

Growing low THC hemp under licence in NSW - Frequently asked questions

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What is THC?

THC (tetrahydrocannabinol) is the psychoactive (mind altering) chemical compound found at high levels in marijuana and at very low levels in hemp.

What is low THC hemp and how is it different to marijuana?

Low THC hemp is defined as any plant of the genus *Cannabis* that has a concentration of THC in its leaves and flowering heads of no more than 1%. As such low THC hemp is of no value for its THC component. Marijuana, although visibly identical to low THC hemp, contains levels of between 4 and 24% THC.

Why do we need a licensing scheme?

The licensing scheme introduced under the *Hemp Industry Act 2008* allows farmers in NSW to grow low THC hemp crops for fibre and oil production while limiting the risk to law enforcement.

It is an offence under the *Drug Misuse and Trafficking Act 1985* to possess low THC hemp unless it was cultivated or supplied under authority of the *Hemp Industry Act 2008*.

How does the licensing scheme operate?

A licence may be issued by NSW Department of Primary Industries (DPI), if the applicant and any close associates are deemed to be suitable persons to be involved in the cultivation and supply of low THC hemp. A licence issued under the Act has strict licence conditions, which the licensee must abide by.

Licence conditions include that any hemp produced under a licence must have a THC level of less than 1%. The cultivation of plants with a THC level of greater than 1% is an offence under the *Drug Misuse and Trafficking Act 1985*.

How do I get a licence to cultivate or supply low THC hemp?

An application form and supporting information can be obtained from the NSW Department of Primary Industries website at www.dpi.nsw.gov.au/info/hemp

If you do not have access to this website, a copy of the application package can be obtained from your local DPI office or by telephoning 02 6738 8504.



Figure 1. Inspection of a crop of industrial hemp.

Is there a limit to the number of licences that can be issued?

No, there is no limit to the number of licences that can be issued.

Is there a limit to the area that can be sown under a licence?

No. There is no limit on area sown.

Can anyone get a licence?

No. To obtain a licence various requirements must be met. Some of these requirements include:

- The applicant and their close associates¹ must not have been convicted of a drug related offence (as defined by the *Hemp Industry Act 2008*).
- The applicant must be a “suitable person” to be concerned in or associated with the cultivation or supply of low THC hemp. This means they must be of good repute having regard to character, honesty and integrity. This requirement also applies to close associates of the applicant.

Once I have a licence can I grow low THC hemp anywhere I want?

No. Details of the property where it is intended to cultivate low THC hemp are required to be submitted with the application. The licence application investigation process includes assessment of both the applicant and the property.

Do I need to own the property where I plan to grow low THC hemp?

No. If you don't own the property, written approval to grow low THC hemp must be obtained from the owner and be submitted with the application. Depending on the arrangements with the owner of

¹ A close associate is a person who, (a) holds or will hold any relevant financial interest, or is or will be entitled to exercise any relevant power (whether in his or her own right or on behalf of any other person), in the business of the licence applicant or holder, and by virtue of that interest or power is or will be able (in the opinion of the Director-General) to exercise a significant influence over or with respect to the conduct of that business, or (b) holds or will hold any relevant position, whether in his or her own right or on behalf of any other person, in the business of the licence applicant or holder

the property, the owner may need to be included as a close associate.

Do I need to keep records of the activities under the licence?

Yes. Records must be kept including details of seed purchase and sale, sowing, harvest, disposal of plant material and seed and results of THC analysis. These records will form the basis for an annual report which must be provided to DPI and will be used for audit purposes.

How is the crop checked to confirm low THC hemp status?

An accredited inspector is required to sample plants in the field and submit these samples for THC testing. The crop may not exceed 1% THC.

What are the licensing costs involved with producing low THC hemp crops?

- A licence application fee of \$572 is payable on lodgement of application.
- A licence will usually be valid for five years.
- Before a licence can be granted, NSW Police must conduct a criminal record check for the applicant and also any close associates, these checks will incur a cost of \$52 per person checked.
- An annual administration fee of \$200 is payable in each of the following four years.
- All fees include GST.
- Annual audit inspections and sampling for THC analysis must be conducted by an accredited inspector and is done at the licensee's expense.

THC testing must be completed by an accredited laboratory and is also at the expense of the licensee.

Who can I sell my hemp to?

The licensee is responsible for finding a market for the any low THC hemp plant material or seed produced.

Can hemp be fed to livestock?

No. Low THC hemp plant material cannot be fed to livestock.

Can the oil be sold for human consumption?

Hemp seed can be sold for processing into oil for use in various products including animal food; however it is currently prohibited in Australia to use hemp in food for human consumption.

Further information regarding hemp oil for human consumption can be found by contacting:

Food Standards Australia and New Zealand
PO Box 7186
Canberra BC ACT 2610
Ph: 02 6271 2222
Fax: 02 6271 2278
Information/Publications Officer:
info@foodstandards.gov.au

Is there any information available about growing low THC hemp?

A publication titled *Industrial hemp – a new crop for NSW* is available on the NSW DPI website at www.dpi.nsw.gov.au/info/hemp and provides information on hemp production.

If you do not have access to the website a hard copy can be requested by contacting your local NSW DPI office.

Where can I buy low THC hemp seed?

The companies listed at the end of this publication may be able to provide information on the purchase of sowing seed. NSW DPI does not endorse the listed suppliers; however these suppliers have indicated that they may be able to supply information regarding the purchase of low THC hemp seed. Seed may be available for purchase from other suppliers.

How do I know if it's the right seed?

To ensure that you are buying seed for sowing that was harvested from plants with a THC level of less than 0.5%; a written guarantee should be sought from the vendor. This guarantee may be in the form of a THC analysis of the parent plant or other form of guarantee.

Low THC hemp seed varieties have been developed for various climatic areas, so buyers should take into consideration the climate and soil type that the variety of seed purchased is adapted to.

Can I buy low THC hemp seed from overseas?

Yes. Low THC hemp seed can be obtained from overseas; however, additional costs may be incurred due to import requirements such as quarantine clearance.

Can I sell the seed harvested from my hemp plants?

Most varieties of hemp seed available in Australia are covered by Plant Breeders Rights (PBR) which means that seed produced from this variety cannot be sold as seed for sowing. It can however be used to produce subsequent crops on the property of the seed buyer. Harvested seed can also be sold for manufacturing– there are no end point royalties for PBR varieties.

Seed supply information

Ecofibre Industries Operations Ltd
PO Box 1227
MALENY QLD 4552
Ph (07) 5499 9249;
Phil Warner -mobile 0412 162 030

Ecofibre Industries Production Office
"Carrington"
1970 Jerry's Plains Road
JERRY'S PLAINS NSW 2330
(02) 6576 4273
Email: admin@ecofibre.com.au
Website www.ecofibre.com.au

Agri-fibre Industries Pty Ltd
44 Jealous Street
BUNDABERG QLD 4670
Website: industrialhempaustralia.com.au

Image

Figure 1 – Philip Blackmore

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which they rely is up to date and to check currency of the information with the appropriate officer of the Department of Primary Industries or the user's independent adviser.

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