

## FOR IMMEDIATE RELEASE



## KINGSTON, JAMAICA

### Jamaica's Cannabis Industry in the global landscape

In 1961, nations around the world signed a United Nations (UN) international drug control treaty, prohibiting the production and supply of specific narcotic drugs including Cannabis. A treaty with the UN, is a binding agreement that member countries comply with, to ensure collaboration in combating shared challenges and to protect the interests of members.

According to the UN, the 1961 Single Convention on Narcotic Drugs which was amended by the 1972 Protocol "aims to combat drug abuse by coordinated international action. There are two forms of intervention and control that work together. First, it seeks to limit the possession, use, trade in, distribution, import, export, manufacture and production of drugs exclusively to medical and scientific purposes. Second, it combats drug trafficking through international cooperation to deter and discourage drug traffickers."

Other treaties that followed were the 1971 Convention on Psychotropic Substances and the 1988 Convention against Illicit Traffic in Narcotic Drugs & Psychotropic Substances. These included additional provisions that further strengthened the Single Convention on Narcotic Drugs.

Jamaica's drug regulations must be drafted and enforced in keeping with these binding conventions, to limit the handling of Cannabis for specific medical, scientific and therapeutic purposes. Some exceptions exist, by which the extraction of Cannabis compounds that are liable to cause abuse and ill effects, may be modified for safer consumption as seen with hemp. Additionally, cultivation may be allowed for horticultural purposes or for use of the leaves, which allows for five plants per household. These exceptions also require careful crafting and enforcement in the regulations.

Despite the restrictions in the convention and current regulations, the local industry has made considerable advancements and has remained in line with the UN treaties. As a way forward, the Government of Jamaica continues to encourage dialogue surrounding the need to review the current treaties, with a view to making them more inclusive for the development of the medicinal, therapeutic and research and development possibilities.

Unfortunately, Jamaica's international risk profile has long been affected by the country being a transit and source country for illicit narcotic drugs. As such, complying with international conventions is of paramount importance in safeguarding the Jamaican economy from adverse impacts. Once such prospective impact is the matter of correspondent banking.

### Correspondent banking

Correspondent banking is of key interest to the sustainability of the entire Jamaican economy, including the Cannabis industry. This refers to an arrangement between local banks, and banking corporations in foreign countries known as the correspondent bank. The arrangement, allows local banks to conduct foreign exchange transactions using the services of the correspondent banks. Such transactions, are important to citizens who require foreign exchange or want to receive remittances from family and friends overseas as well as tourists who come to Jamaica to spend money. From an economic perspective,

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individuals and businesses importing and exporting goods and services, and the Jamaican Government also rely heavily on these services to do business.

The correspondent bank cannot maintain services with local banks if they are providing services to clients who attain earnings from crime related activities such as narcotics trafficking. As such strict requirements are enforced by local banks whereby their clients need to disclose source of funds in order to help them maintain their correspondent banking relationships.

As the Cannabis industry develops, care and consultation must take place to facilitate individuals and entities that are legally licensed to operate. This consultation will need to be far-reaching to include the Authority, its licensees, the local banking industry, the Bank of Jamaica, and correspondent banks in overseas markets. The dialogue and broadened understanding of the structure of the Jamaican Cannabis industry will undoubtedly spur transparency, and increase confidence in the legal cannabis industry being developed here in Jamaica.

To remain compliant with the conventions and reduce risk associated with the industry, the Cannabis Licensing Authority has taken great care to create a structure of regulations and procedures that will ensure transparency, accountability and development. It has also started the process of critical dialogue and will continue to engage stakeholders towards finding mutually beneficial solutions to this global industry challenge.

### Notes to Editors:

About the Cannabis Licensing Authority: The CLA, which was created by the Dangerous Drug Act, has powers to make and oversee the implementation of regulations for licences, permits and other authorisations for the cultivation, processing, distribution, sale and transportation of ganja, for medicinal, scientific and therapeutic purposes.

About Jamaica's UN Drug Treaty Obligation: Parties to the 1961 Convention undertake to limit the production, manufacture, export, import, distribution and stocks of, trade in and use and possession of the controlled drugs so that they are used exclusively for medical and scientific purposes. The production and distribution of controlled substances must be licensed and supervised.

**Interviews:** Interviews with Hyacinth Lightbourne, Chairman of the CLA, and other designated Board spokespersons will be available on request

**Images:** Related photography available on request

**Social Media:** Facebook: [facebook.com/TheCannabisLicensingAuthority](https://www.facebook.com/TheCannabisLicensingAuthority)

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