

THE ADVISORY COMMITTEE ON THE MISUSE OF DRUGS CONFIRMS WHAT WE AT THE CANNA CONSULTANTS HAVE ALWAYS STATED:

THERE IS CURRENTLY NO EXEMPTION FOR CBD PRODUCTS FROM THE MISUSE OF DRUGS ACT (BUT THEY NOW RECOMMENDED ONE)

Two years ago we published an analysis of the legal position concerning the permitted levels of Controlled Cannabinoids within CBD consumer products (available <u>here</u>). We published the Article (which was adapted from a Counsels' Opinion which I had been commissioned to provide to a significant corporation which was considering entering the European CBD industry and wanted to understand the potential ramifications), with the client's permission and because we saw many "legal experts" in the industry providing completely inaccurate advice to market participants. When publishing we said:

In recent weeks we have again seen the rising prevalence of "market leaders" and "legal experts" making pronouncements about the existence and applicability of what are variously described as the "**0.2% rule**" and the "**1mg rule**", concerning the permissible THC content in cannabinoid products.

While we are always willing to listen to the opinions of others - especially when they are those with which we disagree - we believe that it is thoroughly misleading for individuals and organisations to present their opinions as if they were legally established and precedents. This is ever the more so when those who propagate what we consider to be inaccurate analysis and opinion are not those who will be left dealing with the consequences of reliance upon those same inaccurate opinions.



We have seen expressions that "cannabis is a risk sector", that "anyone operating in [it] must have some appetite for commercial risk" and that "courage is a prerequisite". This may, or may not be so, however, we fundamentally believe that all market participants should be advised in an open manner, such that they can make their own risk assessment, on an informed basis, and decide for themselves how that sits against their appetite for the same. To do otherwise deprives those market participants of informed consent and destabilises the whole of the industry.

What follows is our analysis and our opinion, with which others are free to disagree. For those who do hold a contrary view and wish to express the same, we would appreciate it if they counter our analysis in an equally detailed exposition of the law and its application, rather than seeking to do so in no more than 144 characters.

We believe that this is a hugely significant stage in this industry's development and the failure of self-proclaimed "leaders" and "experts" to act responsibly will result in a detriment to all, not just themselves or those on whose behalf they are said to speak.

Those who follow our observations on the Cannabis Industry will be aware of our mantra, "*Be Careful Who You Listen To*".

Once again it seems that the ACMD and the Government were *Careful Who They Listen To* because on Friday last the ACMD published their conclusions:

The first limb is being interpreted still to be met if the controlled drug is present as an impurity, rather than a major intended component, within a preparation or product intended for administration to a human being. This ambiguity has allowed the exempt product definition to be used for... consumer CBD products.

The definition was designed for diagnostic purposes and so could be better designed for scientific use. For example, to permit its application for other scientific purposes, such as the supply of small quantities of controlled drugs to act as reference materials to support forensic and toxicological analysis.



The ACMD recommends changing the first limb of exempt product definition **to refer to the "preparation or other product containing the controlled drug" rather than the "controlled drug"** except for "research" purposes as defined in Schedule two of the Psychoactive Substances Act 2016. An example of such a wording could be:

(a) the preparation or product containing the controlled drug is not intended for administration to a human being or animal other than for the purpose of approved scientific research, as defined in Schedule 2 of the Psychoactive Substances Act 2016.

We therefore continue to remind the industry to "Be Careful Who You Listen To".