

# H1: Regulating Cannabis Production and Cracking down on Organized Crimes

[The Canada Cannabis Act](#) went live this October, making Canada the second country in the world (after Uruguay) to legalise cannabis. While marijuana is not legal in all states in the United States, CBD products which do not contain the psychoactive THC strain have been imploding across the health market all over the country. Although smoking marijuana for medical and recreational means has always been a popular and controversial topic, it is only over the past two or three years that cannabis has climbed out of its taboo, alternative niche and claimed widespread media attention.

<https://www.youtube.com/watch?v=iL-tKPdzo1g>

The growing exposure of the healing, therapeutic and medicinal benefits of the plant has put pressure on North American governments to reconsider their regulations around the production and screening of cannabis. While the Canadian President is being questioned about how the legalisation of cannabis will impact drug crime, the US is finding itself under equal pressure to make medicinal marijuana legal across all states. Another area finding itself under scrutiny is the screening process for licensed cannabis producers and medicinal marijuana growers. What does it entail, and how do regulators plan to improve production regulation?

## H2: Legalised Cannabis and Organised Crime

### H3: Changing the Distribution Channels

When it comes to organised drug crimes, President Justin Trudeau is confident that legalising cannabis for both recreational and medical means is a positive step towards reducing occurrences of cannabis-related crimes. He recently stated that “[the war on drugs is not working](#),” and rather than increasing organised crime, the move to legalise it should help the government to better regulate the drug’s circulation, distribution, and production. While before, organized crime was often incentivized by the need to carry out cannabis distribution outside the watchful eye of the authorities, it is hope that legalisation will change the channels through which consumers obtain the plant.

The move towards legalisation is also supported by the government’s ability to tax cannabis products and “get it out of our children’s hands.” This could potentially reduce the risks otherwise involved in obtaining illegal goods like marijuana.

### H3: Organised Crime is Still High

However, despite the Canadian government's link between legalisation, reduced crime and increased regulation, the reality shows that [organized crime isn't going to disappear](#) - or at least, not immediately.



One of the reasons for this is that officials and politicians don't completely understand exactly how the marijuana market works. By legalising cannabis production and distribution in the country, the government hopes to solve a problem which they believe has resulted from the illegal importation of drugs from countries in Latin America. By fostering a "home-grown" approach, and offering over 100 legal cannabis shops nationwide with Canadian grown cannabis, the organised crime inherent in illegal importation was expected to decrease.

However, Canada has always been a prominent net exporter of cannabis and has a long history of cannabis growth itself. Cannabis-related crime organizations in the country don't make the majority of their profits from weed exports, but by allowing other vendors to grow and sell their produce on Mafia-claimed territory. Lack of cooperation from dealers and even medical marijuana growers result in home invasions, robbery, and assault. And while the government

hopes to crack down on negative cannabis activities, organized crimes continue to pop up in other areas, especially with prescription drugs and habit-forming drugs such as cocaine.

Future regulation policies will also need to measure and take into account the transferral of organized crime from one drug area to another. It will also need to take a closer look at the current state of the marijuana market in Canada, and how the screening process can weed out (no pun intended) the Mafia controlled portion of cannabis production.

## H2: Regulations for Licenced Canadian Cannabis Producers

H3: “Not for the Faint of Heart.”

When it comes to establishing comprehensive and sufficient license guidelines for cannabis producers in Canada, the government are covering all possible cracks in the screening process. In the wake of the Canada Cannabis Act, [The Government of Canada](#) website has added a whole section geared towards informing producers of their market and licensing responsibilities.



Despite the initial excitement following the announcement to legalise cannabis, acquiring a marijuana producer license involves a thorough, seven-stage application process. And according

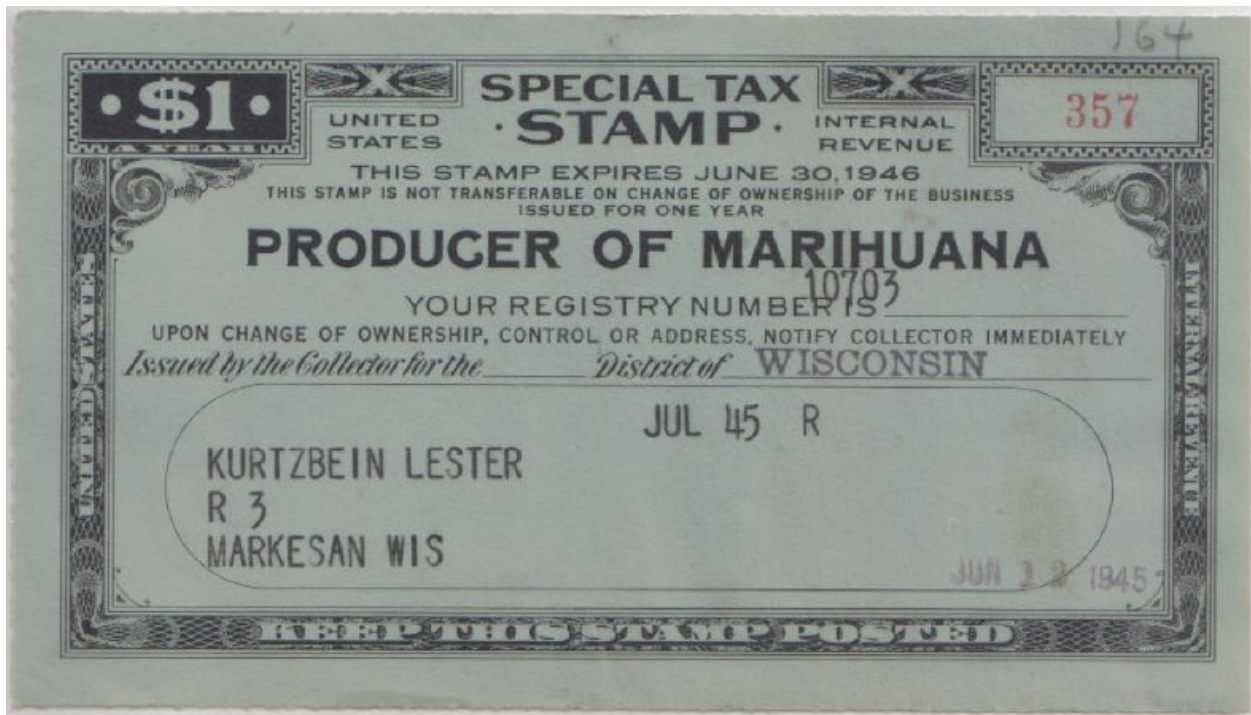
to Eileen McMahon, who chairs the foods and drug regulatory practice at Torys LLP, it obtaining a license is [“not for the faint of heart.”](#)

### H3: License Applications and Packaging Constraints

The site states that “Health Canada is now accepting applications from those who want to become a cannabis licence holder under the Act.” Producers who were licensed under the previous Access to Cannabis for Medical Purposes Regulations now need to transfer their license under the new Act. Both Health Canada and the Canada Revenue Agency need to supply licenses, if a producer aims to grow cannabis for commercial purposes, sell it for medical use, or conduct any activities involving cannabis.

Regulation is also in place for those planning to package and distribute cannabis, and covers everything from package requirements to excise stamps. The website goes into further detail covering the legalities of tracking, compliance, enforcement, promotion, and cost coverage, which all result from the new Cannabis Act.

### H2: Cannabis Screening in the USA



While marijuana is not legal across all state in the USA, areas where it is available are undoing strict regulatory iterations. Each state has its own regulations, screening processes and licensing requirements. While California lays out its general framework for medicinal marijuana growers

in the Medicinal and Adult-Use Cannabis Regulation and Safety Act ([MAUCRSA](#)), Colorado outlines official information and laws on its [state web portal](#). Similar to Canadian regulations, state laws also place strict emphasis on packaging requirements - so much so, that recent negligence in California has resulted in a [potential \\$350m loss](#) of cannabis products.

The midterm elections in the US are set to test how different politicians approach the issue of legalised cannabis, and how they can propose to better regulate production methods and screening processes in the future.

<https://www.youtube.com/watch?v=IzLW-gFVVx4>

Overall, in comparison to Canada, the US is lagging. [According to Eyal Barad](#), CEO of Cannabics, “Some work with cannabinoids is getting underway in Canada. But in the U.S., it is still very difficult to do any cannabis research in any sort of government facility.” He believes that the U.S. government should “downgrade marijuana from a schedule 1 drug,” and that this would “definitely bring a lot of legitimacy to research on the drug and support the growing public acceptance of it.”

Legitimacy and public acceptance are both major factors when it comes to moving forward and improving cannabis regulatory sanctions. Industry rules are not yet at a mature stage, and whether the future of regulated production and distribution lies in [technological innovation](#), government awareness, or educated consumers, it remains a pressing issue for all parties involved.