

States Greffe

Deputy Kirsten Morel Minister for Economic Development, Tourism, Sport and Culture

Cc
Deputy Philip Ozouf
Minister for External Relations
Deputy Karen Wilson
Minister for Health and Social Services

BY EMAIL

29th June 2023

Dear Minister,

Cannabis Growing in Jersey

The Panel is writing to you following the recent news of the cessation of growing operations of Jersey Hemp. The situation raises a number of questions in regards to the Island's production of both hemp and medicinal cannabis and we would be grateful if clarification can be given as to the following points:

Hemp and CBD production

- 1. What lessons have been learnt from government's reported 'active support of the cannabis cultivation industry' and the cessation of Jersey Hemp's growing operations owing to the prohibition of import of cannabidiol (CBD) products to the United Kingdom (UK)?
- 2. Bearing in mind the declassification of CBD from the United Nations Single Convention on Narcotic Drugs and the stricter controls, will you, or the wider Council of Ministers, be undertaking to ensure that hemp products (including flowers) can be exported to jurisdictions other than the UK, including by:
 - (i) cultivating a direct relationship with the International Narcotics Control Board ('ICNB'); or
 - (ii) through seeking a letter of entrustment from the UK

to enable direct Jersey government reporting to the ICNB and export to other jurisdictions such as France?

Medicinal Cannabis Production

With respect to P.5.4 of your Ministerial Action plan, which states the action of 'supporting the development of the medicinal cannabis industry into a highly-regulated, robust and innovative, export focussed element of our rural economy':-

- 1. What implications does the decision of HM Government have upon your aspirations to support the development of the medicinal cannabis industry into a highly regulated, robust and innovative, export focused element of our rural economy?
- 2. How do you and senior officers in charge of cannabis industry development propose to reconcile the framing of cannabis as an agricultural or "rural activity", with evidence from existing markets potentially indicating large-scale production of cannabis locally is unlikely to succeed in achieving a competitive position in the agricultural industry?
- 3. If medicinal cannabis is to be treated as an agricultural product, to what extent will the Rural Economy Incentive Scheme apply to it?
- 4. Has the Minister considered a cluster-based economic development strategy that is data driven and not speculative, leveraging the island's world-class financial services cluster to develop a distinct competitive position in the cannabis industry that is sustainable in the medium- to long-term?
- 5. As discussed in our Quarterly Hearing of the 1st June 2023, is it accurate to say there is no dedicated team in place for the development of the medicinal cannabis industry, and, instead, there is an informal grouping of officers with the Group Director of the Economy reporting to the Medicinal Cannabis Ministerial Group (MCMG)?
 - a. If so, how do you justify this arrangement, and how does it ensure good governance and transparency in the decision-making process?
- 6. Is there a documented mechanism in place to handle potential conflicts of interest for all individuals involved in the development of regulations and the granting of licenses in the medicinal cannabis industry?
 - a. Specifically, are there procedures in place to gather declarations of interest and ensure that these individuals do not have any financial or other interests that could compromise their impartiality. An example of relevant regulations in other jurisdictions is that of Article 126(b) of Directive 2001/83/EC (i.e., "EU GMP") and the World Health Organisation's (WHO) Global Benchmarking Tool (GBT) indicator RS06.04?
- 7. With regard to the appointment of consultants for the strategic development plan of the medicinal cannabis export industry and the considerations of value for money, can the Minister kindly provide the following information:
 - a) Have consultants been appointed to develop a long-term policy for driving the development of Jersey's medicinal cannabis industry regulations? If so, could you please specify the process and criteria used for their selection and appointment?
 - b) What are the specific terms of reference for the appointed consultants? In particular, can you provide information on their roles, responsibilities, and deliverables in developing the detailed and specific regulations for the medicinal cannabis industry?
 - c) How is the government ensuring value for money in this endeavour, considering the context of a successful internationally compliant export industry and tangible economic benefits? Are there specific methodologies or benchmarks in place to evaluate the cost-effectiveness and efficiency of the consultants' services?

- d) Will the government facilitate an opportunity for key stakeholders to provide comments and feedback on the initial strategic development works? Will the government also commit to on-going and regular consultation with stakeholders (e.g., industry, healthcare providers, patients) to ensure transparency, inclusivity, and informed decision-making in shaping the regulations?
- 8. Regarding the proposed expansion of the Jersey Cannabis Agency, can the Minister clarify how this expansion will address confusion surrounding the separate requirement for a National Regulatory Authority (NRA) to enforce standard WHO controls for medicines in the cannabis industry? Will the Jersey Cannabis Agency be limited to fulfilling the requirements of a national cannabis agency as required by the single convention on narcotics? How will regulatory compliance and oversight be effectively ensured for medicinal products?
- 9. Can the Minister agree on terminology for the various regulatory bodies, with a 'Jersey Cannabis Agency' (JCA) being the required regulatory enforcement body for controlled narcotics and a 'National Regulatory Authority' (NRA) being the required regulatory enforcement body for medicinal products? Are there any additional bodies/functions, i.e., economic/social based initiatives and government bodies/ALOs, clearly distinguished as separate but relevant entities?
- 10. Can you confirm the government plans to seek advice from the WHO's Regulatory System Strengthening (RSS) team and follow the WHO's capacity building package to ensure compliance with international standards?
- 11. In keeping with WHO guidance on developing regulatory frameworks and the five-step capacity building package, will the government undertake a gap analysis of our existing legislation and regulatory framework against the international standard Global Benchmarking Tool?
- 12. With respect to the risk assessment to which paragraph 5.4 of your Ministerial Delivery Plan refers:
 - a) Can you provide an update on the progress of this risk assessment and the steps being taken to ensure compliance with international drug control treaties? Has the risk assessment considered the recent International Narcotics Control Board (INCB) <u>press</u> <u>release</u> dated 9th March expressing concern over "poorly regulated" medicinal cannabis programmes?
- b) Will the revisions to Jersey's proceeds of crime legislation be considered and addressed, noting potential inconsistency with Article 3 of the 1988 United Nation convention against illicit traffic in narcotic drugs and psychotropic substances convention on trafficking?
 - c) Does the risk assessment assess the risks of medicinal cannabis being treated as an agricultural product rather than a controlled narcotic in terms of risk to the Island's international reputation?

We would be grateful if you could respond to this no later than Wednesday 5th July 2023 in line with the 5 working days approved for responses between Scrutiny Panels and Ministers.

If you have any questions regarding this or our work in general, please do not hesitate to contact me. Please note that unless otherwise stated, all letters will be uploaded to the Scrutiny website as a matter of course.

Yours sincerely,

Deputy Moz Scott Chair

Economic and International Affairs Scrutiny Panel