

Health Canada brings down the cannabis vault

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On January 25, 2018, Health Canada announced that it was introducing two targeted changes to the physical security requirements under the existing *Access to Cannabis for Medical Purposes Regulations* (the ACMPRs).[1]

In its statement to the public, Health Canada indicated that it has conducted nearly 1,000 physical inspections over four years to determine that the vault and storage measures currently outlined in the *Directive on Physical Security Requirements for Controlled Substances* (the Controlled Substances Directive) do not align with existing evidence of risks to public health and safety. Health Canada also stated that since licensing the first federally licensed producer in 2013, it has not observed any cases of diversion of cannabis from licensed producers to the illegal cannabis market.[2]

In addition, Health Canada has indicated that licensed producers will no longer be subject to 24-hour video surveillance inside the rooms where cannabis is being cultivated, propagated or harvested; however, access points to such rooms will still require 24-hour video surveillance.

In making its statement, Health Canada has indicated its intent to ensure effective control and regulation of the production of cannabis for medical purposes while not imposing unjustifiable burdens on licensed producers.

Notably, the direction taken by Health Canada with respect to these changes to security measures under the ACMPRs will better align the existing medical cannabis regulations with current proposals for the recreational cannabis market. Namely, the proposed regulations for recreational cannabis would not require cannabis to be stored in accordance with the Controlled Substances Directive and would not require visual monitoring of the areas where cannabis is grown.[3]

Under the current medical regime, this should lead to an increase in cost-savings for licensed producers currently operating in, or looking to enter into, the medical cannabis industry. While the anticipated cost-savings may lower the barrier to entry for new licensed producers, licensed producers are still subject to and will need to comply with all of the other robust requirements under the ACMPRs, including the strict inventory control measures and comprehensive physical security requirements, such as securing and visually monitoring the perimeter of their site with intrusion detection systems and requiring that all indoor areas where cannabis is present have physical barriers, intrusion detection systems, visual monitoring and recordings, and restricted access entry and exit logs.

[View more information](#) regarding the new Health Canada statement.

[1] Health Canada, "Statement from Health Canada: Physical Security Requirements for Producers of Cannabis for Medical Purposes," (January 25, 2018) available: https://www.canada.ca/en/health-canada/news/2018/01/statement_from_healthcanadaphysicalsecurityrequirementsforproduc.html

[2] *Ibid.*

[3] Health Canada, "Proposed Approach to the Regulation of Cannabis," (November 2017) available: <https://www.canada.ca/en/health-canada/programs/consultation-proposed-approach-regulation-cannabis/proposed-approach-regulation-cannabis.html>