



Health Canada Santé Canada

**Industrial Hemp Licensing and Authorization  
Statistical Summary  
June 2001**

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Aussi disponible en français

**Office of Controlled Substances**  
**Report on Industrial Hemp Licences**  
**June 2001**

**PURPOSE:**

To report on licences issued for the commercial production of industrial hemp under the *Industrial Hemp Regulations (IHR)* and for research purposes under the *Narcotic Control Regulations (NCR)*.

**SCOPE:**

This report contains information on licences and authorizations issued under the *Controlled Drugs and Substances Act*, with particular reference to the *IHR* and the *NCR*, as of June 21, 2001. While the figures contained herein are accurate at the time of writing, licences and authorizations continue to be issued, as required, until the end of the calendar year.

As indicated in Section 5 of the *IHR*, licences are issued for specific activities including: importation, exportation, production, sale and provision of industrial hemp. A person who holds a licence to engage in an activity with respect to industrial hemp is permitted to possess, transport, send or deliver industrial hemp to the extent necessary to conduct the licensed activity. Authorizations are issued to persons who do not hold a licence and are restricted to possessing, transporting, sending, or delivering industrial hemp for specific purposes.

Data for the two licensing schemes, under the *IHR* and *NCR* respectively, are presented in Tables 1, 2, 3 and 4. Combined data, where comparable, are presented in Table 5.

**INFLUENCES ON LICENSING PROGRAM - 2001:**

Acreage and numbers of licences issued for cultivation remain low in comparison to 1999. Contributing factors which influenced production are believed to be:

1. The situation in the USA concerning products containing industrial hemp. On November 30, 2000 the U.S. Department of Justice published in its Unified Agenda for 2001 a notice by the Drug Enforcement Agency (DEA) of its intent to re-interpret rules affecting imports of certain hemp products that may contain trace amounts of organic tetrahydrocannabinols (THC). There is concern that the new interpretations might have a negative impact on Canada's domestic industrial hemp industry because the major market is in the United States.

2. Oversupply: Due to over production in previous years, an oversupply of fibre and grain prevails. This may be exacerbated by the lack of processing facilities in proximity to major production areas.

Tables 1, 2 and 3 provide information on licences and authorizations for commercial activities as of June 21, 2001.

**TABLE 1 - Commercial Application Information as of June 21, 2001**

LICENCE SUMMARY	TOTAL \$	BC	ALTA	SASK	MAN	ONT	QUE	NB	NS	PEI	YUK
<b>Number of Applicants *</b>	140	11	19	34	43	23	8	0	1	0	1
Number of Applicants issued licences	126	11	17	29	40	19	8	0	1	0	1
<b>Number of Applications ** submitted for review</b>	189	13	22	41	58	42	10	0	1	0	2
<b>Number of Licences issued ***</b>	176	13	20	36	55	39	10	0	1	0	2
Number of Applications under review	9	0	2	4	2	1	0	0	0	0	0
Number of Applications withdrawn	5	0	0	1	1	3	0	0	0	0	0

\* *Applicant* refers to a company, co-operative, partnership or individual submitting a request for a licence to engage in one or more activities at **one or more** licensed sites.

\*\* *Application* refers to a request for a licence to engage in one or more activities at **one** site (# of applications = # of sites).

\*\*\* *Licence Issued* refers to a licence to engage in one or more activities at one licensed site (# of licences = # of sites).

The number of applicants is less than the number of licences issued. A single applicant may request licences for multiple activities at multiple locations. Licences are issued to qualified applicants to perform specified activities at one site. A single licence number is issued for each location, even where multiple activities are approved for that site.

**TABLE 2 - Commercial Authorizations as of June 21, 2001**

<b>Authorizations</b>	<b>TOTALS</b>	<b>BC</b>	<b>ALTA</b>	<b>SASK</b>	<b>MAN</b>	<b>ONT</b>	<b>QUE</b>	<b>NB</b>	<b>NS</b>	<b>PEI</b>	<b>NFLD</b>
Authorizations requested	136	1	17	44	67	5	2	0	0	0	0
Authorizations issued:	128	1	15	42	65	4	1	0	0	0	0
for sampling	13	0	8	1	1	3	0	0	0	0	0
for analytical testing (other than THC)	7	0	3	1	0	3	0	0	0	0	0
for transportation only	0	0	0	0	0	0	0	0	0	0	0
for possession for other purposes	113	1	7	42	62	0	1	0	0	0	0
Authorizations refused	1	0	1	0	0	0	0	0	0	0	0
Authorizations withdrawn	7	0	1	2	2	1	1	0	0	0	0

**TABLE 3 - Commercial Activities as of June 21, 2001**

ACTIVITY/SCHEDULE	TOTALS	BC	ALTA	SASK	MAN	ONT	QUE	NB	NS	PEI	YUK
<b>Schedule 1</b> (Cultivation) submitted for review	94	9	10	18	26	25	4	0	0	0	2
Licences with cultivation activity granted	92	9	10	18	26	23	4	0	0	0	2
hectares requested	1335.9	96	113	392	471.8	229.1	30	0	0	0	4
hectares licensed	1315.9	96	113	392	471.8	209.1	30	0	0	0	4
<b>Schedule 2</b> (Import) submitted for review	4	0	0	1	0	2	1	0	0	0	0
Licences with import activity granted	3	0	0	1	0	2	0	0	0	0	0
<b>Schedule 3</b> (Export) submitted for review	24	2	3	4	9	4	2	0	0	0	0
Licences with export activity granted	24	2	3	4	9	4	2	0	0	0	0
<b>Schedule 4</b> (Processing) submitted for review	52	3	10	10	17	7	4	0	1	0	0
Licences with processing activity granted	51	3	10	10	16	7	4	0	1	0	0
<b>Schedule 5</b> (Distribution) submitted for review	55	5	5	11	21	9	3	0	0	0	1
Licences with distribution activity granted	54	5	5	10	21	9	3	0	0	0	1
<b>Schedule 7</b> (Plant Breeder) submitted for review	9	0	0	0	0	9	0	0	0	0	0
Licences with breeder activity granted	9	0	0	0	0	9	0	0	0	0	0
<b>Schedule 8</b> (Viability Testing) submitted for review	4	0	1	0	1	1	1	0	0	0	0
Viability testing lab licence granted	4	0	1	0	1	1	1	0	0	0	0

## RESEARCH LICENSES:

The *Narcotic Control Regulations* and related policies govern the requirements for research licences.

**TABLE 4 - Research Applications as of June 21, 2001**

LICENCE TYPES	TOTAL	BC	ALB	SASK	MAN	ONT	QUE	NB	NS	PEI	NFLD	YUK
Number of Applicants	23	2	7	4	1	7	0	1	1	0	0	0
Number of Applicants Issued Licences	21	1	7	4	1	6	0	1	1	0	0	0
Total licences requested (Same as sites)	39	2	8	5	3	18	0	1	2	0	0	0
Total licences issued (Same as sites)	37	1	8	5	3	17	0	1	2	0	0	0
Applications under review	2	1	0	0	0	1	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0	0	0	0	0	0	0
Cultivation licences requested	33	1	7	5	0	17	0	1	2	0	0	0
Cultivation licences issued	31	0	7	5	0	16	0	1	2	0	0	0
Hectares requested	42.72	.01	25.8	1.81	0	13.1	0	1	1	0	0	0
Hectares licensed	39.71	0	25.8	1.81	0	10.1	0	1	1	0	0	0

## COMBINED DATA:

The number of hectares listed, under both the Commercial and Research licensing schemes, are those approved at the time of licensing and may be greater than the number of hectares seeded. Delays due to commercial influences such as unavailability of seeds, licensing procedures, weather conditions, etc. may result in a decrease in the area seeded.

**TABLE 5 - Combined Data as of June 21, 2001**

<b>Total number of Applicants</b>	(1)	299
Total number of Applicants who received licences		275
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<b>Total Number of Applications (sites)</b>	(2)	364
Total Number of Licences Issued (sites)		341
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Cultivation licences requested (Cultivation sites)		133
Cultivation licences granted		129
Total number of hectares licensed for cultivation		1355.61
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<b>Number of Applications in active status (as of June 11)</b>	(3)	11
<b>Number of Applications in withdrawn status</b>	(4)	5
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<b>Number of Applicants refused licences</b>	(5)	2
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THC testing laboratory licences granted		12
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- (1) *Applicant* refers to a company, co-operative, partnership or individual requesting a licence for one or more activities at **one or more** licensed sites.
- (2) *Application* refers to a request for a licence to engage in one or more activities at **one** licensed site (# of applications = # of sites)
- (3) *Applications in active status* means there is on-going correspondence between the applicant and the Health Canada reviewers. This may include requests for additional information, or for written confirmation of withdrawal.
- (4) Applicant initiated a licence request, but withdrew the request.
- (5) The Industrial Hemp Program does not keep statistics on individual activities for which licensing is declined. Applicants may



receive a licence, but certain requested activities for which the applicant is not qualified may not be included.