

The Social Impact of Cannabis Legalisation



How cannabis reform can shape lives, livelihoods and the law

Contributors

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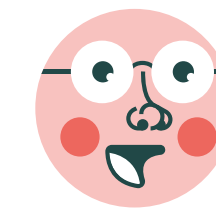
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Pagefield is an independent communications consultancy specialising in integrated campaigning, public affairs and corporate and brand communications.



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Krautinvest is the online trade magazine for the German cannabis market and is home to the leading commentary and analysis on its emerging industry.



Cannavigia is Europe's cannabis compliance software enabling full supply chain traceability based on GACP and EU-GMP guidelines.

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Authors' Note

Across the world, cannabis is moving out of the shadows and into legality, and with that comes major changes to how we police and regulate the activities associated with it.

This report is not a finger-pointing, moralising manifesto, nor is it a boring practical handbook for organisational change. This is a dissection of an issue that, whether or not you speak the language of the debate or share the morals of those championing certain aspects of it, is a reality in the world we live in today.

Europe's cannabis industry gives little airtime to social justice and equity considerations, and there is a cultural sense amongst many Europeans that these topics are predominantly North American concerns. The disproportionate impact of US cannabis law enforcement on marginalised communities is well-documented, but the notion that continental Europe faces

similar problems is often dismissed or downplayed. This debate is already playing out without much of the necessary data or context to inform it: Out of 28 European countries in the OECD, only 10 collect data aggregated by ethnicity, while just 2 collect data aggregated by race.

This means Europeans are tasked with building just and equitable future cannabis frameworks without fully understanding whether identity-based discrimination and harms are taking place and, if so, to what degree. This challenges the view that racial discrimination through cannabis law enforcement is a uniquely North American problem - most European countries simply don't have the data available to either prove or disprove the hypothesis.

This report hopes to prove a resource for industry participants, bringing European context to what can be new and distant concepts. It was

designed to enable employees and executives to get a headstart in these discussions by understanding what we do (and do not) know about the social consequences of cannabis prohibition, and some of the solutions available to address these. We explore what has been tried and proved successful in North America, speaking to those with first-hand experience as applicants, companies and legislators, and apply these insights to the specifically European context.

Through this report we hope to shift the European narrative on the impact and impetus of cannabis reform, and the importance of building new legal frameworks and company policies that maximise a positive social impact. We know that this topic is controversial for some, and can trigger strong responses. If we can shine even a small ray of light and spark discussion on this topic with our report, we will have achieved our goals.

Foreword

By Oliver Foster the CEO of Pagefield Communications, a UK based campaigning communications agency who don't shy away from complex and controversial advocacy and campaigns.

Working in public affairs provides you with the unique opportunity to see up close how politicians and regulators balance the economic and social challenges of the day with advancing policy agendas that they believe will improve the lives of people throughout the country.

Over the course of my 20 years working in this industry, I've seen how the political system wrangles with changing economic trends, consumer habits, and wider geopolitical issues, to deliver policy agendas which find that balance, whilst at the same time managing key advocates – and detractors – on Fleet Street and in Whitehall.

The nuanced debate surrounding drug policy in the UK is no exception. Globally, we are seeing drug policy evolve at a rapid pace. Looking to Europe: Croatia, Germany, Italy and Spain have all decriminalised recreational drug use to some

degree in the last decade. And looking across the Atlantic, the United States and Canada have started testing the commercial opportunities that lie behind regulating the use of drugs such as cannabis. And so where is the UK in all of this?

There have been overtures to more progressive drug policy in the UK in recent years. In 2018, the UK Government legalised access to medical cannabis. And in 2022, the Home Office proposed a 'three strike' system for recreational drug users, similar to models present in many European countries, such as Portugal, where users caught with possession of a controlled substance for personal use would be issued with a fixed penalty notice.

Though masked behind a no-nonsense rhetoric on tackling recreational drug use, such changes in policy have shifted the dial on how law enforcement deals with recreational drug users.

The pace of change has since stalled. Following a consultation period, the Home Office has yet to provide any further guidance on next steps for the 'Swift, Certain, Tough: New Consequences for Drug Possession' White Paper.

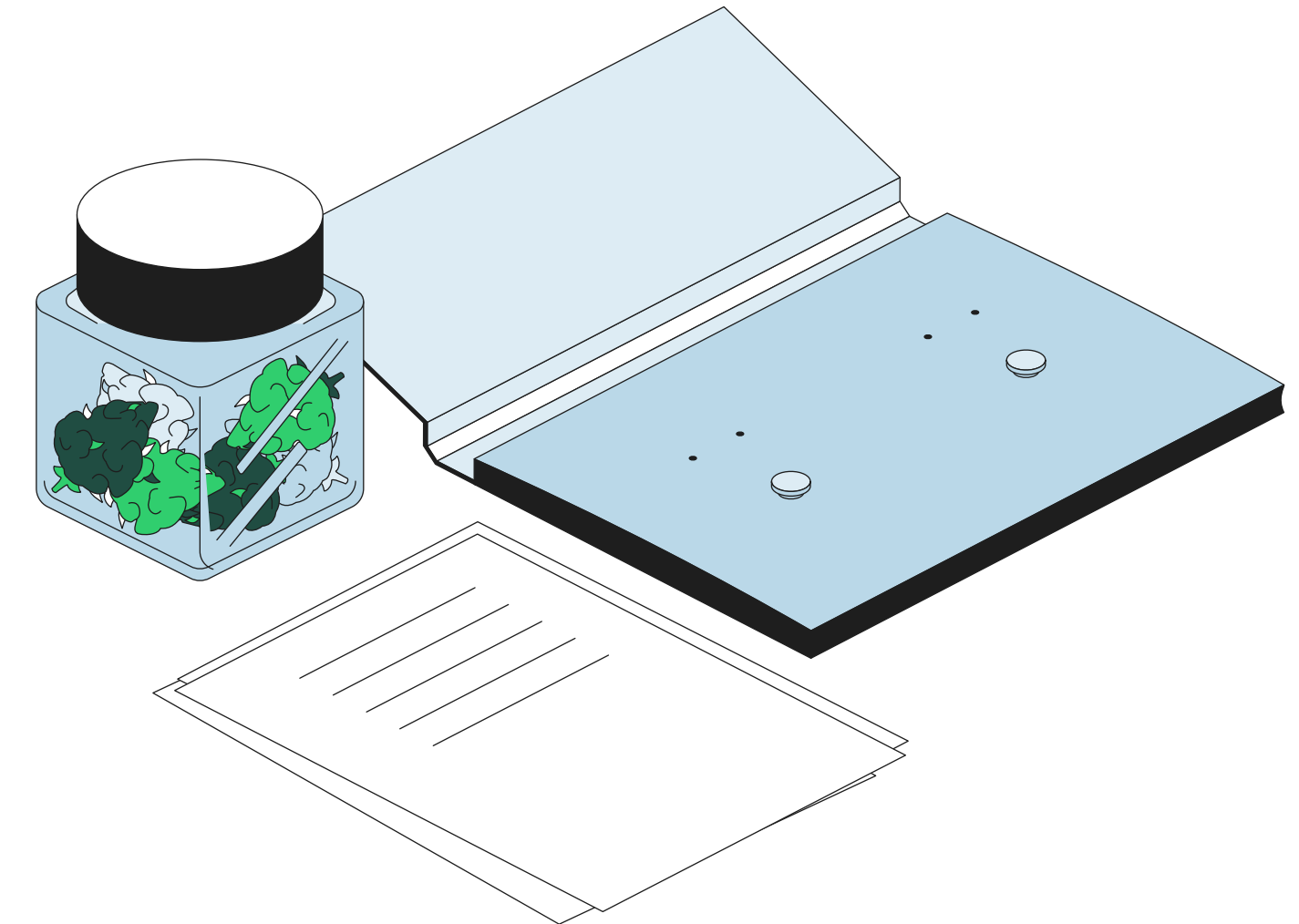
This appears to be a theme within recent proposals for change with regard to UK drug policy. Changes are relatively skin deep, and - in many cases - miss the bigger picture on the challenges that static drug policy (ranging from law enforcement to commercial opportunities) will cause.

This report highlights the consequential, real-life outcomes of what a failure to really grip drug policy in the UK looks like, and it is therefore a hugely welcome contribution to the discussion.

Issues highlighted range from continued money-laundering challenges for firms and

corporates investing in or transacting with cannabis companies operating legally overseas, through to issues with organised crime and the resulting impact this has on vulnerable communities. And beyond criminal elements, there are wider environmental and societal impacts concerning drug use, drug supply and drug production which all stem from the current approach.

What follows in this report is a consideration of the possible outcomes if the Government fails to address these matters, noting the cost financially and in terms of human capital. This vital research could not come at a more pertinent time. More people in the UK are dying as a result of illicit drug poisoning since records began in 1993 – truly underlining the need for action now, and particularly ahead of a General Election in the UK, which must happen before January 2025.



Executive Summary

The cannabis industry originated from a movement fueled by a burning desire for progressive reform and societal change. Following decades of harm from criminalisation, the cannabis industry has a stronger motive than many others to create meaningful change. Millions have faced the direct impacts of cannabis prohibition, while others benefit from newfound commercial opportunities.

Our last report ‘Recreational Europe’ revealed stark differences in the way Europeans view topics of social justice and social equity, compared to perceptions across the Atlantic. In the US, cannabis policymaking frequently seeks to address past injustices caused by the ‘war on drugs’, much of which is centred upon racialised and other marginalised communities. In Europe, we have encountered far greater reluctance to adopt or even entertain this form of discourse. It is this reluctance to discuss issues of criminalisation, discrimination and the need to build a legal industry with a positive social impact that we seek to challenge and address.

Unlike other papers on social justice and equity that address a policy, academic or consumer

audience, this report is targeted at industry operators due to our belief that they have a strong role in driving and advocating for meaningful change. The topic is also highly prescient given the cusp of new legal recreational markets in Europe, because the survival and growth of the sector depend on continued public and political support for reform that delivers on the positive social impacts promised by advocates.

REPORT OVERVIEW

Cannabis is Europe’s most widely-consumed drug, used by over 22 million adults annually. **Part 1: Social Justice** highlights the impact of cannabis prohibition on its users, from negative police interactions, criminal records and their knock-on consequences, to reduced healthcare services, housing and social assistance, and risks to child custody. With Germany’s proposed cannabis bill set to trigger Europe’s most expansive reforms to date, we evaluate the extent to which these proposals will mitigate some of the most damaging aspects of cannabis prohibition. Case studies from the UK, France and Germa-

ny show that low-level cannabis offences are the biggest driver of drug-related police interactions by a significant margin, far exceeding offences logged for trafficking and all other drugs. The ubiquity of cannabis use and the significant time and resources devoted to policing it raises the question of whether certain communities are disproportionately profiled, targeted or punished when it comes to cannabis law enforcement.

We challenge the oft-held view that this type of discrimination is not a European problem by tackling Europe’s ‘blind spot’ - the fact that most countries intentionally do not collect racial or ethnically-aggregated data of any kind. This fundamentally hinders the ability to identify or assess the scale of all kinds of ethnic-based discrimination across Europe - whether in health, education, housing access or cannabis enforcement.

And yet, the evidence that is available suggests that Europe does have a problem with minority discrimination, while the conversation implies that people don’t realise just how big of a problem it is. UK data starkly reveals how communities of colour are disproportionately targeted by police drug searches, and receive less lenient treatment further down the criminal justice process. Despite a lack of formal data collection, evidence from France and Germany suggests a similar picture, implying that those who outright dismiss the need to investigate systemic discrimination, and potentially account for it through cannabis reform, are wrong to pass judgement so quickly.

In **Part Two: Criminal Justice**, we look at the tools available to reduce and mitigate the impact of laws against cannabis, from removing criminal penalties for cannabis use to addressing past convictions. A review of the criminal justice approaches currently used in Europe reveals a range of de-prioritisation and decriminalisation policies, both tacit and explicit. These are applied against a growing backdrop of recreational reform proposals that focus largely on non-commercial channels of legal access and limited ‘scientific’ programmes, rather than broader commercial reform at this time.

A combination of EU and UN rules currently limits the scope for most European countries to undertake fully-fledged commercial cannabis reform. With this in mind, legalised versions of small-scale, currently illicit and grey-area models like home-grow and social clubs show real promise in reducing the influence and devastating impact of Europe’s main source of illicit cannabis supply: organised crime networks. A deep-dive into the production chains and operating models of gang-linked supply - from Africa and the Middle East to clandestine local grows that perpetuate demand for human trafficking and modern slavery - all too clearly underscores how inaction on cannabis reform perpetuates violence, greed and exploitation of vulnerable individuals.

Part Three explores the nuanced topic of **Social Equity** and approaches to account for historic harms and discrimination through cannabis reform. So far, European proposals to legalise cannabis have lacked a focus on

Executive Summary

Continued

social equity, with society still largely debating whether impacted individuals should even be allowed to participate in legal commercial cannabis markets, let alone be prioritised.

Many of the social equity and affirmative action schemes implemented in the US would be not just controversial but illegal in much of Europe, but that does not mean they are irrelevant. These schemes provide a trove of insight for designing and implementing functional, inclusive legal frameworks - for example, by highlighting the hurdles that different groups may face in securing licences and participating in the legal market, and how strong policy design can help to address this.

We have chosen to tell this chapter through the words of people with first-hand experience as social equity applicants, companies and legislators in the US. Their stories cover a wide range of experience and advice, from qualifying as an applicant through to support and training, access to capital, private industry schemes and broadening opportunities beyond the cannabis industry. Their experiences highlight the opportunities that effective social equity

schemes can help foster, as well as the fallout that poorly-designed and improperly-managed initiatives can cause. We want to express our gratitude to our contributors for sharing their insights and providing us with the opportunity to learn from their experiences.

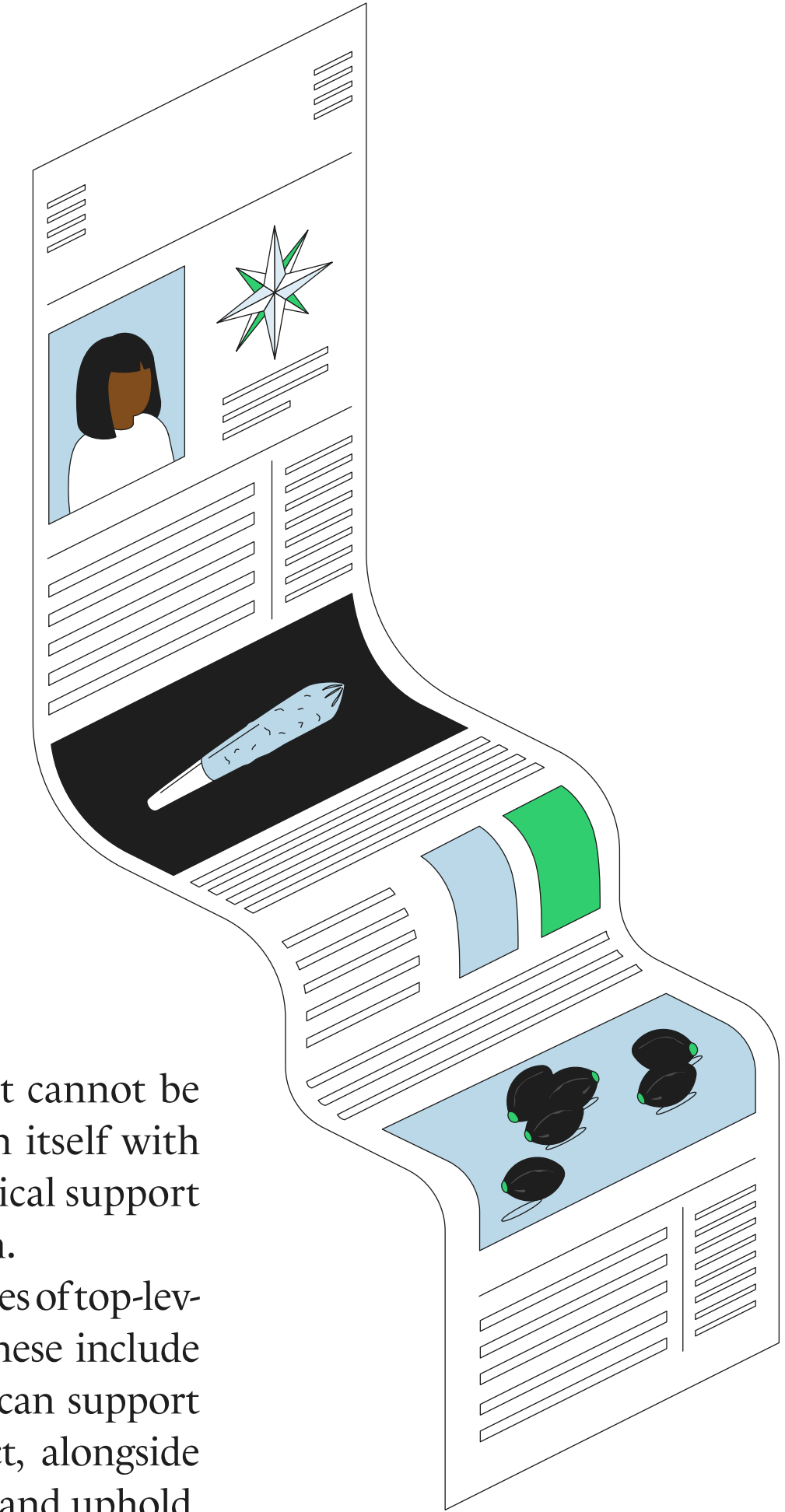
By way of **Conclusion**, we argue that simply legalising cannabis is not enough to build a socially just and equitable industry.

Social justice is not achieved by leaving things to the illicit market, but a failure to properly implement proper industry oversight, ESG or sustainability practices risks staff injury, exploitation, bribery, scams, and unchecked corporate capture. The excitement of a new market can create a breeding ground for bad corporate behaviour, threatening to undermine trust in regulators and cannabis operators.

Embracing responsible practices and driving positive social impact will prove key to industry success, and operators and individuals have a crucial role to play in advocating for, setting and upholding high standards and ethical practices. This is a rare chance to build on social norms and use cannabis reform to advance positive social

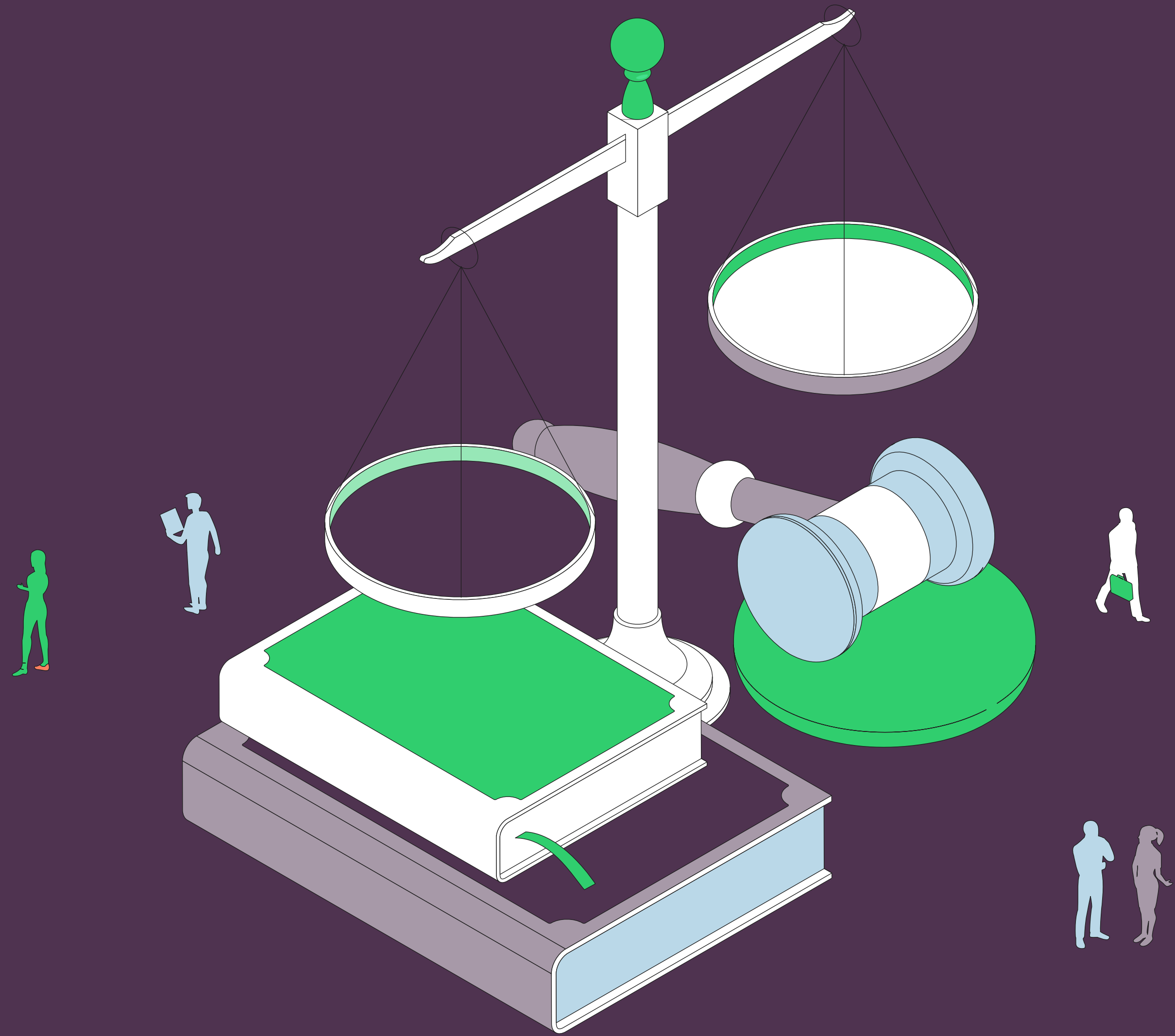
change. If the industry looks like it cannot be well-regulated or trusted to govern itself with integrity, public goodwill and political support for reform can easily be withdrawn.

We conclude this report with a series of top-level recommendations for Europe. These include government policies that industry can support to maximise positive social impact, alongside principles that operators can adopt and uphold. We see these recommendations as cornerstone principles for a successful, sustainable and just sector, which ultimately also benefit a company's customers, employees, and operations. We hope that those who read this report will agree, and lend their support and advocacy in response.



Part One

SOCIAL JUSTICE



CASE STUDY



In December 2020, a group of teachers accused **Child Q**, a 15-year-old Black girl from East London, of **smelling like cannabis**. When a search failed to produce any evidence, they called in the **Metropolitan Police**. The police subjected **Child Q** to a **strip-search at school**, during which she was made to remove her clothing, underwear and a sanitary pad while teachers waited outside the room.

Despite the invasive and humiliating nature of the search, **no drugs were found**. Child Q's mother reported that the incident has had a profound impact on her daughter's mental health, causing her to self-harm and scream in her sleep. An investigation into the incident found that **racism likely played** a role in the officer's behaviour, **highlighting the systemic issues faced by Black individuals in the UK**. Unfortunately, **Child Q's experience is not an isolated incident**, and serves as a stark reminder of the urgent need to address racism within the police force, drug law policing and society as a whole.

Cannabis prohibition in Europe

22.6m adults

- around 8% of the EU population - are estimated to have consumed cannabis in the past year, making it the most widely-consumed illicit drug in Europe

8%

This figure rises to 18% amongst 15-to-24 year olds, with nearly 5 million young adults using cannabis in the past month¹.

Hundreds of thousands of low-level cannabis offences are recorded across Europe each year². Cannabis brings people into contact with the criminal justice system at a higher frequency than any other drug, with its consumption and sale being a significant driver of interactions with police and the courts. What should we do when the laws and the impact of policing are more harmful than the substance itself?

Five years on from Europe's core medical cannabis markets forming, countries are now

contending with how to deal with recreational consumption, and how to convey shifts in their legal and moral stances to the population. European countries are exploring new ways to regulate cannabis now, including Germany, the Netherlands, Luxembourg, Malta, Switzerland and the Czech Republic.

While models for legalisation spread across the continent, industries scale, and money pours into the space, consumers remain heavily penalised. In this chapter, we explore the social consequences of cannabis prohibition, the way it is experienced unevenly across different communities, and the challenges that many European countries face in confronting this problem.

THE REAL CONSEQUENCES OF CANNABIS PROHIBITION

01

Criminal records and their knock-on consequences, including reduced employment options and social mobility

02

Escalating cycles that could have otherwise been avoided, including increased profiling, stereotyping, and tougher future sanctions

03

Even without a criminal record, **stigmatisation of users** can impact access to housing, education, social services and jeopardise parental custody rights

04

Criminalising users of cannabis for **medical reasons** who are unable to access or afford an official prescription

05

Mental health issues stemming from discrimination and stigma by society and institutions

06

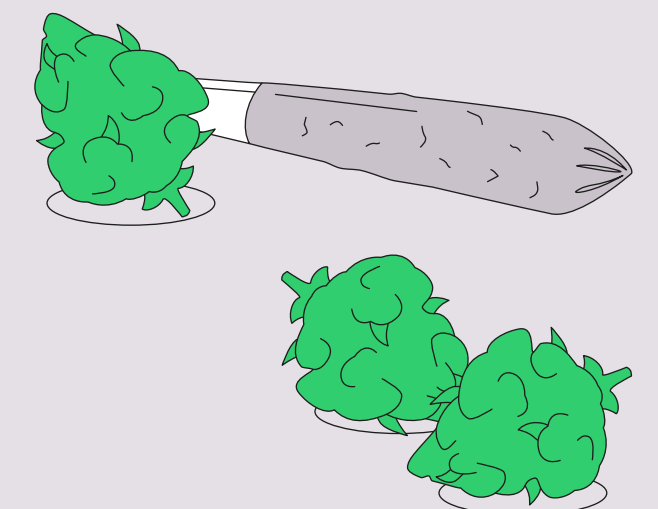
Negative relationships with law enforcement, particularly among those disproportionately targeted on suspicion of cannabis offences

07

Significant police and criminal justice resources directed towards **low-level cannabis** use

08

Illicit market demand that enables organised crime and violent competition for territory, human trafficking and modern slavery



Millions of Europeans are affected by prohibition

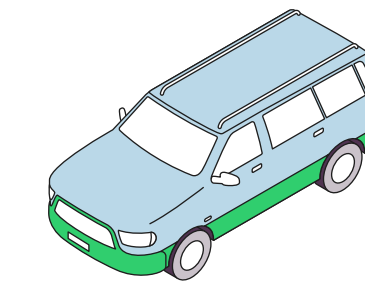
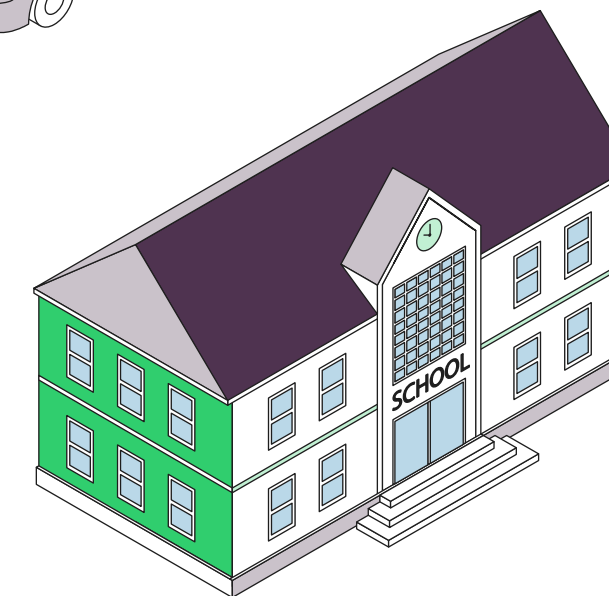
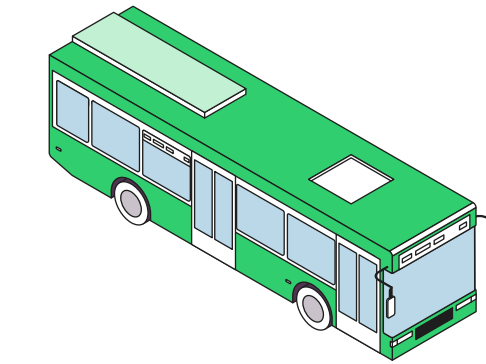
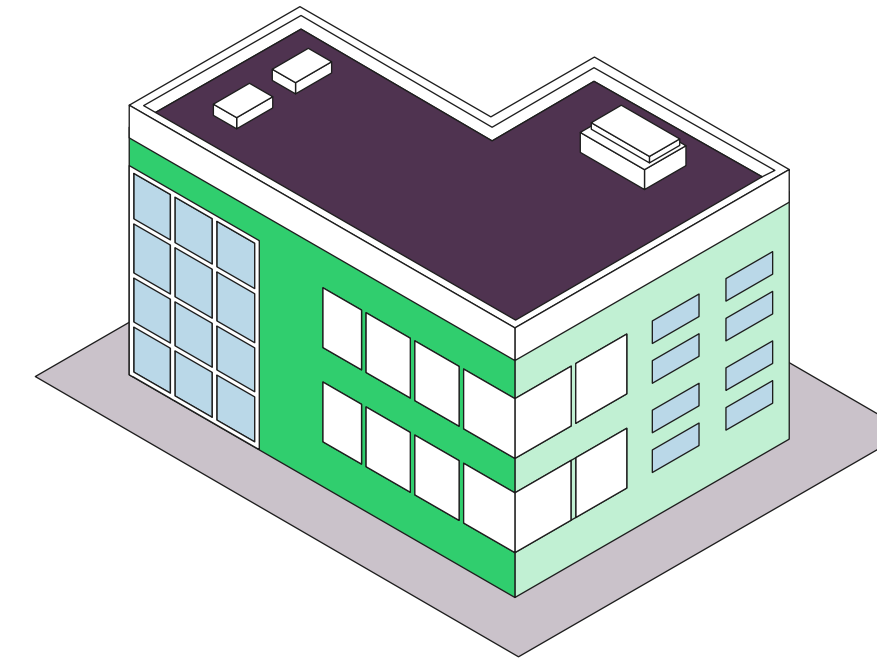
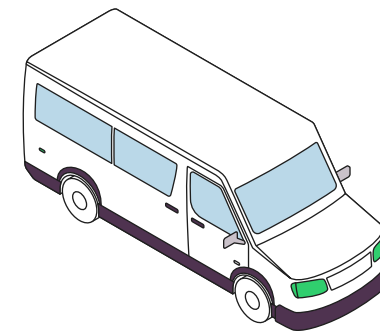
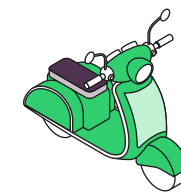
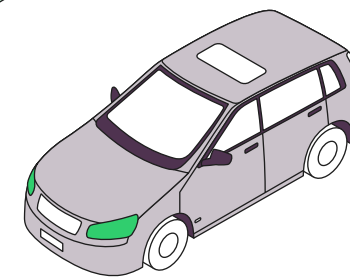
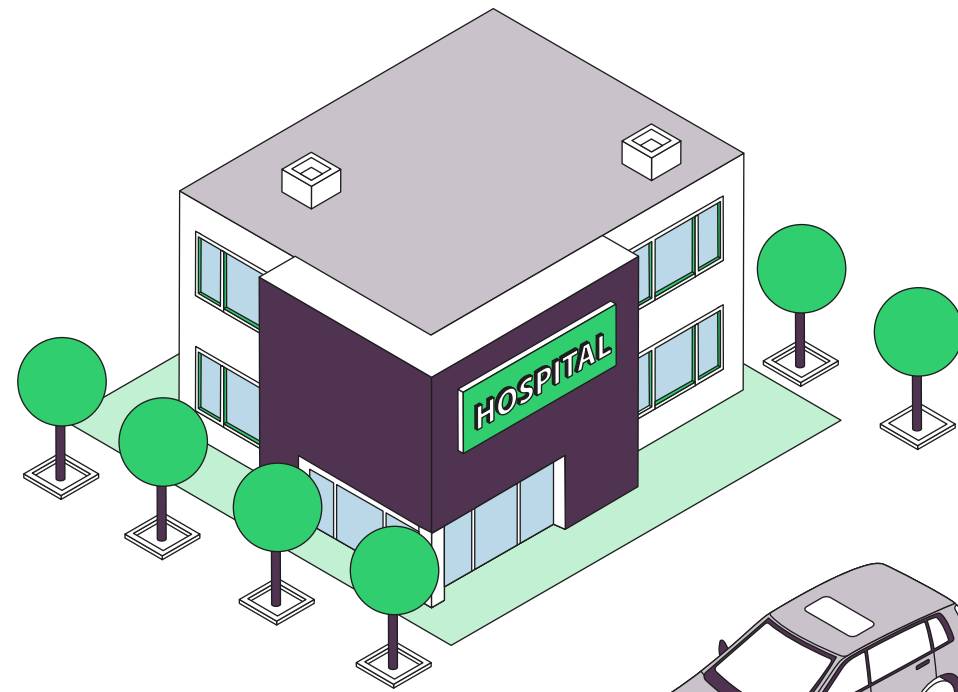
Social justice is not just for people with criminal records.

Even without a criminal record, cannabis consumers face hurdles in daily life. The impact of these can be far-reaching, impacting an individual's ability to access healthcare, to work, and to support their families.

Individuals who use cannabis for medicinal purposes - whether legally or by self-medicating - also face particular challenges from disclosing their use.

HEALTHCARE

- Risk of classification as a 'drug abuser' if cannabis use is admitted
- Certain treatments may be withdrawn or withheld
- Restriction of certain pain management medications (e.g. opioids)
- Certain mental health services are not available to those who reveal cannabis use
- Individuals may be unwilling to disclose cannabis use, leading to increased risk of negative side-effects from medication or poor symptom management
- Fear of victimisation from revealed cannabis use can exacerbate health conditions



EDUCATION

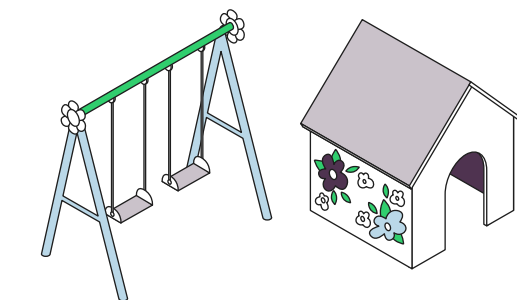
- Increased risk of school exclusion and expulsion
- Youth use may disqualify consumers from certain schemes and community programmes

EMPLOYMENT

- Workplace drug testing
- May be prohibited in certain roles eg. truck driver, teacher - even in regions where cannabis use is legal

HOME AND FAMILY LIFE

- Impacted access to housing and social assistance
- Subject to increased scrutiny and stigma from health and social care providers when pregnant such as mandatory drug testing
- Positive cannabis drug tests can be used in child custody proceedings to separate children from parents
- Negative impacts on outcomes with e.g. divorce lawyers and children's aid societies



TRANSPORT

- 'Zero tolerance' drug driving laws can carry heavy fines and licence bans, limiting employment prospects

Disproportionate impacts of prohibition

As a movement becomes an industry, social justice needs to remain at the core of cannabis reform for it to be a success. Across Europe, the body of evidence points to the fact that the impacts of prohibition are felt most harshly by migrants, ethnic minorities and those from a lower socio-economic status.

Race and class inequalities contribute to major differences in law enforcement outcomes. This often manifests through police targeting lower income areas with increased surveillance and enforcement, or associations that individuals from a target area or group are linked to organised crime.

But in quantifying the extent of this problem, many countries in Europe face a major challenge. Countries like France and Germany do not collect racially disaggregated data, meaning they lack the ability to assess the scale of

discrimination and disproportionate policing.

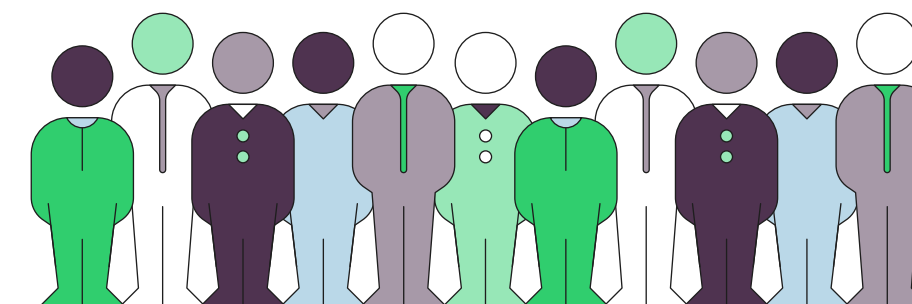
In the countries where this type of data is available, the picture we see is not a good one. The UK offers a strong case study on the social impact of cannabis prohibition, as it is one of the few European countries that supplements crime statistics with an ethnicity-based analysis of policing and criminal justice interactions.

Recent statistics on invasive 'strip searches' conducted on children - both under police public 'stop and search' powers, and while in police custody for drug offences - provide a clear and highly concerning suggestion of racial discrimination. Data compiled by First Wednesdays shows that Black children are disproportionately subject to this type of invasive and potentially deeply traumatic police interaction.

BLACK CHILDREN IN THE UK ARE BEING DISPROPORTIONATELY TARGETED BY POLICE

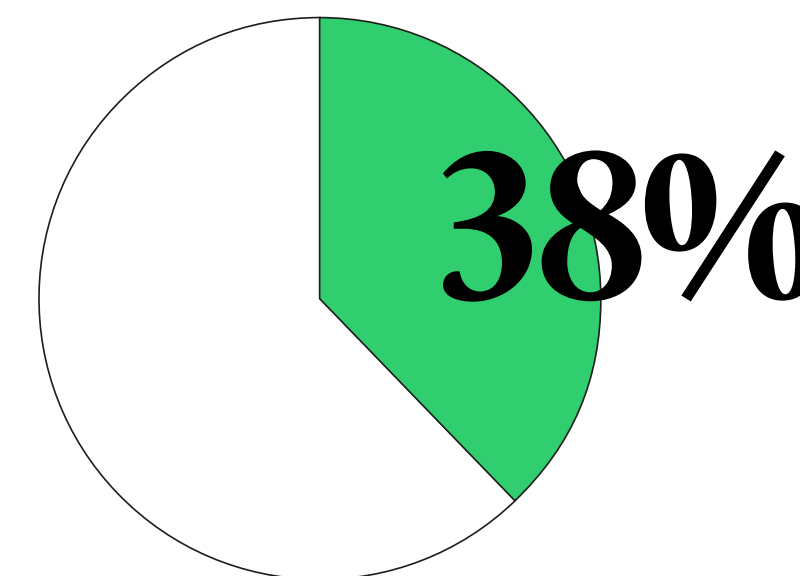
Strip searches conducted on children during stop-and-search

Between 2018 and mid-2020, there were



2,847 children strip-searched

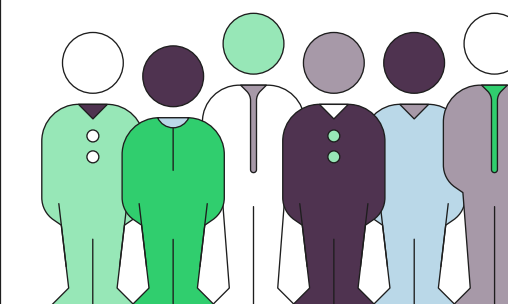
by police under Stop and Search powers across England and Wales. 86% of these searches were conducted on suspicion of carrying drugs.



of the children searched were Black - **with Black children up to 6 times more likely to be strip searched** when compared to national population figures. Over half the searches took place without an 'Appropriate Adult' confirmed to be present. No further action (implying that no offending item was found) was taken in over half of these searches³.

Strip searches conducted on children and adults in police custody

Between 2019 and 2021 there were

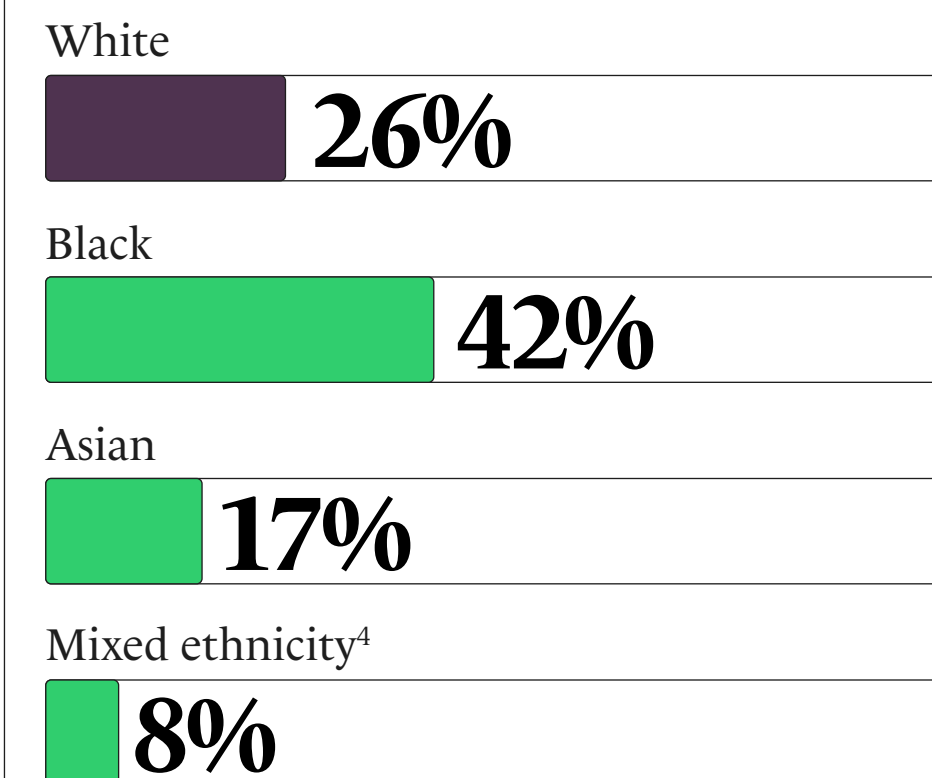


1,380 children strip-searched

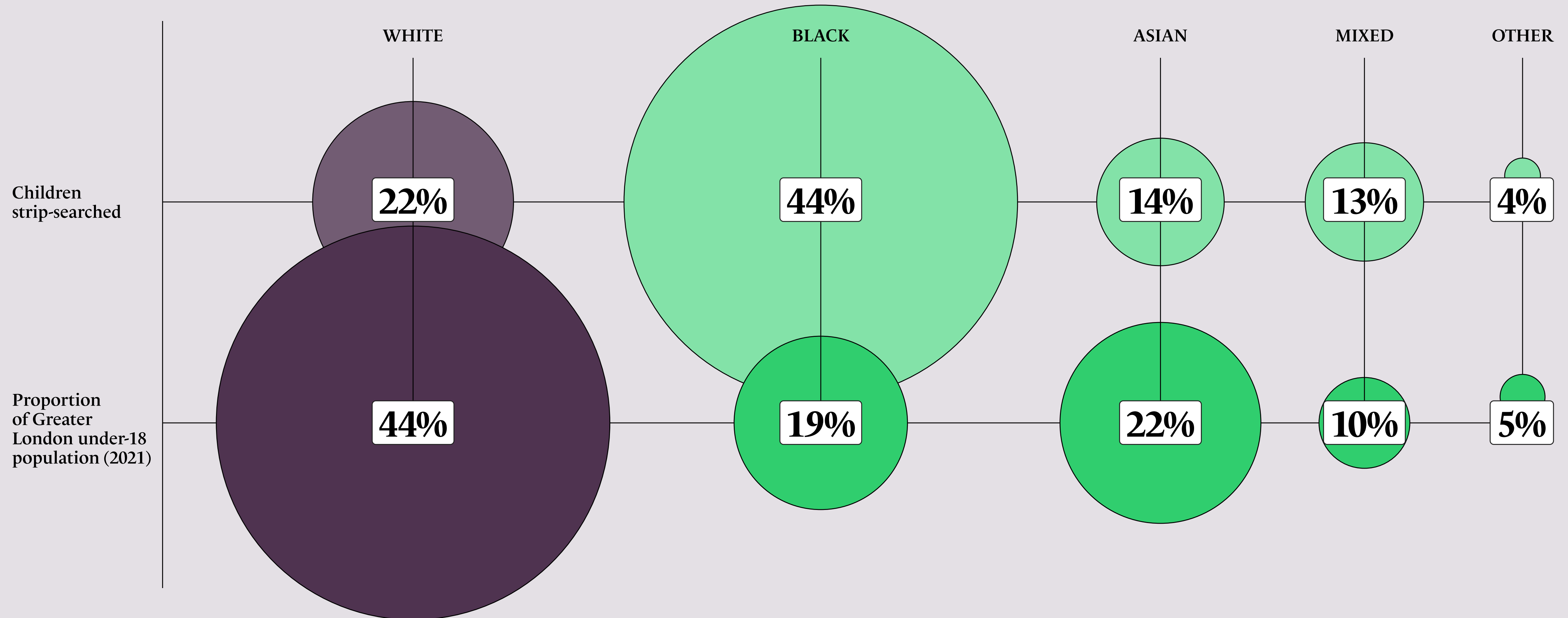
between the ages of 10-17, by the Metropolitan police while held in custody for a Class B drug-related offence, according to Freedom of Information data.

London police also strip-searched nearly 10,500 adults under the same circumstances during this period.

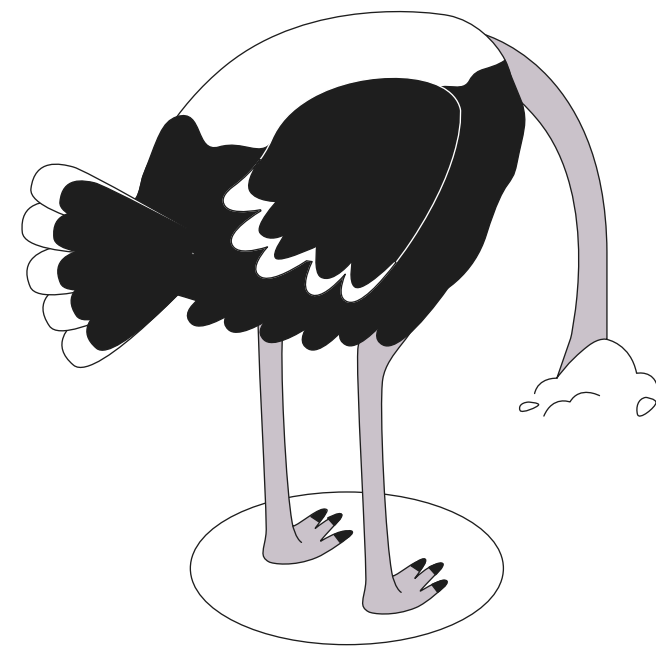
Ethnicity of adults searched:



Proportion of children strip-searched by London's Metropolitan Police while in custody for Class B drug offences (2019-2021)



The problem in Europe



The racialised impact of cannabis prohibition in the USA has been widely documented, with many social justice and equity initiatives specifically designed to address these historic and ongoing harms. While the majority of Europeans no doubt agree with the objectives of these initiatives and support their implementation, there is a common belief that such schemes have limited relevance to European policy discussions.

We agree that not all North American cannabis social justice and equity initiatives should be seen as translatable to Europe, and US-centric narratives, framing and solutions should not be imported over and applied wholesale. To properly consider an appropriate European response, we need to know whether groups have been disproportionately affected by prohibition, and the extent of the harms caused by criminalisation.

EUROPE'S 'BLIND SPOT'

Europe faces one very specific problem when understanding and tackling these issues: A deliberate lack of ethnicity data collection. Out of the 28 European OECD countries, only 10 collected data aggregated by ethnicity, while just 2 collected data aggregated by race⁵.

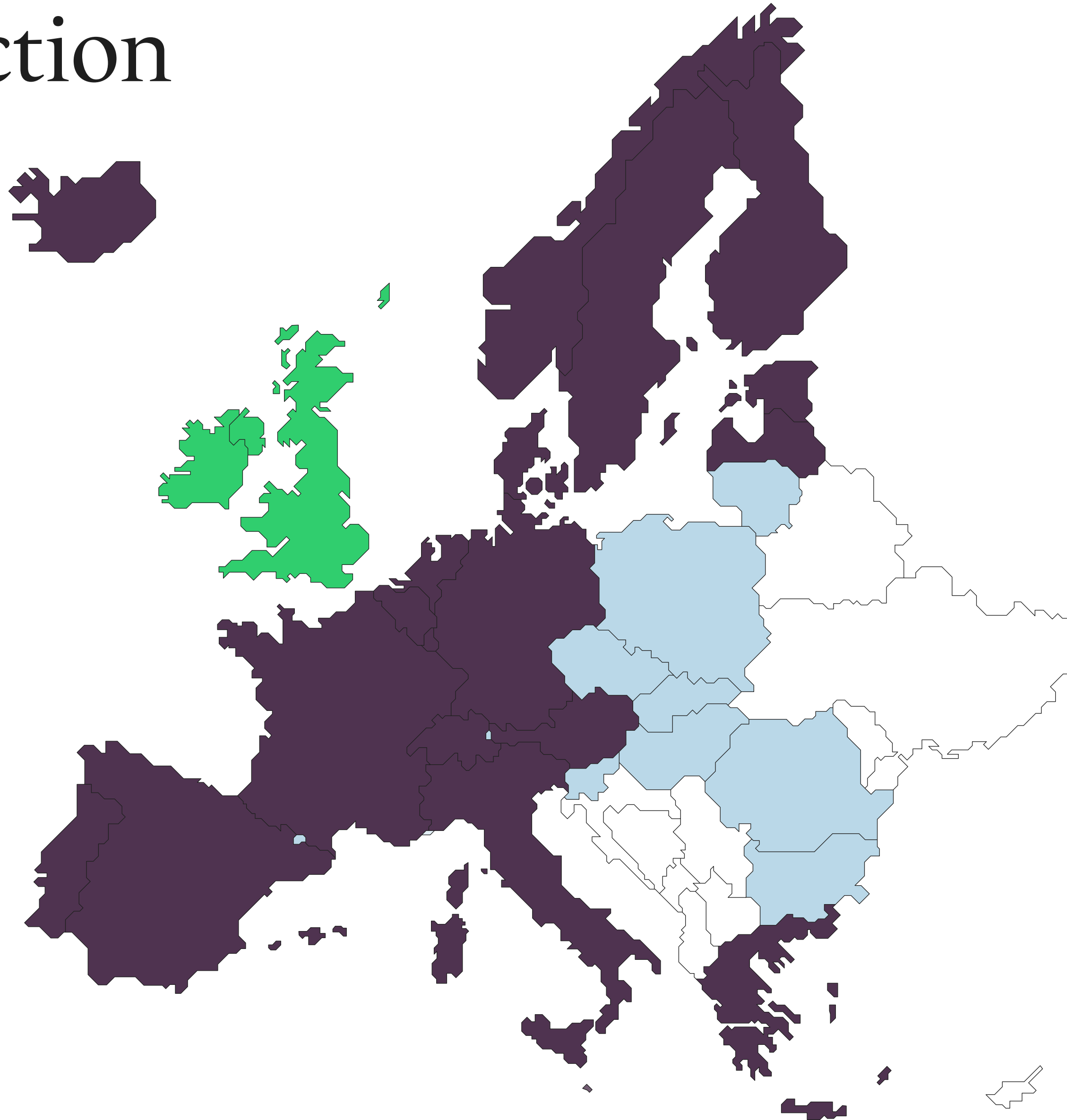
As a result, most European countries lack the ability to identify, track or analyse the extent to which racial and identity-based discrimination takes place across any facet of society - from health and education outcomes, to policing, drug-related and criminal justice interactions.

“ Countries may be blinding themselves about some of the worst types of disadvantage by not collecting data on the experience of various minorities. The lack of relevant diversity data means that nondiscrimination policies and laws are not implemented as effectively as they could if policies were better targeted, and that some communities remain statistically invisible within societies.

WORKING PAPER: DIVERSITY STATISTICS IN THE OECD, 2018

Data Collection

- **Collects neither ethnicity or race data** (Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Italy, Latvia, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland)
- **Collects ethnicity data only** (Bulgaria, Czech Republic, Hungary, Lithuania, Poland, Romania, Slovakia, Slovenia)
- **Collects ethnicity and race data** (Ireland, United Kingdom)



CONSEQUENCES OF BLIND SPOTS

These blind-spots have far-reaching consequences for the design of European cannabis policy:

- A perception that institutional racism is a problem unique to the US or the UK
- The ‘full picture’ of an individual’s interactions with law enforcement and criminal justice systems is not captured
- The collective experiences of minority groups are absent from analysis and public discourse
- Systemic discrimination is not identified, and the scale of any problem is unassessed
- Decisions and policy-making are reliant on anecdote and perception rather than data
- Less-effective targeting and design of social justice and equity initiatives
- Difficulties measuring the effectiveness or unevenness of policies designed to reduce harms and discrimination
- Policies are tried in the court of public opinion, rather than on concrete outcomes

EXPLAINER

Reasons for Europe's Approach

Many European countries have a historical aversion to collecting ethnicity data, thanks to the cataloguing, persecution and genocide of Europe's Jewish population, other ethnic minorities, disabled and homosexual individuals during Nazi and fascist regimes in the 20th century. For some countries, this is an issue of national political philosophy: France, for example, adopts a 'colour-blind' approach that prevents the gathering of information on collective identities at all, to ensure the equality of citizens in the eye of the state and across civic life and wider society.

National constitutions and EU laws uphold the rights of individuals against many forms of discrimination - including that by age, gender, disability, race and ethnicity. Despite this requirement, many Europeans are uncomfortable with the notion of collecting and interpreting ethnicity data - let alone devising policies on its basis or implementing programmes that give priority to one group over another.

Consequently, European countries tend to collect only 'objective' statistics such as migration status and country of origin. Migrant status is often de-facto the only information available to make inferences about diversity, but is a poor proxy for measures of discrimination - which could be experienced by second and third generations from a visible minority, but not, for example, a first-generation White immigrant. Over 87 million migrants live in Europe, nearly half of whom were born outside of a European country. This is testament to the continent's multiculturalism, but also underscores how many generations of migrants and tens of millions of people with racialised backgrounds call Europe home.⁶



Not just a North American problem

These data gaps fundamentally challenge the view that racial discrimination in drug enforcement is a uniquely North American problem: Most European countries simply don't have the data available to prove or disprove the hypothesis. Despite broader evidence that identity-based discrimination is indeed widespread across Europe, the dearth of data makes it difficult to shine a light on how cannabis policy, policing and enforcement feeds into wider systemic issues.

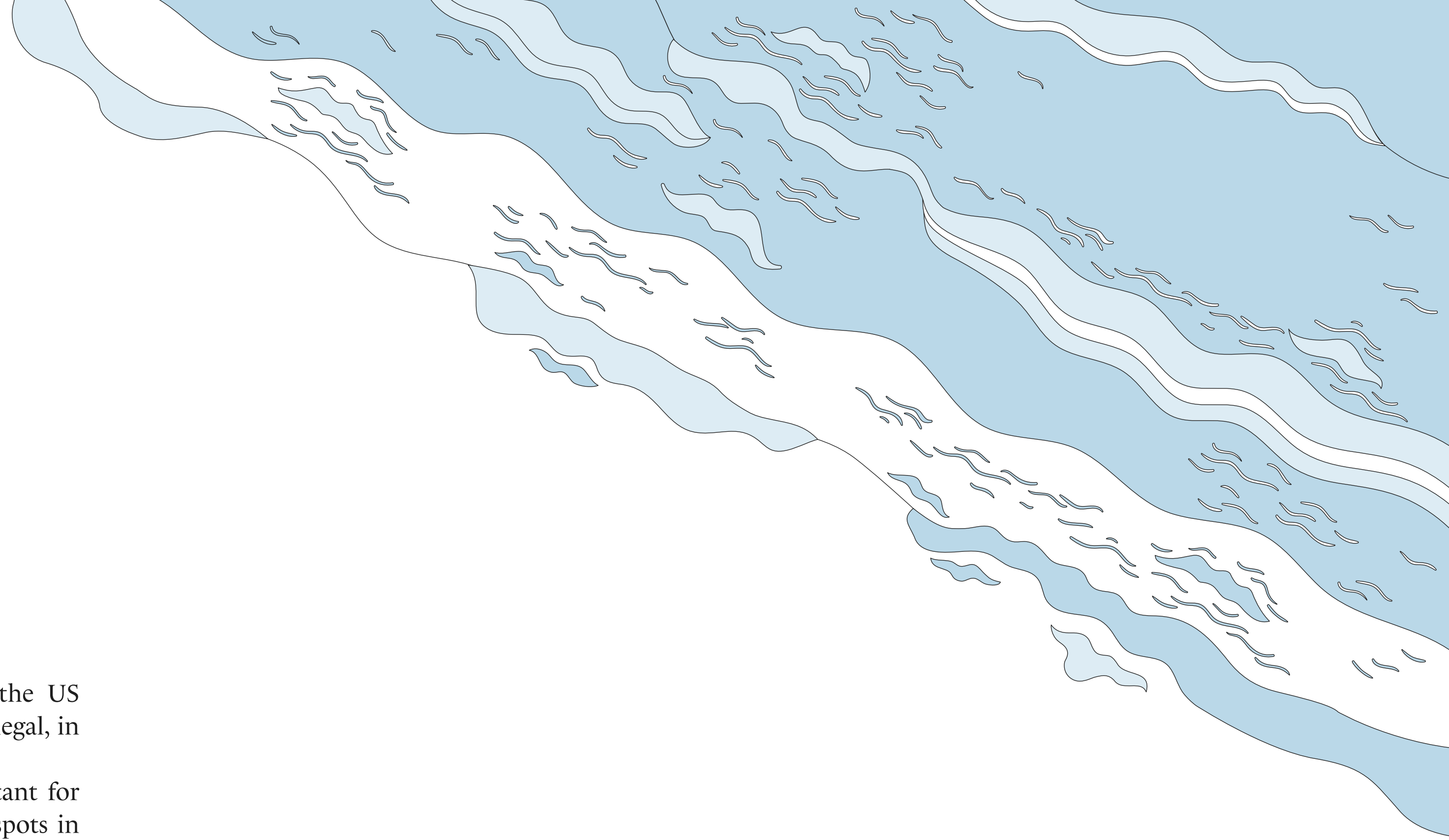
Europeans are therefore tasked with building just and equitable future cannabis frameworks without fully understanding whether identity-based discrimination and harms are taking place, and to what degree.

As a result, voices on different sides of the Atlantic are often talking at cross-purposes. Many of the social equity and affirmative

action schemes implemented across the US would be not just controversial, but illegal, in several European countries.

Whatever the challenges, it's important for Europeans to acknowledge the blind spots in national data, and to focus on policies that can mitigate the harms of cannabis prohibition in ways that are practical and achievable, given the continent's political and cultural approach.

In the following sections we examine Europe's three largest countries - the UK, France and Germany - and review the data on the extent and impact of cannabis prohibition, and examine the degree to which Germany's proposed reforms integrate social justice considerations.



UK: Disproportionality in Stop and Searches



The UK is one of the few European countries that supplements crime statistics with an ethnicity-based analysis of policing and criminal justice interactions. The evidence points to significant resources being invested in policing cannabis possession relative to other, more serious drug offences. The majority of UK drugs charges are for cannabis possession (a Class B drug), rather than for trafficking or Class A drugs.

Possessing cannabis - or being suspected of doing so - is by far the biggest driver of drug-related interactions with the police and the criminal justice system in the UK.

More than 100,000 cannabis possession offences are recorded in England and Wales each year, accounting for more than 75% of all drug possession cases. Despite perceptions that drug enforcement focuses on the most serious of activities, cannabis possessions account for 60% of all drug offences, while trafficking for all drugs combined represents just 20% of logged drug crimes⁷.

SUSPECTED DRUG POSSESSION IS THE BIGGEST DRIVER OF POLICE STOP AND SEARCH

Stop and Search is a widely-used but continuously controversial UK policing method. Police have a variety of legislative powers to stop and search those they have 'reasonable grounds' to suspect have items such as drugs, weapons or stolen property, and to 'allay or confirm' their suspicions without making an arrest. This tactic has proved successful in driving drug arrests - but at a major social cost.

More than half a million stop-and-searches were conducted last year across England and Wales. 65% of these were conducted on suspicion of drugs - vastly outnumbering all other reasons for Stop and Search, including suspicion of offensive weapons (16%) and stolen property (9%)⁸. Official data doesn't include the specific drugs found in an interaction, but it is estimated that more than 1 in 3 stop and searches are for suspected cannabis possession⁹.

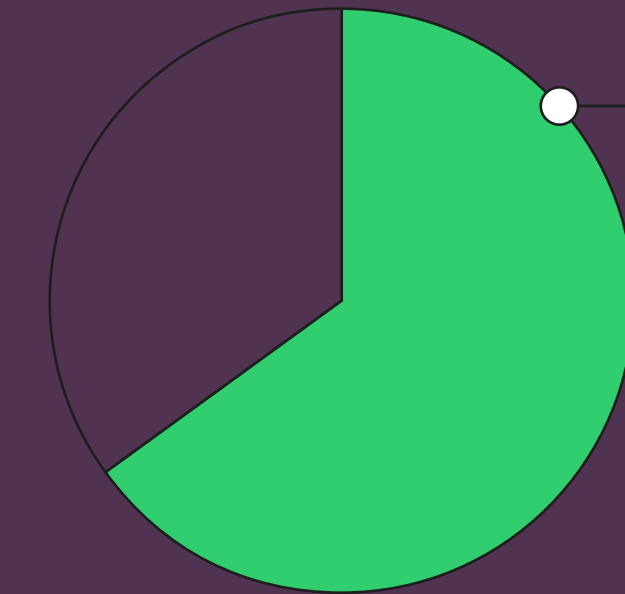
SCALE OF THE PROBLEM (2021-2022)

530,365

Stop and Searches conducted

339,662

Stop and Searches conducted on suspicion of drugs

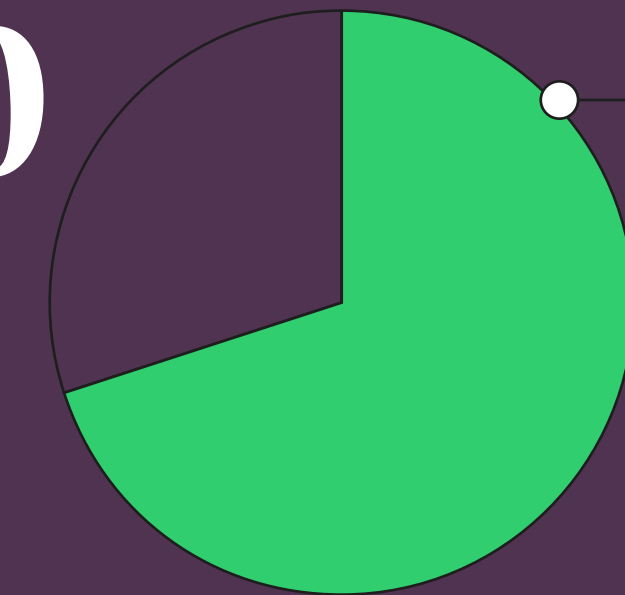


65%

of Stop and Searches were conducted on suspicion of drugs

C. 240,000

Stop and Searches for individuals who were never found to be in possession of drugs, with potentially distressing, confusing or hostile police interactions



70%

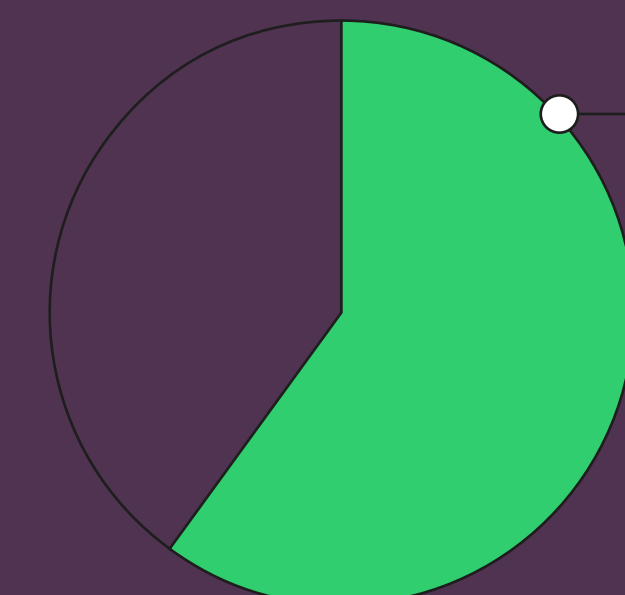
of drug-related Stop and Searches fail to uncover any drugs

60,301

total drug-related arrests

36,111

drug-related arrests as a result of Stop and Search



60%

of all drug-related arrests were as a result of Stop and Searches

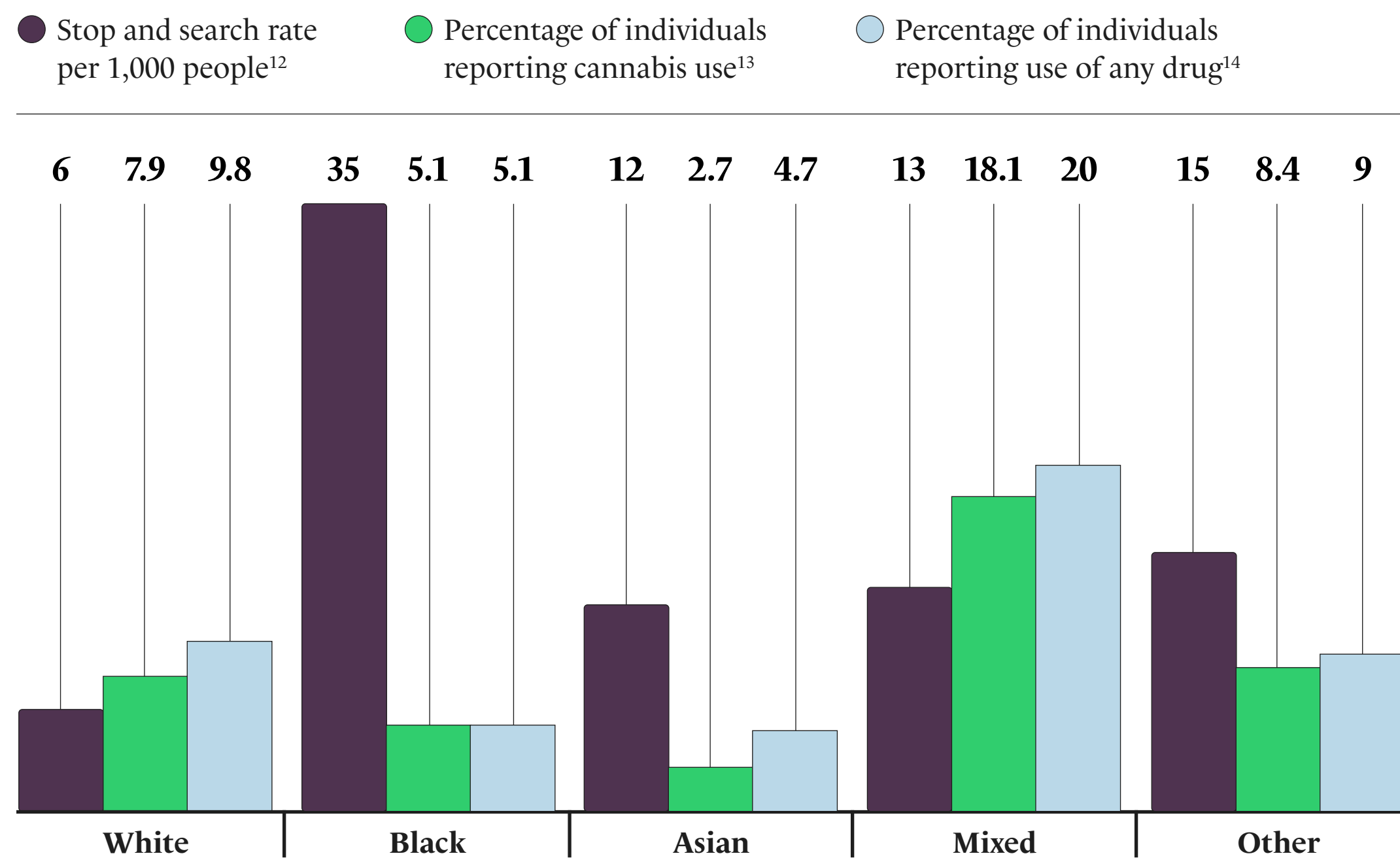
A problem that persists



Stop and Searches have consistently disproportionately impacted individuals from Black and other ethnic minorities since their introduction in 1984. Despite widespread political acceptance and social awareness of this issue, the problem persists¹⁰.

Many ethnic minorities are less likely to use cannabis and drugs in general, and yet are disproportionately targeted on suspicion of drug possession. Drug offences account for 40% of all convictions for Black ethnic groups, compared to just 19% of White convictions - driven directly by the level of stop and search activity taken by London's Metropolitan Police¹¹.

BLACK PEOPLE ARE SUBJECT TO THE HIGHEST RATES OF STOP AND SEARCHES IN THE ENGLAND AND WALES



According to 2021/22 data, Black individuals are 7.7 times more likely to be stopped for drug-related reasons than White individuals, while Asian, mixed and other ethnic groups are 2.7 times more likely¹⁵.

People who self-identify as White are systematically under-represented in drug-related police interactions, accounting for 84% of the population but only 50% of drug-related stops. Almost all other ethnic groups are over-represented. While demographic factors can explain some degree of this disproportionality, official reports have found no adequate explanation for the nature or scale of the disproportionate ethnic targeting that has persisted through Stop and Search for decades¹⁶.

Analysis by the drug reform group Release found that Black people are also more likely to be arrested following stop-and-search, and much less likely to receive out-of-court disposals than their White counterparts. As of 2017, Black and Asian people were convicted of cannabis possession at 11.8 and 2.4 times the rate of White people¹⁷.

This disproportionality also persists throughout the criminal justice system. Once charged, ethnic minorities are more likely to be remanded in custody, and consistently receive higher average custodial sentences than White defendants, including for cannabis offences. Black prisoners also serve the greatest proportion of their original sentence in custody¹⁸.

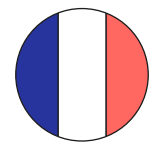
Cancard™ is a medical ID card that provides validation to the police, or any third party, that its holder is consuming cannabis for medical reasons. Cancard exists to assist front-line police officers when dealing with medicinal possession cases.

Cancard was launched with the assistance of policing organisations and doctors, and is recognised by the police as medical identification. The card permits officers to use discretion with patients on the basis that they are consuming medicinal cannabis.

98.7%

Cancard reported in September 2021 that since its inception, 98.7% of Cancard holders involved in a police stop and search have been left with their medication by police.

France: The ‘never-ending taboo’ around race and cannabis



France’s constitution holds the indivisibility and equality of citizens as foundational principles, with an assimilationist ‘colour-blind’ approach that views individuals not as belonging to a particular ethnicity or religion, but simply as a member of the French republic.

On this interpretation, the idea of identity politics and even categorising French citizens in such a way is fundamentally ‘anti-French’. The constitution prohibits collecting details about the race, ethnicity and religion of individuals, and authorities reject the very notion of race or the use of special measures for any national, ethnic, religious or linguistic groups¹⁹.

🇫🇷 France is a country in which there are no minorities

FRANCE’S STATEMENT TO THE UN HUMAN RIGHTS COMMITTEE, *clarifying its reservation to the minority rights provision of the International Covenant on Civil and Political Rights.*

This worldview creates a paradox in which racial discrimination is explicitly prohibited by the law, and yet cannot be quantified, addressed through targeted policies, or even easily discussed. Advocates have highlighted that the lack of racial expression extends even into the French language, with no French word to represent the term “Black” or the concept of “blackness”²⁰.

Critics have deemed that this willfully blind approach is the “the choice of ignorance”, offering only “equality through indivisibility”. Conversely, the French President, Emmanuel Macron, has blamed “imported US ideas” for France becoming increasingly racialised²².

NATIONWIDE ISSUE

Cannabis use in France has been a topic of concern in recent years. The country is known to be the leading cannabis-consuming member state in the European Union, and cannabis possession represents the largest proportion of all drug offences in France. The number of people arrested annually for ‘simple use’ of cannabis

has increased tenfold between 2000 and 2015, from 14,501 to 139,683. Between 2016-2020, an average of 180,000 people were arrested every year by law enforcement for drug-related offences, with 80% of these arrests related to drug use rather than sale or trafficking²³.

According to the French Ministry of Justice, about one-fifth of current French prisoners were convicted for drug offences, a rate comparable to that of the United States. Although cannabis accounted for 90% of drug proceedings in 2010, it is unclear whether this reflects an increase in cannabis use or unequal targeting of cannabis consumers. Despite these statistics, France no longer distinguishes drug offences according to product category, making it difficult to track the current state of cannabis use in the country.

REPRESENTATION

In France, although drug-specific or racial data is not collected, studies indicate that the population arrested for drug-related crimes is not representative of the general population of cannabis users. Muslims of Arab descent,

who make up only 9% of France’s population, represent roughly half of the 69,000 individuals incarcerated in France²⁴.

This disproportionate impact suggests that historic racism is still prevalent in France. French parliamentarians who sought to criminalise cannabis in the late 1960s embraced discriminatory views, describing the nation’s drug problem as a “foreign plague” spread by Arab drug traffickers.

The French National Assembly Report into recreational cannabis concluded that penalties for cannabis consumption are unequal, depending on the territories and social characteristics of the person arrested, leading to de facto inequality before the law. Young adults and men are particularly over-represented in drug-related arrests and convictions, with a higher proportion of those under 25, born abroad, or unemployed. The report also found that France’s repressive policy on cannabis is costly and ineffective in reducing the use and trafficking of the drug²⁵.

Germany: A diverse nation adapting to a new role



LACK OF DATA COLLECTION

Germany no longer collects race or ethnicity data about its population given the Nazi era legacy, only tracking the immediate country of origin of first-generation migrants. Activists, minority groups and scholars argue that Germany's approach to issues of race and ethnicity leads to denial and obfuscation of unequal treatment.

Linguistic sensitives also relate to the use of the German word for race ("rasse") which carries connotations of biological racial differences, and is used to distinguish between breeds of animals. Steps were recently taken to remove the word from Germany's constitution, where it features in the article guaranteeing non-discrimination, but the initiative collapsed in 2021 after a lack of political consensus on suitable terminology to replace it.

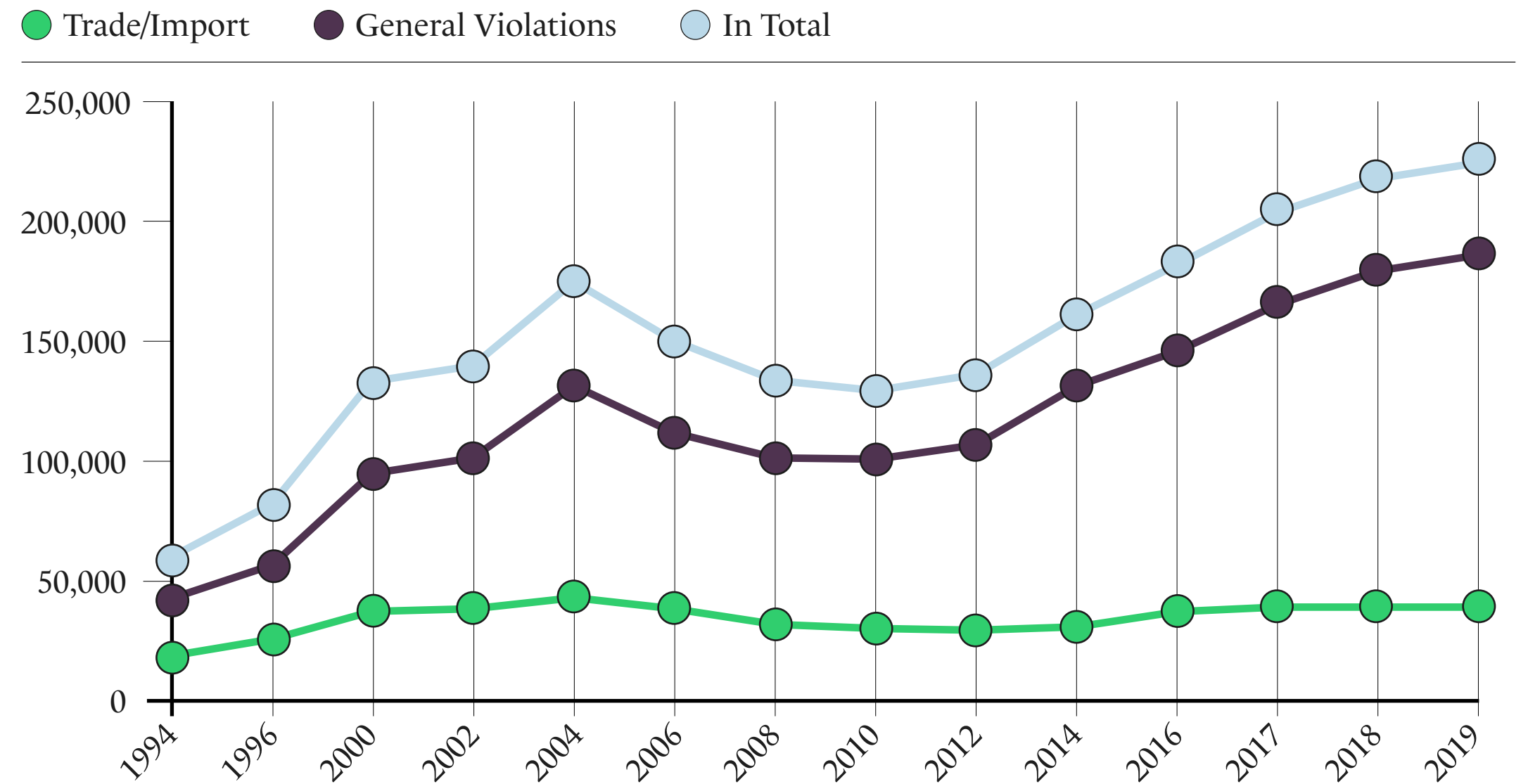
Modern Germany is highly diverse, and continues to become more so. Over one-quarter of the German population has a foreign background, and about 17% of the population are first-generation migrants²⁶. In 2015, the country

welcomed over 1 million refugees fleeing war and terrorism in the Middle East, and continues to accept hundreds of thousands refugees each year. As is common in multicultural societies, however, there is evidence of systemic discrimination against certain groups across Germany. 'Anti-gypsy' sentiment against groups such as Sinti and Roma is also prevalent.

In the wake of George Floyd and BLM protests in Germany and claims of 'latent racism' within the police force, the government announced a report into racial profiling - which was abandoned following a Minister's view that there was 'no need' as "so-called racial profiling isn't permitted.... and it doesn't happen"²⁷.

The same year, the European Commission against Racism and Intolerance found that "even though there is strong evidence for extensive racial profiling, numerous police services and representatives are unaware of or do not admit its existence"²⁸. Also that year, twenty-nine German police officers were suspended for sharing racist and extremist views, including images of swastikas, in private chat groups²⁹.

CANNABIS-RELATED OFFENCES IN GERMANY ³²



GERMAN CANNABIS OFFENCES

Germany recorded 214,000 cannabis-related offences during 2021, of which 85% were 'consumption-related'.

In total, cannabis consumption offences accounted for half of all recorded drug crime, and 3.5% of all crimes recorded that year³⁰.

People with a migrant background were linked to one-quarter of all drug crimes, and 7% of all drug offenders were refugees, asylum seekers and undocumented migrants, most frequently nationals from Syria and Afghanistan. Within this socially and economically-vulnerable group, 7 out of 10 offences recorded were cannabis-related³¹.

German data records how many cannabis offences were registered per year, but does not provide public information on subsequent outcomes such as total court convictions, penalties issued, and when progression was not deemed in the public interest³³. This means the ability of researchers and policymakers' to assess the true social impact of cannabis prohibition in Germany is limited.

Upcoming legalisation: An assessment



The current German government - a coalition of the green, centre-left and centre-right parties - proposed to legalise the production and sale of cannabis to over-18s. The coalition's driving motivation for reform is to improve health outcomes, restrict youth access, and curb the illicit market, acknowledging that ongoing attempts of prohibition have largely failed.

After brushing up against EU law on nationwide commercial legalisation plans, Germany is now taking a 'two pillar' approach to legalisation, the first of which contains some promising social justice elements.

Under the proposed 'CanG' law - which implements the 1st pillar of the government's plan and is expected to come into force in early 2024 - cannabis will no longer be classified as a narcotic under the country's Narcotics Act. Home cultivation of up to three plants per adult

will be legalised, and possession of up to 25g non-medical cannabis permitted, regardless of its THC content or origin. The law also creates a pathway for community, non-commercial cultivation or 'social clubs' of up to 500 adults, with cannabis grown on behalf of members.

CanG further reflects social justice principles through record expungement of cannabis possession and cultivation offences that have been subsequently legalised. Thousands stand to benefit from the elimination of cannabis-related records, which may also provide new work and housing opportunities. However, expungement will not be automatic, and relies on affected individuals applying for the public prosecutor's office to review their case, limiting the initiative's accessibility and impact.

The draft law also considers the impact of cannabis laws on youth and minors, with

youth possession, purchase and cultivation decriminalised and subject to administrative action rather than criminal penalties. This is an impactful measure to prevent early negative interactions with the criminal justice system. However, it is possible that the over-zealous application of some 'protection' measures - such as against the use of cannabis by parents or home cultivation in a property with children - could prove counterproductive, and may be enforced in a discriminate manner.

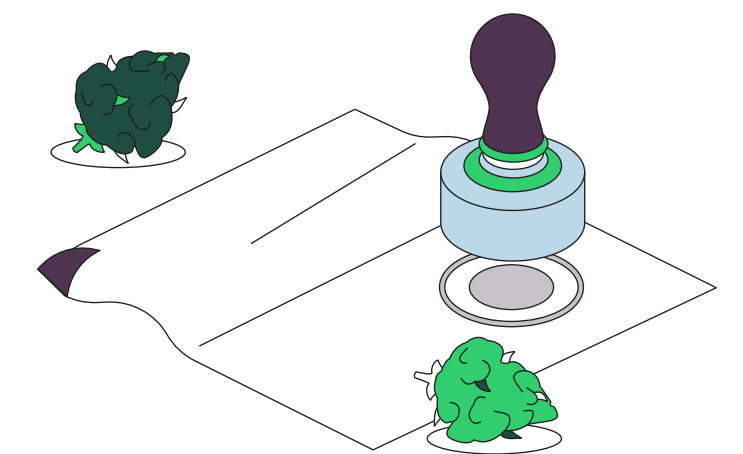
The bill as it currently stands also includes strict exclusion zones for where cannabis can be smoked in public. This includes a distance of 200 metres from schools, daycare centres, youth centres and playgrounds and in publicly accessible sports facilities. In large cities such as Berlin, this results in extensive prohibition zones that can encompass entire districts and city centres³⁴. Smoking is also prohibited in pedestrian zones between 7am and 8 pm. While seeking to protect youth health, this disproportionately affects those who do not have a garden or permission to smoke in their home, and has potential to target marginalised groups. An additional 200 metre consumption exclusion zone will also apply around the location of social clubs, further reducing viable locations for people to safely consume.

The second pillar of the government's plan provides for regional 'pilot projects' that involve commercial supply chains. This is to be developed under separate legislation, and will require further consultation with the EU. Notably, initial plans for commercial supply chains

make no reference to equity issues or the allocation of resources (in financial, licensing, or community terms) to those most affected by cannabis prohibition and the war on drugs. This is unsurprising, and typical of the European approach to cannabis reform.

However, this failure to account for (or even consider) issues of equity runs the risk of a future commercial cannabis market that simply mirrors existing dynamics of privilege, opportunity and exclusion, rather than embracing legalisation as a genuine driver of social change. Is it fair, for example - as has so far been proposed - that licensed operators are only subject to administrative penalties if found to violate their licence, rather than the criminal penalties that those impacted by prohibition were subject to?

Even if modest at first, German legalisation has already influenced the reform trajectories of other European countries, including the Czech Republic. As a key regional influencer, framing and political positioning from Germany - or the lack of it - on topics of social justice are likely to help set the narrative across the continent more broadly.

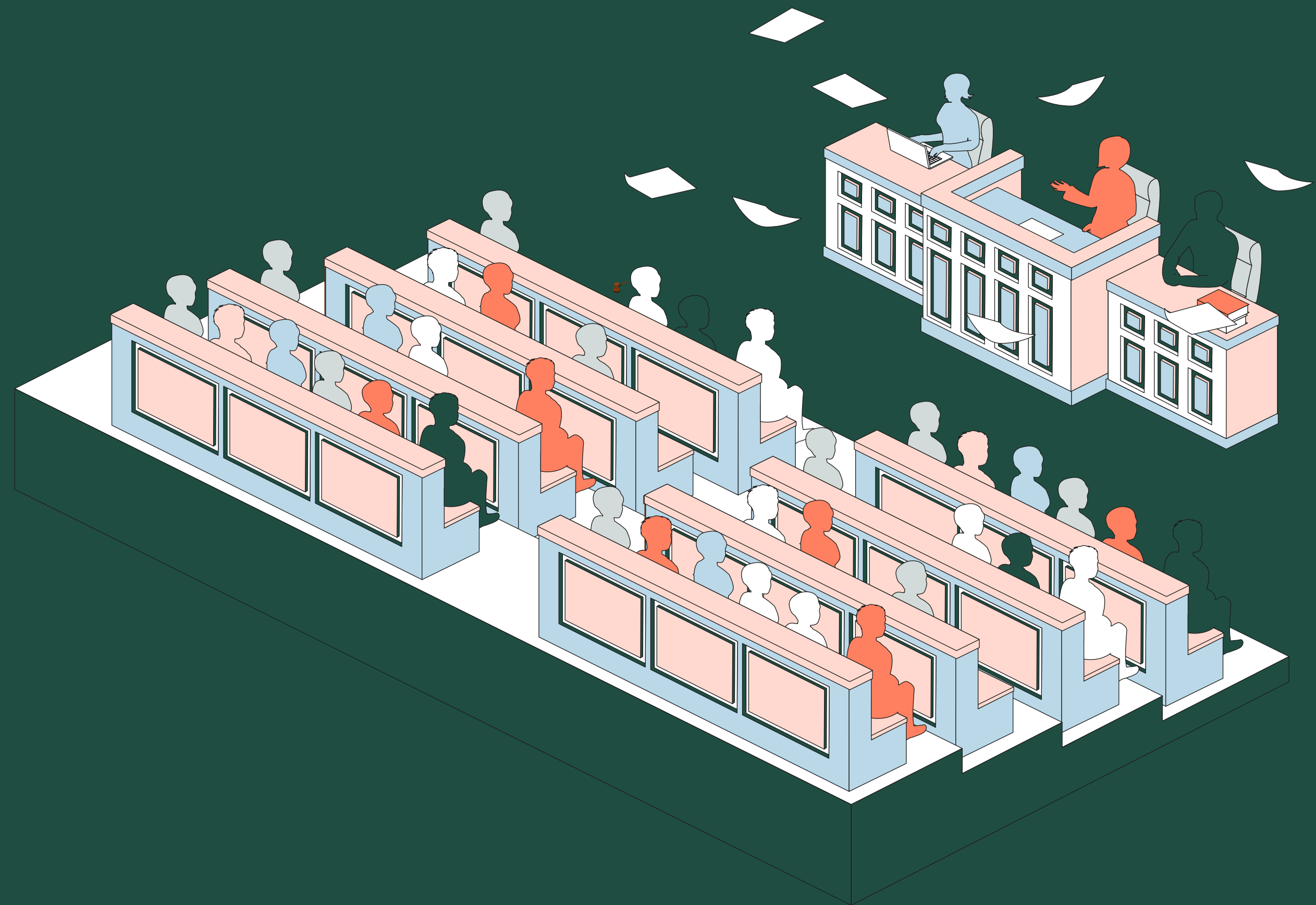


Part Two

CRIMINAL JUSTICE

This Chapter looks at ways to reduce and mitigate the impacts of cannabis prohibition by removing criminal penalties and addressing past cannabis convictions, and the criminal justice approaches that are presently being taken across Europe.

It then examines Europe's current recreational cannabis supply, including the devastating social and human impact caused by organised crime-fueled illicit supply, and how non-commercial alternatives such as home grow and social clubs can help undermine many of these harms.



Removing criminal & legal barriers

Lifting or lightening the sanctions associated with cannabis use is one of the clearest ways to mitigate the social harms caused by prohibition. This reduces the volume of the most common cannabis-related interactions between individuals and law enforcement, while reducing negative interactions between typically targeted communities and police. In Canada, for example, legalisation saw an 85% decrease in charges for cannabis-related offences, which went from representing more than two-thirds to less than one-fifth of all drug offences³⁵.

The path from cannabis prohibition can be seen as a series of stepping stones where crim-

inal and administrative offences are progressively removed. Few, if any European countries maintain an absolute prohibitionist stance where every cannabis infraction guarantees criminal punishment. However, enforcement approaches can differ across and within countries, depending on local cultural and political attitudes. Varying factors across Europe also include the severity of punishment for criminal and administrative offences, the consistency with which these are applied, and whether discretion when applying sanctions is used to the benefit or detriment of disadvantaged groups and individuals.

REDUCING CANNABIS PENALTIES

More sanctions

Deprioritisation	Cannabis remains a criminal offence, but less resources directed towards enforcement. Example: Local Police force opts not to intervene when an individual is suspected of smoking cannabis
Depenalisation	Action remains a criminal offence, but is not usually punished. Example: A non-criminal sanction like a Community Resolution is used instead, or a case considered 'not in the public interest' to progress.
Decriminalisation	Action is no longer considered criminal, but may count as an administrative offence. Example: Penalties such as fines for public use applied rather than criminal sanction.
Legalisation (Personal)	Previously illegal action is now lawful. Limited scope to personal or non-commercial activities. Example: Personal possession and cultivation for non-commercial purposes becomes legal
Legalisation (Commercial)	Wide suite of activities lawful. Sanctions can still apply for activities outside the new legal framework. Example: Commercial production and retail is licenced and regulated

Less sanctions

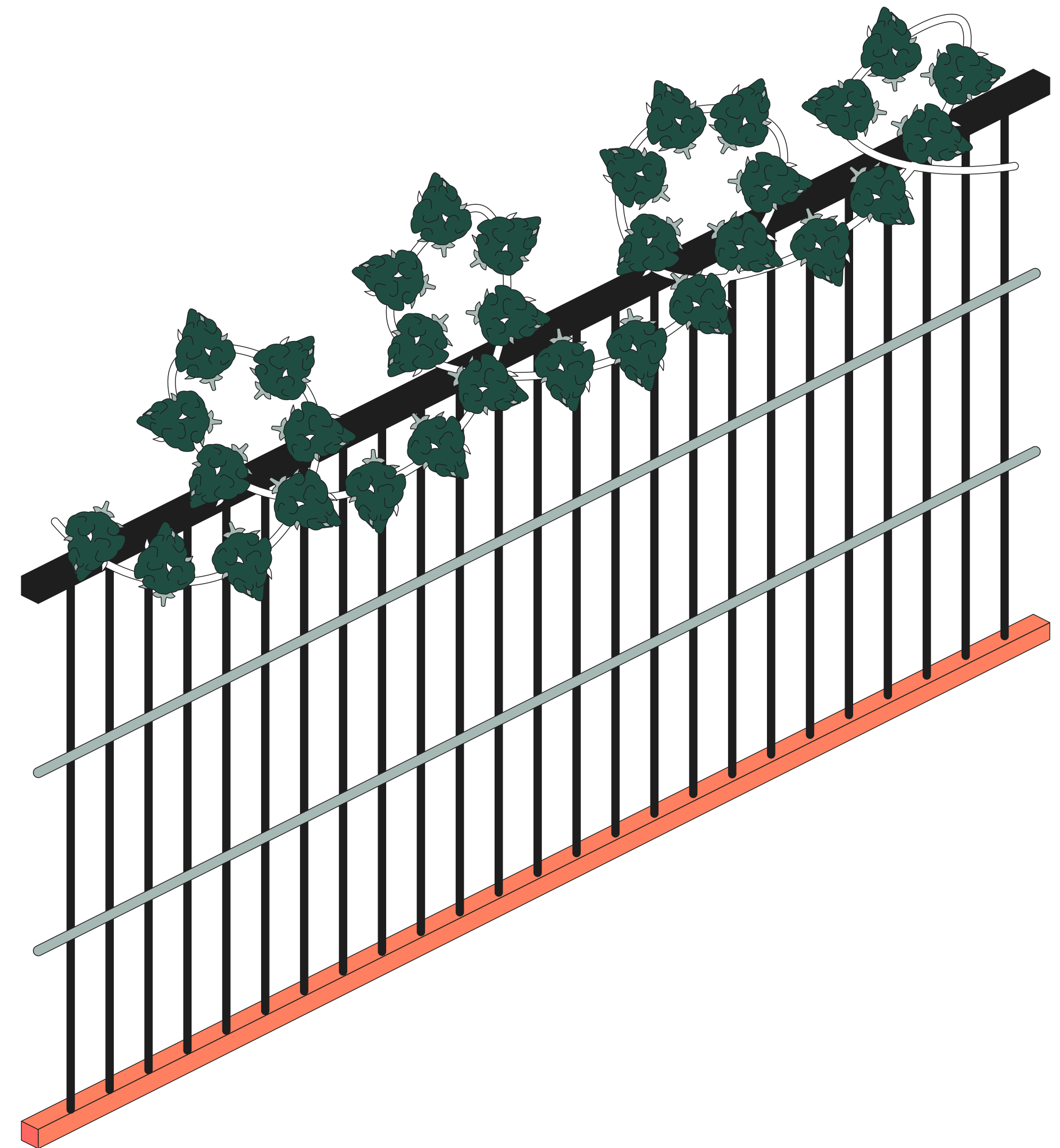
CONSIDERATIONS

Even when cannabis is legalised, decriminalised or broadly tolerated, enforcement of cannabis laws may still be discriminatory or unevenly-applied. Administrative penalties used in place of criminal ones can still be onerous - for example sizable fines, or community service hour requirements that prevent participants from being able to undertake full or part-time work. A failure to meet administrative penalties may also escalate to criminal sanctions, a disproportionate risk for the financially or socially vulnerable.

The benefits of decriminalisation and legalisation may be experienced unequally across society. For example, individuals in rented and social housing may be prevented from private consump-

tion and cultivation by their tenancy agreements, placing them at eviction risk and restricting their ability to consume if no alternative locations to consume or sources to access cannabis exist.

In markets where cannabis is legalised, activities taking place outside the regulatory framework (e.g. unlicensed production or supply) may still carry stiff penalties. While this is important to ensure product & consumer safety, it may have consequences for social justice if access to legal sources is unduly hindered - e.g through pricing, restrictions on home-grow, or a lack of outlets to purchase.



European snapshot

Across Europe, there has been a general trend towards de-escalating cannabis offences, and removing legal and criminal prohibitions related to personal use and possession. Many countries also have frameworks and/or sentencing guidelines that allow discretion for reduced and non-criminal sanctions for minor cannabis offences.

Support for broader cannabis decriminalisation and legalisation for personal use also continues to gather momentum across the continent. However, there has so far been limited interest or support for policies that aid the transition of illicit growers or dealers into legal cannabis markets, given the association of underground supply with organised crime.

01 UNITED KINGDOM
‘Three strike’ policy for drug possession offences. ‘Cancard’ scheme for self-medicating cannabis users has gathered police support and helped prevent charges.

02 FRANCE
Cannabis use and possession are both a criminal offence, with no distinction between possession for use/supply.

03 SPAIN
Private cultivation and consumption are decriminalised, while public use and possession remains an administrative offence.

04 PORTUGAL
Use and personal possession of all drugs is considered an administrative, rather than criminal offence.

05 ITALY
Possession is an administrative offence - sanctions include temporary revoking of passport and driver’s licence.

07 NETHERLANDS
Legal supply chain experiment delayed until 2024. ‘Antisocial behaviour’ clampdown in Amsterdam includes a public ban on cannabis use.

08 GERMANY
Two-pillar approach to cannabis reform, starting with legalising personal use. Supports EU-level reform to legalise commercial cannabis production.

06 SWEDEN
Use and possession of drugs punishable is by up to 3 years’ imprisonment, with no legal distinction between cannabis and other drugs.

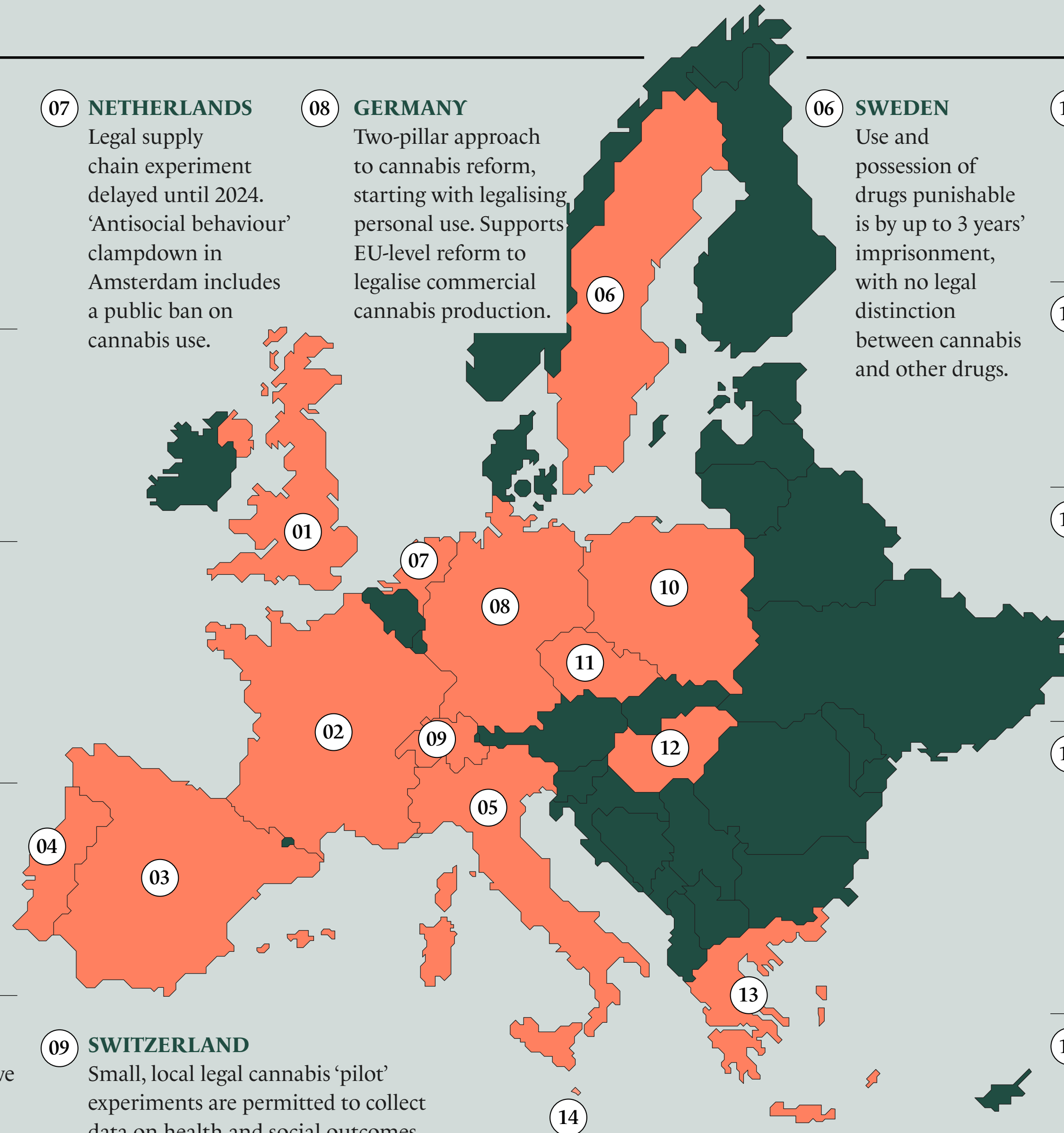
10 POLAND
Prosecutors can opt to drop criminal charges if only a limited quantity for personal use is involved.

11 CZECH REPUBLIC
Personal possession is decriminalised, with plans for wider legalisation in development.

12 HUNGARY
Lowest reported cannabis use rate in Europe. Voted against the rest of the EU in UN vote to reschedule medical cannabis.

13 GREECE
Personal use and cultivation carries a max sentence of 5 months’ imprisonment, and does not appear on a criminal record if no further drug crime is committed.

14 MALTA
First European country to legalise personal use, cultivation and non-profit social clubs.



Addressing prior cannabis convictions

Millions across Europe are affected by their criminal records for cannabis offences, and the resulting impact on employment, housing and other prospects. Initiatives like record expungement and prisoner release can't make up for past harms caused by a cannabis record - but they can help ensure that individuals are no longer penalised by laws that we have subsequently rejected as ineffective and unjust.

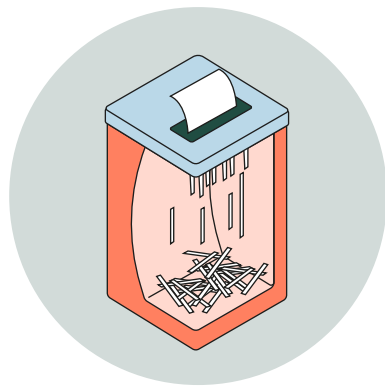
While the two are not mutually exclusive, expunging cannabis possession records can have a wider positive impact than social equity schemes, which tend to focus on employment opportunities in the cannabis industry and specific communities, rather than all those caught in the criminal justice net.



“ Moving to a system of regulation... is a tacit acceptance of the failures and injustices of past cannabis policy. It is both inconsistent and unjust to only seek the end of mass criminalisation going forward, and do nothing about the continuing criminalisation of those caught under past laws we have now accepted were wrong.

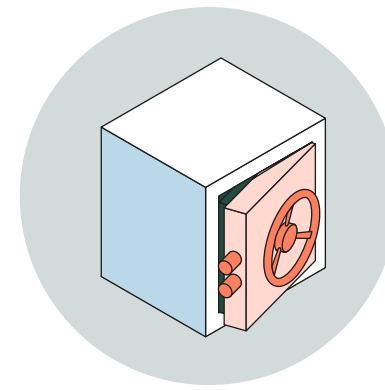
TRANSFORM DRUG POLICY FOUNDATION³⁶

Programs to address past cannabis convictions



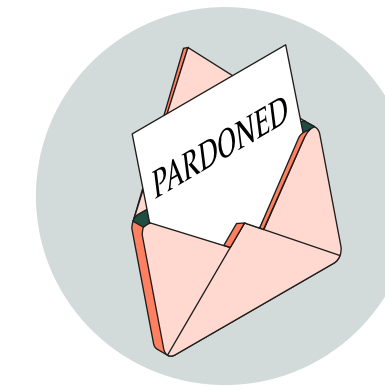
RECORD EXPUNGEMENT

- Results in the permanent removal or deletion of an individual's criminal record for qualifying offences.
- Qualifying records related to an arrest, investigation, judgement and sentencing are no longer accessible to the police and courts, as well as third parties like prospective employers.
- Expungement acts as if the offence never took place - individuals can truthfully claim that they have no (relevant) criminal record.
- Expunged records cannot influence decisions in future court proceedings, or licensing and employment decisions.



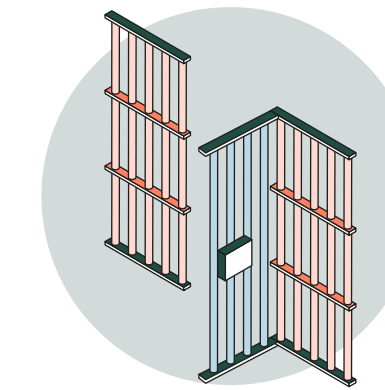
RECORD SEALING

- A more limited alternative to expungement, where details of a relevant criminal record are hidden from public records, rather than deleted.
- The existence of a sealed record is still visible to law enforcement and potentially to prospective employers, which may still influence discrimination and perpetuate stigma.
- Depending on the scheme, the contents of sealed records may be visible for security clearance checks, or taken into account in a subsequent criminal prosecution.



PARDONS

- Pardons typically indicate formal forgiveness from a crime, but do not wipe the offence from an individual's record. The criminal record is typically retained with a note that the offence has been officially pardoned.
- May also restore some civil rights - for example, Joe Biden's US pardon for federal cannabis possession convictions reinstates the right to vote, hold office, and sit on a jury.
- By themselves less impactful than record expungements/ cutting of sentences.



REVOKING EXISTING SENTENCES

- While rates of incarceration for simple cannabis possession are lower in Europe than the USA, there are still thousands of Europeans imprisoned on related charges, and many more still with suspended sentences.
- In addition to automatic release for eligible prisoners, a progressive approach could also commute sentences for related or multi-count charges.

Addressing Convictions: How would this work in Europe



In the EU, national criminal record databases are connected by the European Criminal Records Information System (ECRIS), which exchanges information on convictions between Member States. The impact of cannabis-related offences in Europe can therefore be particularly far-reaching. Cannabis expungements and pardons would also be transmitted through the network, although it is currently unevenly utilised and updated by Member States.

Many European countries already have rules for 'spent' convictions for some types of offence, where offences are wiped after a certain period if no further crimes are committed. In the UK for example, individuals with prison sentences of less than 4 years are eligible for the sentence to become spent after a period of time. In Spain, records are eligible for cancellation after a period of non-offending that varies from 6

months to 10 years, depending on the offence. Recent and 'repeat' cannabis offenders would still benefit from expungements if the non-offending period has not yet been met.

Evidence of prior offences can extend into the public sphere through media reporting, digital archives and social media. The EU's 'Right to be Forgotten' allows individuals to request the erasure of personal data for various reasons, including in order to comply with a legal ruling or obligation. While this must currently be sought by the individual on a case-by-case basis, it is possible that European approaches to record removals could also extend into public reporting and the realm of social media.



CASE STUDY

LAST PRISONER PROJECT

The Last Prisoner Project (LPP) is a US nonpartisan nonprofit organisation dedicated to cannabis criminal justice reform with the goal of releasing every last cannabis prisoner.

Thus far, Last Prisoner Project's Cannabis Justice Initiative, which is run in partnership with the National Association of Criminal Defense Lawyers (NACDL), has helped secure the early release of over 100 people who were serving long prison sentences for nonviolent, cannabis-related activity.

“ We aim to end America’s policy of cannabis criminalization, as well as to repair the harms of this discriminatory and counterproductive crusade. We seek to redress the past and continuing harms of these unjust laws through legal intervention, direct constituent support, advocacy campaigns, and policy change.

“ A life sentence, even though he has never been convicted of any violent crimes.

Kevin Allen is currently serving a life sentence without the possibility of parole in the state of Louisiana after he was convicted of selling \$20 worth of cannabis. A narcotics task force paid a confidential informant to approach Kevin Allen and solicit cannabis twice between 2012 and 2013. He provided the confidential informant with a grand total of \$20 worth of cannabis.

He was then arrested, found guilty (by a split jury), and initially sentenced to 10 years imprisonment of hard labour for each count. However, the state later filed for an enhancement of punishment under Louisiana’s habitual offender statutes. Because Allen had previous drug charges, he was then re-sentenced to life imprisonment without the benefit of parole, probation, or suspension of sentence.

Cannabis Supply

Where does illicit cannabis in Europe come from?

Since the 1990s, the proportion of cannabis imported from countries like Morocco and Lebanon has fallen, replaced in large part by cannabis flower grown closer to the source of demand. Moroccan-European partnerships remain responsible for the bulk of hash import and distribution across the continent, but most cannabis flower is now believed to be produced in Europe and distributed nationally and amongst neighbouring countries.

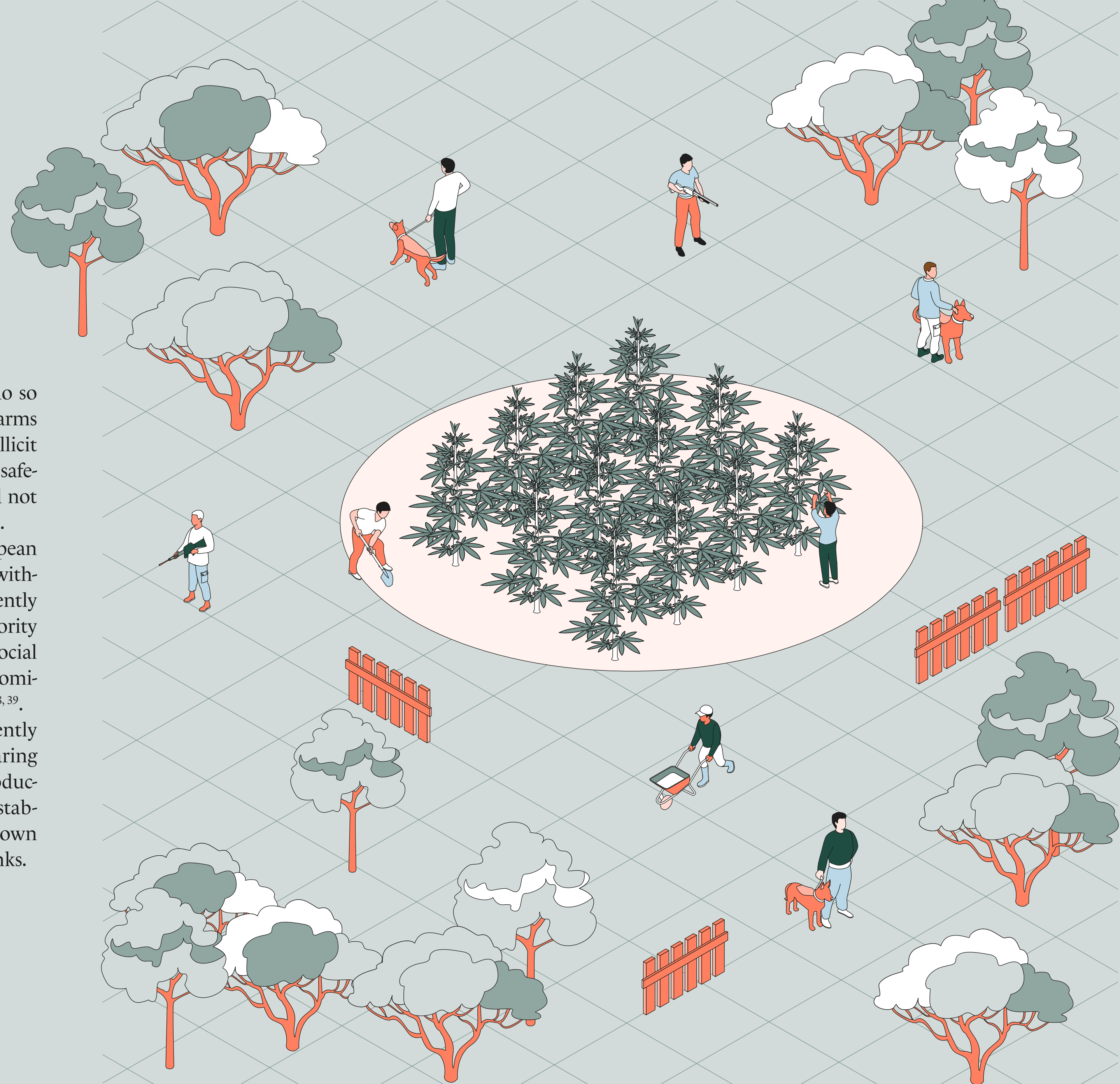
In both the Netherlands and the UK, over 80% of cannabis is believed to be produced locally, with cultivation in Belgium, Germany, Spain and Albania also increasingly taking root³⁷. While a prominent share of European supply is from organised crime groups, demand is also met by small-scale growers, mainly supplying themselves along with friends and acquaintances. Shifting patterns of supply have led to robust small-scale home-grow ecosystems forming, driven by innovations in growing technology, optimised genetics for home grow and increasing educational online content.

As a result, there is a robust subset of cannabis users that do not depend on 'traditional' drug

dealers. Many of these growers explicitly do so as a way to avoid organised crime and the harms of purchasing unknown product in the illicit market. If cannabis was not illegal and was safely available, many current operators would not be involved in 'illicit drug production' at all.

Research points to the bulk of European cannabis use and acquisition taking place within a social context, with cannabis frequently shared amongst close social circles. The majority of cannabis transactions also occur within social groups and networks, rather than being dominated by 'professional' networks of dealers^{38,39}.

While cannabis consumers may currently purchase from a 'typical' dealer before sharing amongst their social group, small-scale production and social sharing is a proven and established alternative to sourcing from unknown suppliers with possible organised crime links.



Home Grow

Is the future of European cannabis home-grown? Shifting patterns of drug supply have led to a dramatic increase in local cannabis cultivation. While organised crime groups remain the dominant suppliers, localised production also reflects a growing trend of small-scale cultivation for personal use and largely non-commercial social supply.

Personal cultivation has been decriminalised or tolerated in countries including the Netherlands, Czech Republic and Spain for several years, and home-grow has secured a space in Europe's new wave of cannabis reform. Home cultivation is a key element of Malta's cannabis

framework, forms the basis of Luxembourg's current legalisation plans, and features alongside commercial production in Germany's cannabis reforms.

Part of this decision is practical, as personal cultivation is easier to square with current EU and UN drug commitments. However, this focus on personal and non-commercial production is a strong opportunity to move already-established channels of non-violent production out of illicit and grey markets, and onto a surer legal footing.



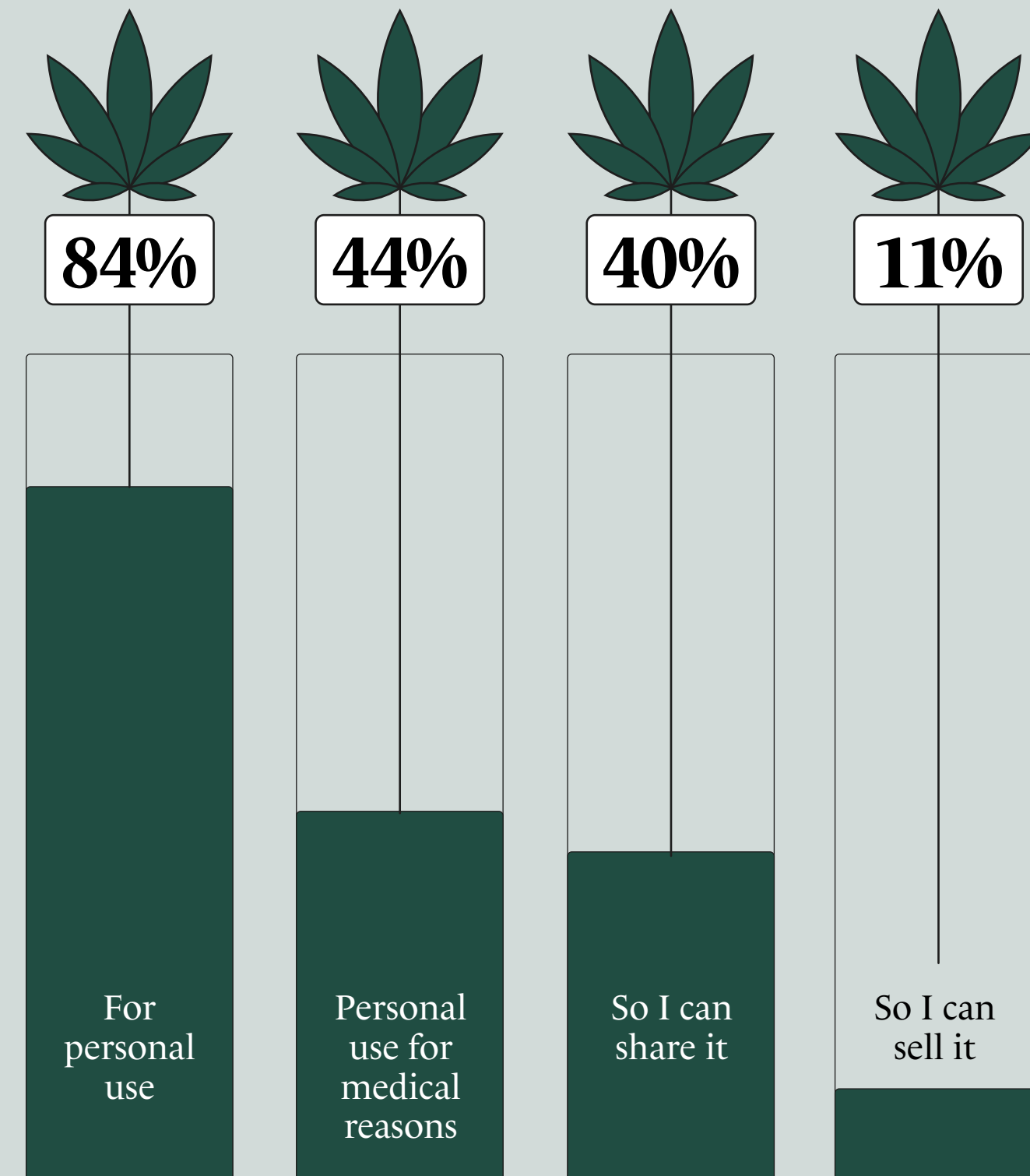
Anatomy of a home-grower

One of the most comprehensive sources of information on small-scale cultivators comes from The Global Cannabis Cultivation Research Consortium's 2012 survey of over 6,500 growers in Australia, Austria, Belgium, Canada, Denmark, Finland, Germany, the Netherlands, Switzerland, the UK and the US, examining their processes and motivations for growing⁴⁰.

GROWER PROFILES

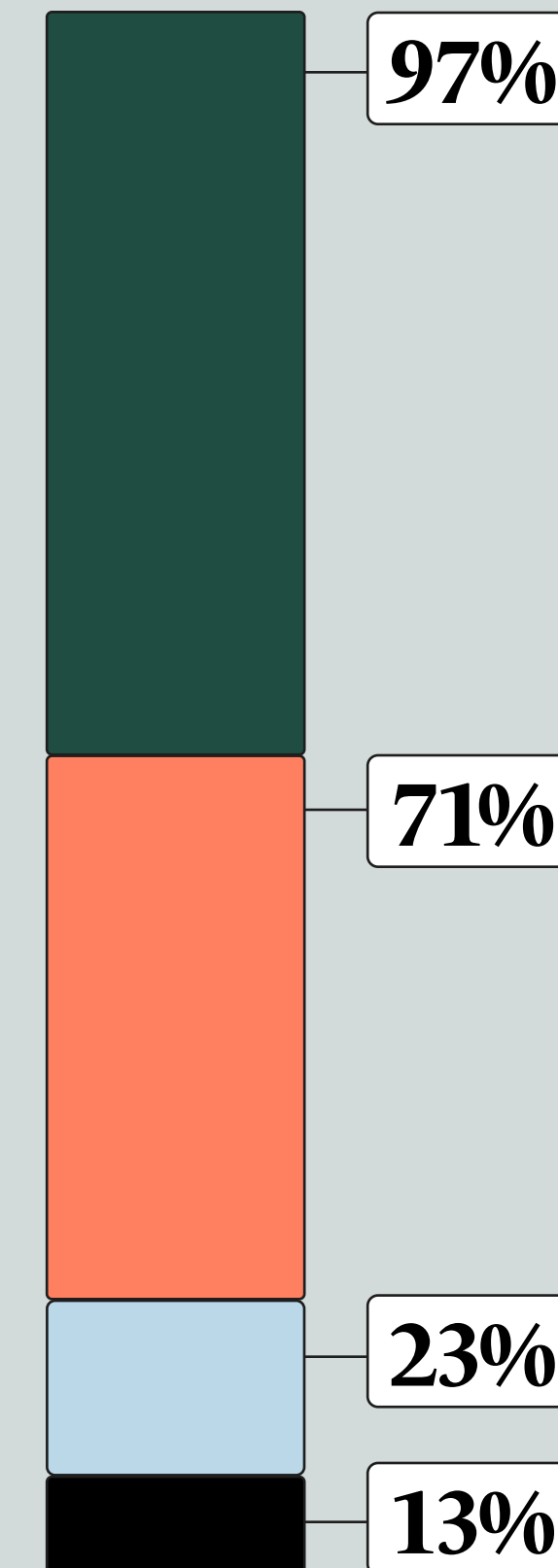
- There was no evidence that most small-scale growers are criminally or socially deviant; the majority of respondents were largely law-abiding beyond cannabis cultivation-related activities.
- Most respondents came from more-or-less normal socio-economic backgrounds, and most held jobs or were students.
- Growers in European countries had a median count of 3-9 plants, although grows of 100+ plants were also reported.

PURPOSE OF GROWING CANNABIS

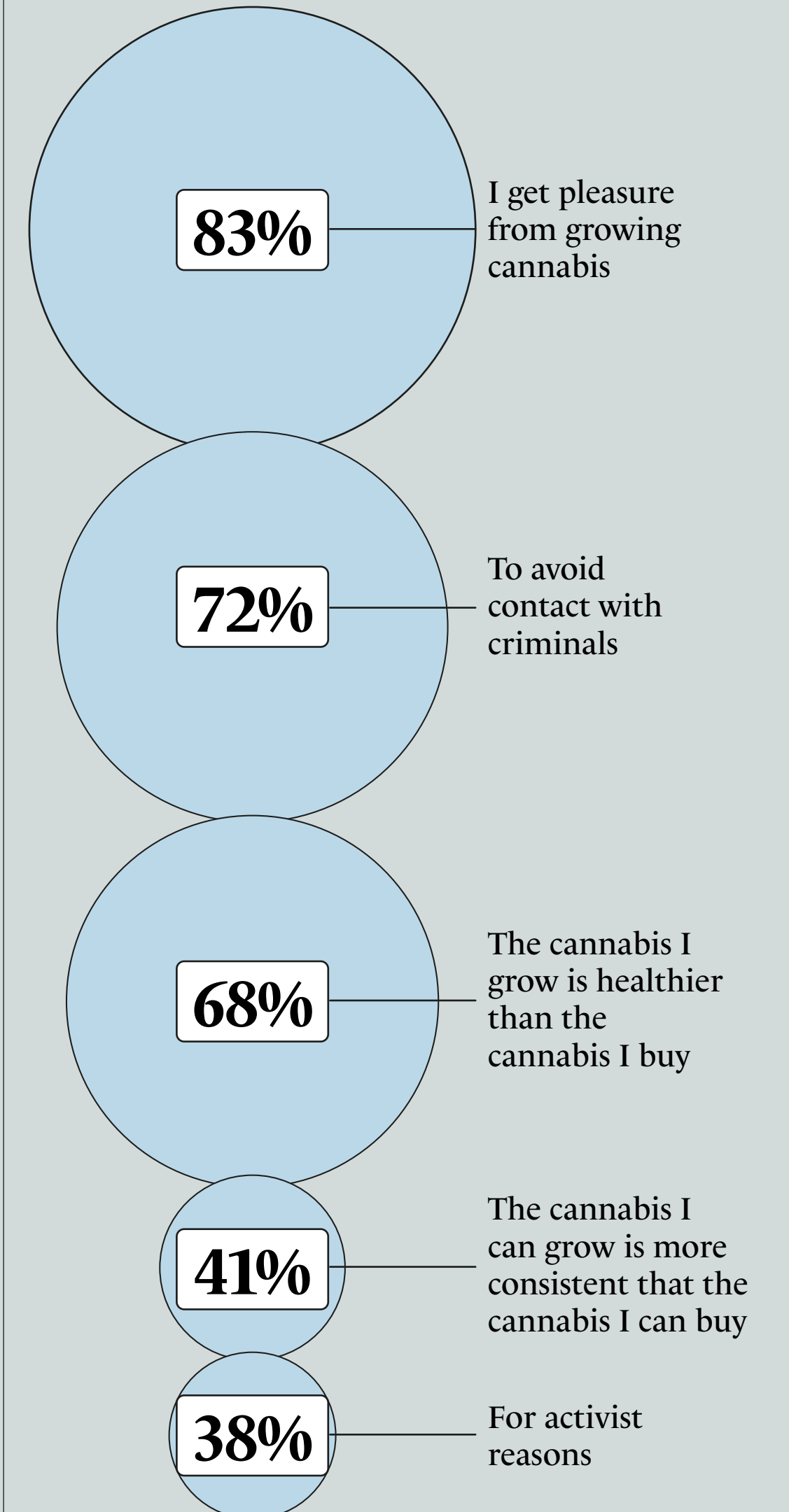


USE OF CANNABIS GROWN IN THE LAST 12 MONTHS

- Personal use
- Given away or shared
- Sold to cover costs
- Sold for profit



MOTIVATIONS



A European framework for home grow

There is a strong case for legalising (or at least decriminalising) small-scale, non-commercial cannabis cultivation by individuals in Europe. This would provide a clear path from criminalisation to legitimacy for the majority of cultivators and suppliers not linked to organised crime, many of whom are not involved in profit-making sales.

This should be combined with provisions for ‘gifting’ cannabis (as in Canada), which reflects the existing patterns of social sharing and small-scale cultivation across Europe. Attempts to limit cultivation for purely personal use would prove challenging and represent a disproportionate use of police resources.

Home Grow should be ideally combined with social clubs and/or commercial sales, to enable maximum access to those unable to cultivate at home. Evidence suggests that many small-scale

cultivators effectively function as quasi-social clubs, sharing, gifting and selling cannabis at cost. European frameworks could leverage this dynamic by formalising rules for registered non-profit social clubs, while limiting monetary transactions for ‘personal’ cultivation.

As with social clubs, there is a trade-off between invasive checks on cannabis ‘hobbyists’ and exploitation of the system by organised crime groups. However, some studies have pointed to a ‘push and pull’ effect in play between commercial and non-commercial cannabis production, suggesting that as non-commercial production increases, levels of criminality and the involvement of hierarchical criminal organisations fall. Decriminalisation of home-grow and cannabis cooperatives may therefore prove effective in crowding-out less desirable cannabis operations, even without wider cannabis reform⁴¹.



Social Clubs

Cannabis social clubs are a model of industry regulation where cannabis is produced and distributed by non-profit cooperatives on behalf of their members. European social clubs have been active since the 1990s, emerging in Spain as a grassroots initiative to challenge the prohibitionist legal framework. While Spain remains a hotspot for the model (with an estimated 800 to 1,000 groups in total), a recent survey identified clubs active across 13 European countries⁴².

Social clubs represent an alternative to the commercial supply of cannabis, with a focus on local, community production and consumption over mass-marketing and profit generation.

For this reason, they have attracted support from the left and communitarian-leaning groups, as well as drug policy and harm-reduction advocates uneasy with the commerciali-

sation and corporatisation of cannabis. As EU members struggle with regulatory challenges for commercial sales, nonprofit and cooperative associations may yet become a major driving force for cannabis reform.

To date, European cannabis social clubs have operated without a formal framework or licensing - either in a legal grey-area, as in Spain, or outside of the law completely. However, following Uruguay's move to legalise and regulate social clubs in 2013, Malta became the first European country to legalise non-profit associations to produce and distribute cannabis, with applications for the first groups opening in February 2023. Germany swiftly followed in April 2023 with plans for social clubs of up to 500 members as part of its two-tier approach to cannabis reforms, which it hopes to implement by the start of 2024.

MALTA CASE STUDY: EUROPE'S FIRST LEGAL SOCIAL CLUBS

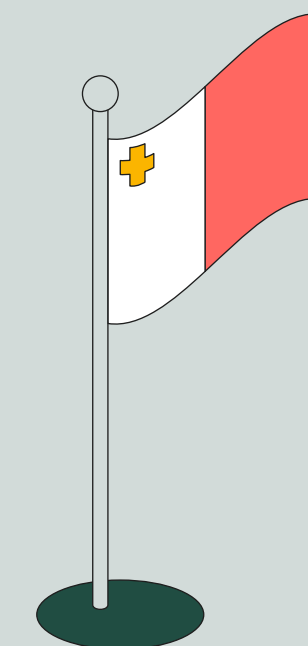
- Groups will be non-profits known as 'Cannabis Harm Reduction Associations', licensed by the Authority for the Responsible Use of Cannabis (ARUC).
- Up to 500 members per association are permitted. Members must be residents over the age of 18, and belong to only one association at a time.

SUPPLY

- Associations are responsible for the entire process from seed to distribution.
- No transfer of plants, dried flower or semi-finished products between any other individuals or groups permitted.
- Only dried flower can be distributed to members - no other formats permitted.
- Cannabis must be sold in tamper-evident and child-resistant packaging, with labelling and health warnings.
- No onsite consumption.
- All means of advertising and promotion, including digital media, are prohibited.

SETUP

- An application fee of €1,000, an annual licence fee based on the number of members, and 'harm reduction contributions' are required.
- Associations require at least two founders, governed by a board of at least three people. Roles must be appointed for management, growing, security, distribution, quality control and quality assurance.
- Financial projections and reports must be submitted, with associations subject to anti-money laundering procedures.
- Salaries, fees and costs must be in keeping with market rates and not inflated.
- Technical standards for operations, security, compliance, cultivation, sampling and packaging to be set by ARUC.



Organised Crime

As the scale and profits from Europe's illicit cannabis market have grown, so too has the involvement of organised crime. 40% of Europe's criminal networks are believed to participate in the drugs trade, and cannabis supply has evolved from a specialised and often separate illicit operation into a mainstream activity for many criminal organisations.

Drug-related criminal aggression has also escalated in recent years, with increasing competition for business and territory between groups fuelling acts of violence. The cannabis and cocaine trade are particularly associated with incidents of arson, kidnap, shootings, intimidat-

tion and torture across Europe⁴⁴.

Dutch and Vietnamese groups are well-established in the European cannabis trade, expanding production across Europe and providing equipment and know-how to other operators. In recent years, Albanian organised crime groups have also become increasingly involved in local cannabis production in key markets, in addition to trafficking product from Albania and the Balkans.

Local European cannabis production typically involves cultivation in rented commercial and residential units, with heat, light and odour protection measures to avoid detection. Groups often have access to multiple locations,

DISCOVERY OF A CANNABIS FARM IN A FORMER NUCLEAR BUNKER IN THE UK

“ The bunker contained several thousand plants, with approximately 200 being cultivated in each of the bunker's 20 rooms. Police estimate the street value of the cannabis was over £1 million. In this case, three Vietnamese teenagers were found to be acting as ‘gardeners’ for the crops⁴³.

which can be cycled through in the event of a raid by law enforcement or rival groups. Illicit commercial production includes many roles within an organisation including securing properties, purchasing seeds and equipment, bypassing electricity, tending to plants, selling the crop and splitting and/or remitting the proceeds.

Many networks involved in trafficking and production are highly organised and structured, with bribery and corruption of officials and professionals at multiple points of the supply chain. Shell companies are often used to launder money, and obscure the sources and ownership of funds⁴⁵.

At the lower levels, however, many cultivators and street dealers are social and economically-vulnerable victims of exploitation.

Despite national and international law enforcement deeming drug trade elimination a top priority, the status quo of prohibition has proved abjectly ineffective as a strategy for doing so. With such a high human cost to the organised cannabis trade, achieving responsible cannabis regulation should be seen as a key social justice concern.

Human Trafficking and Modern Slavery

Beyond the more recognisable elements of organised drug crime, European cannabis production is linked to human trafficking and modern slavery, with migrants and other vulnerable people employed or coerced into working in production sites⁴⁶. The UK's National Police Chiefs Council notes an 'intractable' link between cannabis farms and modern slavery, with Vietnamese and Albanian migrants at particular risk of exploitation⁴⁷.

Research shows a 'prolific' scenario amongst Vietnamese nationals, where minors and vulnerable adult migrants are deliberately employed to work in the most junior roles within cannabis cultivation. According to a 2017 report, a total of 1,747 Vietnamese nationals were referred to the UK's National Referral Mechanism (NRM), a government-run body that identifies potential victims of modern slavery between 2009

and 2016. Of the 370 individuals that had so far been confirmed a victim of slavery or human trafficking, 155 had experienced forced cannabis cultivation - 83 of whom were minors⁴⁸.

Cannabis farms in Scotland are believed to be fuelling demand for child trafficking. 147 cases of potentially trafficked children were referred to the NRM in Scotland alone between Jan 2019 and February 2022. Of these, nearly 40 percent of cases involved potential exploitation through cannabis work⁴⁹. Suspected trafficked children were typically aged 16 to 18, but some had been as young as 14.

For some irregular migrants, cannabis work is promoted through diaspora networks and freely entered into, as it can offer better wages and prospects than other undocumented jobs such as domestic, cleaning and restaurant work.

For others, work in cannabis cultivation is

www.bbc.com

The screenshot shows the BBC News website interface. At the top, there's a navigation bar with 'NEWS' in large letters and various category links like 'Home', 'Cost of Living', 'War in Ukraine', 'Climate', 'UK', 'World', 'Business', 'Politics', 'Culture', 'Tech'. Below this, there's a sub-navigation for 'England | Local News | Regions | Leicester'. The main headline is 'Child slave's cannabis farm conviction overturned', dated '28 October 2022'. There's a small red icon to the left of the headline. Below the headline is a photograph of green cannabis plants in a grow room. To the right of the main article, there's a 'Top Stories' section with three items: 'LIVE Moroccans sleep on streets after earthquake kills 2,000', 'Daniel Khalife remains in custody after arrest' (4 hours ago), and 'LIVE Kuenssberg to quiz justice secretary after Khalife prison break'. At the bottom right, there's a red box with the text 'Get the news that matters to you. Keep connected with your BBC account'.

The screenshot shows the top section of The Guardian website. At the top left, there's a 'Support the Guardian' banner with the text 'Fund independent journalism with £5 per month' and a 'Support us' button. To the right is the 'The Guardian' logo with the tagline 'Newspaper of the year'. Below the banner is a navigation bar with 'News', 'Opinion', 'Sport', 'Culture', and 'Lifestyle' links, and a hamburger menu icon. Below the navigation bar, there's a breadcrumb trail: 'World > Europe > US > Americas > Asia > Australia > Middle East > Africa > Inequality'. The main headline is 'Slavery: Trafficked, beaten, enslaved: the life of a Vietnamese cannabis farmer'. Below the headline is a short paragraph: 'At 10, 'Stephen' was taken from Hanoi to London and then spent four years tending plants for a brutal drug gang. Now awaiting news of an appeal against deportation, he recalls his horrific experience - and his lucky escape'.

www.theguardian.com

Human Trafficking and Modern Slavery

Continued

forced for little or no pay, with extreme social isolation, violence and abuse. Many trafficked individuals had no intention of illegally cultivating cannabis, but became trapped in a form of debt bondage. Required to work to 'pay off' debts incurred, they are exposed to threats of death and violence to themselves and their families should they attempt to escape. Those with limited social connections and language skills, minors and vulnerable adults are often placed in the most dangerous jobs. These include syphoning electricity and performing the role of 'gardener', with those responsible for managing plants often forced to remain and be held onsite for prolonged periods.

For the perpetrators, forced criminal activities are a lucrative and low-risk enterprise, given the low rates of detection and prosecution⁵⁰. For the victims, the stakes are high. While legisla-

tion such as the UK's Modern Slavery Act offers protection to those forced into committing illegal acts, many trafficked cannabis growers are dealt with as offenders rather than victims.

Compounding this problem is the fact that trafficked individuals may not consider themselves a victim or consider their exploitation a defence, given their initial consent and ambition to enter the country illegally. Despite the recognised link between cannabis farms and modern slavery, the identification and protection of exploited individuals has been branded a 'blind spot' for UK police, who lack training in the remit and application of modern slavery laws⁵¹.

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Newspaper of the year



The long read
Enslaved on a British cannabis farm: 'The plants were more valuable than my life'

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Minh was 16 when he was kidnapped, raped and trafficked to the UK, and then locked up and forced to grow cannabis. But when the police found him, he was treated like a criminal rather than a victim. By Anna Kelly

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How a boy from Vietnam became a slave on a UK cannabis farm

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CASE STUDY

A “lightning rod for society-wide reform”



The Cannabis Education Guild has been operating in Canada since October 2019, investing in meaningful social impact to create a healthy and ethical industry, while educating Canadian and international professionals on the legal cannabis sector. We spoke to the Guild about the prevalence of modern slavery in the cannabis sector.

“Unlocking the global cannabis supply chain comes with risks of modern slavery. The expanding movement of cannabis legalisation will demand low-skilled labour from third party sources and will be no different to all other cash crops. Without oversight to protect the workers on cannabis plantations, and other environments supporting low labour standards, modern slavery will continue to weave itself into the supply chain of this new burgeoning sector.

The Cannabis Education Guild warns that without the support of international governing bodies to prevent modern slavery, the emerging cannabis industry is at risk of developing murky global supply chains, with exploitation and abuse carrying over from the illicit market. As of January 2024, Canada will finally implement legislation targeting modern slavery. The measures introduced through ‘Bill S211 - An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act’ aims to increase business awareness and transparency and drive improved practices. Although this is a step in the right direction, the Act does not differentiate from the UK’s Modern Slavery Act, which has been criticised for excluding small and medium sized businesses.

“These problems persist in the wider industries like agriculture, due to the lack of enforceable government policy to help to make any form of modern slavery, by any size company, punishable by law. As Western countries with harsher growing conditions are often supplied by imports from tropical and subtropical climates, the lack of visibility for supply chains and the global chain of custody is highly relevant to cannabis consumers and the sector as a whole.

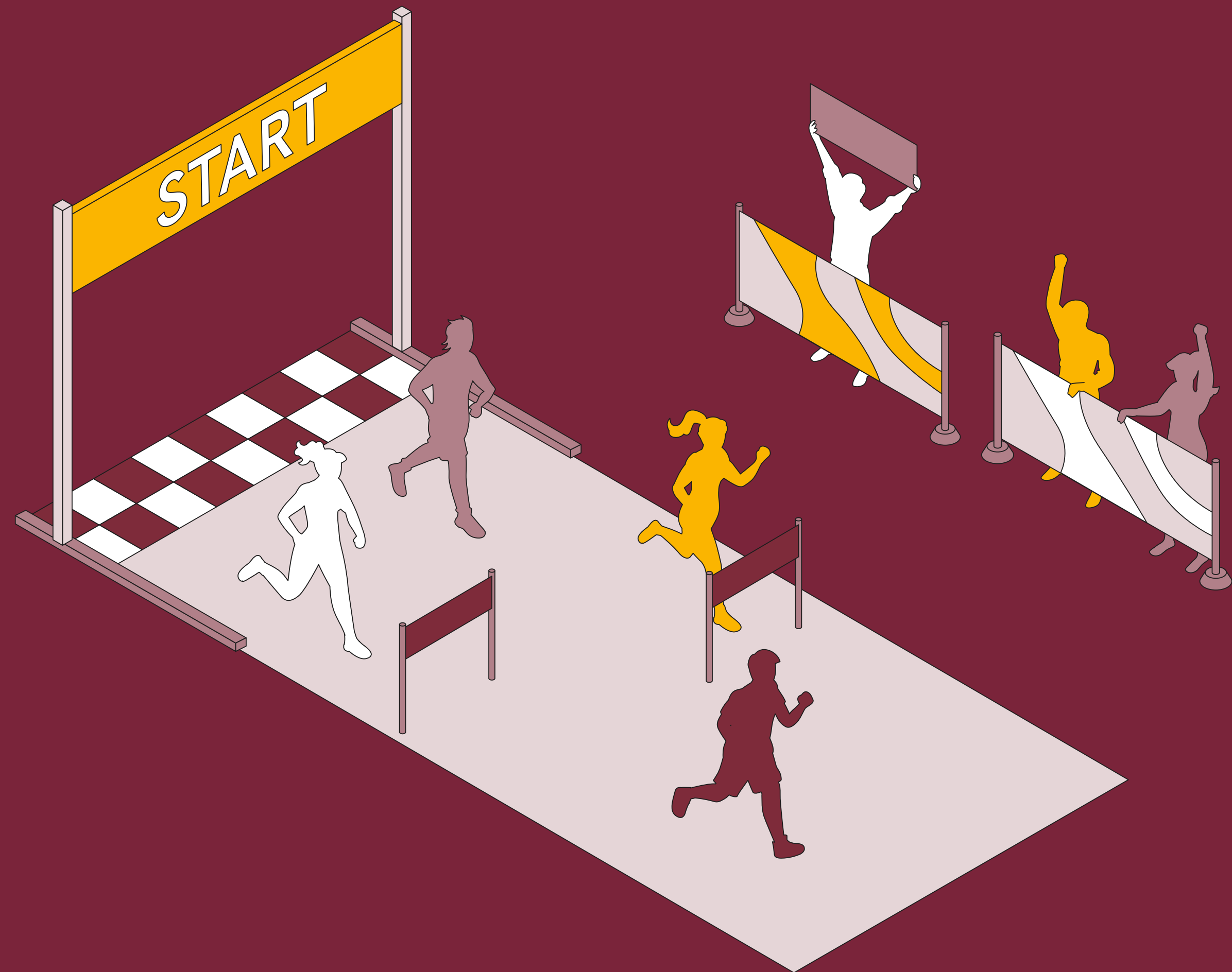
By learning from past mistakes in the illicit cannabis market, along with the global supply chains of the agriculture sector, the Guild highlights that the cannabis industry has an opportunity to create a new benchmark for higher standards and human protection.

“The cannabis industry has an opportunity to set a precedent for supply chain transparency at large, spurring accountability, and chain of custody responsibility across all sectors. The sector’s infancy can be leveraged to make time-sensitive change, to create the first sector-based approach to tackle and eliminate all forms of modern slavery.

Part Three

SOCIAL EQUITY

So far, European proposals to legalise cannabis have lacked a focus on social equity. Designed to account for the different starting points and unique needs of populations, social equity schemes can be a powerful tool to address the long-standing systemic and legislative barriers to accessing resources.



Social Equity

When legal opportunities open, impacted individuals are often in a disadvantaged position. Compared to well-funded and connected corporate applicants, they are less likely to have access to capital, lawyers, or high-net-worth networks to tap into. However, poorly-managed social equity schemes can further disadvantage applicants, including through costly delays and excessive fees, leaving room for predatory investment and exploitation.

SOCIAL EQUITY SCHEMES WITHIN CANNABIS HAVE TYPICALLY TAKEN TWO FORMS:

- Giving preferential licensing treatment to applicants from communities that have been disproportionately affected by prohibition.
- Taking additional actions to reduce barriers for marginalised groups or people with cannabis-related criminal records, such as funding training schemes, legal support, fee reductions, loans and grants.

DO THE SAME PRINCIPLES APPLY IN EUROPE?

Will Europe give priority to groups negatively affected by cannabis prohibition and those with cannabis-related criminal records? At the moment, it seems that Europeans are still debating whether these people should even be allowed to participate in legal commercial cannabis markets, let alone be prioritised.

While conducting interviews for our last report, ‘Recreational Europe’, executives in the European medical cannabis industry told us that they opposed decriminalisation and those

with criminal records entering the industry. Under the recreational Dutch coffeeshop trial, applicants with convictions were screened out of the process, as is the case under most European medical cannabis licensing frameworks.

Europeans appear reluctant to embrace the language and ideas of social equity, which are largely viewed as a North American concept. As previously highlighted, the intentional lack of ethnicity-based data collection across Europe prevents the public and policymakers from grappling with many of the race-based topics that have dominated US discussions.

That does not mean that North American

social equity initiatives have no relevance to Europe. These schemes provide a trove of insight into designing and implementing functional, inclusive legal frameworks, regardless of whether or not a scheme includes features like minority quotas. While certain social equity initiatives are unlikely to be replicated, there is plenty of room for real and effective positive action in cannabis policy design that continues to respect European principles of formal equality and non-discrimination.



Learning from existing markets

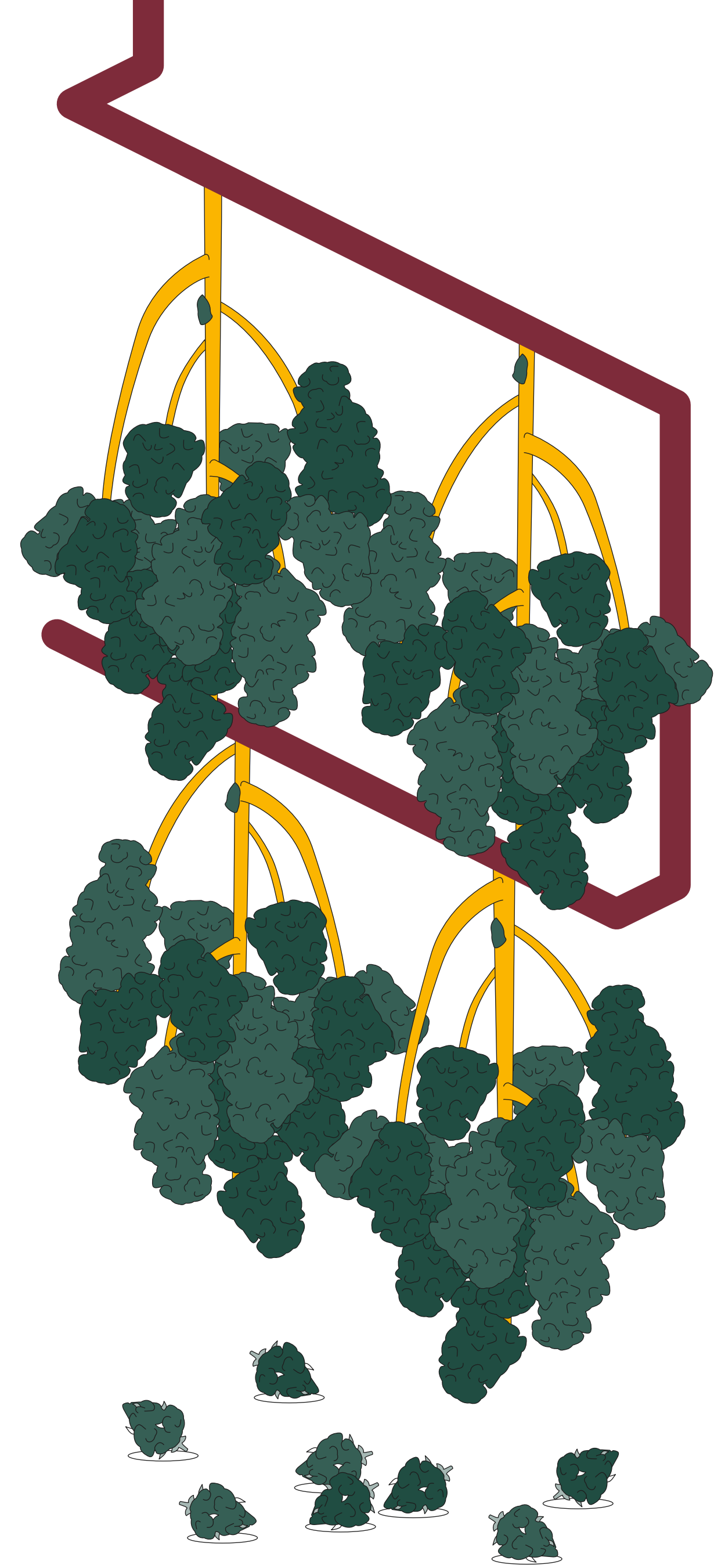
We decided to tell this chapter through the words of people who have received a social equity licence after experiencing the harms of cannabis prohibition, alongside the perspective of a leading attorney who was integral to developing and implementing a social equity framework in the US. Speaking to these individuals first-hand was essential for us to gain the knowledge to properly consider what these schemes could look like in Europe, and to understand what we could avoid or adopt from existing social equity efforts in North America.

We would like to thank these individuals for providing the opportunity for us to learn from their lived experiences to get a head start on these policies in Europe. The interviews highlight how emotionally charged this topic is, due to the extensive personal and societal impacts that have been caused by multiple policy failures. This chapter takes a candid look at the often complex reality of social justice and equity schemes in North America, from the view of passionate advocates as well as those heavily critical of how they have played out in a number of US states.

LOOKING TO NORTH AMERICA

Canada's bold move to legalise recreational cannabis in 2018 was a powerful signal to other jurisdictions to shift their policies, and set the precedent for what a legal cannabis market could look like. Legalisation in Canada was largely a result of political opportunism, rather than as recognition of the harms of the war on drugs on those it affected. The amnesty and social equity conversation has been limited, with Canada now facing the impacts of dealing with these issues too far down the road.

Differing from Canada and most European markets to date, 'social justice' was a driving force for the first wave of legalisations in the USA. In the case of medical cannabis, this was to put an end to criminalisation of patients, and in the case of recreational reform, the war on drugs. However, social justice and equity provisions weren't actively baked into early legislation.



The United States

While social justice featured heavily in early US legalisation narratives, social equity schemes lagged behind with a 20-year gap between the first US medical cannabis market opening in 1996, and the first social equity program in the medical market being created in 2016. Many of the newly-legalising states have developed far more substantive and proactive schemes, although not without their own set of challenges.

The Minority Cannabis Business Association (MCBA) conducted a review across 15 state social equity programs for the National Cannabis Equity Report. Based on the findings, the MCBA identified seven key issues that should be addressed by advocates and policymakers as social equity programs are reexamined.

MINORITY CANNABIS BUSINESS ASSOCIATION (MCBA) FINDINGS

01

The number and efficacy of state social equity programs does not reflect the expressed commitment to achieving equity through cannabis.

04

Among the few social equity programs that provide funding, fewer still provide access to timely funding for social equity applicants and licensees.

07

Bans on ownership for individuals with past cannabis convictions remains prevalent in state-legal cannabis programs.

02

The use of non-race criteria in the social equity qualifications and definitions has not yielded diverse cannabis markets.

05

Requirements to secure premises prior to issuance of a licence or conditional licence continue to present a significant barrier to entry for social equity operators.

08

Inequities in existing medical markets create inequities in adult use markets.

03

Despite evidence to support cited concerns, many states continue to utilise state-level licence caps to limit state markets leading to a lack of diversity and the proliferation of the legacy market.



Canada

Social equity and justice discussions have been sparse within Canada. Conversations around pardons and amnesty have been limited, with the most prominent group in this field, Cannabis Amnesty, lacking charitable status and remaining reliant on LP donations.

The Cannabis Act Legislative Review included a review of the impacts of legalisation on Indigenous peoples and communities. Recent data from MJBiz provides evidence that entrepreneurs in Indigenous communities are significantly underrepresented within Canada's cultivation and retail industries⁵².

Among the 755 unique cannabis corporations licensed by Canada's federal government as of last year (mostly cultivators and processors), only six were located in an Indigenous community, or 0.8% of all licensees. Canada's Indigenous groups have been largely excluded

from the economic opportunities and health benefits from cannabis legalisation and regulation, despite warnings from Indigenous leaders about a lack of engagement, and a request for a preferential licensing system for Indigenous-owned or controlled entities. The federal Cannabis Act gives no room for First Nations governments to set their own regulatory and licensing frameworks, and does not include them in a tax revenue-sharing agreement that was reached with the provinces.

The core message from North America's experience is that social equity needs baking in from the get-go, and meaningful consultation needs to take place when legislation is rolled out. Trying to tack on schemes at a later stage has been ineffective and resulted in inequitable outcomes.



Solutions through conversation

Using their stories and lessons to spark questions and ideas about ‘Europe’s future’, this chapter is presented in the words of people who have direct experience of these issues in the US. We spoke with entrepreneurs and policymakers from the East to the West Coast, hearing first-hand from those in New Jersey, San Francisco, Michigan, and Massachusetts.

This chapter takes a journey through the social equity process, highlighting some of the real-world issues and considerations faced by social equity applicants, licence holders, and those harmed by cannabis prohibition.

This is not a direct proposition for Europe, but a first-hand account of how things are done and could be done better in some of the markets pioneering these programmes with mixed results. European regulations do not match those of the US, nor is the market at the same point in its development cycle.

LEADING VOICES



VALERIO ROMANO

VGR Law Firm LLC

Massachusetts, California

Massachusetts Local and State Cannabis Licensing Expert, co-author of the ballot initiative that ended cannabis prohibition in the state. Valerio’s experience in cannabis dates back to 1996 when California began its medical program. He has licensed scores and scores of businesses in Massachusetts under the Cannabis Control Commission.



DRAKARI DONALDSON

California Street Cannabis Co.

California (San Francisco)

CEO of California Street Cannabis Co. dispensary, and a beneficiary of San Francisco’s social equity program.

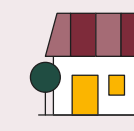


MORRIS KELLY

SF Roots

California (San Francisco)

Founder and CEO of SF Roots/Hello San Francisco LLC, a California-based company, and a San Francisco equity advocate and business owner.



HAYTHAM ELGAWLY

XENA (formerly Medusa)

New Jersey (Jersey City)

Founder of XENA, Jersey City’s first cannabis consumption lounge and dispensary opening soon, and Founder of The Clearport, a conceptual retail experience comprising of an interactive airport-themed clothing boutique.



KASSIA GRAHAM

Cannaclusive, Cannabis for Black Lives

New York

Director of community and strategy at Cannaclusive, a collective focused on inclusion in cannabis brands and media. More than two decades of experience working with diverse organisations including Fortune 100 companies, cannabis companies, boutique agencies, and non-profits.



KRISTIN JORDAN

Asian Cannabis Roundtable

New York

Founder of the Asian Cannabis Roundtable and President of the Board of Directors. Founder and CEO of Park Jordan, a cannabis-focused real estate brokerage and advisory services firm.



ALI JAMALIAN

Sunset Connect

California (San Francisco)

Founder of Sunset Connect, the first equity owner in San Francisco, and a 20-year veteran of the cannabis industry in the SF Bay Area. Ali is also the Chairman of the San Francisco Cannabis Oversight Committee and has recently been appointed to the California Cannabis State Advisory Board.



TRE HOBBS

Neighborhood Essentials & Black Noodle Clan

Michigan, California

CEO of Neighborhood Essentials & Black Noodle Clan, a flower brand and genetics company that focuses on small-batch, exotic, high terpene, and ultra-quality genetics. Selected for the Eaze Momentum accelerator.



EDGAR LUCERO JR

Dank Deluxx

New Jersey

Founder and CEO of Cannabis Company Dank Deluxx, with 10 years experience growing high quality cannabis on the East Coast’s Legacy market.

1. Licence allocation: Qualifying as an applicant

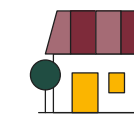
Social equity programmes aim to rectify the imbalances caused by past cannabis-related laws that disproportionately affected certain minority groups. This may include setting licence quotas for minorities, and giving priority to individuals with past cannabis convictions.

Additional support, such as cost waivers and fee reductions, may be implemented to encourage participation. The intention behind these schemes is to ensure that applicants, regardless of their background or access to capital, have access to a fair and streamlined application process.



Valerio Romano, a Massachusetts Local and State Cannabis Licensing Expert and co-author of the ballot initiative that ended cannabis prohibition in the state, noted that **"true equity demands a fair application process for all, yet it also calls for restorative justice in the cannabis industry. This includes prioritising individuals who have been historically excluded for their involvement in the unregulated industry."**

Achieving equity is not without challenges. Local municipal restrictions that limit the number of cultivators or retailers in specific areas provide an obstacle, creating high competition among applicants.



Haytham Elgawly, the Owner of XENA, Jersey City's first Cannabis consumption lounge and dispensary launching soon, recounted that **"navigating the local municipal hurdles was a challenging task. Establishing connections and building relationships was key to overcoming these obstacles."**

Targeting the right groups for equity programmes is vital. Typically, these programmes have included those affected most by the war on drugs, people of colour, and individuals living in disproportionately affected areas or in high poverty.

Debate remains on how to define these beneficiaries. Should everyone in a demographic group or neighbourhood affected by high rates of arrest be eligible, or just those who were themselves arrested or convicted?



Regarding convictions, **Romano** argued **"restorative justice should be the primary focus. It's unacceptable for someone imprisoned for cannabis-related activities to be excluded from the industry now. They deserve priority consideration."**

Along with convictions, ethnicity and income data can play a role in qualifying applicants for social equity programmes. **"In the US, to qualify for a social equity programme, you often have to live in an area with poor economic status,"** said **Romano**, explaining how location impacts eligibility.



Ali Jamalian, Founder of Sunset Connect, the first equity owner in San Francisco, and a 20-year veteran of the cannabis industry in the SF Bay Area, added that **"to qualify as a social equity applicant in San Francisco, you had to be convicted of two cannabis offences or live in a specific zip code. It's a step towards prioritising social equity applicants, but requiring more than one conviction restricted the number of people who could benefit."**



Despite the complexities and nuances of the process, the impact of social equity programmes has been significant. **Morris Kelly**, Founder and CEO of SF Roots/Hello San Francisco LLC, explained that **"before social equity, I always had an older white person be the face of my business. But with the equity programme, I had a pathway to continue being in the industry, even as a felon. That was something I never thought possible before."**

2. Application process: Streamlining

A key tool for achieving social equity in the cannabis industry is to simplify the application process. With the objective of lowering barriers to entry and speeding up the process for social equity applicants, these policies have seen varied degrees of success in different states across the US.



Romano explained that “**the streamlined application process, particularly in places like San Francisco and California, has been a crucial aid for social equity applicants. The primary upfront cost for these applicants, often property-related, becomes more manageable when their application process is simplified and prioritised.**”

He explained that “**while priority should be given to these applicants, the same standards for security and environmental levels should apply to all.**”



Ensuring equity applicants are adequately informed and prepared is another challenge. **Edgar Lucero Jr**, Founder and CEO of Dank Deluxx, highlighted the need for adequate preparation time for these applicants, saying that “**many are not the most informed and either find out too late or lack the resources to get started.**”



Jamalian praised the priority permitting procedure in San Francisco, explaining that “**San Francisco promised equal consideration to social equity applicants before processing general applications. This, along with protecting existing medical dispensaries, allowed legacy operators to continue their operations while the city processed new equity applications.**”



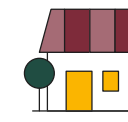
However, not everyone feels the same. **Kelly** identified issues with the scheme in San Francisco, explaining that “**when California legalised cannabis, many were excited. However, San Francisco's equity programme didn't start until after the temporary licensing period. This meant that the headstart other operators had was no longer available to equity applicants. The inability to start building their business while waiting for their licence gave wealthier individuals an unfair advantage, creating significant financing problems for equity applicants.**”

3. Dedicated department: Easy point of contact

Clear communication channels and dedicated support teams are instrumental in facilitating the success of social equity applicants. Emerging markets would benefit from these efforts by simplifying complex regulations and reducing potential obstacles.



Romano recommended that regulators "focus on streamlining regulations to minimise confusion. Guidance is crucial to helping applicants navigate complex processes effectively. Establishing an incubator, either internally or through external partnerships, can provide such support. Furthermore, a streamlined application process favouring verified social equity applicants could expedite the review process. Access to experts during compliance and risk reduction stages would further smooth out potential delays."



Elgawly emphasised the importance of an easily accessible department for social equity applicants, stating that "Europe should consider creating a group that's easily reachable. Building a business is challenging, and having to navigate bureaucracy simultaneously can be daunting. A dedicated department that speaks directly to applicants, answers their queries promptly, and ensures fair treatment is essential."



Jamalian explained that "San Francisco brought together all the different city departments and stakeholders on the city's Cannabis Oversight Committee. It's been advantageous to have immediate contact with different authorities, like the police chief, in the event of any problems. Having everyone on the committee ensures everyone's interest in the industry's success."

4. Access to capital: Funding and grants



The most significant obstacle for social equity applicants is often securing sufficient capital. The current structure of social equity programmes and the high costs associated with starting a business in the cannabis industry pose immense challenges to prospective entrepreneurs.



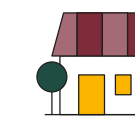
Romano highlighted this issue, noting that "access to capital is usually the biggest challenge for social equity applicants. Only about 3% of the entire market in Massachusetts are social equity applicants, primarily because they lack the financial resources required to establish a business in this sector."



Lucero Jr elaborated on the financial hurdles in New Jersey, explaining how "the application for a medical social equity licence itself costs \$20,000. On top of that, there are expenses for legal representation, architects, construction plans, and dealing with municipalities. The average person simply does not have the resources to cover these costs."



Jamalian explained the grant system in San Francisco, saying that "they have different levels of grants for social equity applicants based on how much ownership they have. While that's a decent amount of money, it's not as impactful as it used to be. So it would be great if they could increase those grant amounts."



Elgawly pointed out risks and extra costs that many might not consider, saying, "a lot of things can go wrong, adding unforeseen costs. For instance, lawsuits or trademark infringements can cost thousands of dollars."

Providing access to sufficient funding and grants is key to supporting social equity applicants in the cannabis industry. Governments and regulatory bodies need to be aware of the potential pitfalls and offer more comprehensive financial assistance to ensure the success of these initiatives.

5. Business experience and acumen: Training

To support the success of social equity applicants, providing training and education on both the business and operational aspects of the industry is crucial. Whether through formal incubator programmes or company initiatives, the focus should be on empowering a diverse range of applicants with the tools and knowledge necessary to thrive in the industry.



Romano underscored the importance of business acumen and experience, which many social equity applicants might lack. He stated that **"San Francisco did a great job with the incubator programme, providing an engaged partner that can answer questions without a cost associated with it. A social equity applicant, passionate about cannabis, might be vulnerable to signing just about everything to get into the regulated market without proper guidance, potentially leading to issues down the line."**



Kelly used an analogy to highlight the challenges of navigating the industry without prior experience, explaining that **"it's like if someone handed you a race car and you've never driven before, you're going to be confused. Especially with social equity, where you might not have the experience or training that others do, it can be a real challenge to make it work."**



Elgawly emphasised the hurdles associated with municipal processes, saying **"the local municipal application process was quite tough for a lot of people. They were not used to talking to council members, addressing local business owners or presenting their plans to their community. We had to justify why we deserved the licence, and how we planned to impact the neighbourhood community."**

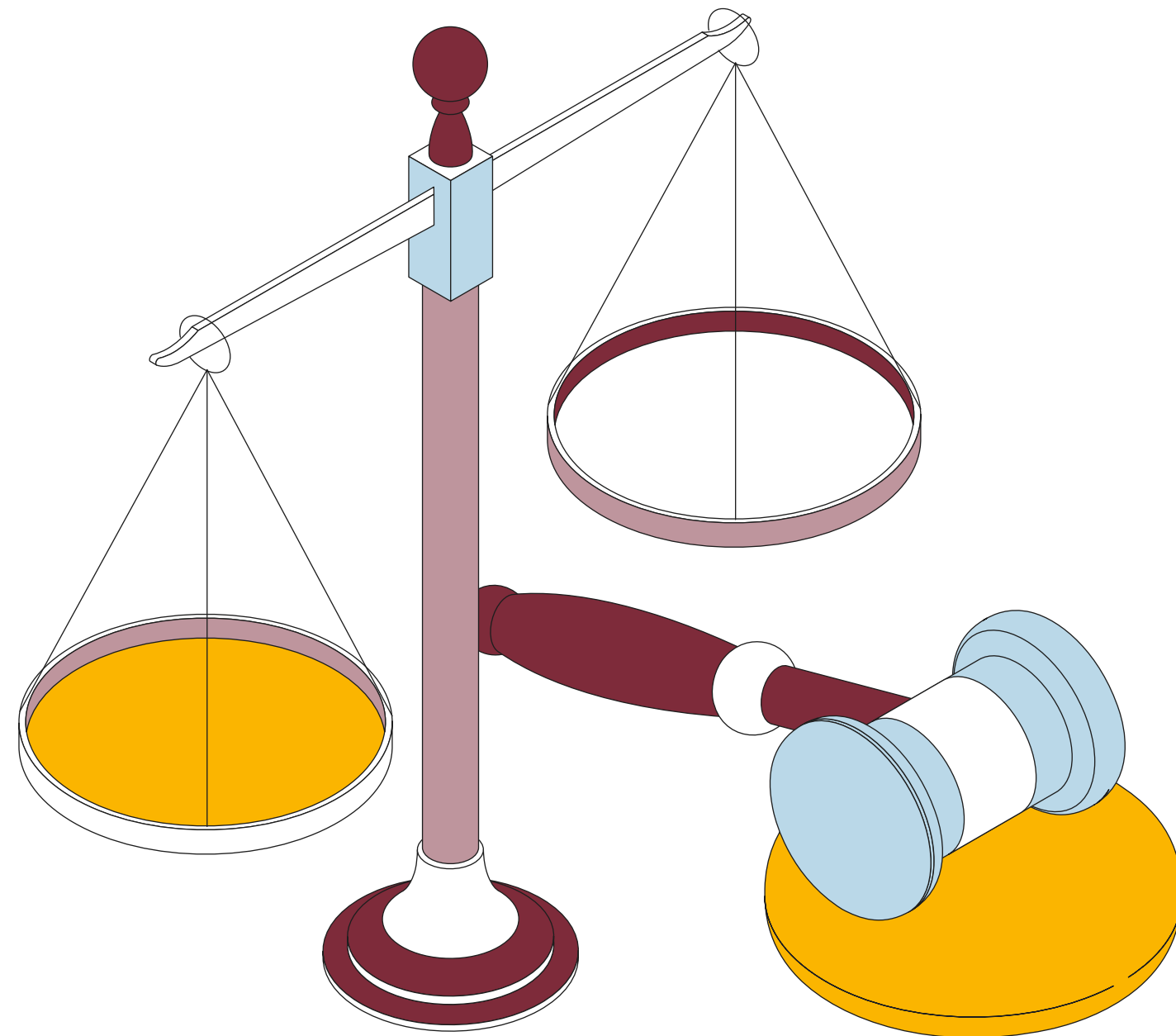


Drakari Donaldson, CEO of California Street Cannabis Co. dispensary, shed light on the high turnover rate in the industry, explaining that **"when people are constantly changing jobs or moving locations, they don't have the opportunity to fully learn and specialise in a particular aspect of the business. If employees are constantly leaving, it's hard to maintain a consistent level of expertise and quality."**

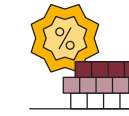


Lucero Jr shared Dank Deluxx's mission to support social equity applicants, saying **"we plan to implement a programme to provide these individuals with guidance and education on growing cannabis, as well as the business aspects of the industry. Our goal is to empower them to eventually work for established companies or even start their own."**

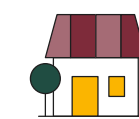
6. Lawsuits: Legal support



Navigating the legal landscape of the cannabis industry can be fraught with unexpected challenges. Having a solid legal team in place and being adaptable to the unique legal conditions of each state are important components to success.



Tre Hobbs, CEO of Neighborhood Essentials & Black Noodle Clan, a flower brand and genetics company, recounted his legal battles in Michigan, particularly in Detroit. He stated, **“many of the MSOs (Multi-State Operators) and larger companies filed lawsuits against me because I qualified for both the social equity programme and the Detroit legacy programme. Michigan’s statewide equity programme, though well-intended, led to complications and confusion, particularly with Detroit adding an extra layer to it.”**



Elgawly discussed a specific challenge he faced in New Jersey, **“my dispensary is located right next to a college dorm. There’s a state law requiring dispensaries to be at least 200 feet away from schools. The Catholic school next door filed a lawsuit against me, trying to challenge the definition of a school. This highlights the unexpected hurdles that can arise when breaking new ground in this industry, particularly when outdated mindsets about cannabis persist.”**



Legal support and preparation are emphasised when dealing with these issues. **Jamalian** shared his experiences of getting prepared before the scheme even launched in San Francisco, **“we began the application process in September 2021, modelling it after how other states did it. The most crucial person on the team was my lawyer, followed by an application writer. Once we had the team in place, we started writing the application based on the processes of other states.”**

The importance of a knowledgeable legal team during the application process was also highlighted, **“the state process was mostly done through an online portal. My lawyer is very knowledgeable and was able to address and handle the different aspects of that world, such as writing our standard operating procedures.”**

7. Corporate manipulation: Protections for equity applicants

Cases of large corporate cannabis companies such as Multi-State Operators (MSOs) directly manipulating social equity programmes and applicants, such as through dubious ‘side agreements’, pose cause for concern. Safeguards against predatory practices, including legislation, financial support, and access to legal advice for social equity applicants, should be provided where possible.



Romano explained that “in Massachusetts, predatory side agreements are not allowed, and lenders cannot receive less than 10% interest in the company. But these types of agreements are common in San Francisco and can harm applicants. Regulator involvement in reviewing these agreements is a complex issue, as it could create more problems than it solves.”

He advised social equity applicants to be cautious, thoroughly review any agreements, and seek legal advice when needed.



Jamalian highlighted how MSOs have exploited social equity programmes, saying, “They may give a 40% stake to an equity applicant to comply with the operating agreement but will create predatory side agreements. These agreements include licensing agreements and consulting management agreements that give the MSOs complete control over operations. The challenge is striking a balance between MSOs and smaller businesses.”



Hobbs argued for laws protecting shelf space for social equity businesses to prevent market monopolies. He pointed out that “the cost of shelving fees or ‘pay to play’ in dispensaries sets back lower-income applicants,” and applauded Washington for banning such practices.



Elgawly warned of social equity applicants losing control of their companies to predatory investors. He argued for “more support and resources available for social equity applicants to help them establish their businesses on their own terms, without having to sacrifice their ownership and control.”



Jamalian shared a personal experience of overcoming predatory investment in San Francisco. He emphasised the importance of protective measures, stating, “San Francisco has really good protection in place for equity assets. They provided me with free technical assistance and pro bono work from really good attorneys, and were willing to amend my application to remove the predatory entity from it.”

8. Oversaturation: Moving away from production-only licences

Deciding which part of the supply chain to operate in can greatly impact the success of social equity businesses. The cost associated with building and licencing a production facility can pose a significant barrier for social equity applicants and those from disadvantaged backgrounds. Licence types with lower upfront capital requirements, such as distribution licences and event organiser licences, can present more viable opportunities. The emergence of the consumption lounge licence category in the US offers a fresh approach to the industry.



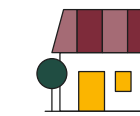
Romano shed light on the financial challenges of establishing a cultivation facility, explaining that **“access to capital is a major hurdle. Opening a 50,000 square foot cultivation facility is going to cost you \$8 million in Massachusetts all day long, a little less than that in California. The licence application and build-out alone can cost around \$2 million.”** This reality pushes many applicants to opt for less capital-intensive licences, despite the inherent risk these business areas carry.



Jamalian encourages applicants to consider these alternative routes, particularly if they are new to the supply chain. He stated that **“it goes back to access to capital - whichever licence types cost less to open are usually the ones that social equity applicants can get into. The downside is that these are also really high risk businesses in areas with ongoing hurdles to profitability.”**

Some states have proactively streamlined the application process for these less conventional licence categories, enabling a more accessible path for impacted groups. As **Jamalian** explained through his own experience, **“one of the initiatives that we’re advocating for in San Francisco**

is the cannabis event organiser licence, which is the easiest opportunity for social equity applicants. The licence fee is waived for verified equity applicants, regardless of their verification location, so I was able to get a licence for free.”



In addition to these opportunities, **Elgawly** discusses the possibility of obtaining a consumption lounge licence, an emerging category in the industry. Despite its novel nature and the state-specific rules that accompany it, the licence can open up unique business ventures. **Elgawly** shared his own experience, explaining, **“I have a background in party promotion and event planning, and I’ve always wanted to create a space where like-minded individuals can come together and enjoy cannabis. There are currently no legal consumption lounges on the East Coast, so it’s exciting to be one of the first to apply for a licence in New Jersey.”**

These discussions about the nuances of various licence types shed light on the obstacles and opportunities faced by social equity applicants. It is a journey that demands careful evaluation of the required investments, associated risks, and potential for long-term sustainability in each business area.

9. Escaping the pigeonhole: Opportunities Beyond Cannabis

Social equity programmes should be used to provide wider opportunities for people impacted by the war on drugs outside of the cannabis industry.

Many individuals who qualify for social equity programs have been significantly impacted by cannabis prohibition, so by only providing opportunities within the cannabis sector regulators are being restrictive. Such limitations could lead individuals down narrow paths, rather than empowering them with broad opportunities.

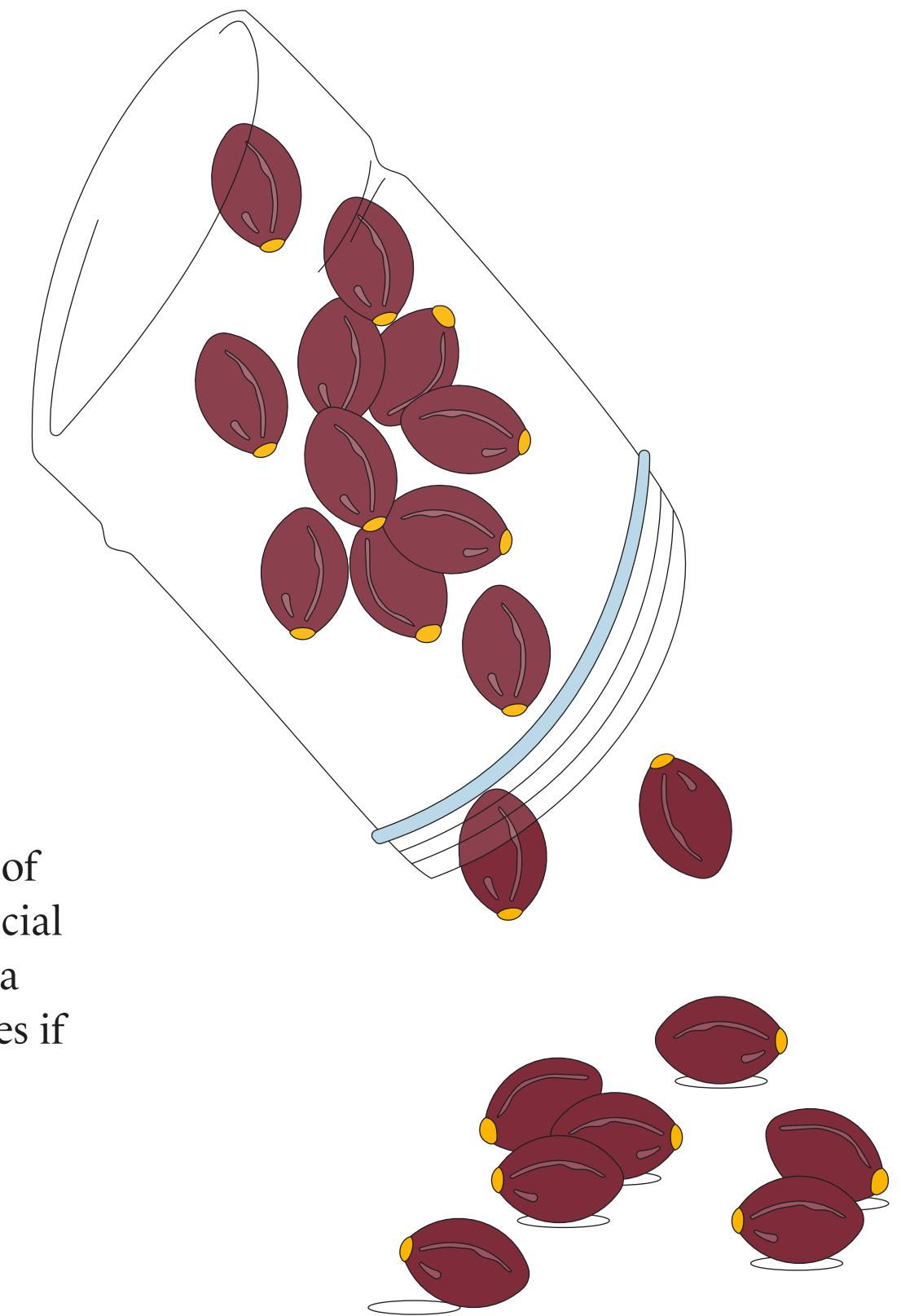


Kelly explained that **“as equity applicants, we’ve been harmed by the war on drugs, and their solution is for us to technically sell more drugs from their point of view. That doesn’t make sense to me or to others who have had traumatic experiences related to drugs.”** He believes that resources allocated for social equity should not be limited to cannabis businesses. Instead, they should be made accessible to individuals who aspire to start ventures beyond the cannabis industry, offering a range of opportunities for individuals to uplift themselves and their communities.

He continued, **“if someone wants to open up a barber shop or become a data analyst or coder, they should have access to these funds and resources to better their communities beyond cannabis.”** This

perspective emphasises the importance of recognising the diverse aspirations of social equity applicants, and the potential for a broader, positive impact on communities if resources are distributed more widely.

Kelly emphasises the harm in confining people to certain paths based on their demographic backgrounds or past experiences, comparing it to practices such as redlining (the systematic denial of financial services to certain areas and demographics). He explained that **“it’s important not to pigeonhole people into specific projects based on their demographics. It’s similar to redlining or the projects, where people are placed in certain conditions with limited options and aren’t even allowed to dream bigger.”**



10. Company-level reform: Activism, advocacy, and recruitment

Several organisations and initiatives are actively involved in pushing for company-level reforms in the cannabis industry. They strive to hold the industry accountable, advocate for equitable practices, and fill in the gaps in policy.

One such organisation is **Cannaclusive**, a collective that advocates for diversity, equity, and inclusion within the cannabis industry. **Kassia Graham**, Director of community and strategy at **Cannaclusive**, explained how they actively work to ensure that companies follow through with their equity promises.



"Cannaclusive was founded as a marketing and advocacy firm for equity in the cannabis industry. We started by launching a collection of stock images portraying non-stereotypical depictions of people of colour consuming cannabis," **Graham** said. Their work also extends to holding companies accountable through the Accountability List, which tracks pledges and actions made by businesses in response to social equity issues. This list has played a significant role in ensuring transparency and accountability from companies, many of which made bold pledges following events such as the police murders of George Floyd and Breonna Taylor in 2020.

When asked about the reactions to the list, **Graham** shared, **"the reactions were**

twofold. On the positive side, we had companies doing good work asking why they weren't on the list. However, we also faced bullying and threats of lawsuits from companies trying to evade responsibility, despite the list being built from public information."

Graham pointed out a concerning trend among larger companies not sticking to their pledges, explaining that **"a lot of companies scaled back, letting go of people responsible for their praised DEI initiatives. The majority of the companies still honouring their commitments are the smaller businesses, often run by women and people of colour."**



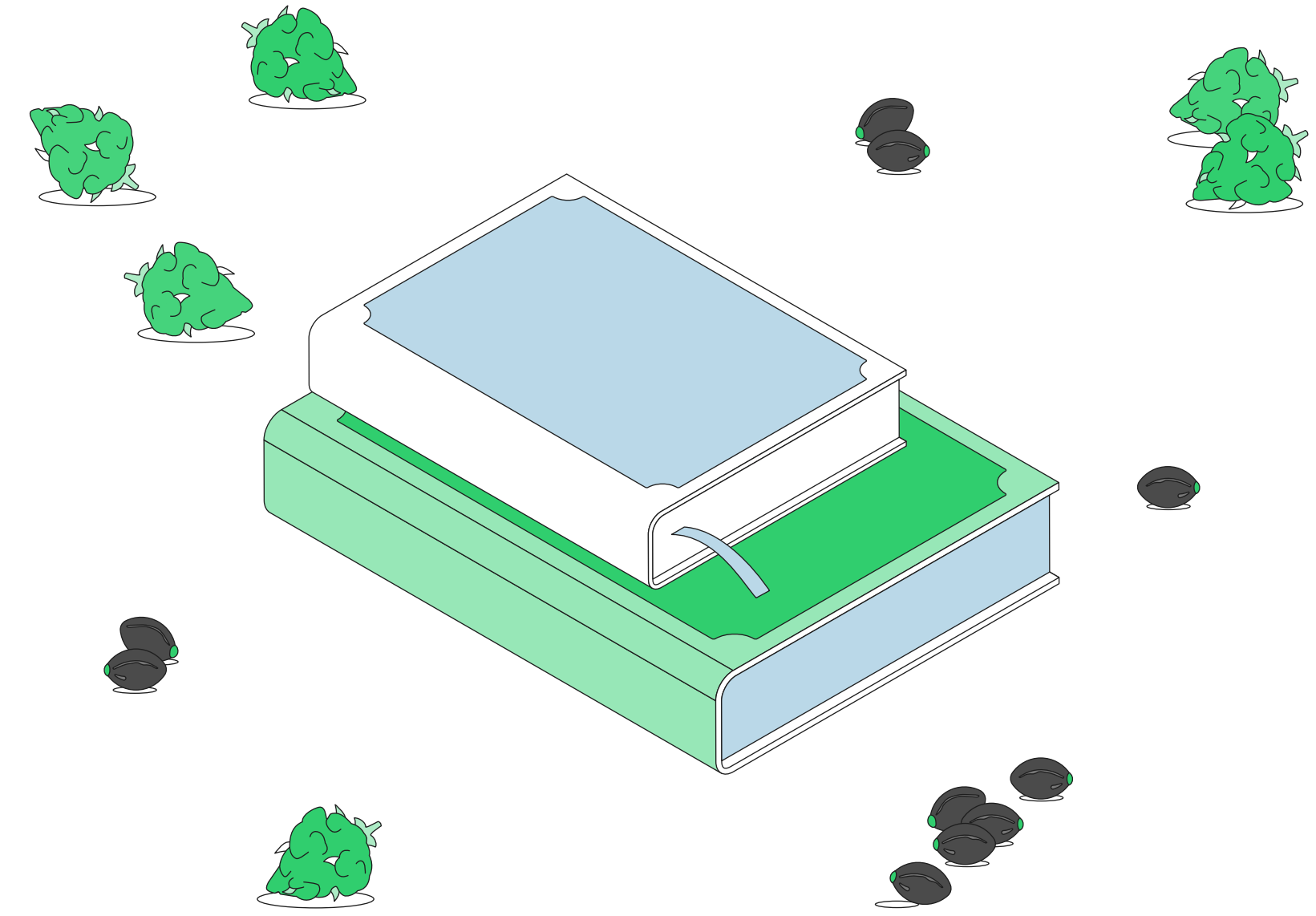
Kristin Jordan, the founder of the Asian Cannabis Roundtable, leveraged her experience in commercial real estate for cannabis and background as a cannabis attorney to build a network to help Asians find their footing within the cannabis community. Born out of Koreatown, Manhattan, the roundtable aims to create an equitable and inclusive cannabis industry while demonstrating support for other communities disproportionately affected by racist drug policies.

Jordan herself is a patient and consumer, making her connection to the cause all the more personal. She shared her motivation, saying **"our members started with a mission to create an equitable and inclusive industry. We come together to discuss issues they may be facing, like obtaining licences."**

Conclusions

CONCLUSIONS

Getting it right: Building an ethical industry



Legalising cannabis alone is not enough to build a socially just and equitable industry. This requires designing regulations and company frameworks that prioritise social good and sustainable business over corporate excess and value extraction.

If left to the illicit market, social justice is not achieved. Similarly, if proper ESG and sustainability practices are not implemented at the start of a new legal industry it can result in staff injury, exploitation, bribery, scams, and unchecked corporate capture. The hype and excitement of a new market create a breeding ground for corruption, fraud, and greed, leading to financial, physical, and environmental damage, and undermining trust in public institutions and cannabis operatives.

Multinationals, large corporations and prominent individuals can have an outsized

role in influencing cannabis frameworks and who stands to benefit from them, for example by advocating for monopoly rights and limited licences. To prevent corporate misdeeds and white-collar crimes as well as righting the historic wrongs of prohibitive cannabis policy, social justice and equity must be at the forefront of regulation design and company frameworks.

This is not a problem that can be half-heartedly solved. Instead, we must commit to solving it by encouraging small businesses, protecting minorities, and generating the appropriate taxes to keep the market sustainable and deliver on legalisation objectives. Only by doing so can we build a socially just and equitable cannabis industry.

If DEI and ESG initiatives remain low corporate priorities, treated as an expendable market-

ing tactic, their impact will remain limited and temporary. This is dangerous for an industry that is in its first innings – at the start of a multi-decade march towards the mainstream.

If cannabis executives are receiving significant compensation even as the companies they run receive public subsidies and post multi-billion losses, they will rightly attract public scrutiny. If there is disparity between why cannabis was legalised and the reality of legalisation, there will be an inevitable backlash. The pendulum swings both ways.

It is easy to forget how contentious cannabis legalisation was - and still is, once it happens. While there is often a majority in favour of legalisation, there are still many who hold concerns and object for a range of reasons (some valid, others not). Cannabis legislation needs to cater for those in society who are concerned about

things like the ‘message’ recreational drug use sends, or creating a runaway industry with few checks and balances. Prioritising the social impact of legal cannabis is a compassionate, thoughtful and balanced approach that can win hearts and minds over time.

The cannabis industry is not immune to the challenges of corporate ethics. Embracing responsible practices and driving positive social impact will prove key to success, and operators and individuals have a crucial role to play in advocating for, setting and upholding high standards and ethical practices. This is a rare chance to build on the social norms of today, and use legalisation to advance positive social change. If the industry looks like it cannot be well-regulated or trusted to govern itself with integrity, public goodwill and political support for reform can easily be withdrawn.

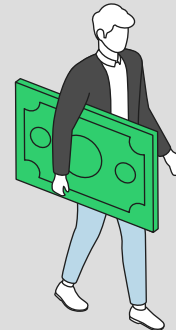
WE MUST NOT BE BLIND TO THE RISKS FACING THIS SECTOR AS IT TRANSITIONS FROM THE ILLICIT TO THE LEGAL. INACTION, POOR FRAMEWORK DESIGN AND BAD COMPANY GOVERNANCE ALL BRING THEIR OWN SET OF CONSEQUENCES:



FRAUD

The ‘Juicy Fields’ medical cannabis ponzi scheme highlights public interest in cannabis, and how this can be easily exploited by unscrupulous actors. Fear of legal action or other retribution meant that industry operators were unwilling to publicly dismiss or blow the whistle on the company while it was active.

This fraud targeted individuals where public interest was high, understanding of the legal and commercial framework limited, and regulatory oversight initially avoided by switching and cycling corporate structures across different countries.



WHITE-COLLAR CRIME

While millions have been criminalised by the war on drugs, consequences for wrongdoing by companies and executives in legal cannabis markets are more muted - typically some form of fine, and prosecutions are rare. This includes insider trading, unlicensed sites and production, and diversion from legal supply chains into the illicit market.

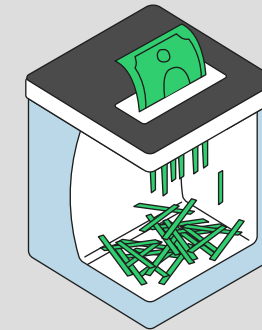
Bad behaviour within corporate cannabis drives public and political blowback, encouraging regulators to be more sceptical of wider industry demands, and discouraging reform initiatives in other markets.



REGULATORY CAPTURE

Many cannabis licences have been granted to groups with commercial or personal ties to politicians and regulators. Several previously anti-cannabis police chiefs and politicians have taken senior positions in cannabis companies, suggesting an apparent revision of their moral position on the basis of personal self-interest.

Close government connections can benefit cannabis companies through privileged access to policymakers, outsized influence and the perception of respectability. This influence can be leveraged in ways that benefit individual companies and their investors to the detriment of the wider industry or society, for example through preferential licensing treatment, advocating for licence caps, zoning restrictions, anti-union initiatives and overly-complex regulatory requirements.



FINANCIAL MISMANAGEMENT

Poor financial and managerial decision-making by cannabis companies can have major consequences for employees and communities where they live. A winner-takes-all mindset and incentives for a short-term valuation boost can encourage over-investment in facilities and productive capacity that is later wound down.

In Canada, Canopy Growth’s 2017 decision to HQ in a former Hershey’s factory in Smith Falls was a much-lauded example of cannabis’ positive role in community regeneration. This year, Canopy announced its closure of its site and the layoff of 800 employees, many from the Smith Falls area. The chocolatemaker Hershey has since announced plans to repurchase the site.



RACE TO THE BOTTOM

Many companies have sought to profit from international cannabis cultivation with ‘low-cost’ production measured in the cents-per-gram. Low labour costs are a widely-advertised part of this draw, and in some markets poor labour, environmental and corporate laws may put employees and contractors at risk of exploitation if there is insufficient oversight.

Countries across Latin America, the Caribbean, Africa, Asia and Europe have been drawn into the global cannabis supply chain as a national development strategy. So far, many of the anticipated export opportunities, sustainable jobs and revenue have failed to materialise. While international companies and investors can simply exit a failing venture, employees, locals and government are largely left to deal with the disruption.



ENVIRONMENTAL IMPACT

Large-scale cannabis production has a significant environmental impact, particularly indoor cultivation, which has a CO2 footprint tens to hundreds of times higher than outdoors⁵³. Poorly-regulated and managed sites can also cause damage through water contamination and other environmental risks.

Industry overproduction also contributes to the environmental cost: In Canada, 468 tons of unpackaged cannabis flower was destroyed in 2021, accounting for over one-quarter of annual production⁵⁴. The amount destroyed is more the total supply estimates for the entire German recreational market.

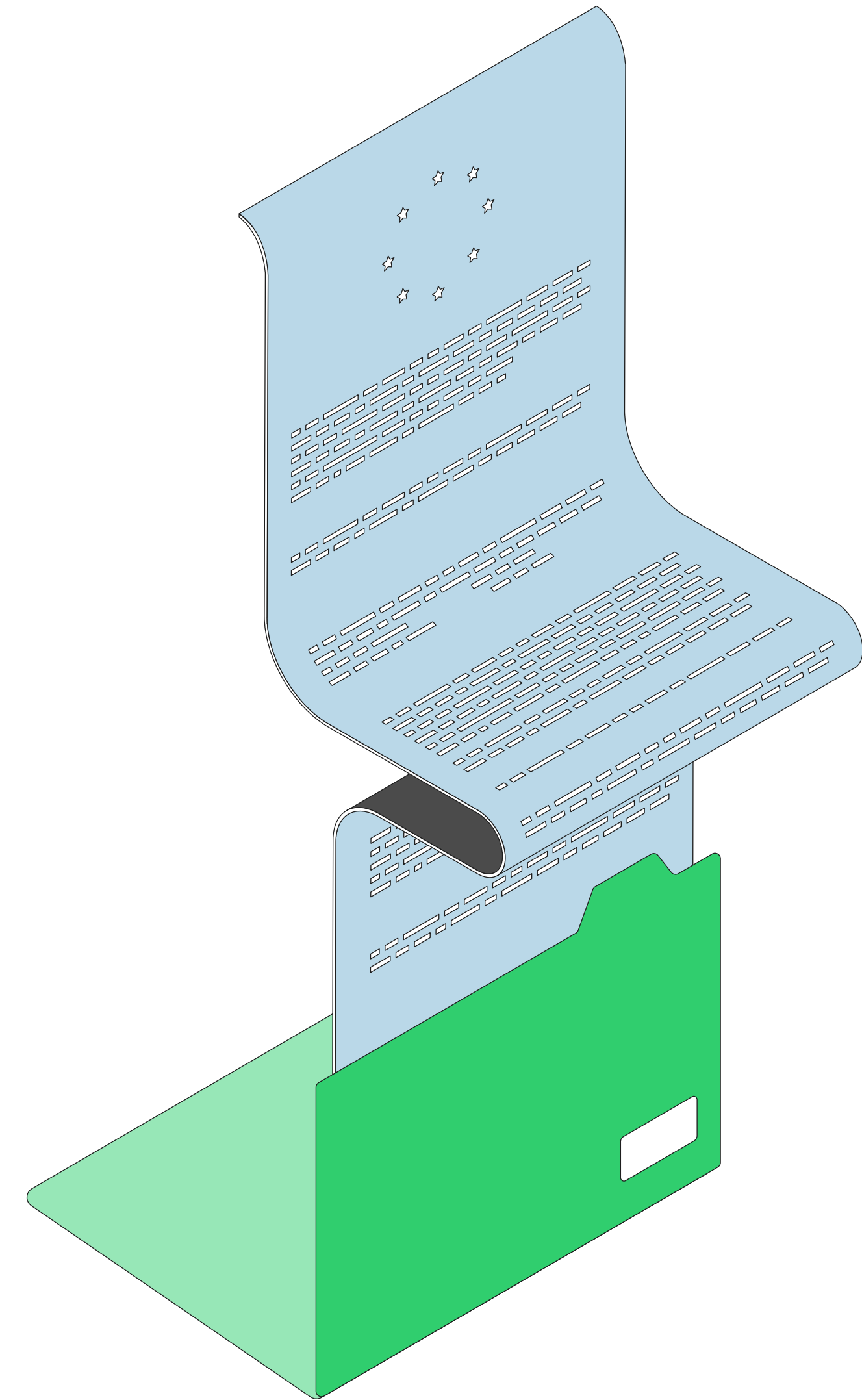
Recommendations for Europe

We finish this report with a series of top-level recommendations for Europe. This includes policies that the industry can support to maximise positive social impact, as well as principles and programmes that cannabis businesses (and those who work for them) can adopt and uphold.

No market has fully perfected this yet, and no one model probably ever will do. The recommendations we feature here are informed by what we've seen work across North America, practical advice from the business community, and work by advocates and European non-profits such as Release⁵⁵. One thing that is clear is that we need to grapple with issues of social justice and equity in new markets from the get-go, rather than scramble to address them as an afterthought and risk entrenching existing inequalities and bad corporate practice.

We cannot emphasise enough how different many of these discussions and schemes will look here as compared to North America, with huge cultural, social and political diversity across Europe too. We only hope that this report has helped convince readers of the harm that the status quo of cannabis prohibition causes for users, producers and dealers, as well as groups disproportionately targeted by police. We may lack ethnicity-focused data across most of Europe, complicating key parts of this debate - but this does not allow us to dismiss social impact as a key element of cannabis reform.

We see the recommendations below as cornerstone principles for government and business to support for the sake of a successful, sustainable and morally-just sector - that will also benefit company employees, customers and operations - and ultimately, businesses' bottom line.



Asking Questions

Countries considering cannabis reform should start by taking stock:

- How many people are impacted by current cannabis laws, and in what ways?
- What is prohibition's impact on policing, criminal justice, health and social care resources?
- How significant are the consequences of a cannabis record for individuals?
- Is it known which individuals or groups are most likely to be impacted?
- If there are data gaps in the above, why? What might this suggest about what the state does and doesn't consider important, and how might this impact decision-making?



Policy initiatives to advocate for:

- **Broad decriminalisation:** Legalise personal cannabis use and possession, regardless of source.
- **Commercial and non-commercial production:** Adopt non-commercial routes of cannabis access, such as home-grow, gifting and/or social clubs in addition to commercial licensing.
- **Non-discrimination:** Private cannabis use should not preclude individuals from access to healthcare, housing or employment opportunities (subject to safety requirements), factor into child custody decisions, or be considered grounds for a parole violation.
- **Expungement:** Eliminate criminal records for cannabis offences that are not violent or gang-linked. Prioritise automatic expungement and automatic release, and review criminal sentences that have taken cannabis offences into account.
- **Engagement:** Groups and individuals with lived experience of harms from drug prohibition should be actively consulted and engaged with as cannabis regulations are developed
- **Inclusion:** Countries should consider supporting non-violent illicit cannabis cultivators and suppliers to transition into the regulated market, even if individuals hold a criminal record.
- **Social equity:** Where consistent with national frameworks, allocate or reserve industry licences for individuals and groups that have been disproportionately affected by cannabis law enforcement.
- **Reinvestment:** Cannabis tax revenue should be directed back into the communities most harmed by prohibition, alongside cannabis education, health and harm-reduction programmes.
- **Corporate accountability:** Ensure that commercial licensing is robust, with high levels of accountability and consequences for companies and their employers if they violate the rules. Avoid creating a 'dual-market' where low-level cannabis activity continues to be policed and criminalised, but corporate misdeeds are largely unpunished.
- **Supply chain accountability:** As advocated by the Cannabis Education Guild, companies should be held responsible for the 'chain of custody' and worker standards throughout their supply chain to prevent exploitation - particularly when importing cannabis from abroad.
- **Ensuring industry participation:** Provide training, mentorship, commercial networking and financial support (such as interest-free loans) to industry applicants and operators with a history of cannabis criminalisation and those from disadvantaged backgrounds.
- **Environmental awareness:** Regulators should consider tools to compensate for the environmental impact of cannabis operations, and allow & incentivise less environmentally-intensive forms of production.
- **Ongoing review:** The legal framework should require data collection to examine the effects of legalisation for previously criminalised individuals, and where possible, disproportionately-targeted communities. Regulatory/framework reviews should also assess the cannabis industry's performance on DEI and ESG metrics, relative to other sectors.

Recommendations for industry

- **Be a Strong Advocate:** Support and propose policies that foster a diverse, inclusive, and competitive industry with positive social impact.
- **See the Business Case:** Recognise that promoting a socially-just cannabis industry is not a just moral position, but also makes sound business sense. Positive social impact practices can enhance reputation, consumer trust, and long-term success.
- **Lead from the Front:** Don't wait for policy to mandate or enforce high standards. Prioritise, invest in, and adhere to concrete strategies for ethical and social responsibility.

- **Proactive and Early Involvement:** Take a role in shaping industry narratives and directions. Engage and align with social impact goals from the outset, rather than as a reactive measure later.
- **Supply Chain Accountability:** Embed accountability for supply chain, environmental practices, and hiring processes. Ensure ethical sourcing and responsible operations throughout the business.
- **Inclusive Hiring Schemes:** Explore opportunities to hire or provide training to ex-offenders and at-risk groups, offering meaningful employment and skill development.

- **Transparent Engagement:** Commit to transparent communication and engagement practices. Prioritise open dialogues with stakeholders, including the public and policymakers, rather than backroom dealings.
- **Address Challenges:** Don't ignore social issues. Acknowledge and address challenges to help prevent industry failures and loss of political and public support.
- **Think Long-Term:** Prioritise long-term success of the cannabis sector over short-term gains. Focus on building a resilient and responsible industry that contributes positively to society.



Acknowledgements and Notes

CONTRIBUTORS AND FOOTNOTES

Publishing Information

This report was published by First Wednesdays, The report was produced by Hanway Associates, Pagefield Communications and Loveblood Creative and Elisabetta Calabritto.

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- Lily Temperton, *Hanway Associates*
- Georgia Glick, *Hanway Associates*
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- Bronagh Wedderburn, *Loveblood*
- Elisabetta Calabritto, *Elisabetta Calabritto Ltd*

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Special thanks to those who helped make this happen

- Jenn Larry
- Kelly Beker
- Valerio Romano
- Ali Jamalian
- Haytham Elgawly
- Edgar Lucero Jr
- Morris Kelly
- Drakari Donaldson
- Tre Hobbs
- Kassia Graham
- Kristin Jordan
- Eleanor Phee
- Akeem Babalola
- Grace King
- Delia Flanagan
- Akwasi Owusu-Bempah

Further Resources

Thanks to all the people and organisations that are working tirelessly to create change on this issue

- Rounders
- Cannabis Education Guild
- Last Prisoner Project
- Fair Trials
- Minority Cannabis Business Association
- Release
- Transform
- Cannabis Amnesty
- Volteface

Footnotes

- ¹ EMCDDA, European Drug Report 2023: https://www.emcdda.europa.eu/publications/european-drug-report/2023/cannabis_en
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- ⁴ Freedom of Information Release: 01/FOI/22/023258
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- ⁶ International Organization for Migration, World Migration Report 2022: <https://publications.iom.int/books/world-migration-report-2022>
- ⁷ House of Commons Library, ‘Drug Crime: Statistics for England and Wales’ (2021): <https://researchbriefings.files.parliament.uk/documents/CBP-9039/CBP-9039.pdf>
- ⁸ Police powers and procedures: Stop and search and arrests, England and Wales, year ending 31 March 2022: <https://www.gov.uk/government/statistics/police-powers-and-procedures-stop-and-search-and-arrests-england-and-wales-year-ending-31-march-2022/police-powers-and-procedures-stop-and-search-and-arrests-england-and-wales-year-ending-31-march-2022>
- ⁹ Release, The Colour of Injustice (2018)
- ¹⁰ Crest Advisory, Crime, policing and stop and search: Black perspectives in context (2022)
- ¹¹ Ministry of Justice, Statistics on Ethnicity and the Criminal Justice System 2020: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1037903/Statistics_on_Ethnicity_and_the_Criminal_Justice_System_2020.pdf
- ¹² Police powers and procedures: England and Wales, year ending 31 March 2022;
- ¹³ Office for National Statistics - Crime Survey for England and Wales
- ¹⁴ Office for National Statistics - Crime Survey for England and Wales
- ¹⁵ Police powers and procedures: Stop and search and arrests, England and Wales, year ending 31 March 2022: <https://www.gov.uk/government/statistics/police-powers-and-procedures-stop-and-search-and-arrests-england-and-wales-year-ending-31-march> Police powers and procedures: Stop and search and arrests, England and Wales, year ending 31 March 2022 - GOV.UK-2022/police-powers-and-procedures-stop-and-search-and-arrests-england-and-wales-year-ending-31-march-2022
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