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Frequently asked questions growing low-THC hemp in New South Wales

What is THC?

THC (tetrahydrocannabinol) is the psychoactive (mind altering) chemical compound in *Cannabis sativa*.

What is low-THC hemp?

Low-THC hemp are cultivars of *Cannabis sativa* that have been bred to produce very low levels of THC. Low-THC hemp is visibly identical to other cultivars of *Cannabis sativa* with higher levels of THC.

Low-THC hemp has no measurable psychoactive effect in humans. The *Hemp Industry Act 2008* (the Act) defines low-THC hemp as “any plant of the genus *Cannabis* that has a concentration of THC in its leaves and flowering heads of no more than 1% and includes the seed of any such plant and any product (such as oil or fibre) derived from any such plant”. Low-THC hemp may also be known as industrial hemp or industrial cannabis in other jurisdictions.

Do I need a licence to grow low-THC hemp in NSW?

Yes. The Act introduced a licensing scheme to allow producers in NSW to grow low-THC hemp crops for fibre, seed and oil production while limiting the risk to drug law enforcement. It is an offence under the *Drug Misuse and Trafficking Act 1985* to cultivate or possess low -THC hemp unless it was cultivated or supplied under authority of the Act, regardless of the amount of THC that the low-THC hemp plants or material may contain.

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

An application form and the application guidelines that are necessary to help you complete the application can be obtained from the NSW Department of Primary Industries and Regional Development (NSW DPIRD) website at <https://www.dpi.nsw.gov.au/agriculture/broadacre-crops/nsw-hemp-industry>. If you do not have access to this website, a copy of the application package can be obtained by telephoning 1800 680 244.

How does the licensing scheme operate?

A licensing scheme under the Act allows commercial production of low-THC hemp, as well as facilitating the development of an industry in processing, manufacturing and research in NSW. This licensing scheme enables activities to be carried out under strictly controlled conditions.

Licensing conditions ensure that production can take place without risk to drug law enforcement. These conditions include strict eligibility and suitability requirements for licence applicants and compliance monitoring programs.

NSW DPIRD administers the licensing scheme, and the Secretary of the Department may issue a licence subject to that policy if:

- the applicant and any close associates¹ are deemed to be suitable persons to be involved in the cultivation and supply of low THC hemp,
- the applicant has a suitable location to cultivate the low-THC hemp crop, and
- the applicant can demonstrate a lawful and genuine purpose for the cultivation and supply of low-THC hemp.

What is the best time to apply for a licence?

Low-THC hemp is a multi-season crop. An application should be submitted well in advance of the proposed planting time. Generally, low THC hemp is planted between March and August, to allow time for seed to be sourced and ground prepared.

Why might a licence application be refused?

The Secretary's delegate may refuse an application if the applicant (or any close associate):

- has been convicted of a serious offence, including drug related offences.²
- is not of good repute with regard to their character, honesty and integrity,
- is under the age of 18 years,
- has previously been refused a licence in NSW or in another jurisdiction,
- has previously had a licence cancelled or suspended in NSW or another jurisdiction,
- does not have a suitable location to cultivate the low-THC hemp crop,
- is unable to demonstrate a lawful and genuine purpose to cultivate and supply low-THC hemp.

If a licence application is refused, is the application fee refundable?

No. Once an application is determined, the application fee will not be refunded if the application has been refused. However, where an applicant withdraws their application prior to it being determined, NSW DPIRD will consider refunding the application fee but is under no obligation to do so.

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.

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 Secretary) 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

² A "drug related offence" means an indictable offence under the Drug Misuse and Trafficking Act 1985 or under a corresponding law in an Australian state or territory.

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

No. There is no limit on the area that may be sown.

What are the low-THC hemp licensing costs?

- The licence application fee of \$572 is payable on lodgement of the application.
- Where a current licence is due to expire and the licensee applies to renew their licence, a licence renewal fee of \$418 is payable on lodgement of the application.
- A criminal record check is conducted by the Secretary (or their delegate) for the applicant and any close associates. The costs of criminal history checks are passed on to the applicant.
- A licence will usually be valid for five years.
- An annual administration fee of \$200 is payable in each of the following four years. Licensees will be invoiced annually for this fee.

All fees include GST.

Sampling for THC analysis must be conducted by a NSW DPIRD Officer and is done at the licensee's expense. THC analysis must be carried out by an accredited laboratory and is also at the licensee's expense.

What conditions apply to a licence?

Conditions that apply to a low-THC hemp licence are:

1. Licence conditions listed in the Hemp Industry Regulation 2016 - [Clauses 10 –13 Hemp Industry Regulation 2016 - NSW Legislation](#), and
 2. Additional conditions that are part of the licence document. This includes (but is not limited to):
 - Failure to comply with the terms, conditions, limitations or restrictions of this licence may result in the suspension or cancellation of the licence.
 - The licence holder must notify the Department of any changes of licence details within 7 days.
 - The licence holder must notify the Department no more than 7 days after planting a low THC hemp crop.
 - The licence only relates to the premises described on it.
 - The licence holder must follow all licence conditions as pursuant to Section 10 of the Regulation.
 - The business must operate in accordance with the requirements of the [Hemp Industry New South Wales Licence Manual](#), issued by the Department.
 - The area of land on which low THC hemp is planted at any one time must not exceed the area specified on the licence.
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Once I have a licence can I grow low-THC hemp anywhere I want?

No. Unless otherwise approved, a licensee must only cultivate low-THC hemp at the site stated in the licence application. However, a licensee may apply to plant at different or extra locations from

the location originally approved. The site must be assessed and approved by NSW DPIRD prior to planting at the new location.

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

No. If you don't own the property, written consent to grow low-THC hemp must be obtained from the owner and be submitted with your application. The owner of the property may need to be included as a close associate if they would have a financial interest in the low-THC hemp crop.

What is legitimate low-THC hemp seed?

A licensee must only use seed for sowing that is supplied on the basis that it will not produce hemp that has a concentration of THC of no more than 0.5%.

Can I buy low-THC hemp seed from overseas?

Yes. Low-THC hemp seed can be purchased from overseas but must be done so in accordance with Australian Government import conditions and requirements.

Will I need to keep records of activities conducted under the licence?

Yes. Licensees are required to keep a register that records activities listed in Clause 11 of the Hemp Industry Regulation 2016. The register is subject to audit by NSW DPIRD Officers. The information in the register will form the basis for the Annual Report submitted to the Department by the licensee. Further information is available in the [Hemp Industry New South Wales Licence Manual](#).

How is the crop sampled to check THC levels?

Licensees must ensure that the crop is sampled at the correct time by a NSW DPIRD Officer. The Officer will submit the sample for THC analysis by an accredited laboratory. The sample must not exceed 1% THC. The licensee must pay the laboratory for the THC analysis.

Can I feed low-THC hemp crop residues to livestock?

DPIRD does not recommend licensees feed low-THC hemp crop residues to livestock (e.g. cattle, sheep, pigs, goats, and deer).

Research suggests that THC accumulates in an animal's body, resulting in chemical residues, and it is unclear about the time needed for an animal to safely dissipate the residues. It is therefore difficult to establish practical withholding periods that would support grazing of low-THC hemp crop residues in a way that would not result in an animal product entering the food supply chain with no detectable levels of THC. DPIRD acknowledge that this is an area under active research and producers are encouraged to contact DPIRD or their industry peak body to determine current best practice before they feed any low-THC hemp products to livestock.

Producers must ensure their livestock complies with the maximum residue limits (MRL) before consigning that animal for human consumption. Food producing animals must have no THC contamination.

The *Biosecurity Act 2015* (NSW) complements the *Hemp Industry Act 2008* to prevent, eliminate and minimise biosecurity risks, including adverse effects on the economy, environment or community from animals or animal products becoming chemically affected. If THC was found in animal products

(e.g. meat, dairy products etc) destined for human consumption access to domestic or export trade markets may be put at risk.

Licensees and producers have a general biosecurity duty to prevent chemical contamination of livestock, and supplying a chemically affected animal into a market could attract penalties under the *Biosecurity Act 2015*.

Who is responsible for controlling volunteer low-THC hemp plants?

The licensee is responsible for controlling volunteer (self-sown) low-THC hemp plants on land they occupy to cultivate low-THC hemp. After a licensee ceases to occupy an area of land that they had been using to cultivate low-THC hemp, the current occupier of the land is responsible for the control of any volunteer low THC hemp plants.

Can I cultivate and supply low THC hemp for human consumption?

Yes. The Australia New Zealand Food Standards Code was amended in November 2017 to permit the sale of hemp seed and hemp seed oil only as human food products, subject to the restrictions in the Code at Standard 1.4.4 – Prohibited and restricted plants and fungi.

Leaves, flowering heads and other parts of the low-THC hemp plant must not be sold as food for human consumption. Animals containing cannabinoid residues resulting from being fed low-THC hemp must not be sold for human consumption.

Is there any information about growing low-THC hemp?

For more information on growing low THC hemp in NSW, visit the NSW Hemp industry webpage on the DPIRD website at <https://www.dpi.nsw.gov.au/agriculture/broadacre-crops/nsw-hemp-industry>.

Can I produce medicinal cannabis products under a Hemp Industry Act 2008 licence?

No. You need a licence and permit from the Office of Drug Control to grow, produce or manufacture cannabis for medicinal or research purposes in Australia. Medicinal cannabis products are registered in Australia under the Australian Register of Therapeutic Goods (ARTG) by the Therapeutic Goods Administration.

Can I supply therapeutic products produced from low THC hemp cultivated under a Hemp Industry Act 2008 licence?

No.

Only the Australian Government, through the Office of Drug Control, can authorise the production and supply of cannabinoids (including CBD) for human therapeutic purposes, regardless of their source.

Australian Pesticides and Veterinary Medicines Authority (APVMA) are responsible for assessing and registering veterinary chemicals proposed for supply in Australia. The APVMA have noted that safe levels/concentration limits for cannabis have not been determined for animals. The APVMA considers that any product containing cannabis (including hemp) or cannabinoids that are offered for supply into animal industries are veterinary chemical products (veterinary medicines) and must be registered by the APVMA.

How do I contact NSW DPIRD?

For more information on hemp licensing, contact the Licensing and Accreditation Services team on 1800 680 244 or by email: bfs.admin@dpi.nsw.gov.au.

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