



## MEDICAL MARIJUANA – CANNABIS EXPANSION IN NORTH MACEDONIA

### 1) *Introduction:*

- The overall integration process into the European organizations and business alliances has widely opened and expanded the Macedonian market, especially when it comes to foreign investments - joint ventures or partnerships between companies with foreign, domestic and mixed capital. Certainly one of the upcoming and fast-growing businesses in Republic of North Macedonia is the cultivation of cannabis for medical and/or scientific purposes. Until the end of 2018, thirteen companies have received the necessary licenses for cultivation of cannabis for medical purposes from the Ministry of Health, and fifteen more were licensed until April 2019, so the number of companies that intend to invest in this new and perspective industry is yet to increase.

### 2) *Legal guide & preconditions:*

- According the applicable legislation, and starting March 2016, the cultivation of cannabis is allowed only to legal entities that have obtained license for cultivation issued by the Ministry of Health, after previous approval granted by the Government of Republic of North Macedonia. A general provision states that the legal entity that intends to invest and perform its operations in this industry must be registered in the Central Registry in Republic of North Macedonia. By amending the Law on control of narcotic drugs and psychotropic substances, the cultivation of cannabis for medical and/or scientific purposes has been acknowledged by law and is followed by clearly established conditions in terms of sowing, seeding, harvesting, packing, transport etc. Also, the cultivator of cannabis is obliged to keep a record of each phase of the cannabis cultivation, as well as the products and equipment used in the process, and is obliged to report all changes and deviations previously planned in the elaborate to the Ministry of Health and the Ministry of Agriculture, Forestry and Water Economy.

### 3) *Why to invest:*

- The liberalization of laws in the country and region with certainty has opened the market for new industries and technologies and paved the way for major corporate progress in the

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private sector. These markets can generate additional sources of profit and bolster the position of firms' related businesses. Tapping into fresh types of consumption – new products, users, or occasions – can create vibrant, long-term growth for the companies. For now, there is no precise information about the possible turnover regarding the financial aspects of the investment, however, according to some of those directly involved in the business; it can generate a significantly bigger income compared to other respective industries. It is also expected that the legislation regarding this sector will be modified in the upcoming period; allowing certified companies to export the dry mass of the cannabis plant outside the borders of Republic of North Macedonia. The Prime Minister of North Macedonia recently urged for any possible investors to think about putting their resources in this sector, publicly describing the business as 'profitable'.

#### **4) *Comparative analysis:***

- As explained previously, the legalization of medical marijuana took place in March 2016 when the Macedonian Parliament passed the Law on amending the Law on control of narcotic drugs and psychotropic substances. Only a few weeks later, patients were allowed to buy cannabis oil with 0.2% cannabinoids or less without a prescription; and more concentrated forms of oil require medical prescription. According to the available data countries in the region that have already legalized the medical use of cannabis include – Greece (in which the medical use of cannabis was legalized, although the law has not yet been implemented) and Croatia (in which the cannabis is decriminalized for personal use and legalized for limited medical users, i.e. patients with illnesses such as cancer, multiple sclerosis or AIDS). The cannabis in Slovenia is illegal but decriminalized (while medical marijuana is not allowed, the use of certain cannabinoid drugs is permitted). In the rest of the countries in the region: Serbia, Bulgaria, Albania, Montenegro, Bosnia and Herzegovina – the recreational or medical use of cannabis is strictly prohibited. Following the latest reports of the World Health Organization and after evaluating how the European Union could support quality research in relation to marijuana-based medicines, establishing “standards for non-pharmaceutical medical cannabis to ensure consumer safety,” - the members of the European Parliament voted on a resolution that calls on the Commission on use of cannabis for medicinal purposes and the states member of the European Union to “address the regulatory, financial and cultural barriers”.

#### **5) *The Mens Legis approach:***

- MENS LEGI Law Firm has proven successes and experience record having provided in-depth services within the traditional areas of law as well as staying current with the changing North Macedonian legal environment. The firm's team is prepared to address the unique and increasing needs of national and international clients through personalized

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services. Our law firm is committed to working closely with our clients and understanding their business as this enables us to provide a value-added service. By using all our resources, experience and expertise, we believe we can provide the best client-oriented solution and legal services in order to achieve the established goals.

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Prepared by MENS LEGIS LAW FIRM