

23/09/2021

**OUR REF: DAFM Hemp Consultation**

Dear Mister Gleeson,

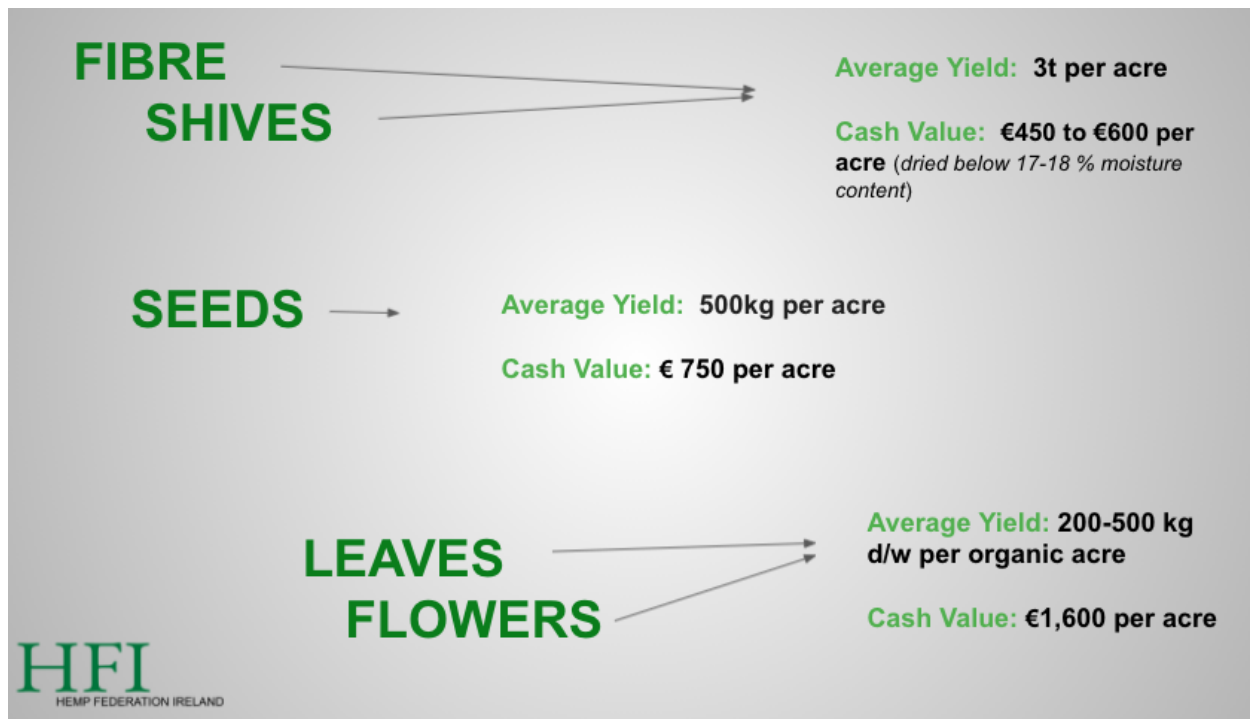
Hemp Federation Ireland (HFI) is Ireland's national hemp industry stakeholder body. We represent the common interests of the Irish hemp industry stakeholders across government Departments and agencies in Ireland and at EU level. Our membership spans the Irish industry value chain and includes the largest employers in the sector in Ireland. Our advisory board includes some of Europe's foremost industry authorities and our expertise covers all use-potentials of the crop. Our farmers and industry operators work with hemp fibre, shives, seeds, roots, leaves, flowers, and cannabinoids. As a policy focused organisation HFI monitors the Irish and EU policy landscape.

Thank you for your Department's recent correspondence inviting Hemp Federation Ireland (HFI) to participate in a consultation on the proposed fibre development of the Irish agricultural hemp sector.

- The hemp crop was worth an average of 3,000 euros per organic acre to Irish farmers in 2020. The Department's proposed fibre development will leave those same farmers with an income of just 450-600 euros for producing the same crop.

As the Department is aware, the global hemp sector is experiencing rapid market growth and expansion and Ireland produces one of the finest hemp crops in Europe. The rise of the modern hemp sector is grounded in scientific and technological advancements which remain poorly understood in Ireland. Consequently, the regulation of the industry in Ireland is misinformed and

inappropriate. However, Irish hemp farms and businesses, many of them operating in the sector for decades, are at the forefront of global industry innovation and product development. While the hemp crop supports thousands of uniquely diverse, and uniquely green, industrial manufacturing applications, Irish farms and businesses also produce some of the highest quality, value-added hemp food products for the most lucrative segments of the global consumer market.



The hemp crop is one of the most lucrative cash crops for European farmers; every part of the plant from the roots to the tops has a separate use and commercial value. The food value of the hemp plant is the main economic driver of farm-level enterprise and global market growth. The food value of the crop is also its core environmental value. Therefore, a whole plant approach to development, in line with undisputed science, is fundamental to securing the interdependent environmental, human health, and socio-economic potentials of the industry.

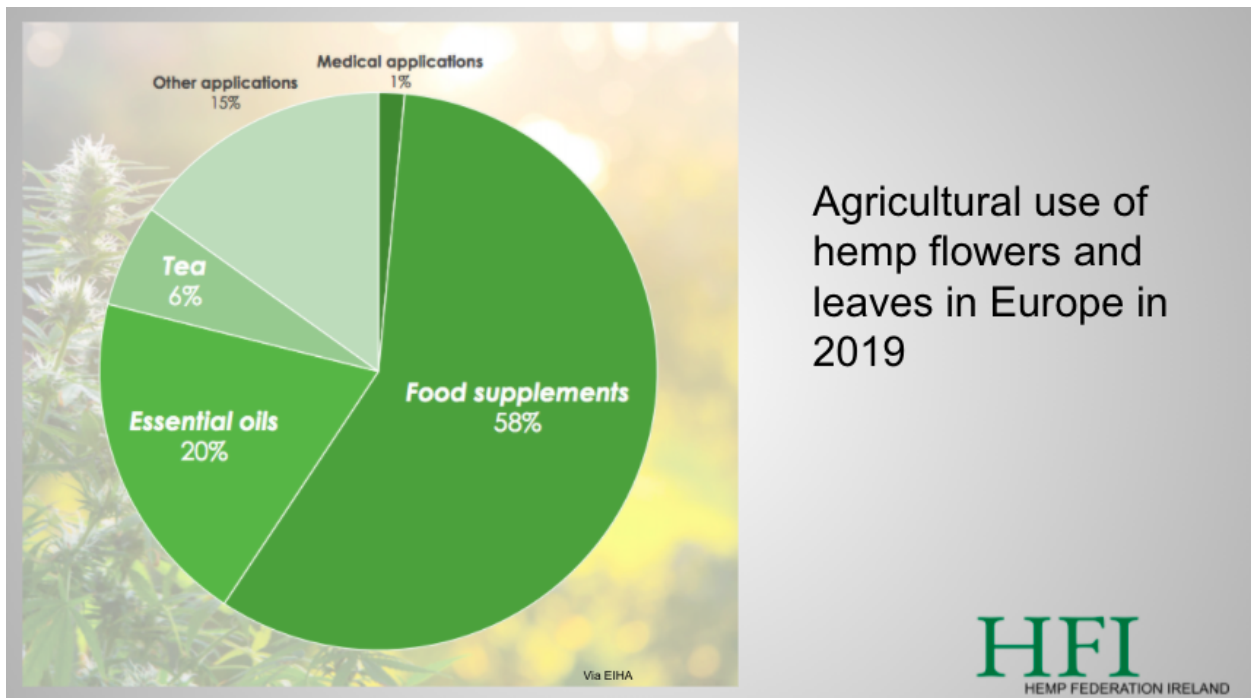
This DAFM consultation aims at knowledge production in support of a Programme for Government proposal for a fibre development of the sector. The consultation framework relies entirely on exclusions to validate an underlying policy construct which runs counter to all objective fact and reason:

- No EU Member State could possibly support a fibre only hemp sector - least of all Ireland
- The economic viability of the entire European hemp sector is dependent on farmers being able to utilise and benefit financially from all parts of the hemp crop.

- In line with IPCC climate transition pathways carrying the highest co-benefits, including for human health, hemp is arguably the single most important agricultural food crop on the planet.

The consultation framework limits our experts to discussing only the stalk of the plant and precludes any discussion of actual farm income potentials, supply chain economics, or highly monetised EU policy support. No mention of the unique nutritional value of our agricultural foods is permitted and no mention of highly problematic Irish policy dynamics related to agricultural hemp food production in Ireland is allowed. Of greatest concern to us is the framework's exclusion of any possibility of accurately representing the actual environmental value of the industry in the wider context of climate change, land-use management, and food sovereignty and security.

As the Department is aware, a fully integrated, locally situated development of the hemp sector, based in accurate science, can transform Irish agriculture, revolutionise land-use management, address the carbon emissions of a range of highly problematic Irish industries, and go a long way to securing the economic future of rural Irish communities. For these reasons, the agricultural sector must be developed in the interests of Irish people and the greater environmental good. The narrow concerns of pharmaceutical companies should have no bearing on how this agricultural industry is developed. The flowers and leaves of the hemp plant are agricultural commodities and the hemp crop as harvested is, in its entirety, protected under Article 34 of the Treaty Forming the EU.



As the Department is also aware, the highly monetised EU policy instruments now driving development of the hemp industry at European level are **environmentally focused** across agriculture, land-use, food production, and climate policy objectives. This is a direct reflection of hemp's unique

capacity to positively impact global temperature rise while reducing the effects of climate change on planetary ecosystems. The EU Commission, with DG Agri, is currently engaged in extensive EU-wide consultations with hemp industry bodies across all Member States. A range of EU institutions are supporting the Commission's evidence-based assessment of EU market potentials. DG Agri has highlighted the crop's capacity to significantly increase farm incomes and positively impact the socio-economic future of rural communities. In April the Commission also formally recognised the huge potential for the European hemp sector to meet EU CAP, Farm to Fork, and climate policy objectives.

As you know, a recent ruling of the European Court of Justice (ECJ) confirmed that Member States may not use their domestic drugs laws to restrict the free trade in agricultural hemp and derived products across the European Single Market. The Court also confirmed the legal rights of EU hemp farmers and operators to use all parts of the crop, (including the flowers and leaves), to make their agricultural products. The EU Commission has clarified, (specifically for Ireland), that agricultural foods, including CBD, can legally be made from all parts of the EU hemp crop, (including the flowers and leaves). As a result of these clarifications, EU authorities support a fully integrated development of the European agricultural hemp sector based on Europe's farmers continuing to benefit financially from all fractions of the EU crop.

- Only by misrepresenting the validity of Irish Misuse of Drugs laws in the context of primary EU legislation and regulation can Ireland continue its transfer of extensive agricultural food markets to Irish pharmaceutical interests.

As the Department may also be aware, under Directive EC 2021/3, EU Member States, including Ireland, are committed to entering into full consultation with hemp farmers and food producers who make products containing trace amounts of THC; a naturally occurring, non psychoactive, constituent of the EU hemp crop. However, because Ireland refuses to acknowledge the legal rights of its hemp farmers and operators, the Irish hemp sector is excluded from meaningful participation in the EU consultation process. Meanwhile, DAFM's own consultation framework excludes all mention of hemp food and ensures all of the major EU policy instruments remain off the table for Irish farmers. Nevertheless, as EU citizens, Irish hemp farmers are equally legally entitled to use all parts of their crop to make their agricultural products. Department of Health officials have already confirmed that Irish hemp farmers are legally entitled to use the flowers and leaves of the crop to make their foods

- Minister Donnelly has nevertheless continued to force Irish farmers to destroy the most valuable parts of their 2021 EU crop at harvest.

As you will also be aware, stakeholder engagement is a core principle of EU democracy, it protects the rights of EU citizens to good administration and ensures they are consulted in decision making processes which may affect them. Nevertheless, since 2018, the Department of Agriculture has remained silent as successive Ministers for Health refused to acknowledge the existence of an

indigenous hemp farming sector in this country. As a result, the democratic rights of Irish farmers and operators were ignored while the Department of Health and others discussed the future development of the Irish hemp industry with international pharmaceutical and tobacco companies, as was reported in the Business Post on April 24th of this year.

The Department once again remained silent while Enterprise Ireland and other state agencies transferred control of the entire agricultural hemp supply chain to pharmaceutical companies over the course of the past year; as you know the Department of Business still to this day permits only pharmaceutical companies to access any State Enterprise support for any commercial activity related to any part of our agricultural crop. This transfer preceded the launch in Ireland of Europe's first pharmaceutical CBD food; a lab-grown substance which mimics the CBD molecule in agricultural hemp foods. Soon after that, the Minister for Agriculture, personally excluded all Irish hemp farmers and operators from accessing the Covid-19 Credit Guarantee Scheme operated by the Strategic Banking Corporation of Ireland (SBCI).

As you are aware, when that scheme was announced, HFI wrote to DAFM seeking clarification of the basis on which our farms and businesses, many of them operating in the sector for decades, were excluded. As no explanation was forthcoming from the Department, HFI then wrote directly to SBCI. Some weeks later, DAFM admitted hemp fibre but all other parts of our crop remained excluded from the scheme. When HFI again wrote to SBCI, this time clarifying the express provisions of Irish legislation with regard to the seed, and the newly clarified provisions of European law with regard to the entire crop, instead of coming back within the bounds of lawful provisions, the rights and entitlements of Irish hemp farmers and operators were simply overridden for a further year by all concerned.

Last week, The Sunday Business Post reported that DAFM has now confirmed the exclusion was unlawful and that DAFM officials had mistakenly understood the terms of the Agricultural licence issued by the Department of Health. DAFM's explanation is simply not good enough and gives no indication of what DAFM thought our farm licence related to when the hemp crop in its entirety was excluded by the Minister in the first place. In any event, the Department's actual position remains unchanged and huge agricultural revenue streams continue to be transferred to the pharmaceutical sector by the Minister for Health with the apparent support and assistance of the Minister for Agriculture.

Similarly, FSAI recently confirmed, after a seven month delay, that it now correctly understands last November's ECJ ruling and the clarifications issued by the EU Commission. FSAI now advises that the Department of Health believes that Irish hemp farmers and operators, in line with the European Court ruling, are legally entitled to use all parts of their crop to make agricultural foods. Nevertheless, the Department of Agriculture has again remained silent while a second agency of the Department of Health, (the HPRA), continues forcing Irish hemp farmers to destroy the flowers and leaves of this year's crop at harvest. Apparently it is impossible for the Irish state Departments and agencies to communicate in relation to the hemp industry, unless that communication advances the dismantling of the sector.

As you may be aware, in 2019 EU authorities requested that agricultural hemp food producers should now apply for Novel Food authorisation in line with Regulation EU 2015/2283. FSAI advised our farmers and operators that they should also apply and then assisted HFI to progress those applications. Consequently, our farms and businesses are now invested in a 3.5 million euro consortium and our applications are underway with the European Food Safety Authority. FSAI now informs us the Department of Health has now decided to remove all of the products to which our applications relate from the Irish market because they're novel foods. To do this, the Department of Health, Finance, the Gardai, the Public Analyst's Laboratory, Forensic Science Ireland, the FSAI, the HPRA, and Customs and Revenue, have established a fully coordinated approach to rendering our investments meaningless.

This consultation process now seeks to rationalise, sanitise, and normalise a dismantling governance infrastructure which was established with no regard for Irish law, no regard for European law, and no regard for the democratic and constitutional rights of Irish hemp farmers and operators. The policy construct at the heart of the consultation has no basis in economic logic nor does it have any basis in science. It certainly has no basis in law and, given that the proposed development will also destroy the profound environmental benefits of the industry, it is without apparent merit of any kind. Hemp Federation Ireland must therefore decline the Department's invitation to participate in the consultation as currently structured.

The Irish hemp industry must be lawfully regulated in accordance with accurate science and any development must be supported by actual evidence-based policy making. We would of course welcome a more open, transparent, and appropriate consultation framework and we encourage the Department to provide one for us. We suggest the Terms of Reference for the knowledge-sharing forum already agreed between HFI and the Department would provide a ready made template for such engagement.

We trust others; Irish farming organisations, the Environmental Pillar, educational and research institutions, private companies, political parties and individual citizens will support Hemp Federation Ireland's considered position and our request for a genuine consultation with our industry experts.

On behalf of the board and members of Hemp Federation Ireland,

Yours sincerely,

Chris Allen

Executive Director  
Hemp Federation Ireland