



HEMP & THE CAP

 **EIHA**
European Industrial Hemp Association

Position paper

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ABOUT EIHA

The European Industrial Hemp Association represents the common interests of **hemp farmers, producers and traders** working with hemp fibres, shives, seeds, leaves and cannabinoids. Our main task is to serve, protect and represent the hemp sector in the EU and international policymaking. EIHA covers different areas for the application of hemp, namely its use for textile, construction material, cosmetics, feed and food supplements.

INTRODUCTION

For centuries now, humans have been challenging and defying the laws of nature, to the point of affecting the healthy state of our own ecosystem. Today's environmental and health catastrophes are the price the World is paying for the negative externalities deriving from a global economic growth based on individualism, greediness and disrespect of all other forms of life. Nonetheless, in the face of the most recent events, humans seem to acknowledge this and recognise that most of the threats we are now compelled to address are indeed a direct consequence of human intervention. **The change of mindset needs to be now translated into concrete proposals and eventually in decisive actions**, because only a drastic change in our patterns would help us deviate from a dangerous trajectory.

Furthermore, it becomes clear that all actors are called to take this challenge as an exercise of collective responsibility. **Agriculture**, like other sectors, **needs a deep transformation**, guided by a model of **smart, innovative and sustainable** farming.

In this sense, as representative of hemp farmers, producers and traders, EIHA stresses the huge potential of the EU Hemp sector in this transition. **By bringing a new model of agriculture, hemp can speed up the transition towards a zero-emission bio-based and sustainable economy**, which is the ultimate objective of the European Commission in the broad framework of the European Green Deal, hence of the Common Agricultural Policy.

The offer of hemp products has developed quite rapidly and widely across Europe in the last years, boosted by consumers curiosity. **The EU and national legislator should acknowledge the existence of a legitimate European Hemp Sector and accompany its development by deploying adequate regulatory tools allowing for a transparent, safe and qualitative production, while ensuring proper controls on imported goods.**

The following proposals for amendments to the CAP regulations aim at filling this gap and allow EU hemp producer, transformers and retailers to have a stable framework and plan ahead the growth of the sector.

A FEW FACTS ABOUT HEMP

- Hemp varieties, **authorised under the EU Catalogue**, belong to the “*Cannabis sativa* L.” species that have a low, non-narcotic (non-psychoactive) THC content.
- Hemp is an **impressive carbon sink**: while the plant fixes CO₂ in the soil, thanks to its deep root system, its derived biomaterials further increase the overall capture balance of the crop. One hectare of hemp can capture up to 13.4 tons of CO₂, making it as efficient as one hectare of tropical forest.
- Hemp is one of the oldest crops grown by mankind and has been largely cultivated all over Europe **since the very beginning of history**. Want to know more about hemp in history? Check this [video](#).
- All parts of hemp are used. **Nothing goes to waste!** Stalks, roots, leaves, flowers and seeds **can be transformed and used for many different products**: textile, paper, ropes, insulation material, fibre boards, bioplastics, compost, animal bedding, fuel, paint, feed, food, dietary supplements, cosmetics, medicinal preparations.
- Hemp biomass (in particular hempseed) is a **source of high-quality proteins and has a unique essential fatty acid spectrum**¹.
- Used as a catch crop, hemp **improves the yields** of subsequent crops **and restores soil health**: thanks to its root system it has the ability to remove heavy metals from soils².
- Hemp **needs fewer inputs** than most other fibre crops³: water, pesticides and herbicides are used in low doses. Manure and other natural fertilisers represent 50% of the total fertilisers use⁴. Organic is on the rise.

THE POTENTIAL OF HEMP

It is clear that hemp can play a crucial role in a new greener and more sustainable society by providing a concrete solution for ensuring **nutritious food, environmentally friendly non-food products, clean air and soils**. Moreover, it represents an interesting crop from an economic point of view: in a mature hemp value chain, with adapted varieties and the possibility to harvest the whole plant (flowers/seeds, leaves and stalks), the **economic benefits for farmers and the environment** would be undeniable. Consequently, the whole economy of rural areas could be positively impacted.

¹ R.E. Aluko, in *Sustainable Protein Sources*, 2017

² M.C. Robson, ... A.M. Litterick, in *Advances in Agronomy*, 2002; Bosca and Karus, in *The Cultivation of Hemp: Botany, Varieties, Cultivation and Harvesting*, 1998; Michaela Ludvíková, Miroslav Griga, in *Transgenic Plant Technology for Remediation of Toxic Metals and Metalloids*, 2019

³ Smith-Heisters, S. 2008. *Environmental Costs of Hemp Prohibition in the United States*. *Journal of Industrial Hemp* 13(2): 157–170.

⁴ EIHA, (2020) Agri report of 2018 harvest

THE PLACE HEMP DESERVES

FOSTERING KNOWLEDGE AND SUPPORT FOR THE SECTOR

EIHA **welcomes the inclusion of hemp among those sector that can benefit from sectoral interventions** in the framework of the Strategic Plans. Through the funding of operational programs, Member States could steer the development of a virtuous value chain, while capitalizing on the positive externalities of hemp production in terms of contribution to the environment.

In order to fully exploit the potential of hemp and to better adapt the measures to the reality of the Sector, **EIHA suggests the following proposals...**

- 1. Member States should be encouraged by the EU Commission to include hemp in their Strategic Plan.** An active dialogue should be initiated between the National administrations and operators, in order to build a strategy for the sector, capable of identifying the specific needs, adapted to the market reality and suitable for the farming community.
- 2. For a better management of the sectoral aids, we suggest allowing registered interbranch organizations, alongside producers' organizations and associations of producers' organizations, to manage the operational programs.** Considering the specific needs of hemp harvest and transformation, the sector has developed a strong cohesion among the operators of the supply chain: an efficient management of the crop cannot disregard this aspect.
- 3. Although stakeholders and consumers are familiar with hemp derived products, in some National Administrations there is a reluctance to consider hemp as a viable crop, because of a clear lack of knowledge. In this sense, EIHA believes that both the EU Institutions and the sector itself should put every possible effort in communicating better and more transparently on what industrial hemp is.**

4. Along this line, EIHA also suggests that the future setting of the **Civil Dialogue Group of DG AGRI takes into due consideration the evolution of the hemp market** and its many applications beyond fiber production. Moreover, in the event of the creation of an **EU Market Observatory**, as suggested by the European Parliament, **hemp should be included in its scope**: market knowledge is essential for an appropriate management of the sector.

5. **Production that stock carbon in the soil and/or in transformed products** – like hemp does – **should be exempted from the GAEC obligation to have nonproductive features**. Hemp not only allows carbon stocking in the soil thanks to a complex and deep root system, but it continues fixing carbon in manufactured items such as fabrics, ropes, concrete, isolating panels, etc. Virtually zero waste is produced from the transformation of the crop. Moreover, it is used in a virtuous rotation system, as soil regenerator, particularly for heavy metals.

EUROPE AT LAST

A TRUE COMMON MARKET FOR HEMP PRODUCTS

Because of the special place hemp held in national and EU legislation, a true EU market of hemp product never formally emerged. Nonetheless, operators managed to grow hemp and market its many different derived food and non-food products.

The recent hype for CBD products, highlighted precisely the inconsistency of the current EU regulatory framework, which de facto delegates to Member States the regulatory powers over a commodity that is largely consumed around Europe and poses no harm whatsoever to human health.

The development of the hemp sector cannot be done at different speeds: **a true hemp EU common market should be created not only to protect consumers but also to allow a level playing field for operators**.

Concretely, **EIHA would like to present the following proposals...**

1. **The EU Commission should be empowered to regulate the hemp market**. Hemp should be added to the list of products to which marketing standards may apply.

2. Considered the peculiarity of hemp products and the need to ensure the highest safety levels over imported goods, **article 189 should be maintained and adapted** to the new production and trade context.
3. **THC level on the field should be increased to 0,3%**. In the European Union the internationally accepted value of 0.3% had been used until 1999. A lower tetrahydrocannabinol limit value in Europe restricts the choice of varieties for European farmers. Moreover, this low level gives Europe a significant competitive disadvantage compared with producers in North America and Asia (0,3%-1%). Bringing back its level to 0,3% would allow substantial improvements in the quality and quantity of plant products. Today in Europe, hemp producers cultivate more or less 60 varieties: if THC level increased, the varieties available would increase, resulting in higher resistance to diseases and more adapted solutions for the different pedoclimatic conditions.
4. Finally we believe that, as other agricultural product, **hemp should be included in the list of products that can bear a geographical indication**. This would help enhance the quality of the production and the **reconstruction of an historic heritage**.



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