

Guidelines for Industrial Hemp Licence Applicants

Version 1.5 (1 April 2023)

This document provides guidance to applicants for industrial hemp licences issued under the Misuse of Drugs (Industrial Hemp) Regulations 2006.

Summary

- The Misuse of Drugs (Industrial Hemp) Regulations 2006 (the Regulations) came into force on 1 August 2006.
- The object of the Regulations is to enable the cultivation and distribution of industrial hemp under a licensing regime that ensures that other forms of cannabis are not cultivated and distributed under the guise of industrial hemp.
- The Regulations are administered by the Regulatory Practice and Analysis Branch of Medsafe, acting under delegation from the Director-General of Health.

Legislation

- The Regulations are available at www.legislation.govt.nz.
- Every industrial hemp licence holder and responsible person is required to be familiar with their obligations within the Regulations.

Applications

- Application forms are available on the Manatū Hauora – Ministry of Health website (www.health.govt.nz).
- The information requested in an application form is required by Medsafe to consider the application. It enables Medsafe to have a clear picture of the activities the applicant is proposing to conduct. This is in line with the objective of the Regulations, being to enable the cultivation and distribution of industrial hemp under a licensing regime that ensures that other forms of cannabis are not cultivated and distributed under the guise of industrial hemp.
- Medsafe must be satisfied that the applicant is eligible to hold the licence sought under the Regulations.

Licences

- A licence document, once issued, is very specific and details the exact activities that can be conducted at the specific location, involving a specified area of land, using only those cultivars listed on the licence.
- Medsafe can impose conditions on the licence that it considers necessary or appropriate to meet the objectives of the Regulations.
- A licence holder must be able to produce their licence(s) on request.

Duration of a licence

- A licence is issued for a period of one year.
- An application for renewal of a licence should be made not more than 90 days and not less than 30 days before the expiry of the existing licence. This enables the existing licence to continue in force until a decision on the application for renewal of the licence is determined.
- An applicant may apply to Medsafe to extend the duration of an existing licence up to three years in total. Each such application will be assessed on its merits and consider the history of the licence holder and any other circumstances Medsafe deems appropriate.

Changes to details on a licence

- A licence holder may not change any of the following matters without first gaining approval from Medsafe:
 - The composition of the board of directors of the body corporate or partnership
 - The locations specified on the licence
 - The cultivars specified on the licence
 - Any responsible person.
- Application forms for these changes are available on the Manatū Hauora – Ministry of Health website (www.health.govt.nz).
- An application to change any of these matters must be made to Medsafe at least 30 days before the proposed change. If approved, an amended licence will be issued.
- Unanticipated changes caused by exceptional circumstances (e.g. accidental or untimely death) need to be notified to Medsafe as soon as reasonably practical.

Changes to details provided in an application

- Medsafe must be notified within 15 days of any changes to the location of the registers (refer page 3 for register details) or changes in the address or contact details of a responsible person.

Responsible persons

- All activities listed on a licence must be conducted under the control of the responsible person(s) listed on the licence.
- These persons are also responsible for dealing with hemp in their possession in a way that guards against the misuse of the hemp for unlawful purposes.

Security

- It is a requirement that the location used for the cultivation of the hemp be safe and that all hemp be stored in a building or container that is securely locked or guarded.
- This means the crop needs to:
 - Not be visible from a main public road. This is due to the appearance of hemp being indistinguishable from any other form of cannabis. If visible from a farm access road, applicants will need to detail how security of the crop is ensured.
 - Be protected against unauthorised access by individuals or wandering animals.
 - Be located at least 5 kilometres from an area zoned residential (unless approved by Medsafe).
 - Have suitable storage. Medsafe expects storage to comprise of a building or container of solid construction (e.g. made of metal) which is securely locked.

Planting

- The local Police must be notified (as soon as practicable) after sowing or planting of a hemp crop.

Registers

- Within the Regulations is the requirement to keep records of all hemp transactions. These records are called registers and can be in paper or electronic form and must be readily accessible, retrievable, and secure from tampering.
- The registers must be kept in a place notified to Medsafe and must state the name of the person responsible for recording any matter in them.
- The registers include:
 - A **seed register** that lists:
 - a) The amount by weight of the seeds supplied or procured;
 - b) The cultivar or variety of those seeds;
 - c) The date when those seeds were supplied or procured;
 - d) The name of the person to whom the seeds were supplied or from whom they were procured;
 - e) The number of the licence issued under the Regulations to the person named under paragraph d);
 - f) A maintained tally of the seeds that are at any time in the licence holder's possession.
 - A **cultivation register** that lists:
 - a) For each occasion on which hemp seeds are sown:
 - i. The amount by weight of the seeds sown;
 - ii. The cultivar or variety of those seeds;
 - iii. The location where those seeds are sown;
 - iv. The date of the sowing.
 - b) For each occasion on which hemp plants are planted:
 - i. The number of plants planted;
 - ii. The cultivar or variety of those plants;
 - iii. The location where those plants are planted;
 - iv. The date of the planting.
 - c) For each occasion on which hemp seeds or hemp plants are destroyed (destroy includes compost):
 - i. The amount by weight of the seeds destroyed or the number of plants destroyed;
 - ii. The cultivar or variety of those plants or seeds;
 - iii. Why those plants or seeds were destroyed;
 - iv. The date on which those plants or seeds were destroyed.
(The method of destruction used should be recorded in the register. Methods can include composting, mulching or burning).

- A **harvest register** that lists:
 - a) The quantity of the hemp plants harvested (quantity being expressed as number of plants, or volume/weight of plants);
 - b) The cultivar or variety of those plants;
 - c) The location from which those plants were harvested;
 - d) The amount by weight of any seeds obtained from harvested plants;
 - e) The cultivar or variety of the plants from which those seeds were obtained;
 - f) For each supply of any of those plants or seeds or of any material derived from them—
 - i. The quantity of plants, seeds, or material supplied;
 - ii. The state of those plants, seeds or materials, and in particular, whether the plants are fresh or dried, and whether the seed are viable or are to be treated to be non-viable;
 - iii. The name of the person to whom the plants, seeds or materials were supplied (this excludes bare stalks);
 - iv. The number of the licence issued under the Regulations to the person named under subparagraph iii;
 - v. The date of the supply.
- Medsafe can request copies of these registers at any time and these copies must be provided in either paper or electronic form.

Annual report

- For every 12-month period that a licence is held, the licensee is required to provide a report of the activities conducted under the licence.
- This report should include copies of the registers, details of any processing of hemp undertaken, and the progress of any research and breeding programmes undertaken. Medsafe is not seeking to obtain commercially sensitive information but requires some feedback on the licensed activities undertaken. Research and Breeding licensees should contact Medsafe if they are unsure what information should be included in the annual reporting.
- Annual reports should be submitted to Medsafe before 31 July of each year.

Unauthorised removal, loss or activity

- The Police and Medsafe must be notified immediately upon discovery if the following occurs:
 - The licence is removed without authority or lost;
 - Any hemp in the licence holder's possession or control is removed without authority or lost;
 - There is any unauthorised activity at a place where hemp is cultivated or stored.

Seeds not sown or crop failure

- The licence holder must notify Medsafe if seeds intended for sowing are not sown, if the crop fails to germinate, or any crop of hemp plants fails to attain maturity.
- A written report regarding seeds intended for sowing, that are not sown, or a crop that fails to germinate must be sent to Medsafe within 30 days after the seed would normally have been sown, or 30 days after failure to germinate becomes apparent. A report regarding any crop of hemp plants failing to attain maturity should be sent to Medsafe as soon as practicable.

Testing of samples

- Medsafe can request testing of samples of the hemp crop. A condition may be placed on a licence to require testing of the crop at least two weeks before harvest.
- Details of the testing protocols are listed in a separate document "Guidelines for the sampling of industrial hemp for testing".

Supply of hemp

- Every person is permitted to possess, use or trade in hemp products (being products of a kind derived in whole or part from industrial hemp, e.g. hemp soap) and bare stalks of hemp.
- However, licensees are reminded it is an offence to supply hempⁱ to a person who is not authorised under a licence to procure hemp of the kind supplied, or cultivate a cultivar or variety of hemp that is not included on their licence.

ⁱ In the Regulations hemp means cannabis plant, seed or fruit. (This includes industrial hemp).

Contact us

Regulatory Practice and Analysis Branch (email industrialhemp@health.govt.nz).