

APPENDIX 4: Survey Comments [Regarding Micro-Facilities]

Comment No.	Comment
1	<p>“Please be very conscious of outdoor cannabis producers including hemp, why not use the best soil? Please limit the size and number of concrete pads for actually growing cannabis indoors. Agriculture sites should be for micro nursery, cultivation, processing only. The only exception should be for building a hemp processing facility for extracting CBD THC etc. Farmers need this to value add. Perhaps look at capping the size?”</p>
2	<p>“I believe there is an excellent business opportunity for acreage owners, that are not in a subdivision and where adequate separation can be attained, under the Micro-Cultivation licence. This would diversify the economy in Sturgeon County and increase the tax base.”</p>
3	<p>“As of late 2018, small “craft” cultivation facilities will now be eligible for a unique type of licence called a Micro Cultivation Licence. The security and operational requirements are less stringent than the larger production facilities (which fall under a Standard Cultivation Licence), making this a very attractive opportunity for small business entrepreneurs. The Micro Cultivation Licence permits 200 square metres (around 2152 square feet) of total canopy space, including multiple surfaces. It can be either indoors (greenhouse, warehouse) or outdoors (farming). For information on outdoor farming, please see the page in this section called Outdoor Cannabis. Historically, small cultivation businesses were been permitted under the identical licence as a very large business, which meant that the staffing and operational requirements made it a cost-prohibitive venture. Now, with the Micro Cultivation Licence, small business owners can run a lean operation with minimal staff and security. It is expected to spark a new “revolution” in craft cannabis production in Canada. Only one licence is permitted per unique address. However, in theory a larger facility which has unique addresses for different sections could acquire a licence per section, similar to different warehouse bays within a larger warehouse facility. The Micro Cultivation Licence allows a facility to cultivate cannabis and sell (wholesale) to a licenced third party, and allows the direct sale to provincial distributors (fresh/live plants/seeds only), other licenced Processors (dried flower, oil), licenced retailers or directly to medical patients who hold a medical document provided by a health care practitioner. To supply to the provincial retail supply chains, a Micro Cultivator would also need to achieve a Micro Processor Licence for the same facility (Health Canada</p>

	<p>does not allow a Micro Cultivation Licence to be combined with a Standard Processor Licence).</p> <p>To acquire a Micro Cultivation Licence, an application has to be thorough and professionally drafted, and submitted to Health Canada for review. Extensive details of the facility and operations are required, including (but not limited to); a professional floor plan, site and physical security design (and risk management programs), Standard Operating Procedures (SOPs), security clearances, corporate structure summary, site survey, filed notices with local authorities, various quality assurance reports and administrative forms. The timeframe to acquire this type of licence does not fall within a performance target, but historically Access to Cannabis for Medical Purposes Regulations (ACMPR) applications were at minimum 18 months from application to licence. It is expected that Micro Cultivation Licences will follow a similar pattern. Note that only a fully built-out facility will be eligible for a licence, and Health Canada does not offer any “ready to build” (or similar) authorizations ahead of construction; the applicant will need to build out the facility before/during the application is under review.</p> <p>A notable change in the Canadian regulatory system for 2018 is that “black market” genetics (i.e., plants and plant seeds) that are illegal will now be allowed to be brought into a facility just prior to licencing. The plants or plant materials must be present at the facility on the first day of licensing, as a one-time influx of genetics. As this was not permitted under the previous regulations, this is seen by many to be a huge opportunity to introduce genetics into the Canadian legal cannabis framework. Note that this is not an allowance for existing licensed producers; it will only be permitted as a one-time allowance for new applicants.</p> <p>After the initial licence is achieved, it should be noted that Health Canada will inspect the facility on a regular (usually monthly) basis to ensure compliance in all areas covered within the Cannabis Regulations. CCI is often recruited to provide operational readiness programs and training programs to ensure the facility is functioning without error or non-compliance.</p> <p>Cannabis Compliance Inc is currently being recruited to complete Micro Cultivation Licence Applications, together with the required paperwork. CCI has a 100% success rate in achieving production licences under the historical frameworks and is accepting new clients for micro cultivation licencing.”</p>
4	<p>“Should be discretionary for AG bc it depends on who is adjacent, and location is critical; also, it should depend on the size of the contemplated production - standard or micro.</p> <p>Should be permitted in industrial.”</p>
5	<p>“Allowing a nursery license and or micro license on AG land is necessary. A nursery has lower security risks --> no storage of cannabis, only live plants sold to licensed producers.</p> <p>The risk from not allowing AG lands to legally grow cannabis (nursery or micro) is that it will promote the black market.”</p>