

On November 21, 2017, the Canadian Government released a consultation paper that contains regulatory proposals for the implementation of legal recreational cannabis. Although Bill C-45, the Cannabis Act, (the "Act") is a comprehensive piece of legislation, many of the key elements of the new law will be contained in the regulations which have yet to be drafted.

Although the Government has indicated that the regulatory proposals are not necessarily representative of the final views of the Governor in Council, the Minister of Health or the Govern ment of Canada, they do provide significant insight into what the cannabis regulatory regime may ultimately end up looking like. The Government launched a 60-day consultation paper to solicit feedback from stakeholders and interested parties. The deadline to provide written comments and responses to the consultation paper is January 20, 2018.

The regulatory proposals cover a number of areas that are important for business stakeholders, including:

- Licenses, permits and authorizations;
- 2. Security clearances;
- 3. The Cannabis Tracking System;
- The types of cannabis products that will be available for sale;
- 5. Packaging and labeling;
- Cannabis for medical purposes; and
- 7. Health products and cosmetics with cannabis.

Over the coming months, Cannalnvestor will feature a series of articles that will discuss each area in detail. This month, we discuss packaging and labeling.

A main area of focus for business owners and those seeking to enter the Canadian recreational cannabis industry is in the promotion, advertising and marketing of products and services.



The Act includes general prohibitions on promotion, packing and labelling and display of cannabis and cannabis accessories. Primarily, the prohibitions in the Act itself concern lifestyle branding, branding that is appealing to youth, testimonials, endorsements and sponsorships. When it comes to packaging and labelling, the Act provides for the creation of regulations with respect to packaging and labelling of cannabis products for federally licensed producers.

It is no surprise then that the regulatory proposals contain a comprehensive section on packaging and labelling requirements that federally licensed producers of cannabis will be required to follow.



