

UPDATES

BC Micro License Association

Zoning News From the RDCK

<https://rdck.ca/EN/main/services/community-planning/cannabis-regulations.html>

The Regional District of Central Kootenay has done an awesome job, not only with their public / industry consultation process, but also with their end result. They distinguished between standard and micro operations and have permitted the micro operations in rural and remote residential, agricultural and industrial zones.

However, the RDCK is made up of a number of different areas, A - H, and each area may have zoning differences. For information with respect to a specific area, please check this link or contact the RDCK planning department:

<https://rdck.ca/EN/main/government/bylaws/land-use-planning.html>

The RDCK Engagement Report is quite remarkable because it refers to the historical economic contribution of the unregulated producers to the region:

<https://rdck.ca/assets/Services/Land-Use-and-Planning/Documents/2018-08-31-Cannabis-Engagement-Rpt.pdf>

This is the approach that other municipalities or local governments should adopt when considering the issues.

HC Don't Play

A second LP had its licence suspended for allegedly selling illegal products:

<https://www.theleafnews.com/news/health-canada-pulls-bonifys-licences-for-selling-illegal-weed-505382112.html>

According to media reports, the first licence to be suspended was allegedly due to selling illegal products:

<https://www.theleafnews.com/news/leaflet-Regulatory-action-for-alleged-cannabis-infraction-501144772.html>



Health Canada's WebEx Seminar

On January 28, 2019, we participated in the HC event related to the proposed regulations for edibles, extracts and topicals. All of the information related to the proposed regulations contained in our previous newsletter was confirmed, but we learned a few new things, too.

HC has made the audio available if anyone wants to listen to the seminar:

https://www.dropbox.com/sh/6axarw1ey07je2b/AACRKh1TAdA_6B07cUTzmZRz?dl=0

After the HC presentation, there were over 30 questions from the participants. We are not able to go through all of the issues raised, but here is some information about three of them:

(1) For companies planning to manufacture food products and cannabis edibles, the proposed requirement for a separate building has caused significant concern. HC advised people who disagree with their proposal to submit feedback containing alternatives to what has been proposed.

(2) The terpene profiles of cannabis may be listed on the label, but the general labelling requirements must be followed - no false or misleading information is permitted and no health enhancement claims may be made. A participant asked whether terps can be added to other cannabis products and the HC rep stated she could not answer the question - perhaps the HC rep didn't have the information close at hand, or HC has not yet determined whether this will be allowed.

(3) CBD is considered a phyto-cannabinoid so it falls under the Cannabis Act and its regulations. To legally make products containing CBD, a person will require a processing licence - even if the product is "CBD only", with no THC in it. About nine questions into to Q & A portion of the seminar, someone asked about hemp-derived CBD. The HC rep confirmed that the



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Not Surprising / Surprising

<https://business.financialpost.com/cannabis/edible-pot-sales-could-miss-canadian-governments-october-target>

Not surprising - potential delays.

Surprising - Bill Blair continuing to insist “*there is already sufficient production capacity in this country*”. Really? Considering what’s been going on with the retail in Newfoundland, New Brunswick, Nova Scotia, Quebec, Ontario, Manitoba, Saskatchewan and Alberta.....

This reporting seems to contain a more realistic analysis of the situation:

<https://theconversation.com/wheres-the-weed-clues-to-canadas-cannabis-shortages-109991>



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www.medxtractor.com



industrial hemp regulations do not apply - the Cannabis Act and its regulations do. A few questions later, the HC rep also confirmed that “CBD only” edibles will have to be sold through provincially regulated retailers, being products falling under the Cannabis Act and its regulations.

There were lots of other interesting questions and answers on a variety of topics, so we encourage anyone with about two hours to spare to listen to the audio file linked above. The seminar was informative and the HC rep did a good job moving it along at a nice clip.

Provincial Cannabis Secretariat Meeting

We had an excellent meeting with representatives from the provincial Cannabis Secretariat. What impressed us the most was the reps’ willingness to listen to our concerns regarding municipal and ALR land use issues and to our proposed methods for resolving the current challenges faced by prospective micro-licence applicants.

This meeting was important primarily because we were able to state that not every municipality or local government has access to the accurate and relevant information needed in order to address micro-licensed cannabis production issues knowledgeably. The BCMLA cannot engage with every municipality in BC, so we believe the province should use its tools to ensure all municipalities know about micro-licensed operations, their facilities, HC compliance requirements, etc., AND the significant economic benefits that will flow from a robust and thriving craft industry.

While some places are moving forward in addressing the issues, others are not. For this to work, all BC municipalities and local governments need to be on the same page. We think we made a persuasive case for some kind of provincial involvement, but time will tell. Stay tuned.

Speaking of ALR Land Use Issues

<https://www.cbc.ca/news/canada/british-columbia/tension-lumby-proposed-cannabis-facility-agricultural-land-1.5005872>

One hundred thousand square feet of new concrete on ALR. It will be interesting to see whether the Regional District of North Okanagan signs off on this project. If they do, it will be even more interesting to see if the ALC signs off on the RDNO sign off. Too bad we might have to wait a few months to see how it all plays out.

Media Interest in BC’s Craft Industry

We recently had a long conversation with the Globe & Mail about BC’s current situation. With respect to the micro-licensed segment of the industry, it would seem what is happening here, or *not* happening here, continues to be of interest to the national media. This is a good thing - any attention we (and others) can bring to the issues may, in some small way, lead to the changes required to ensure the small producers are able to enter the regulated framework in large numbers.

Reality Crashes the Party

<https://business.financialpost.com/cannabis/cannabis-industry-to-be-worth-just-5-billion-by-2021-amid-flat-rollout-high-costs>

Seems like everyone’s got an opinion about the future. But, here’s what we know to be true: based on Stats Can data gathered since 1962, BC craft grown cannabis has dominated the Canadian market. No reason to believe things will be any different in the regulated system (assuming land use and zoning issues can be resolved favourably, province-wide). So let other, less experienced segments of the industry worry about this stuff while remembering that BC craft grown cannabis will *always* be in demand :)