

Key Strategies to Expand your Cannabis Business to Brazil

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Overview

Federal Legalization

- Legalization: historical and current state overview
- Key regulations and restrictions relevant to Brazil
- Looking ahead in 2019 and beyond

Import and Export

- Working with Health Canada

Products and Risk

- Cannabis vs. Industrial hemp
- Risk mitigation strategies

Historical overview of legalization in Canada

- *R v Parker* (2000)
 - Cannabis is a Canadian *Charter* right.
- *Marihuana Medical Access Regulations* (2001)
 - Canada's first attempt at regulating cannabis for medical purposes.
- *Marihuana for Medical Purposes Regulations* (2013)
 - MMPR introduced a system of licenced commercial producers.
- *Access to Cannabis for Medical Purposes Regulations* (2016)
 - ACMPR replaced the MMPR when it was struck down by the Federal Court due to the inability for patients to grow their own cannabis.
- *Cannabis Act* (2018)
 - Cannabis for recreational use now legal.

Cannabis Act

- Strict regulatory framework for **recreational** and **medical** purposes.
- Cannabis no longer regulated as a narcotic under the *Controlled Drugs and Substances Act* (“CDSA”).
- ACMPR under the CDSA repealed, substantively reproduced under the *Cannabis Act*.
- Currently authorized classes of cannabis:
 - cannabis oil, fresh cannabis, dry cannabis, plants, seeds, edible, topical, extracts

Cannabis Regulations

- The Cannabis Regulations
 - Set out licensing regime (6 categories): cultivation, processing, analytical testing, research, sale for medical purposes, and cannabis drugs.
 - Set out packaging and labelling requirements, security and production requirements in Canada. Brazil's requirements will not necessarily align.
 - Import and export: for medical or scientific purposes only.
 - Includes cannabis that contains greater than 0.3% THC.

Import and Export of Cannabis - Internationally

- Canada ratified to:
 - The Single Convention on Narcotic Drugs, 1961 as amended by the 1972 Protocol.
 - The Convention on Psychotropic Substances, 1971.
 - The United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988.
- Obligation under the Conventions.
- Import and Export restricted to medical and scientific purposes.

Health Canada Permits for Import and Export

- Application to Health Canada for Permit to Import or Export for each shipment, determined on a case by case basis.
- Health Canada assesses:
 - Compliance with International treaties, Cannabis Act and Cannabis Regulations.
 - Risks to public health, safety and security.

Health Canada's General Policy

- Health Canada's General Policy on Export Permits:
 - Exporting to countries with a legal regime for access to cannabis for medical purposes.
 - Exporting small quantities of cannabis for scientific purposes.

Health Canada Verification

- Health Canada verifies:
 - that the licence holder has provided an import permit issued by the competent authority in Brazil
 - that the shipment will not contravene the laws Brazil or any other countries if there are any transitory countries
 - that Brazil has not reached its import limit for cannabis for the current year (to the extent applicable)

Health Canada Assessment Process

- Non-binding administrative service standard of **30 business days**.
- The target for achieving this standard is set at 85%.

Industrial Hemp in Canada - CBD

- Import and export of hemp grain and seed permit issued under the Industrial Hemp Regulations.
- All products containing CBD regulated under the Cannabis Regulations

Risk Assessment and Mitigation

- Adverse events alleged to be caused by consumers' use of illegal vaping products
- Assessing risk profile and mitigation strategies for introduction to new markets

Osler Updates publication highlights

- Osler Legal Year in Review
- New cannabis licence regime and transition of existing cannabis licences
- Frequently asked questions regarding cannabis promotional materials
- What employers should know
- Ontario's regulations regarding private cannabis retail stores
- Ontario's phased approach to retail licensing
- Health Canada announces changes to the federal cannabis licensing process
- Health Canada releases final regulations for new classes of cannabis