industrial Hemp Program of Research, due in 2028.



Publish and maintain public facing data and reporting for low-THC hemp production in NSW.



Theme:

Market access and supply chain needs



- We will identify opportunities to increase private sector investment for, and access to, hemp processing and value adding infrastructure and further economic and development opportunities for the hemp industry in regional NSW.
- By undertaking a market opportunity assessment, we will attract investment in the NSW hemp industry and provide guidance for growers and businesses to make informed business decisions.
- Collaborating with communities and businesses, we will work to identify opportunities for sustainable hemp industry development, including empowering Aboriginal businesses to enter the industry.

Performance measures

Promotion of the competitive advantages for the hemp industry in NSW through release of an Investment Prospectus.



Theme:

National engagement



- We will engage with national regulators to identify opportunities to improve outcomes for hemp producers.
- Through collaboration with other state jurisdictions and the Australian government, we will work to foster consistency in hemp regulation nationally.

Performance measures

Continued participation in national forums to promote alignment and consistency between jurisdictions.



References

1. Agrifutures Australia. (2023), p37, [Prospects for Australian emerging industries](#)
2. Agrifutures Australia. (2022), [Australian Industrial Hemp Strategic RD&E Plan \(2022-2027\)](#)
3. Agrifutures Australia. (2024), p20, [New revenue opportunities for Agrifutures Australia's rural industries; NSW Hemp Industry Taskforce Report. \(2024\)](#)
4. Agrifutures Australia. (2022), [Australian Industrial Hemp Strategic RD&E Plan \(2022-2027\); NSW Hemp Industry Taskforce Report. \(2024\)](#)



Acknowledgment of Country

The Department of Primary Industries and Regional Development acknowledges that it stands on Country which always was and always will be Aboriginal land. We acknowledge the Traditional Custodians of the land and waters, and we show our respect for Elders past, present and emerging. We are committed to providing places in which Aboriginal people are included socially, culturally and economically through thoughtful and collaborative approaches to our work.

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www.dpird.nsw.gov.au

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