



Guidance Document for the *Industrial Hemp Regulations*

APPLICATION FOR AN INDUSTRIAL HEMP LICENCE

Aussi disponible en français

This document has no official legal status. It is a reference document and appropriate official documents should be consulted.

This guidance document was written as a companion to the *Industrial Hemp Regulations* to provide guidance on meeting the regulatory requirements under these Regulations.

For further information regarding this document or the *Industrial Hemp Regulations*, please contact the Industrial Hemp Section, Licences and Permits Division, Office of Controlled Substances, Drug Strategy and Controlled Substances Programme, Healthy Environments and Consumer Safety Branch, Health Canada:

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1. PURPOSE

This document provides guidance on completing an application for a licence under the *Industrial Hemp Regulations* (IHR) to cultivate, import, export, process, sell, provide, test for viability, possess and/or produce a derivative or product of industrial hemp, as defined in section 1 of the IHR.

2. BACKGROUND

On March 12, 1998, the *Industrial Hemp Regulations* (IHR) came into effect, permitting growers in Canada to cultivate industrial hemp under licence. The Office of Controlled Substances (OCS) administers the regulatory approval process for the commercial production of industrial hemp. Activities related to the possession, production and sale or distribution of industrial hemp, including importation and exportation, require a licence. Licences must be obtained before starting any regulated activity. Submission of an application form does not constitute an authorization to commence an activity requiring a licence.

For the import and export of industrial hemp, import and export permits are also required to ensure that each shipment is in compliance with the Regulations. This requirement supports the audit trail and provides the Canada Border Services Agency with the information required to ensure that shipments entering or exiting Canada are not in contravention of the requirements of the *United Nations' Single Convention on Narcotic Drugs*.

3. SCOPE

Industrial Hemp: the plants and plant parts of the genera *Cannabis*, the leaves and flowering heads of which do not contain more than 0.3% THC w/w, and includes the derivatives of such plants and plant parts. It also includes the derivatives of non-viable cannabis seed. It does not include plant parts of the genera *Cannabis* that consist of non-viable cannabis seed, other than its derivatives, or of mature cannabis stalks that do not include leaves, flowers, seeds or branches, or of fibre derived from those stalks” (section 1 of the IHR);

Industrial hemp does not include any derivative of seed, viable grain or non-viable cannabis seed, or product made from that derivative, if the derivative or product contains no more than 10 mcg/g THC (tetrahydrocannabinol). In addition *The Industrial Hemp Regulations* do not apply to the following:

- the importation, exportation, sale or provision of whole industrial hemp plants, including sprouts, or the leaves, flowers or bracts of those plants;

- the importation, exportation, sale, provision or production of any derivative or product made from whole industrial hemp plants, including sprouts, or the leaves, flowers or bracts of those plants; or
- the importation, exportation, sale or provision of any derivative of seed, viable grain or non-viable cannabis seed, or product made from that derivative, if the derivative or product contains more than 10 µg/g THC.
- The above activities remain under the *Controlled Drugs and Substances Act. (CDSA)*

This document contains general information on the licensing requirements for the importation, exportation, possession, production, sale, provision, processing, and viability testing of industrial hemp. It states generally applicable principles and practices that are acceptable to the OCS and that facilitate compliance with the *Industrial Hemp Regulations (IHR)*.

This guide is not intended to replace the IHR. The IHR shall, under all circumstances, take precedence over these guidelines should any apparent confusion or inconsistencies arise.

3.1 Authorizations

Subsection 5(5) of the IHR stipulates that a person who does not hold a licence must hold an authorization, in order to possess, transport, send, or deliver industrial hemp, or offer to do so. For more information on authorizations, please consult the *Guidance Document for the Industrial Hemp Regulations - Application for a Commercial / Research Industrial Hemp Authorization*.

3.2 Research Licences

The IHR do not apply to research activities with industrial hemp, although some of the same principles may apply. Health Canada issues licences for approved research studies related to the cultivation of hemp for industrial purposes under the *Narcotic Control Regulations*. For more information on the research licensing process, please consult the *Guidance Document for the Industrial Hemp Regulations - Application for a Research Licence for the Cultivation of Industrial Hemp*.

4. GENERAL INFORMATION

Some activities with industrial hemp may also be regulated under regulations administered by other government departments such as CFIA. General information on these activities is included below.

The requirement for a person or company to be a registered establishment under *Part IV of the Seeds Regulations* for purposes of conditioning seed or importing seed under the *Industrial Hemp Regulations*, is explained below:

There are three types of establishment registrations under the *Seeds Regulations* as referred to in Section 96 and defined in Section 78 of those regulations:

1. Authorized Importer (AI)
 - "authorized importer" means an establishment that prepares imported seed and in respect of which a registration as an authorized importer is in force;
2. Approved Conditioner (AC)
 - "approved conditioner" means an establishment that prepares seed of pedigreed status and in respect of which a registration as an approved conditioner is in force;
3. Bulk Storage Facility (BSF)
 - "bulk storage facility" means an establishment that stores in bulk seed graded with a Canada pedigreed grade name and in respect of which a registration as a bulk storage facility is in force;

There is a requirement under the *Industrial Hemp Regulations* that a copy of the Certificate of Registration, issued under *Part IV* of the *Seeds Regulations* for the establishment at which the conditioning or seed preparation will take place, is submitted with applications to import or condition seed or viable grain. This requirement refers to the appropriate registration for the applicable activity.

Section 8(h)(ii)

- "if the application is for conditioning seed or viable grain, a copy of the Certificate of Registration issued under Part IV of the *Seeds Regulations* for the establishment at which the conditioning will take place;" and

Section 8(i))

- "in the case of an importer of seed or viable grain, a copy of the Certificate of Registration issued under Part IV of the *Seeds Regulations* for the establishment at which the imported seed or viable grain will be prepared, and the address of that establishment;"

Therefore, a person or company wishing to **condition** seed under sub-section 8(h)(ii) must be registered as an **Approved Conditioner**. Registration as an *Authorized Importer* or *Bulk Storage Facility* does not fulfill this requirement.

A person or company wishing to **import** seed under sub-section 8(i) must be registered as an **Authorized Importer**. Registration as an *Approved Conditioner* or *Bulk Storage Facility* does not fulfill this requirement.

In both cases, the operator must also have the applicable licence from the Canadian Food Inspection Agency (CFIA) covering operation of the registered establishment for the specified purpose.

If you wish to import seed and do not fulfill the prerequisite condition for registration as an *Authorized Importer*, or *Approved Conditioner* you may wish to contact your local inspection office for the Canadian Food Inspection Agency, or the Registrar, Registered Seed Establishments at (613) 225-2342 for guidance as to how you may become a Registered Establishment of the applicable kind, or you can make arrangements with a company that is an *Approved Conditioner* or *Authorized Importer* to have them apply for an Industrial Hemp Licence for the appropriate activity and handle this activity on your behalf.

5. APPLICATION FOR AN INDUSTRIAL HEMP LICENCE

In order to be eligible to hold a licence, the applicant must be an individual, who ordinarily resides in Canada, or if the applicant is a partnership, at least one of its partners ordinarily resides in Canada. If the applicant is a corporation or cooperative, it must have its head office in Canada or operate a branch office in Canada.

All applicants must complete sections 1, 3 and 8, of the *Application for an Industrial Hemp Licence*. All other sections that are applicable to the activities for which they are requesting a licence must also be completed.

If you have been licensed in a previous year please provide the file number previously assigned to you. Indicate if the application is being submitted on behalf of an individual, corporation, cooperative, or partnership.

Information for Corporations, Cooperatives and Partnerships

If the applicant is a corporation, cooperative or partnership, provide the registered name.

- a. A corporation or cooperative must supply a copy of its Certificate of Incorporation, and a copy of the document registering the name and style under which it operates, or intends to operate in the province in which it is registered.



- b. A partnership must provide a copy of the written partnership agreement; or a copy of any document registering with the province the business name under which your partnership operates or intends to operate.

If the applicant is a cooperation, cooperative or partnership, Appendix 1 "Information on Officers, Directors and/or Partners must be completed.

Applicant Contact Information

1. Provide the applicant's surname and given names. If the application is being submitted on behalf of a corporation, cooperative, or partnership, the applicant must be one of its directors, officers or partners.
2. Provide the complete mailing address of the individual or company, including the Post Office Box if applicable.
3. Indicate the preferred method of communication. Health Canada may use this method first when it is necessary to communicate with the applicant.
4. The original of a police criminal record document for designated drug offences is required. In the case of a corporation, cooperative, or partnership this document must be submitted for **each** officer, director or partner.

Cultivation / Plant Breeding of Industrial Hemp *(Section 2 of the Application form)*

Plant breeders are persons who, using known varieties, will be developing new Canadian varieties or producing breeder seed in Canada.

Plant breeders must:

1. be recognized by the CSGA as a full plant breeder;
2. provide acceptable proof of plant breeder status with the CSGA. This proof may be in the form of a copy of of the certificate issued by the CSGA, or a letter from the CSGA confirming plant breeder status;
3. cultivate varieties of breeder lines that are reasonably expected to produce a plant with 0.3% THC or less in its leaves and flowering parts.

List the site number(s) that correspond to the location(s) at which cultivation of industrial hemp will take place. For each site, indicate (✓) all forms of industrial hemp to be cultivated (i.e. seed, grain, and/or fibre).

Approved Cultivar / Variety

The approved cultivar(s) to be cultivated **must** be provided as part of the application and must appear on the *List of Approved Cultivars* for the current calendar year.

If cultivating for seed, provide acceptable proof of membership with the Canadian Seed Growers' Association (CSGA). Proof should be in the form of a copy of the certificate issued by the CSGA, or a letter from the CSGA confirming membership.

Acreage and Land Ownership

Indicate the acreage to be cultivated, in hectares, for each site. If cultivating for grain or fibre, the acreage must **not be less than 4 hectares**, and if cultivating for seed **not less than 1 hectare**. There is no minimum plot size for plant breeding.

Indicate whether the land on which the industrial hemp will be cultivated is owned by the applicant or another landowner. If the applicant is not the landowner, provide the name of the owner; and attach an original signed and dated statement, by the landowner, consenting to the cultivation of industrial hemp at the land location to be licensed for cultivation. See Appendix 2 of the application form for a sample consent statement. This requirement also applies for the land that is leased.

GPS Coordinates

GPS (Global Position System) is a satellite-based, radio navigation system which allows users to determine their three-dimensional position, velocity and time anywhere in the world. The IHR clearly stipulate that GPS coordinates must be submitted as part of the application for the cultivation of industrial hemp. The GPS coordinates should situate each site to be cultivated. Therefore, for an application to be complete, GPS coordinates sufficient to delimit the proposed site of cultivation must be included. Amendments to the licence may be made at a later date to correct slight variations that may occur, if necessary.

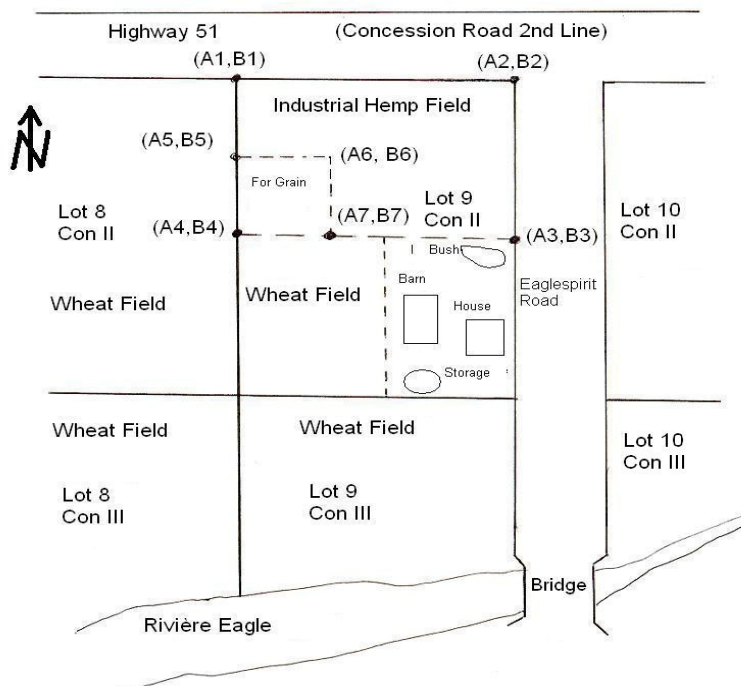
Guidelines for Industrial Hemp Field Maps

As part of the application for a licence to cultivate industrial hemp, the IHR requires a map showing the location of the cultivation site in terms of its legal description along with the necessary GPS coordinates. These maps may be used to assist inspectors designated under the CDSA in finding a licensed location.

On the sample map below, example coordinates are shown in the format (Ax, Bx). However, your coordinates should be provided in one of the following forms, where the "Xs" represent applicable numbers for your location:



- For Latitude and Longitude: Lat. XX° XX' XX.XX" N
Long. XX° XX' XX.XX" W
- For Universal Transverse Mercator Coordinates: Zone XX
XXX, XXX E
XX, XXX, XXX N____



Please be sure to indicate the following:

- a compass, indicating the North direction;
- any highways, roads or boundaries;
- surrounding forages (e.g. fields, sand areas, bushes, shrubs, etc.); or
- any bodies of water (e.g. rivers, streams, lakes, etc.).

Activities to be Specified on the Licence

(Section 3 of the Application form)

- Assign each site to be licensed a site number (e.g. 1, 2, 3, 4). This site number should be used throughout the application form to indicate the location at which an activity will be performed. Please note that each location must be assigned a different number.
- Provide the complete address or legal land description of each site to be licensed. A Post Office Box is not acceptable.
- For each site number, check (✓) all activities that the applicant wishes to engage in **at that site** and the form of industrial hemp that will be used.
- If regulated activities other than cultivation, with industrial hemp will be conducted at more than 2 sites, submit additional pages, as necessary.



- If sale and/or distribution will take place at a storage location, then that location should be listed in section 3 of the application form instead.

Records and Storage Locations

(Section 3 of the Application Form)

1. Provide the physical address at which the records, books, electronic data or other documents required by the *Industrial Hemp Regulations* will be kept.
 - i. A Post Office Box is not acceptable.
 - ii. If the records are kept at a place other than a licensed site, the licence holder must make them available for inspection, as necessary.
 - iii. Additional pages should be attached, as necessary.
2. List the complete address(es) at which industrial hemp will be **stored only**, and no other activity requiring a licence will take place.
 - i. Industrial hemp must be stored at a licensed location. All storage locations must be listed.
 - ii. Additional pages should be attached, as necessary.
 - iii. List all forms of industrial hemp that will be stored, for each site.

Exportation of Industrial Hemp

Exporters of industrial hemp, in the form of seed or viable grain, must be licensed. **In addition to holding a licence they are also required to obtain a permit for each shipment.**

Importation of Industrial Hemp Seed and/or Viable Grain

(Section 4 of the Application form)

SCHEDULE SPECIFIC REGULATORY REFERENCES	
Industrial Hemp Regulations	Specific Sections 2, 3, 8 (1)(d)(e)(f)(i)(j) (l), 9 (2) (d), 18, 20, 21, 22, 23, 24, 25, and 32.
Seeds Regulations	Part IV of the Seeds Regulations - Authorized Importer

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

Persons **are not** permitted to import a derivative or a product produced from a derivative if that product contains more than 10 mcg/g of THC.

Persons **are not** permitted to import, sell, or produce any derivative, or any product made from a derivative of whole plants, including sprouts, leaves, flowers or bracts of industrial hemp.



In order to import industrial hemp seed, a company must be a registered as an Authorized Importer under Part IV of the Seeds Regulations and licensed under the Industrial Hemp Regulations (IHR). In addition, the Operator must also have the applicable licence from the Canadian Food Inspection Agency (CFIA) covering operation of the registered establishment for the specified purpose. The following documents must be submitted:

- a copy of the operator’s licence issued under Section 96 of Part IV of the Seeds Regulations
- a copy of the Certificate of Registration for establishments under Part IV of the Seeds Regulations.
- the name of the individual who is licensed under Section 96 of Part IV of the Seed Regulations.

Processing Industrial Hemp
(Section 5 of the Application form)

SCHEDULE SPECIFIC REGULATORY REFERENCES	
Industrial Hemp Regulations	Specific Sections 3, 8 (1)(d)(f)(h)(j) and (l)] and 9 (2) (d), 31, 32, 33, 35, 37, 38
Seeds Regulations	Part IV of the Seeds Regulations— Approved Conditioner.

Definition: “Process”, in respect of seed, viable grain or non-viable cannabis seed, includes conditioning it, pressing it, or, in the case of seed or viable grain, rendering it non-viable.

1. Refer to Section 3 and list the site number(s) that correspond to the location(s) where processing of industrial hemp will take place.
2. Indicate the activities for which a licence is being requested and all forms of industrial hemp which will be processed.

In order to condition seed, an establishment must be registered as an Approved Conditioner under Part IV of the *Seeds Regulations* and licensed under the IHR. In addition, the Operator must also have the applicable licence from the Canadian Food Inspection Agency (CFIA) covering operation of the registered establishment for the specified purpose. The following documents are to be submitted:

- a **copy** of the **operator’s licence** issued under Section 96 of Part IV of the Seeds Regulations.



- a **copy** of the **Certificate of Registration** issued for the establishment under Part IV of the Seeds Regulations.
- the surname and given names, date of birth, sex, and the position within the organization, of the licensed operator.

Industrial Hemp Viability Testing Laboratory

(Section 6 of the Application form)

In order to be licensed to conduct viability testing of industrial hemp, the laboratory must provide evidence that it is designated as an accredited laboratory under section 14 of the *Canadian Agriculture Products Act*.

Production of Derivatives and/or Products

(Section 7 of the Application form)

Provide a detailed description of the production activities that the applicant wishes to engage in, including the forms of industrial hemp (e.g. seed, grain, oil, cake) and the activities (e.g. blending, mixing) that the applicant wishes to conduct with industrial hemp.

Application Certification

(Section 8 of the Application form)

The Application for an Industrial Hemp Licence must be certified by the applicant. If the applicant is a corporation, cooperative, partnership, the person certifying the application must be one of its directors, officers, or partners, who has authority to bind the company.

Consent to Publication of Contact Information : Health Canada may publish lists of licence holders on our website at www.healthcanada.gc.ca/hemp. If consent is given, the licence holder's name, mailing address, telephone number, fax number, email address and the activity the licence holder is licensed for.

Consenting to the publication of contact information is **voluntary** and may be withdrawn at any time by submitting a written request to the Industrial Hemp Section.



Submission

(Section 9 of the Application form)

The application for an Industrial Hemp Licence should be submitted to Health Canada at the address indicated in Section 10 of the application form. While a fax copy may be accepted to start the evaluation of the application, original signatures on original copies are required, in order for the application form to be considered complete. All other documents, which are required to satisfy the requirements of the *Industrial Hemp Regulations*, must also be included. A checklist has been provided as part of the application form, to assist the applicant in assuring that all required documents are submitted in support of the application.

APPENDIX 1 - Forms, Definitions, and Examples of Industrial Hemp

Form of Industrial Hemp	Definitions and Examples
Approved Conditioner	an establishment that prepares seed of pedigreed status and in respect of which a registration as an approved conditioner is in force (Section 78, <i>Seeds Regulations</i>);
Authorized sampler	an establishment that prepares imported seed and in respect of which a registration as an authorized importer is in force (Section 78, <i>Seeds Regulations</i>);
Designated drug offence	<ul style="list-style-type: none"> - an offence against section 39, 44.2, 44.3, 48, 50.2 or 50.3 of the <i>Food and Drugs Act</i>, as those provisions read immediately before May 14, 1997; - an offence against section 4, 5, 6, 19.1 or 19.2 of the <i>Narcotic Control Act</i>, as those provisions read immediately before May 14, 1997; - an offence under Part I of the Act, except subsection 4(1); and - a conspiracy or an attempt to commit, being an accessory after the fact in relation to, or any counselling in relation to, an offence referred to in paragraphs (a) to (c). (<i>infraction désignée en matière de drogue</i>)
Non-viable Grain	<ul style="list-style-type: none"> • intact viable grain which has rendered non-viable using methods set out in the <i>Industrial Hemp Technical Manual</i> and have been shown to be incapable of germination • excluded from Schedule II of the CDSA, and therefore excluded from the Regulations
Partnership	a business relationship between persons carrying on a business in common with a view to profit, within the meaning of the applicable provincial law.
Process	in respect of seed, viable grain or non-viable cannabis seed, includes conditioning it, pressing it, or, in the case of seed or viable grain, rendering it non-viable (section 1 of the IHR).

Form of Industrial Hemp	Definitions and Examples
Products made from Seed Derivatives	<ul style="list-style-type: none"> • include items such as shampoo which contains hemp seed oil • products are included unless the starting derivative or product contains 10 mcg/g THC or less and the product is not modified to increase the THC level
Seed	<p>any part of an industrial hemp plant that is represented, sold or used to grow a plant; it must be of pedigreed status (i.e. certified, registered, or foundation);</p> <ul style="list-style-type: none"> • defined as any part of an industrial hemp plant that is represented, sold or used to grow a plant • this would include viable (capable of growing) achenes • this may be seed that is acquired, sold or provided for sowing • this may be seed resulting from cultivation under the appropriate conditions for sowing
Seed Derivatives	<ul style="list-style-type: none"> • derivatives of seed, viable grain and non-viable cannabis seed, include hemp seed oil, hemp seed cake, hemp seed extract • derivatives are included unless there is evidence that they contain no more than 10 micrograms per gram THC • does not include intact seed or viable grain
Viable Grain	<p>viable achene of an industrial hemp plant not represented, sold or used to grow a plant that is used for processing.</p> <ul style="list-style-type: none"> • means a viable achene of an industrial hemp plant, not represented, sold or used to grow a plant • viable achenes resulting from cultivation, but not grown for sowing • intact viable achenes that are used for processing