

## Can Lebanon Export Cannabis for Medicinal Purposes?

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Online at https://mpra.ub.uni-muenchen.de/119222/ MPRA Paper No. 119222, posted 30 Nov 2023 14:57 UTC Can Lebanon Export Cannabis for Medicinal Purposes?

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The sale and consumption of cannabis are becoming more broadly accepted worldwide as research

into its medicinal uses accelerates. Revenue in the global medical cannabis market is projected to

reach 12.92 billion US dollars (USD) in 2023, and is expected to grow by 13.16% annually,

resulting in a market volume of USD 23.97 billion by 2028. Moreover, Colombia, Costa Rica,

Malaysia, Morocco, Thailand, Ukraine, the United States, and European Union countries

have created regulatory frameworks for cannabis derivatives manufacturing and export and import

licenses. As we previously argued, the goal of exporting cannabis from Lebanon for

pharmaceutical processing and medicinal purposes should be welcome, despite many

misunderstandings about Lebanon's informal cannabis sector, as well as what would be required

to establish a formal sector and ensure buy-in along the cannabis cultivation and export value

chain. Among these challenges are cannabis importing country requirements and Lebanon's ability

to meet them.

Regulatory frameworks for approving medicinal cannabis imports differ across countries, though

there are similarities across developed importing economies with which Lebanese authorities and

prospective (formal) cannabis exporters can prepare to comply. As a baseline, Lebanon must

ensure that cannabis cultivated for medical use is grown under state control in accordance with

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articles 23 and 28 of the United Nations Single Convention on Narcotic Drugs, 1961. Evidence must also be provided to demonstrate that measures are being implemented to prevent the misuse and illicit trafficking of cannabis plants. Lebanon passed a law in 1964 affirming its adherence to the Single Convention, under which legal cultivation for medicinal purposes can only be carried out by entities that have Lebanese government-issued permits. Despite this, let alone the fact that Lebanese farmers have cultivated cannabis for at least 100 years, the state has yet to issue a single cultivation permit. Such permits could enable the Lebanese government to restrict how much cannabis is cultivated and manufactured,<sup>4</sup> and thus, meet a key requirement of preventing the accumulation of a narcotic material for illegal purposes.<sup>5</sup>

Lebanon would also need to adhere to Good Agricultural and Collection Practices (GACP) guidelines to ensure appropriate and consistent quality in cannabis cultivation and production. GACP guidelines were developed by the World Health Organization in 2003 with the aim of improving the quality of plants being used for medicinal purposes in the commercial market. Production and primary processing of medical cannabis and other cannabis substances have a direct influence on the final quality of active pharmaceutical ingredients and production. Accordingly, primary processing actions can constitute the first step in the quality assurance process, which is central to compliance with GACP guidelines.<sup>6</sup>

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<sup>&</sup>lt;sup>4</sup> Market <u>limitations</u> could act as a disincentive to entering the formal sector, meaning licenses would not necessarily, and likely would not result in full formalization of the Lebanese cannabis sector.

<sup>&</sup>lt;sup>5</sup> Article 49 of the Single Convention dictates that the use of cannabis for other than medical and scientific purposes must be discontinued as soon as possible but, in any case, within 25 years from the convention coming into force.

<sup>&</sup>lt;sup>6</sup> GACP guidelines include requirements for quality assurance; personnel involved and their qualifications, necessary hygiene measures; the buildings and premises used for drying; initial processing of the plant materials and storage; equipment and devices to be used; documentation; the production of seeds, cuttings, and other cannabis material for propagation purposes; cultivation and harvest (for medicinal cannabis cultivation); as well as packaging, transport, and distribution.

Once legal, regulatory, and quality control frameworks are established, Lebanon would need to formalize relationships with importing firms abroad, who have professional relationships with certified Good Manufacturing Practice (GMP) sites that can process cannabis flower harvested in Lebanon. GMP certification covers quality standards such as in-process testing and controls, storage and distribution, validation, and final product quality, including cannabinoid content accuracy as well as batch-to-batch consistency.

Additionally, a "written confirmation" by Lebanese authorities is required to export cannabis derivatives for medicinal use to EU countries, a potentially large market for Lebanese cannabis. Such a written confirmation would confirm that Lebanese cultivation and manufacturing facilities are subject to regular, strict, and transparent controls, and to the effective enforcement of good manufacturing practices, including repeated and unannounced inspections. This guideline ensures the imposition of public health standards equivalent to that in the EU, and that in the event of noncompliance, EU authorities would be immediately notified by Lebanese authorities.

Clearly, Lebanon can still capitalize on its position in the cannabis market by developing regulatory and infrastructure frameworks that are necessary to export medicinal cannabis. In the event the state issues cannabis licenses absent these frameworks for accessing foreign markets, a significant – albeit too often overstated – source of foreign currency would be left on hold. Action in the near term could not only prevent such an undesirable outcome but also serve to extend greater state control over an informal cannabis sector that is dominated by the interests of organized crime.

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