



Home Office

Low THC Cannabis (Industrial Hemp) Licensing Factsheet

This factsheet represents the Home Office's view on the domestic control measures applicable to so-called 'low THC' Cannabis cultivation (Industrial Hemp). It is intended as a resource for existing licensees and prospective licensees who may need to apply for a licence, having fully assessed any proposals they may wish to make in the context of this guidance. All should note the limitations for which a licence may be granted under the industrial hemp policy, namely for production of non-controlled hemp products from fibre and seed only.

There are two separate licensing regimes relating to cannabis cultivation, according to whether the varieties cultivated (high or low THC (as differentiated in the Misuse of Drugs (Fees) Regulations 2010)) and, for 'low THC varieties, the intended 'end use'. This factsheet may also be read in conjunction with published guidance relating to Cannabis, CBD and other cannabinoids available at:

<https://www.gov.uk/guidance/controlled-drugs-licences-fees-and-returns#applying-for-a-licence-companies>

Important Note: *This is intended as general guidance only; it is not legal advice. Anyone in doubt should seek their own independent legal advice to ensure they are compliant with any relevant legislation.*

General legislative position and existing licensing arrangements

Cannabis is a Class B controlled drug under Part II, Schedule 2, of the Misuse of Drugs Act 1971 (MDA 1971). It is also listed in Schedule 1 to the Misuse of Drugs Regulations 2001 (MDR 2001) and designated under the Misuse of Drugs (Designation) (England, Wales and Scotland) Order 2015 (2015 Order). As such, it is unlawful to possess, supply, produce, import or export this drug except under a Home Office licence. It is also an offence to cultivate any plant of the genus *Cannabis* except under a Home Office licence.

So-called low-THC 'industrial hemp' licensing and use of non-controlled parts of the cannabis plant (seeds and fibre) in products.

The regulatory/ licensing controls identified above apply to cannabis plants cultivated for the production of drug material (e.g. hemp fibre or oil). Cultivation or possession of cannabis plants cannot lawfully be undertaken without the requisite Home Office Licence.

Home Office policy provides that licences may be issued for the cultivation of cannabis plants with a low tetrahydrocannabinol (THC) content for the production of hemp fibre for industrial purposes or the obtaining of seeds which are then pressed for their oil. For both of these uses, licences are granted to enable the use of non-controlled parts of the plant (i.e. seeds and fibre/ mature stalk only). This policy is only applicable where non-controlled parts of the plant are used and does not allow for use of 'green' material- i.e. the leaves and flowers as these are controlled parts of the plant. Applications for low THC cultivation licences made beyond the scope of this policy- i.e. seeking to produce so-called CBD oils from controlled parts of the plant- will not be considered under this licensing provision as they do not fit with the applicable policy, irrespective of what 'variety' of cannabis is intended to be cultivated.

There needs to be a defined commercial end use and the Home Office only issues licences for cultivation of plants from approved seed types with a THC content not exceeding 0.2%. The '0.2%' reference is used solely to identify varieties which may potentially be cultivated, within the scope of this policy, and to differentiate between the fee level is applicable under the Misuse of Drugs (Fees) Regulations 2010. The Hemp (Third Country Imports) Regulations 2002 also require, except in specified circumstances, that hemp from 'third countries' be imported under a licence and, in the case of hemp seeds other than for sowing, under an authorisation.

I want to grow cannabis (industrial hemp): do I need a licence?

Yes:

- A licence is required to cover both cultivation and possession.
- The genus *Cannabis* is a controlled drug in Class B of The Misuse of Drugs Act 1971 (MDA and Schedule 1 of The Misuse of Drugs Regulations 2001). Under these Regulations, a licence may be issued authorising cultivation. Low THC cannabis grown for the commercial production of industrial hemp fibre or the pressing of seed for oil are purposes for which licences may be issued where- after harvesting- non-controlled parts of the plant are used and controlled parts of the plant are retted at the licensed location or otherwise lawfully disposed of.
- Each grower must be individually licensed.

How do I apply?

- Online, via the Home Office Drugs Licensing website:
<https://eforms.homeoffice.gov.uk/outreach/DrugsConsole.ofm>
- We do not accept applications by post or e-mail.

What is the process for making a licence application?

We have produced a dedicated application form for industrial hemp cultivation licences, and a downloadable application guide to help you complete the application, available at:

<https://www.gov.uk/controlled-drugs-licences-fees-and-returns#industrial-hemp>

In summary, you need to

- Obtain an 'iCasework web app' login
- Apply for your enhanced DBS check using the links available on the Home Office website, ensuring the Home Office is noted as the relevant body.
- Provide payment details for the licence fee, when contacted by the Home Office (see How do I pay a fee? below)
- Fully complete and submit the application form via the web portal
- If you have held a licence with us before, ensure you have submitted your Annual Grower Statements previously.
- Record and retain your application reference number

Is there a fee payable?

- Yes, there is a fee payable for a low THC content cultivate/ possess licence. A new licence application to cultivate cannabis with a THC content of 0.2% or lower will cost £580. If you have previously grown in the season prior to your licence expiring, the 'renewal' fee of £326 will apply. If a compliance visit is required the fee will be £1371 but we envisage most applications will not need a visit.
- This fees structure for activities fitting within the industrial hemp policy is considerably lower than a new licence application to cultivate high THC Cannabis, or use controlled parts of the plant of so-called 'hemp' varieties which costs £4700 and recognises the light touch licensing regime applied. Fee levels have been calculated on a full-cost recovery basis and will be periodically reviewed.

How do I pay a fee?

- Payment information must be provided to enable the application to be submitted, but payment is not taken at that stage.
- Assuming your application is approved in principle, we will issue you an invoice by email for immediate payment via our Shared Service Centre.
- Licences will not be issued without payment being received.
- If you cultivate before paying for, and receiving your licence, you will be doing so unlawfully.

What is the light touch regime?

- This refers to the proportionate processes by which licence applications fitting within this policy are generally considered on the papers; and reflects the fact that in the vast majority of applications we do not expect to have to undertake a site or compliance visit.

What restrictions are there on where I plant the crop?

- In the past the crop has been screened and must have been planted in locations away from schools, public rights of way or vehicular access. In recognition of hemp fibre becoming a more widely used industrial crop, we do not wish to be prescriptive. However, we ask you to site the crop sensitively.

Do I need to inform you of where I plant the seed? What if this changes?

- EU 'approved' seed varieties must be sown. We need to maintain a record of planting locations, so you should inform us of any changes within the growing season. Please email Industrialhemplicensing@homeoffice.gov.uk quoting your application reference or licence number with full details of any changes.
- We intend to issue the licence itself to cover a whole farm location so we should not need to amend the licence itself, so long as cultivation remains within the extent of the individual farm and within one block of registered land.
- Renting land on an adjacent farm will need to be licensed and specifically documented on the licence, so, if you rent additional fields you must contact us to discuss an amendment to your licence.
- You should inform your local police of your growing locations.

How long is a licence valid for?

Licences for outdoor cultivation of industrial hemp for use of the non-controlled parts of the plant only are typically issued with a validity of **three growing seasons**- so for up to three years validity.

- Licences for the cultivation of low-THC hemp are always issued to expire on 31 December. If a licence application is approved on 31 March 2020, we would issue a licence to expire on 31 December 2022, covering three growing seasons.
- However, if an application is made late and approved on 31 July 2020, a grower may lose the benefit of that growing season as a licence would be issued to expire on 31 December 2022.
- It is therefore in growers interests to ensure applications are submitted in a timely fashion.
- If there are substantive changes to a licence- for example amending growing locations outside of your farm's extent- a fee may be payable for this change as a new licence may need to be issued.
- Licences expire on 31 December of the relevant year. If a grower applies for a further licence the conditions or validity of the previously issued licence does not continue whilst a 'renewal' application is pending, irrespective of whether the application was made before the previous licence expired.

Are there any special requirements with a '3 year' licence?

Yes. Holders of a multi-growing season licence will be required to complete an 'Annual Licence Review Statement' at the start of growing season; the

deadline for completion will appear on the downloadable returns form. Completion and submission of this proforma will be a mandatory requirement of the licence and without submission a licence may be revoked.

As part of this process you are required to provide details of the records you have kept for the previous growing season relating to cultivation areas, sowing details and yields.

All relevant forms are available on our website.

Do I need to have a DBS check?

Yes. Satisfactory completion of an enhanced DBS check has been a requirement applicable to all Controlled Drug and Precursor Chemical licence applicants.

- A fee is payable for an enhanced DBS check.
- Applications must be made via Security Watchdog (part of Capita PLC), and the Home Office Drugs Licensing must be noted as the Registered Body. If this process is not followed, any check completed elsewhere is not transferable.
- Generally speaking, we will not ask you to obtain a further enhanced DBS check, where you obtained one for the purposes of drug licensing, within the last three years.
- A DBS application must have been lodged before you submit your application for a licence.

I rent the land: who needs a licence?

- The grower, as opposed to the owner of the land, must hold a Home Office licence.
- The grower may wish to notify his or her landlord of the cultivation and is responsible for ensuring they are complying with the terms of their lease or rental agreement.
- Where a grower has affiliations with any 'companies' their cultivation authority is not transferred to that company by virtue of a person's association. The company must be appropriately licensed to lawfully possess any controlled materials.

I am growing at multiple locations- what should I do?

Each location must be properly and fully licensed. If you are growing within your farm extent, as a general rule this would be covered within your licence.

If you are growing at multiple locations, outside of your farm extent- for example renting land from a neighbour or in an adjacent village- you should contact us at Industrialhemplicensing@homeoffice.gov.uk and discuss the licensing arrangements that would apply to your situation. We may need to see copies of 'bare land' rental agreements.

When shall I apply?

Any applicable application cut-off-dates will be placed on our website. Applications can be submitted immediately, and early application is encouraged. Please allow sufficient time for your application to be processed; you should allow a minimum of 4-6 weeks before you intend to sow. Licences will not be issued until such time as the fee payment is received and time should be allowed for this process. Cultivation cannot lawfully take place until such time as a licence has been issued and growers should not sow until they hold a licence.

Contacts- Home Office- Drugs Licensing & Compliance:

Please use our dedicated enquiry e-mail in the first instance
Industrialhemplicensing@homeoffice.gov.uk

Duty Compliance Officer- 020 7035 8972