



Economic and International Affairs Scrutiny Panel

Regulations for the licensing, production and export of medicinal cannabis on Jersey

Witness: The Minister for the Environment

Thursday, 17th June 2021

Panel:

Deputy D. Johnson of St. Mary (Chair)

Deputy S.G. Luce of St. Martin

Senator S.W. Pallett

Panel Advisers:

Ms. J. Borg, Grant Thornton

Mr. M. Galea, Grant Thornton

Mr. W. Pisani, Grant Thornton

Witnesses:

Deputy J.H. Young of St. Brelade, The Minister for the Environment

Mr. S. Meadows, Head of Biosecurity

Mr. P. Le Gresley, Head of Development and Land

Mr. W. Peggie, Director, Natural Environment/Acting Group Director, Regulation

Mr. K. Pilley, Head of Place and Spatial Planning

Mr. S. Petrie, Environmental Health Consultant

[11:34]

Deputy D. Johnson of St. Mary (Chair):

Good morning, everyone and welcome to this public hearing of the Economic and International Affairs Scrutiny Panel in the context of our review of the regulations for the licence application,

production and export of medicinal cannabis on Jersey. Perhaps I can begin by introducing the panel here in Jersey and also our advisers. The panel here are: Deputy Steve Luce of St. Martin and Senator Steve Pallett. We have representing our advisers, Grant Thornton: Wayne Pisani, Jessica Borg and Mario Galea. Minister, can I invite you, please, to introduce yourself and your team?

The Minister for the Environment:

Yes, please. Thank you, Chair. Yes, Deputy John Young, the Minister for the Environment. Deputy Guida is not able to be with me today, I think he is probably attending Constable Norman's funeral. But we have got a team of officers here, Peter Le Gresley, who heads up Land and Development, Scott Meadows, who is our top agricultural expert, Mr. Willie Peggie, Director of the Environment and we have also got planning officers, we have got Kevin Pilley and we have also got Stewart Petrie online and Stewart, of course, is the expert on the environmental health matters. We have got a full team there because obviously this is a very wide-ranging subject and obviously we are trying to be equipped to respond to all of those questions that you want to put to us.

The Deputy of St. Mary:

Thank you for that and we do appreciate that. You say this is a wide-ranging subject and we would not normally expect to have the Minister for the Environment before us but it does touch on his area. Leading on from that, can I simply ask the basic question as to your role, Minister, in the creation or the promotion of this industry and the degree of consultation that is taking place with your department?

The Minister for the Environment:

To be frank, very little. I am certainly aware, having been present at the Council of Ministers' meeting when there was, if you like, a strategic proposal coming forward from the Deputy Chief Minister and his team about the potential that exists for medicinal cannabis. I think that was an issue, I believe, entirely focused on what you might call the business aspect of the matter. As Minister, I think the exposure I have had too with regulatory has basically arisen as a result of views expressed by members of the public and other States Members, who have raised quite a number of very challenging questions about the impact of this industry. I think myself, to be frank, I believe we are on a learning curve and, therefore, I am discussing this regularly with my team. I know today, for example, that Mr. Peggie and Peter Le Gresley are to make a site visit to one of these operations so we could identify some of the issues locally. What I will get of course from that will be recommendations from the team of actions that we need to take because I do have the power of using both ministerial orders and indeed certain powers under the Planning Law and also supplementary planning guidance, if that is necessary, which I think at the moment, I believe, will be

necessary in this area. But I think at that point if you want to go into the detail with my officers that is the extent of my ministerial involvement.

The Deputy of St. Mary:

Thank you for your openness and frankness on that. Mr. Peggie, did you have your hand up to contribute?

Director, Natural Environment/Acting Group Director, Regulation:

Thank you. Can I just check you can hear me, please, just before I launch into this ...

The Deputy of St. Mary:

Slightly muffled my end but I can hear you.

Director, Natural Environment/Acting Group Director, Regulation:

Okay, thank you. I will see whether my technology improves, thanks. Yes, I just wanted to supplement what the Minister was saying in respect of our departmental officers' responsibility there of course. As the development of an industry grows, there is involvement through the regulatory processes that the department engages in, be that development control, be that water resources, be that waste management, so that the usual regulatory involvement that we will have in the evolution of any business or industry. But also in this instance, in the same way as our officers at Howard Davis Farm, led by Scott and by Scott himself, would normally engage in the scientific advisory engagement with the industry; if it was a carrot farm, if it was a flower farm, if it was a vegetable farm, this of course is an industry that is diversifying its agriculture or the Island's agriculture and Scott's team have been engaged in the scientific advice in respect of that as well.

The Deputy of St. Mary:

Thank you. Minister, and you refer to quite a few aspects of this industry and we will perhaps go into that later. At the hearing we had earlier this week attended by the Minister for Health and Social Services, he advised that he or his department were responsible for the introduction of an environmental impact assessment at the time of the licence application. Can I ask, Minister, to what extent are you involved in monitoring the replies to that or commenting on the result of that?

The Minister for the Environment:

Thank you, Chair, I think that is a very good question. I know what I have read only through the media. I have not had that conversation with the Minister for Health and Social Services. I know that the Minister for Health and Social Services up to now has been responsible for the licensing, which is, if you like, the regulatory side of medicine or cannabis. I am puzzled, and I think the team may have to help me out here, at the moment an environmental impact arises under one of the

pieces of planning legislation. There is an order that specifies the circumstances in which environmental impact assessments are required in respect of developments. Some are specified and there is discretionary power for those to be required as part of a development application. Of course having such a process means that somebody has to assess what the impact assessment is and the general approach is to identify what issues arise environmentally; what are the impacts? Also, to investigate mitigation measures and those mitigation measures are part of the planning judgments that get made on an individual application. There is a process there. What I cannot answer you is how this assessment, that has been proposed by the Minister for Health and Social Services, fits into the planning process. I am not aware that there is a procedure in place for that but I am sure I may be out of date and the officers can help me, please.

The Deputy of St. Mary:

Peter Le Gresley wishes to contribute there I think.

Head of Development and Land:

Yes, I can. I share the Minister's view in that I do wonder whether the Minister for Health and Social Services, when he referred to environmental impact assessment, whether he meant that in the terms that the Minister has laid out, this Minister, in terms of the Planning and Building (environmental impact assessment) Order because that is a specific order. It requires environmental impact assessments in certain circumstances but it is of course not the purview of the Minister for Health and Social Services, it is the purview of the Minister for the Environment through his departments. I wonder whether the Minister for Health and Social Services was referring to other environmental checks that he intended to bring or he intended to make, rather than stepping into the planning and building world of E.I.A. (environmental impact assessment), which is commonly known; that is my question, I suppose.

The Deputy of St. Mary:

Okay, I hear what you are saying. Before I hand over to Steve Luce who has a question on this, I just want to make it clear that the guidelines in respect of a licence application do make specific reference to an E.I.A., whether that is in the formal sense as your department understands it or in a certain other version, I do not know. Before I go down further on that line, perhaps, Steve, you would like to ask your question.

The Minister for the Environment:

Sorry, Chair, can I just add one thing?

The Deputy of St. Mary:

Sorry.

The Minister for the Environment:

An environmental impact assessment done under the Planning Law and under the laws, as Peter has just described very well, it is really important to know that it is a public document. In other words, that the assessment is published and, therefore, it is open and transparent. I am not aware what the Minister for Health and Social Services has proposed to, whether it is open or not; I really do not know.

The Deputy of St. Mary:

Thank you for that. That is obviously where we are getting to, in a way, that, as far as we know, it is not a public document. Planning have not got and other people have not got the opportunity to comment on it but perhaps we will return to that later. Sorry, Steve Luce, would you like to come in now?

Deputy S.G. Luce of St. Martin:

Yes, thank you, Chair. I would just like to say to the Minister, one of the questions we put to the Minister for Health and Social Services and his officers in writing was: can you kindly give us an overview of how the application process works?

[11:45]

Part of the answer to that question is this: "Once the report from the Home Office is received" and this is after the application has been put in: "together with the original application, is presented to the Minister who will take advice from the chief pharmacist and any others he thinks appropriate in relation to the content of the application, for example, the police in relation to the security report provided by the applicant and Environmental Health in relation to the environmental impact assessment provided by the applicant." Minister, can I ask, have the Environmental Health Department under your remit seen any environmental impact assessments, please?

The Minister for the Environment:

I will refer to the officers, please, I do not know who wants to lead. Just to point out, as the Deputy obviously recognises, we have a lot of regulatory teams that cover a lot of different laws and of course the Environmental Health team sit outside of the Planning Development team but, nonetheless, Mr. Peggie coordinates the whole. Please, could I refer that question to Mr. Peggie?

Director, Natural Environment/Acting Group Director, Regulation:

I have not seen any specifically come my way but I wonder whether Stewart is able to elaborate on that. I think you are right, I think this is a separate process and I know that Scott has had

engagement in discussions about the licensing with the Health team, that that differentiates between us, as we have said, an E.I.A. process that would be run under planning process and an E.I.A. process that would be run under a different auspice. I do not know whether Scott has got anything to add to that. But in terms of specific documentation, E.I.A. documentation coming our way, I have not been notified about any of it, unless it has gone directly to the Environmental Health officer about specific ...

The Minister for the Environment:

Chair, may I just check with Peter and Scott whether they have seen any such because I would like to know?

Head of Development and Land:

No, we have not seen any.

Head of Biosecurity:

Hello, my name is Scott Meadows. I think part of the confusion here stems from some of the wording. I fully agree that when repurposing existing infrastructure we should have possibly, or we definitely should have, an assessment of the impact on the environment. But I think people referred earlier to the fact that there is an official definition of an environmental impact assessment and so possibly if those words had been transposed in a slightly different order we would be in a different situation where environmental considerations should be at the fore of these issues. But what we have got at the moment is we are repurposing existing infrastructure and so the environmental impact of doing that is much lower than building a new facility on a green site. I think there needs to be some finessing as to how we assess the environmental impacts of these operations.

The Deputy of St. Martin:

I accept that answer but can I ask again the question: have you seen any environmental impact assessments?

Head of Biosecurity:

Not across my desk, no.

The Deputy of St. Martin:

Okay, is it a surprise then, Minister, to hear that the Minister for Health and Social Services told the panel that both the applications for licences were accompanied by environmental impact assessments?

The Minister for the Environment:

It is news to me and in fact it is not the first time that our Government fails to operate in a co-ordinated way. I think the Deputy knows my concerns about the problems that we have got in our structure of our organisation at the moment. But I do think in everybody's defence, I think, this is an emerging industry and it is something we are going to have to organise for and organise differently, I believe. What I do have a concern about, because I was not aware of the details that the officers have just confirmed, that we had not seen that information. I think it is troubling when Minister X says publicly that we have got these assessments and yet they are neither public or none of the officers responsible for environmental impact assessments have seen them. That cannot be a satisfactory position and something we will have to ... no doubt your report will highlight that and it is something I certainly will need to sort this out.

The Deputy of St. Martin:

I can only agree with you, Minister. Certainly I put it to the Minister for Health and Social Services that was he surprised that he found himself almost adjudicating on environmental impact assessments in whatever form they may have been put in front of him, when in fact he is the Minister for Health and Social Services and not the Minister for the Environment? But I think we all agree that that is something that needs to be looked into. Anyway, sorry, I will revert back to the Chair.

The Deputy of St. Mary:

Thank you and a few other questions in that area. But I know that Senator Pallett has a question too.

Senator S.W. Pallett:

Yes, really just to widen out, I think, the area that Deputy Luce has just gone into. Within the application documentation it states that: "Any application or approval of a licence is deemed independent of any necessary planning permission." I think that we would all accept that the planning process should be independent and must be independent. But in terms of the approval of a licence before any planning permission is given, do you think that the Planning Department should be aware of what development is likely to take place on a site should approval of a licence take place? Because it is clear from applications that have already been approved that development has taken place. Do you think the department should be aware or have some understanding of what is being planned on these sites if an application is going to be approved by the Minister for Health and Social Services?

The Minister for the Environment:

I think your question is a very good one, thank you for it. I think it illustrates the misunderstandings that often occur when permissions are given under regulatory laws of any site. In other words, does a licence entitle you to do something or otherwise? Of course you do need the legal rights to do so.

We do appear to be in a position at the moment where somebody ... if the system is at the moment, because I have not seen these licence applications that are submitted to the Minister for Health and Social Services, if it is that the licence is issued under that law, that, as you said, there should be a categorical requirement but that does not entitle them to do anything unless they have the planning authority in place to do so under the Planning Law. Now, I think that is an area we do need to look at further because we do have things called exemptions within the planning system. This is the notion of the Planning the Building (General Development) Order where certain types of development have deemed consents and others do not. I have to admit that is quite a complex piece of law and it is subject to often frequent misunderstandings. But there is no question that there should be a categorical statement that a licence under the Health Law does not grant planning consent and, therefore, there should be a requirement to do both processes, frankly.

Senator S.W. Pallett:

Just following on from that, you mentioned misunderstanding a couple of times there; do you think there is a misunderstanding between what applicants might feel to be an agricultural use and what many others may feel to be an industrial use?

The Minister for the Environment:

I think that is an area that we need to ... myself, I have got my views on it but I think I would like at that time to push that question to my officers, if I might, because this is quite an important legal distinction, which we have given a lot of attention. In other words, when is a use agricultural and when does that use become industrial? I would like to hear from the officers first, then I will come back in because they are the experts in the law and we have taken legal advice.

Senator S.W. Pallett:

Thank you.

Head of Development and Land:

May I, Chair?

The Deputy of St. Mary:

Yes, please do, sorry.

Head of Development and Land:

I think the Minister is right to draw the distinction between those 2 uses. What we look for in planning terms are there are 2 ways in which planning permission can be required, one is through physical building works, engineering operations and the like and the second is through material changes of use, material changes in the use of land. It really does depend on what the operator is doing. If an

operator comes to us and says: "I would like to grow something in this glasshouse", for example, we would say: "Yes, thank you very much. That glasshouse is already in use for growing, it is already in use for agriculture. It does not require any consent to grow something else in it. It does not matter what the crop is, it is an agricultural use." We would say there is no change of use involved in that, let alone material, a significant change of use. Where we get to issues such as processing items, changing items, doing something with them, then I think that is a different use and an operator who was doing a processing operation on agricultural land or on an agricultural site in a building, I would fully expect that to require planning permission because I think that would be a material change in the use of land. I think I have to break Senator Pallett's question into 2 parts there, the growing side on agricultural land is usually fine and the processing side could well be a material change of use.

Senator S.W. Pallett:

Thank you.

The Deputy of St. Mary:

Okay, yes, thank you for that. I think we are not straying because we are going to go there but the main question or one of the main questions is of course whether there is a change of use or whether it is purely ancillary, and I will come on to that in a minute. I do accept the point made that there might be a difference in interpretation of the term environmental impact assessment and there will be cases here where what is happening is just a change from an alternative crop perhaps. But the basic point I ask squarely is that in any event, or whatever you like to call it, would it not be sensible for Environment to be notified at the very least at the very beginning because if they see the application their antenna should twitch, presumably, if they see it leading on to some form of development and they could then come in. But at the moment, as I see it, as the Minister said, there is not an open consultation about it, neighbours of properties are not aware of what is going on and I would have thought through the auspices of Environment that that would be a good way of ensuring it is brought to public attention and Environment having a say. Am I correct in that?

The Minister for the Environment:

Yes, I will answer politically and I will see if the officers want to add executive-wise. For me, for my purpose, absolutely, yes, is the answer. The environmental impact assessment is quite flexible because one of early step parts of an environmental impact is to assess what the development is or what it is intended to be and then to identify the scope, what they call the scope. In other words, development X of this nature is likely to raise these challenges and start with challenges, and so there is a scoping proposal in the law, when, effectively, the department say: "You are required to assess X, Y, Z, X, Y, Z on those matters" and those matters could be completely different on another type of development. That is the work that the officers do within the regulatory side and that has to be an open process. It is not a secret back-door process. For example, the starting point would be

if there was prior consultation, is what is proposed here. What is going to be done? What is the nature of the process and so on? Then the officers can say: "You need to consider impacts X, Y, Z", which are the main ones. I will leave it to the officers to see if I have got it right but I think that is the way environmental impact works. It is a very formulised and a very important process.

Head of Development and Land:

You are spot on, Minister.

The Minister for the Environment:

Thank you.

The Deputy of St. Mary:

Okay, I was wondering if the officers want to say anything but I think that kind of probably covers everything.

Director, Natural Environment/Acting Group Director, Regulation:

I concur with that as well. I think, interestingly, if you split the department into 2 parts, one being the sort of natural environment element of it, which is the provider of scientific knowledge and advice to the industry, et cetera, there is always going to be, I suspect, upfront knowledge and understanding of what is going on in a proposed development, that is we will be involved in the scientific advice and the agronomical advice, as it were. But to what point do you share information at that point? I think with a regulatory function of course because we try to keep the 2 separate, that is a good question and a different way of doing that may work better.

The Deputy of St. Mary:

Okay, good. I see Steve Luce would like to come in on this area too.

The Deputy of St. Martin:

Yes, thank you, Chair. I wish I could agree that E.I.A.s could be pushed in different directions, depending on the question but it is very specific: "Environmental impact assessments is a process that identifies both the positive and negative environmental effects on proposed developments prior to planning permission being considered. The E.I.A. process is a method of ensuring that planning decisions are made in the full knowledge of the environmental effects and with full engagement of statutory bodies, local interest groups and members of the public." That is a quote that is coming straight off the gov.je website. There is no argument about this; E.I.A.s are very clearly in the domain of the Planning Department and are there as a planning tool. I would just like to point that out before we get too far down the road of wondering about the interpretations of them.

[12:00]

The Deputy of St. Mary:

Okay. I think we have probably aired our views quite well on that one and thank you all for that. Moving on to a certain related matter, Minister, you did appear at a quarterly hearing on 1st June of the Environment Panel and you are there and noted as saying that you are working on current regulatory regimes. Are you able to please provide further details of what those regimes might be?

The Minister for the Environment:

I fear not, Chair. At the moment I have asked 2 things to be done; firstly, to have the law checked out, so we have got a very, very firm understanding of what is the law in relation to development in terms on that and where we have got agricultural and industrial and that has taken a little while, but I am very pleased that we have now got that, we have had that to supporting information. The other thing I have asked the officers to do is to make a site visit to the work that is in progress. I believe there are 2 sites underway at the moment, one is in St. Lawrence, St. Mary, I think, and the other one is in St. Martin, which I think are both sites of formal greenhouse operation. I am not sure what consents are in place on those, that is something which I would have to ask the officers to tell me about but, nonetheless, there is work in progress there. I have asked them to investigate that because I want to be sure that we can come up with something which meets the need of this growing and changing business and also deals properly with the concerns of the public. Because I am certainly receiving a lot of concerns from residents in those areas expressing the same issues as the members of the panel are.

The Deputy of St. Mary:

Yes, Mr. Peggie would like to come in.

Director, Natural Environment/Acting Group Director, Regulation:

Yes, hello, thank you. Yes, if I may, Scott and I visited 2 sites this morning specifically so that I could become more aware of what is going on. Scott has been on to these sites before. What struck me was the level of professionalism and seriousness with which the development of these facilities is being undertaken. I think also what is beneficial, or certainly was beneficial to me today, was learning the technology behind it, the stage that they are at with it, what their interrelationship with the regulatory authorities is and what their aspirations are. What I think that both facilities agreed with though was that they could do better to make that knowledge better known, as it were, at the wider level; for example, 2 Scrutiny Panels, 2 Ministers, 2 the local public and, hopefully, that is something that they will take away and engage with. I certainly think it would be beneficial, certainly in regards to the ... as I say, they are aspirations and the potential benefit that they are purporting that the evolution of those businesses to be to the Island and the sort of dispelling myth and rumour,

as it were, around the immediate environ as well. A bit of self-promotion, for example, or a bit of an educational drive would certainly be helpful for them.

The Minister for the Environment:

Chair, could I ask Mr. Le Gresley, because I know Mr. Le Gresley has had quite a number of site visits on another one of those sites? If you want to add to that because I think this is an area that people are challenging what consents are in place.

Head of Development and Land:

Thank you, Minister. Unfortunately, I was not able to attend with Mr. Peggie and Mr. Meadows this morning; I had a prior engagement. I have been to some of these sites before. Unfortunately, that has usually been in a compliance role where I have been supporting compliance officers because some things may or may not have been done without consent and we were responding to concerns of neighbouring residents. Having said that, the last time I had to go for a compliance matter would be about a year ago and we have noticed some very good levels of compliance with sites at the moment. That just requires us to keep on top of that and, of course, a good level of co-operation with the operators.

The Deputy of St. Mary:

Thank you. I know that Senator Pallett has got a question. Before we leave this particular point though, we should make it clear I am not making any complaints or allegation about any operator in here and, yes, self-promotion obviously will be a good idea. But do you not think that rather than rely on the operators to provide that self-promotion, it should be written into the licensing requirements? It should not really be their having to offer it but they should be statutorily required through some procedure to provide information which the public will be made aware.

The Minister for the Environment:

There is no question. I think we are a very small community and we live on top of one another, everybody notices everything. When people are not informed of things and they are surprised by things that happen around them, they tend to revert to both myself and then the team. We do find a lot of those issues that come over as compliance issues are really communication problems. Thankfully, the department and the officers are able to sort out a large number of them that were in there; there is no question we do get some really quite difficult major issues to sort out. But we will not go into that now, that is for the other panel. But in general, I do think that if there were more effective communication of what is intended, I think that would help. But of course in the end I think there might be some issues at its heart here which I think there are definitely going to be conflicts. One of those, I think, is the requirement for security fences and so on. I think we have already seen that already because people will not feel comfortable with changing the nature and the character of

Jersey's countryside or its beautiful lanes and so on. I think the planning system is the one that has to manage that, I am afraid. In other words, P.R. (public relations) and information is helpful but it will not, I do not think, resolve it. Just in all things there are choices to be made and that is why we have the planning system and that is why it needs to be absolutely open and transparent, which we absolutely try and do.

The Deputy of St. Mary:

Okay, thank you for that confirmation, Minister. I see both my colleagues are queuing up to ask questions, so Senator Pallett, first of all, please.

Senator S.W. Pallett:

Yes, I think what I have got is a fundamental question for the Minister and I can understand why he is wary about making any comments about changing any regulatory regimes. I do understand these companies are doing their best to abide by all the current laws and guidelines that are put in front of them. But the question I have got to ask is, Minister: do you not believe really we should have had all these regulatory regimes and a clearly understandable set of guidelines in place for businesses before any licences were issued? I have got to ask the second question ...

The Minister for the Environment:

Yes, there is no question about it. This is not ...

Senator S.W. Pallett:

I am sorry, John, I just want to ask the second question. Before we provide any more licences is that we sort this out so those businesses that are going to apply clearly understand the regulatory system they are working under.

The Minister for the Environment:

That decision is not for me because it does not fall to me to issue those licences. We have got a disconnect here. I do not quite understand why it is that those impacts, which are environmental, sit within a different Minister, the Minister for Health and Social Services, and it is not dealt within the regulatory structures we have got. I think that is something that the Minister for Health and Social Services should consider, and if the panel recommended it I would go along with that.

Senator S.W. Pallett:

Can I just ask a follow-up to that? The Jersey Cannabis Agency is responsible for the issuing of licences and the Minister for Health and Social Services is the Cannabis Agency. I asked him the same question the other day: do you think that Cannabis Agency should be broadened and should

include either yourself or representatives of the Planning and Environment Departments so that any future policy, any future guidelines are clear and there is clear decision-making moving forward?

The Minister for the Environment:

I think we do have under a regulatory side of which I take ministerial responsibility for; a very wide range of regulations. For example, I find myself the Minister responsible for the Jersey Care Commission and so have been published today their annual report. I have had a dialogue with the inspectorate during COVID as what they have been doing to regulate care homes. I think the Senator knows very well that I have expressed a view that we are going to have to introduce care work on Children's Services and that requires us to have a dialogue across Government with another Minister. The regulatory side, I think, does need to be separate and the principles should be the same. Frankly, I cannot see why it should be sitting outside of it in a different way. I think it should be included within the structure.

Senator S.W. Pallett:

What I am saying there is you would support the widening of the remit of the Jersey Cannabis Agency, it is under the membership?

The Minister for the Environment:

I think if I was asked to take responsibility for that as Minister I would have to look to see if it was fully fit for purpose and what resources it has got and how it goes about it and so on, so that would be the essence of putting it into a regulatory Minister, yes, and that probably needs to happen, I think.

The Deputy of St. Mary:

Over to Deputy Luce.

The Deputy of St. Martin:

Thank you, Chair. I would just like to revert back to a question that we were discussing earlier about the fact that a licence to produce cannabis does not absolve you from the Planning Law. I am grateful to Peter for saying that compliance has been good thus far. But I would just like to say to the Minister and raise an issue, which I have raised with him previously, we all know that there would be an awful lot of application needed to build a new structure in a greenfield but, Minister, are you assured that these 2 companies that have been issued licences are not creating structures under a greenhouse, under a glasshouse, which is not particularly agricultural, that would really require an awful lot more of a planning application than has been the case? I think you will know where I am coming from.

The Minister for the Environment:

Yes, I think my answer is that I have concerns about this and I cannot confirm that I am confident. Generally, as a principle, I am not making any comments about those individual sites because, I will be frank, I have not visited them and nor have I looked at what permissions are in place. Of course, I rely on the officers to do that for me and, at the moment, I am not advised that there is any non-compliance happening. But in terms of future work I am concerned whether or not the legal framework we have is sufficient to prevent, as it were, a proliferation of new and temporary structures to do what is, effectively ... it does appear to be an increasingly industrial process. That could change, potentially, if one did not have that structure in place, potentially could change the character of Jersey's countryside very greatly. It is something that I believe we have to do within the work that I had done. Of course, I do have the General Development Order, that power to do, and it may well be that that General Development Order has to be revised; I do not know. It may well be there is also a Planning and Building Law (Amendment No. 3) on its way, as I think the Deputy will know; that has been on the stocks for 3 years and it is painfully slow in coming but it will be coming. There is the opportunity, potentially, to do things there if necessary. Am I confident that all is well for the future? No, it is a task that, I believe, we have to do. Once I know more about what is planned for this industry, all I know is that there are 2 sites doing things on historic glasshouse sites. But to me a glasshouse is a temporary structure and I am beginning now to wonder whether or not these are temporary structures or they are permanent industrial processing areas, that is the question I would put. It is a question and I speak without enough knowledge on it, I am sorry to say.

The Deputy of St. Martin:

No, I am grateful for that answer, Minister. You may well know, as well as we do, that in other countries an industrial process would be not allowed to happen in the countryside. Is that a concern to you that we may find we are already headed off down a road that may be very difficult to turn off, where we may well find that we have industrial activity happening in the countryside in a couple of years' time?

The Minister for the Environment:

Look, the Island Plan and the Planning Law is there to protect the coast and countryside and we have planning policies to do that.

[12:15]

If it is that things are happening or potentially going to happen where those policies and legal frameworks may be challenged or not affected, they will need to be changed to make sure we can do that. There will be places where such developments will be okay and there will be other places where they are not. Those decisions need to be made by the planning process, in the same way

that now I think Members ... what I would encourage Members to do and I have asked the officers to do this, is to go through the Island Plan and planning policies in the draft plan. If there are things in there that need to be strengthened it is open for Members to do amendments, and if there are areas that I need to highlight to the inspector at the Planning Inquiry later this year to look at that, I will do so. Then there is also the planning legislation, when I rely on the officers to tell me if they think there are any changes needed there to do this. But I do share the Deputy's concern, being frank, because I do not want to see the Island despoiled and I will not do it on my watch.

The Deputy of St. Martin:

Okay. I thank the Minister for that answer and I might just go for one more question, if I may, and it is around E.I.A.s again but specifically to do with industrial processes and there are 3 specific subjects I would mention. The first one the Minister has already spoken about, which is security fencing. The second one is light and light pollution. The third one, which is almost more important inasmuch as you can sometimes not see something but the smell. Can I just ask the Minister, maybe he would revert to officers but can somebody give us, the panel, some assurances about light and smell and what the Environment Department expect from the processes which have been approved by the granting of the licence?

The Minister for the Environment:

I will refer that to the officers, if I may. Willie, do you want to start and then go to Scott and indeed Stewart, if he is online?

Director, Natural Environment/Acting Group Director, Regulation:

Yes, thank you. We were given very happy assurances this morning around both light and smell. Light, and Scott can elaborate on this, the requirement of light to a specific standard throughout the course of the growing process and the ability or the need to blind it off and to make sure that we do not have excess light. I was asking the question about light pollution, essentially, and the processes that are in place in both facilities are there specifically to prevent against that. There is very, very little light emission. The smell side of things, the intention and the process that is in place in both facilities is that there are carbon filters attached to air-handling capacity within the process, which, essentially, the intention is to remove smell, odour from anything that is exiting the building. Having spoken to both, there is a significant investment from both facilities in getting this right and in getting the type of kit in. One was dealing with a different type of kit to the other but both investing heavily in kit to scrub odour from air emissions going out. But I wonder, Scott, if you would not mind going on about the light requirement of the plant itself and perhaps how that contributes to reduction in emissions, as it were.

Head of Biosecurity:

The important thing to remember about cannabis is that it does not flower if it has more than 12 hours daylight and what the producers want is the flower. Therefore, blinding, and when I say “blinding” I mean installation of blinds in a glasshouse, is essential to let these plants not have more than 12 hours daylight a day. In actual fact, blinds will be drawing over at 6.00 in the evening and opening at 6.00 in the morning to prevent light getting in, let alone prevent light getting out. Supplementary lighting will be used on days between the 6.00 a.m., 6.00 p.m. period approximately where Jersey sunlight is not quite enough. But these organisations are kitting up to such a technological level that the lighting will have sensors fitted within glasshouses that will only light certain parts of the glasshouse that are in shadow at a certain point in the day. Because all of their considerations, of course, is energy usage and so they do not want to be lighting any more than they have to because that costs money. I think the fear about light pollution, about an enormous glasshouse with lights blazing all the way through the night, is a fallacy.

The Deputy of St. Martin:

I am very grateful for that answer; that was what I understood I was going to be told, so I am glad to have that clarification on the table. I guess the other potential light pollution might be from a security perspective but I am not sure, Minister, whether any of your officers are in a position to answer that; that may well be a question for the Minister for Home Affairs.

The Minister for the Environment:

I am not sure, I think it might be a planning issue. Can I ask Peter about light installations for security because floodlighting is always a problem?

Head of Development and Land:

Yes, that is a grey area of planning control, John. Because of course many, many people have security lights around their homes and what have you, which are on sensors. The department has never sought to control those matters, unless there was something causing a nuisance on a neighbour’s property, in which case we would liaise with Environmental Health colleagues and say could we get that light moved around and things like that? When it comes to large industrial premises, certainly lights can require consent, particularly if they are on large poles and there are structures involved. But, equally, as I said, it is a grey area and you would need to look at those issues with great care. It is something that would be covered by the environmental impact assessment if one was required by the planning process. If one is not required by the planning process, if E.I.A. is not covered, then I think that is where the Minister for Health and Social Services’ intentions will lie, certainly one of the potential impacts that could be resolved at the prior stage.

The Minister for the Environment:

Could Stewart deal with smell, do you think, Chair?

Environmental Health Consultant:

I am happy to do so. In terms of smell, certainly in North America there have been prosecutions for smell from such cannabis production areas. It is quite a strong smell and it is usually in the U.K. (United Kingdom) the one thing that leads police to illegal growing activities. It is also one of the things that we would look at in an E.I.A. as part of the planning. We would look at the technology that they were planning to put in. We would look at the specifications to make sure that, firstly, it was not too noisy and, secondly, that providing it was used the way the manufacturers' recommend, that it would in fact mitigate any possible nuisance from smell. Again, if we were involved in the planning and/or the E.I.A., that would be something that would go to Environmental Health officers who would look at that and liaise with the people planning to operate it and make sure that they put in what was felt was suitable. As it is now, if the kit is going in and is unsuitable, the only recourse would be retrospective action under the Nuisance Law and it is far better to get it in first. Prevention is always better than cure and obviously less expensive in the long term if we can make sure that the right thing is put in. But certainly in North America there have been prosecutions for smell but I would say they are less good at the planning in North America in terms of prevention, and these things have often popped up because it seemed like a good financial reason and they will deal with it all later.

The Minister for the Environment:

Thank you, Stewart.

The Deputy of St. Martin:

Okay. I am grateful for that answer. It does highlight though, Minister, the fact that it may well be that the applicants have submitted details about these issues on the E.I.A. that they put in with their licence application, which has already been determined by the Minister for Health and Social Services. The panel have not sighted and it appears that neither have you sighted or your officers on any of these issues but I will revert back to the chair now.

The Deputy of St. Mary:

Thank you, Deputy. Can I thank you for your question and the officers for their replies? To my way of thinking, it does highlight one of the basic points, which is that while I am not for one moment suggesting that the operations are not putting in appropriate controls for lighting, noise, whatever it might be but, again, it goes back to the public perception that these things exist. As matters stand as I see it, they are not given the opportunity to comment at the outset because they do not know what is going to happen. It seems to me that we have gone full circle in that there may even be consensus on this, that if there was in the E.I.A. in its proper form at the outset or something

equivalent to it, this might go a long way towards perhaps heading off some of the objections and certainly educating the public as to what is going on. Is that a fair comment?

The Minister for the Environment:

I think it is absolutely spot on, Chair, and I agree with every word you said there. It is something we need, I think, now to do. I will support those recommendations if the panel propose that. Indeed, if the Minister for Health and Social Services wants to pass on that job, providing I got some resources to do it because, as the chair will know, I get pretty fed up with being given roles to do and then find that when I ask for the resource I either have to wait years for it or months or it never comes. If I get the resources to do it we will do it.

The Deputy of St. Mary:

I am sure we are all sympathetic to your point there. Before I move on to something else, the one question I have here, reference was made to how other jurisdictions manage this problem, has it been so far within your remit to see how this is dealt with in other jurisdictions or do you regard that more for the Minister for Economic Development, Tourism, Sport and Culture's Department?

The Minister for the Environment:

I think in the normal circumstances, Chair, I would have certainly followed up and certainly in our neighbouring community in Guernsey and I know in Alderney that there has been some work done. But I think the COVID and the difficulties of travel and all the rest of it, I think, have got in the way of that. I have not done so, no, and it is something we should do. But I think it clearly is an emerging business and I think we need to look and learn lessons from other places, yes.

The Deputy of St. Mary:

Okay, thank you. Right. It may well be we have already covered some of the questions that were going to be asked by Deputy Luce, which, I think, follow on from the questions he raised with you, Minister, in his other capacity as a member of the Environment Panel. But can I hand over to you, Deputy Luce, for your questions in that area?

The Deputy of St. Martin:

Thank you, Chair. As you have said, we do seem to already have covered many of the questions that we had to ask. But could I ask the Minister, there is obviously a lot of discussion around the terms of agricultural and industrial and when one blends into the other, that at what point a crop is processed enough that that would become an industrial process? But can I ask the Minister, has he got any intention of producing a document or some regulations or whatever it might be that will show very clearly when one product, which may well be agricultural, will turn into an industrial one? How do we get round this problem for the future?

The Minister for the Environment:

I think in principle my political view is that there is a job to do in producing some guidance, whether that takes the form of supplementary planning guidance because obviously the Planning Law does enable that and of course the Deputy, as a former Minister, will know that supplementary planning guidance, of course, requires one to go through a period of consultation. I would have to do public consultation on that. I think that work is useful and I said I certainly will be taking further advice from the officers and identifying whether or not there needs to be any changes in the policy and indeed in the draft Island Plan and indeed the law. Because I do think there is this need, the issues have highlighted the need to do this, yes.

The Deputy of St. Martin:

Is there any further work that we need to do on these applications, planning applications, Minister, in these sites? It has become very clear, and I think we have all agreed that we have all been put in a pretty difficult situation here where a licence has been granted, people have gone off and started doing all sorts of building work, spending a huge amount of money without knowing exactly what is happening at the end of the process. From your perspective and officers' perspective, where are you with the planning applications for these 2 premises at the moment or 3 premises, as it might be?

The Minister for the Environment:

Personally, I do not know. I have not had a chance to have the update from the officers. If the officers are able to either say where we are or give any commitment to guidance when we might be able to be clearer on that.

[12:30]

Head of Development and Land:

I can comment, Chair, if it helps. I think the difficulty that I explained earlier about the differences in the uses, we have not come across many premises yet which require planning permission for the operations that they have told us they intend to undertake. As I said, I explained the analogy earlier of existing glasshouse sites where previously tomatoes or flowers or whatever had been grown and we just understand that there is a different crop being grown, cannabis, that that itself would not require planning permission. The issue, as I explained earlier, is when they start to process that crop; that becomes an industrial activity. But we did have one application up at Crabbé, which was a new-build facility in place of 3 former cattle sheds, which did go through the planning process and was subject to environmental impact through the planning process, as I recall, went to the Planning

Committee, was properly determined. We have one on the books, if you like, where it has been subject to the full range of planning control.

The Deputy of St. Martin:

Thank you for that answer. I can completely, from a personal point of view, agree with you. If you grow a crop of flowers in a greenhouse you may well then harvest those flowers, strip some leaves off there, and you may well do something with the buds and package them and export them and that may well be exactly what the cannabis industry intend to do. But I would also concur that if those flowers or leaves or whatever are then put through another process, which then produces another product, that that must be classed as industrial. I am grateful for that answer. Maybe I could hand back now to the chair about the General Development Order or, if not, maybe Senator Pallett about the problems of growing hemp alongside medicinal cannabis greenhouses.

Senator S.W. Pallett:

I have got a question just following on and it is a question that we touched on before. We did speak about the need, potentially, for a clearly understood regulatory system, and I am not going to go back to that. But do you think it would be viable for Jersey to introduce specific legislation in the form of laws specifically dealing with the production of cannabis for medicinal and research purposes in Jersey to clarify the position for medicinal cannabis cultivators and local residents? From a planning perspective, and I say that when you think a lot of the regulation is based on the Misuse of Drugs Law 1971, which is now 50 years old; I will not say it is out of date but it is 50 years old.

The Minister for the Environment:

I am no expert on that law and in fact I do not know anything about it at all. I understand the concern about cannabis, the fact the psychoactive substances in it have led to that law being used for the purposes of these licences that the Minister for Health and Social Services has to ... yet, all the discussion so far is the impact that people are troubled about or are really environmental. Whether or not in order to provide a regulatory regime that the Island can take advantage of because that is why people are doing this, for economic reasons, an opinion needs to be made on whether the current legal framework is fit for purpose. What we have done is we have latched on to one law which exists but clearly it does not deal with the environmental impact, as we discussed, and therefore we would rely on the Planning Law. Whether or not that is far enough to fulfil the fit-for-purpose criteria to be allowed to do this, because I am not quite sure, where does the approval come that the Island is allowed to do this? Are we relying on the U.K.? I am sure you know, Chair, I do not, I have no idea. But we would need to satisfy, there would need to be a fit-for-purpose on the law, so I cannot tell you whether we need a new law or not. If the current laws are not right, then there is a case for a new law, yes.

The Deputy of St. Mary:

The Minister for Health and Social Services operates within an M.o.U. (memorandum of understanding) with the Home Office. I think it is the Home Office that are party to the U.N. (United Nations) charter on this but I think ...

The Minister for the Environment:

I perhaps should add that Deputy Guida, if we were able to hear, = - of course, he is not able because he is attending Constable Norman's funeral, I think - so he would be arguing, he would be pointing out, as he has done, to the Deputy Chief Minister and the Minister for Economic Development, Tourism, Sport and Culture, that in particular he has raised the issue of security fencing and the like, that he does not feel that Jersey really needs to follow the same rules as the U.K. where there are much higher risks involved of security breaches, where one of Jersey's strengths is its relative security. I think I am getting waves from Peter Le Gresley but, nonetheless, I know that he has voiced that opinion; that is his personal opinion obviously. I will hand to the officers, if I may just put that ...

Head of Development and Land:

I am not going to contradict you, Minister, I was just going to come in on the previous point, which was whether or not a new law is required. Of course that is a political decision and so I am not going to step into that territory. But all I would say is that the Planning and Building Law that we do have and the subordinate orders that hang off it, they are extraordinarily flexible tools and there would be no harm, in my view, in adapting one of those or making any changes that might come out of this process. You can add classes of use, you can take away consents that are already granted. There are lots of things that we can do within the existing framework because they are, as I say, very flexible tools.

The Deputy of St. Mary:

Thank you. I think Senator Pallett's question was really based on the fact that, as is apparent from our discussions this morning, the framework we now have it is such that it does cover various areas of legislation and with the term "flexibility" there does come uncertainty of course. I think that the rationale behind the question was if all provisions ranging from the cannabis industry could be committed to one succinct law, it might be helpful to all concerned but let us leave it at that, I think. Does that answer your point, Senator?

Senator S.W. Pallett:

Yes, it does, Chair. I can hand back to you or I can carry on with section 5; it is up to you.

The Deputy of St. Mary:

You carry on with section 5, as you have the floor, so to speak.

Senator S.W. Pallett:

Okay. In regard to the cultivation of hemp and medicinal cannabis, please can you explain the process for co-ordinating the production of hemp and medicinal cannabis and the steps that will need to be taken to avoid cross-contamination?

The Minister for the Environment:

I think it is one for Scott.

Head of Biosecurity:

Hello. I am assuming you are talking about the cross-contamination of pollen from an outdoor hemp crop instead of an enclosed production facility for medicinal cannabis.

Senator S.W. Pallett:

Correct.

Head of Biosecurity:

Okay. The same problems occurs in field hemp. If we disregard the glasshouse production model entirely, the outdoor producers at the moment would plant 2 crops mainly because what they are looking for are 2 products. They are looking for an unpollinated flower to do C.B.D. (cannabidiol) extraction from and then later in the season they are looking for a pollinated flower head with seeds in it that they can then press the seeds for hemp oil. They have got the same problem in their own industry. The way they tackle that at the moment and, again, this is new, there is no playbook for this and when one reaches out to other jurisdictions, of course, they are keeping their cards very close to their chest because of competitive advantage on all of this. The outdoor growers at the moment have a strategy whereby they would grow their first non-pollinated crop and then harvest that or when it is very close to harvest you would then plant your second crop that you want the seed from and let that do its thing, be field-pollinated and harvest it later. Protected production is very different, so you have a range of ways of doing this. You can do it in a sealed room or through to a glasshouse. At the moment our producers are proposing a sealed unit inside a glasshouse and so, hopefully, pollen contamination into those glasshouses would be minimal. Again, this is a nascent industry and I must stress that the playbook has not been written. We are kind of writing this as we go along and Jersey has the potential to write one of the best playbooks in the world with regards to cannabis production. Part of that playbook could be the scheduling and the planning and the geospatial planning of outdoor crops with a sufficient spatial distancing between indoor crops. I am talking to N.I.A.B. (National Institute of Agriculture and Botany) in the U.K. who do this sort of work for a myriad of other crops because they do variety-testing. It is absolutely essential for them that

they keep the pollen from one variety separate from another. They have a playbook with regard to pollen travel distances that we will be communicating with them on to try and work out a system whereby we can minimise that type of pollution.

Senator S.W. Pallett:

It is good to understand the sort of processes that you are going to look to manage this. But will a regulatory or licensing framework be introduced to manage both indoor and outdoor crops and have you got any timescales on that, knowing that clearly we have already got producers producing hemp?

Head of Biosecurity:

I am sorry, I am not sure I understood the question. Did you say will a regulatory framework be produced for indoor and outdoor producers?

Senator S.W. Pallett:

Yes, I am just asking whether we will produce a regulatory or licensing framework for both indoor and outdoor.

Head of Biosecurity:

The same licensing framework will apply to both, as applied by the Minister for Health and Social Services.

Senator S.W. Pallett:

Okay.

Head of Biosecurity:

It already does apply to both because, essentially, even with hemp, although low T.H.C. (tetrahydrocannabinol), non-recreational variety of cannabis, the flower portion of that plant and the leaves are still under our Misuse of Drugs Law, are still a controlled substance. Hemp, although is valueless in the medicinal and recreational markets, is still a restricted substance, so it still falls under the same regulatory framework as an indoor production facility would.

Senator S.W. Pallett:

Before I hand over to Deputy Luce who has got a question, you do not mind if I ask a really dumb question from a lay person? Is it possible to cross-contaminate from other crops into hemp, for example?

Head of Biosecurity:

No. If I reverse the question, I think the question is: is it possible for T.H.C.-based genetics to escape from an enclosed production facility and cross-pollinate into local flora?

Senator S.W. Pallett:

That and also if you are producing hemp outside the potential to cross-pollinate from other crops or from hemp to other crops.

Head of Biosecurity:

No.

Senator S.W. Pallett:

Okay, thank you. Deputy Luce has got a question.

The Deputy of St. Martin:

Yes, thank you. It is a question for the Minister really and it is to do with the proximity of hemp crops, potentially, being grown near our greenhouses and I am grateful to Scott for explaining how we may need to take action. But I am trying to think, Minister, of another crop on the Island that we do not allow to be grown in the proximity of buildings or the proximity of schools or the proximity of anything. To use some very few words, is the banning of a crop from a particular field or particular fields something which we would need some new legislation around?

The Minister for the Environment:

To be frank, I am struggling with this one because at the moment people do not have to apply for planning permission to plant Jersey Royals or anything like that. They do not have to do that, they could plant their crops. We are talking about outdoor crops because our previous discussion, I think everything we spoke about in the previous discussion was all about doing things in glasshouses and enclosed areas and raising all those issues that we have spoken of then. But when you move on to growing in outdoor fields, yes, we do have this licensing complication because Scott has told us that the hemp crop requires a licence under that law to grow it, otherwise you stand a chance of getting prosecuted by being in possession of a controlled plant, I suppose. But I am not aware whether that applies in any other ...

The Deputy of St. Martin:

The context for the question is, potentially, in the future we may have medicinal cannabis being grown in greenhouses and to avoid the potential for cross-contamination with pollen, that we might put - and I stress the word "might" - an exclusion zone around those greenhouses of several hundred metres where hemp cannot be grown, to try to avoid this cross-contamination for the medicinal cannabis.

[12:45]

We do not, to my knowledge, have other crops which we do not allow to be grown in fields and it is just the principle of maybe stopping farmers growing a particular crop in a particular field that I am trying to get at here and whether we have an answer to that. I know Scott is keen to tell us.

The Minister for the Environment:

We do have the agricultural land sales and licences law but of course does not operate retrospectively, that when somebody buys land then you can put conditions on that under that law, which also sits under Mr. Peggie and Mr. Le Gresley's team. But I do not think you can do that retrospectively; I think we have to take legal advice about that. When a land is transacted you can put a condition on it at the moment, but we do not put conditions on that. We do other things like about horses and so on that the Deputy will know about that, whether or not that law could be used but it would not do the whole thing. I rather suspect, and my guess would be, is that we do not have the framework for managing that, frankly. I would be very surprised if the Planning Law would be able to do that.

The Deputy of St. Martin:

Okay, maybe Scott could tell us what he wanted to say.

Head of Biosecurity:

Hi, thank you. Again, I want to major on the fact that this is a nascent industry and there is not an off-the-shelf playbook for all of this stuff, so there has been a lot of work involved in tackling issues as they arrive. There has been swerves and potholes and hurdles and there will continue to be. With regard to the not planting of crops near schools and residential areas and issues like that, that is a legacy issue from the U.K. Home Office guidance that we followed. With regard to cross-contamination of indoor crops from outdoor crops, in some ways that is a commercial decision for the indoor producer to make. Do they want to take that risk of leaving a glasshouse structure open? One site in particular has realised that mistake now and is retrofitting to seal that glasshouse up to produce a medicinal-grade cannabis. Then, of course, the hemp production, the hemp field production, part of that licence application does involve the submission of potential field numbers. Obviously those fields will not be owned by a hemp farmer for life, so the conditioning fields at a transactional stage probably would not work, whereas at a planning stage, at the beginning of each season where the chief pharmacist receives his applications for outdoor hemp, there could be, as we develop our system, a method whereby a notional exclusion zone around established indoor production sites could be in place. Essentially, a licence would not be granted for fields within a

certain perimeter but that would not require separate legislation. It could be part of the licensing application and approval process.

The Deputy of St. Martin:

Okay, I am grateful for the answers. I will go back to Senator Pallett for the last couple of questions.

Senator S.W. Pallett:

Thank you, Deputy. I do not know whether we are at this stage yet but, please, can you provide any details or more details about the specialist machinery that will be required and is perhaps not yet available on-Island to produce finished medicinal cannabis products?

The Minister for the Environment:

I cannot, I will have to look at my officers to see if they know. Have we had any information, Scott?

Head of Biosecurity:

I can come forward with that. The process is quite similar to other horticulture. If you were growing basil, for instance, this would be very similar with dry barrels, and basil will be a very similar process. The plant is cut, it is dried in low humidity rooms, very similar to heated chillers that are used in tomato, cucumber and pepper production units. It is dried, it then goes through to a small trimming room and then a packaging room. That is the production for raw flower, which is very, very simple. The onward processing of that, which adds value to the chain and which would also, very importantly I think, bring high-value employment to Jersey and this is we must not take our eyes off the prize, which is an economic stimulus for Jersey and possibly to attract local people into high-tech horticulture and lifting horticulture slightly into a more technological age. Then we move into the post-processing, which is through supercritical carbon dioxide extraction, essentially a smallish plant about the size of a shipping container that uses carbon dioxide as a solvent to dissolve the active ingredients out of flower and then reduce that into a resin, which is then sold on to the pharmaceutical industry and that is about the scale of it. It is light industrial, minor drying, trimming and packaging.

Senator S.W. Pallett:

Have you had any discussions with industry about getting to that level? Clearly, that is the prize, hopefully, at the end of this process. Are we getting close to a point where we may be producing high-grade medicinal cannabis for onward sale?

Head of Biosecurity:

The intention of people at the moment is because the initial set-up costs are vast and we have had many millions of pounds invested already and so that subsequent post-processing equipment is,

again, a second wave of ... What they need to do is get into revenue production first, using raw flower as their product and then some may move into post-processing, some may not; some may remain at the flower-processing stage. There is other discussion about adopting the sort of village oil-press approach, which is do we have a single processor in Jersey that stumps up that infrastructure and the CapEx for that? Then Island producers contract those services from that person, so that is still to be decided at the moment or to be confirmed. But, again, a commercial decision by the producers.

Senator S.W. Pallett:

In terms of international quality in ensuring that if we want to meet that high level of quality, will all producers in the Island have to meet those standards or will we be able to grow cannabis at all sorts of qualitative levels?

Head of Biosecurity:

Any cannabis flower that is going into the pharmaceutical or lucrative market will be regulated by the industry. It needs to be what is called E.U.-G.M.P. (European Union-Good Manufacturing Practice); that is externally audited. The M.o.U. at the moment dictates that the M.H.R.A. (Medical and Healthcare Products Regulatory Authority) for U.K. medicines will come and do that E.U.-G.M.P. audit for us or for the producers on behalf of Jersey. Then what I suspect as well is that if a local producer is intending to sell to, for instance, a German pharmaceutical company, it is almost inevitable that that pharmaceutical company would also be coming to Jersey to inspect the production facilities in Jersey. The standards are extremely high. This is a medicine and the bar is set very, very high. What is happening now is the potential producers are coming to terms with the levels of difficulty that are involved in this and are slowly succeeding. But I cannot impress on people how regulated, how complex, and how difficult this is to pull off.

Senator S.W. Pallett:

Sorry, so the checking process would be done by the potential importer, whether it be somewhere in Europe, checking an individual facility here, rather than having an understanding of everything we are doing in Island; they would purely be dealing with that individual's facility?

Head of Biosecurity:

The primary audit would be done by the U.K. M.H.R.A., which would confirm G.M.P. compliance. Then that would allow people to reach out to customers but then that customer would probably want to come and do their own audit to a similar or higher standard as well.

Senator S.W. Pallett:

Thank you, that is clear. I know both my colleagues have got questions, so I can either defer to the chair or defer to the Deputy.

The Deputy of St. Mary:

Go straight to the Deputy if you like, thank you.

Senator S.W. Pallett:

Okay, yes.

The Deputy of St. Martin:

Thank you, Senator. Thank you, Chair. Just a very quick question for the Minister, and it is an economic question but I know he knows about the subject as well. Are you a little bit concerned, like I am, Minister, that the potential may pass us by here economically inasmuch as we may end up with an industry which produces flowers and dries them and exports that fairly raw product to a processing plant outside of our jurisdiction, which could, potentially, result in no uplift in our economic numbers in Jersey at all?

The Minister for the Environment:

I think the Deputy knows that my focus in life, personally, is not economic, I will be frank. I think quality of life, social conditions and particularly in Jersey environment is very much my focus. I leave those judgments to others. What I personally would like to see is that we start to become ... whatever we do in agriculture - and I use that word "agriculture" sort of broadly, if you like, and fisheries as well - we become more sustainable. I suppose part of the sustainability is that we do economic activity but as part of that we manage the impacts environmentally and at the moment we know that there are areas of our practices where we are not achieving that and, therefore, we have got the opportunity to make those improvements. Obviously they need to generate a sufficient return and I think what the challenge is is to find a way where we can find - there is no question and I hate to use this word but there is no choice - where that balance is because there are always going to be competing objectives. We can turn Jersey into a hugely economic powerhouse or we can find a balanced position and I think here we need to help our industry and we have got the people, people like Scott and others, so full marks to them and what they are doing with their knowledge but at the same time we need to make sure that what we do manages that in the right way and we are learning. I think it is the case we are in a changing world, I am sorry. For me, I have heard other people that have run into problems, other jurisdictions where initial high hopes have been disappointed because of the ... Scott himself said there are hurdles and difficulties in other places; those have got in the way of exploiting that potential. I do not know what else I can say, I am sorry, Deputy, but that is my personal view.

The Deputy of St. Martin:

No, that is fine, thank you, Minister. As you have sort of pointed out, you will never know if you do not try. I will revert back to the chair.

The Deputy of St. Mary:

Yes, thank you for that. My questions on the back of that just raised by the Deputy in a way, which in turn refers to an answer by Mr. Meadows. The prize at the end of the day comes or the pecuniary prize comes from the production of medicinal products. Is anyone on the panel in a position to advise, where are we in the overall scheme of things and particularly as to whether if we did proceed down that line to produce the medicinal products which produce a high value? Is it envisaged that the current premises where the growing is carried out is sufficient or is it accepted that is more of an industrial activity requiring its own premises and perhaps away from residential areas where there is concern? I think Scott Meadows has his hand up, if the Minister will allow him to answer that.

The Minister for the Environment:

Yes, of course. I am just thinking of how we would answer. In other words, there are places where development is okay and where it is not, so ...

Head of Biosecurity:

I think it is quite a long question and I will try and answer it but do give me a poke if I do not answer all of it. I think at the moment it is envisaged that the activity of growing, drying, trimming, producing, packaging and possibly onward processing as well would all occur in the existing facilities. I do not think at the moment there is a suggested need for a separate industrial processing plant to do this. As I said before, all the equipment that is being envisaged is fairly small and will fit inside existing infrastructure. With regard to moving on to medicinal cannabis production, one of the questions that people keep asking is, why Jersey? Why not just do this in the U.K.? Why not do it in Portugal? The point is that the N.H.S. (National Health Service) is poised to be, in the next 3 to 5 to 7 years, the largest customer for the intake of medicinal cannabis in the E.U., possibly the world. People are looking at Jersey with its progressive and sort of outward looking approach to this industry and what they want to do is focus activities here and, of course, with the beneficial tax advantages but also be on the doorstep of the largest legitimate market in the world for the next 5 years, so that is the reason why people want to do this here. There are already negotiations going on between 2 companies in the U.K. and the N.H.S. on supply of medicinal-grade cannabis. While Jersey formulates its regulatory playbook, the discussions between these entities and very significant customers in the U.K. are occurring. If Jersey does not fill that market somebody else will.

The Deputy of St. Mary:

Okay, thanks for that. I see we are at the end of our allotted time. As I mentioned at the beginning, we have our advisers, Grant Thornton, on the line.

[13:00]

Could I ask if any of those members have any further questions to ask or have we covered the areas of your concern? Perhaps I could ask you to come in if you have got anything.

Mr. W. Pisani:

Thank you, Chair. I would like also to thank the honourable Minister for his input and also to his team. Just one question from me, and I am Wayne Pisani, I hear the kind of a call for co-operation and more efficacious co-ordination between the ministries. Is something already in the offing or is there something that you envisage would work out better in terms of this cross-ministerial co-operation to be better glued and dovetailed in terms of the process?

The Deputy of St. Martin:

The Minister seems to have disappeared. No, he is there.

The Minister for the Environment:

Sorry, I do apologise. The phone was driving me mad, something that just would not go away, had to go and deal with it. What was the question that you asked, I beg your pardon?

Mr. W. Pisani:

Apologies for that. First and foremost, thank you for your availability and for addressing these questions to you and your team, it was really insightful. My question was: I note and hear that there is a bit of difficulty in terms of the co-ordination between ministries and my question was: is there anything already in the offing to ensure a more efficacious process to this cross-ministerial co-operation and, if not, is there anything on the wish list that you would like the panel to also recommend and work for, obviously in the interests of better and more co-ordinated and cohesive approach in the interests of the community as well?

The Minister for the Environment:

Very much so. I think it is obvious to anybody listening on today that there is that need and there does need to be greater co-ordination and we need to find ways of working together. What can be done? I would expect the panel very strongly to put forward recommendations about that. I do not know the timescale, the chair will know that, of course, what the timescale is. But in the meantime I would certainly be asking the officers to see what can be done to achieve better integration. I am afraid to say at the moment there are a number of areas in our government where I do not think our

structure of government works particularly well and we do need to change it in many ways and this may be one.

Mr. W. Pisani:

Thank you, Minister.

The Deputy of St. Mary:

Okay, if there is nothing further from Malta and have my colleagues, Deputy Luce and Senator Pallett, got anything further to ask?

Senator S.W. Pallett:

I have just got a very brief one, David, if I could.

The Deputy of St. Mary:

Yes.

Senator S.W. Pallett:

I asked it of the Minister for Health and Social Services as well. We know there is an economic development framework for cannabis investment being completed, I just wonder whether the department or the Minister has had any role to play within that framework?

The Minister for the Environment:

I am not quite sure. Could you just clarify the question? I do apologise, Senator, I was looking at some messages flying across my screen. Can you just clarify what you mean?

Senator S.W. Pallett:

Yes, sure. I know you are really busy, so I understand. We know there is an economic development framework for cannabis investment being completed as we speak, I just wonder whether the department or any officers have had any input into what that framework might look like.

The Minister for the Environment:

I am certain, I mean Scott is a leading expert in this; there is no question. Have I had any input? Absolutely none. I do not know about my regulatory team; Willie Peggie is shaking his head, Peter shaking his head. No, I am getting negatives and Stewart Petrie from Health, no, so there is a set of negatives from regulatory side, no input from the Minister; obviously things are going on in Economic Development.

Senator S.W. Pallett:

Okay, thanks, Minister.

The Deputy of St. Mary:

Okay, if there are no further questions from ... sorry, I think Wayne has a further question.

Mr. W. Pisani:

No, I was pointing out that Scott is trying to draw your attention.

Head of Biosecurity:

Hi, thank you. With regard to input from Environment on the regulatory framework, yes, we have had input through my office because obviously this initiative stems from the Rural Economy Strategy 2017 to 2021 authored by this department. The rural economy team, which was part of the authoring team of that strategy, has moved off to economy. But there is a strong link between rural economy in the Economy Department and natural environment. The officer group dealing with cannabis and the wider cannabis portfolio, as it were, incorporates health, incorporates rural economy, incorporates natural environment. With a nod to the comment earlier about, could Planning be involved in that panel? Absolutely certainly. There has been input from a wide range of officers throughout this project. It has been elevated to ministerial level because there has been no need to do that yet.

Senator S.W. Pallett:

Thanks for the answer.

The Deputy of St. Mary:

Okay, as I say, our time has now expired, so can I thank the Minister, all your colleagues, for your input? It has been a very refreshing hearing, as far as we are concerned. I thank you for the time and I thank our advisers for listening in and asking questions.

The Minister for the Environment:

Thank you, Chair. From my point it has been a good session, been a good exchange of information and thank you very much for your questions. I am grateful for the comments you have said about my colleagues' comments here, thank you.

The Deputy of St. Mary:

Okay, thank you all and we will revert to you if we have anything further but that has been very useful. Thank you. Bye.

The Minister for the Environment:

Thank you.

The Deputy of St. Martin:

Yes, my thanks also to the whole team. Thank you, Minister.

Senator S.W. Pallett:

Yes, thank you very much.

[13:06]