

CANNABIS ACT, 2025

No. 20



of 2025

ARRANGEMENT OF SECTIONS

SECTION

PART I — *Preliminary*

1. Short title and commencement
2. Interpretation
3. Application of Act

PART II — *Regulatory Framework*

4. Establishment of National Cannabis Control Authority
5. Objectives of Authority
6. Functions of Authority
7. Seal of Authority

PART III — *Board of the Authority*

8. Establishment of Board of Authority
9. Membership of Board
10. Directions by Minister
11. Tenure of office of members
12. Disqualification, removal and resignation of members
13. Vacation of office
14. Filling of vacancies
15. Remuneration and allowances

PART IV — *Meetings of Board*

16. Meetings of Board
17. Appointment of Chairperson and election of Vice-Chairperson
18. Quorum and procedure at meetings
19. Disclosure of interest
20. Confidentiality
21. Committees of Board
22. Co-opted members

PART V — *Chief Executive Officer and Other
Staff of the Authority*

- 23. Chief Executive Officer
- 24. Secretary to Board
- 25. Appointment of senior and other staff of Authority

PART VI — *Financial Provisions*

- 26. Funds of Authority
- 27. Strategic and annual plan
- 28. Financial year
- 29. Accounts and audit
- 30. Pension and other funds
- 31. Annual report

PART VII — *Supervision and Inspection by Authority*

- 32. Supervision by Authority
- 33. Appointment of inspectors

PART VIII — *Declaration of Licence Quotas and
Licensing Procedures*

- 34. Declaration of licence quotas
- 35. Application for licence
- 36. Issue of licence
- 37. Renewal of licence
- 38. Assessment of application for licence
- 39. Conditions of licence
- 40. Licensing of more than one activity
- 41. Transfer of licence
- 42. Variation of licence
- 43. Suspension or revocation of licence
- 44. Change of particulars of licensee
- 45. Notice of cessation of licensed activities
- 46. Designation of areas
- 47. Reservation of licences
- 48. Restrictions on sale of cannabis to persons under the age of 18
years

PART IX — *Quality Control and Cannabis Testing Requirements*

- 49. Quality control of cannabis plant or cannabis preparation
- 50. Cannabis testing requirements
- 51. Designation of laboratory for testing of cannabis

PART X — *Security Measures*

- 52. Compliance with security measures
- 53. Production practices
- 54. Clearing of plants

PART XI — *Possession of Cannabis*

- 55. Persons authorised to handle cannabis
- 56. Withdrawal of authorisation

PART XII — *Reports, Records, Inventories and Registers*

- 57. Records and reports of licensed activity
- 58. Submission of annual return
- 59. National cannabis compliance tracking system
- 60. Keeping of register
- 61. Preservation of documents

PART XIII — *Miscellaneous Provisions*

- 62. Appointment of Appeals Committee
- 63. Exemption from liability of officers of Authority
- 64. Permitting premises to be used for unlawful use of cannabis
- 65. Offences and penalties
- 66. Administrative penalties
- 67. Regulations

An Act to provide for the regulation of the cultivation, manufacture, production, storage, distribution, import and export of cannabis for medicinal, scientific, research or industrial purposes; establish the National Cannabis Control Authority which will be responsible for the licensing of cannabis for medicinal, scientific, research or industrial purposes; provide for security measures for the cultivation, manufacture, production, storage, distribution, import and export of cannabis for medicinal, scientific, research or industrial purposes; domesticate the Single Convention on Narcotic Drugs, 1961; and provide for matters connected with, or incidental to, the foregoing.

Date of Assent: 17.10.2025

Date of Commencement: ON NOTICE

ENACTED by the Parliament of Botswana.

PART I — *Preliminary*

Short title and
commencement

1. This Act may be cited as the Cannabis Act, 2025, and shall come into operation on such date as the Minister may, by Order published in the *Gazette*, appoint.

Interpretation

2. In this Act, unless the context otherwise requires —

“agent” means a person who acts on behalf of, or on the direction of, a licensee, when carrying out the licensee’s business;

“appropriate authority” means the relevant public body, statutory body or person, having powers or regulatory functions under any other written law;

“Authority” means the National Cannabis Control Authority established in terms of section 4;

“cannabis” means all or parts of the genus cannabis including —

- (a) the flowering or fruiting tops of the cannabis plant (excluding the seeds and leaves when not accompanied by the tops) from which the resin has not been extracted;
- (b) cannabis resin separated from the plant;
- (c) any compound, manufacture, salt, derivative, mixture, or preparation of the plant or resin; and
- (d) cannabinoids;

“cannabis resin” means the separated resin, whether crude or purified, obtained from cannabis;

“cannabis extract” means any preparation containing cannabinoids obtained by extraction from cannabis plant material using any method including, but not limited to —

- (a) solvent extraction;
- (b) mechanical separation; or
- (c) thermal methods;

“Chairperson” means a person appointed as Chairperson of the Board in terms of section 17;

“cultivation” includes planting, sowing, scattering the seeds, growing, nurturing, tending or harvesting of cannabis and cannabis resin from the plant from which they were obtained and the word “cultivate” shall be construed accordingly;

“distribute” means the division and movement of cannabis from the premises of a manufacturer, or from another central point to an intermediate point, or to an end user, by means of any method of transport;

“distributor” means a licensee whose activities include the —

- (a) handling of cannabis;
- (b) storing of cannabis; or
- (c) supply of cannabis for wholesale;

“industrial purposes” means the non-drug, commercial use of cannabis for applications that do not produce psychoactive effects or contribute to substance abuse;

“inspector” means an inspector appointed under section 33;

“licence” means a licence granted under section 36;

“licensee” means a person issued with a licence to cultivate, produce, store or distribute cannabis for medicinal, scientific or research purposes;

“licensed activity” means an activity authorised under a licence issued by the Authority;

“medicinal purposes” means the controlled use of the cannabis plant, its extracts, or synthetic cannabinoids for the treatment of specific medical conditions, as authorised by a health professional in terms of this Act or any other laws;

“Minister” means the Minister responsible for land and agriculture;

“possession” includes to keep or to store cannabis, or to have in custody or under control or supervision, cannabis held by some other person subject to the person’s control, for that person or on that person’s behalf;

“preparation” means a processed mixture, whether solid or liquid, containing an active subject;

“premises” includes land, any building, dwelling, shop, office or tent together with the land on which the same is situated and the adjoining land used in connection with the land, and includes any vehicle, conveyance or vessel;

“production” means the separation of cannabis and cannabis resin from the plants from which they are obtained; and

“Single Convention” means the Single Convention on Narcotic Drugs 1961.

3. This Act shall apply to the production, storage, distribution, import and export of cannabis for medicinal, scientific, research and industrial purposes.

Application
of Act

PART II — *Regulatory Framework*

- 4.** (1) There is hereby established a body to be known as the National Cannabis Control Authority.
- (2) The Authority shall be a body corporate with perpetual succession and a common seal, capable of suing and being sued in its own name and, subject to the provisions of this Act, of doing or performing all such acts or things as bodies corporate may, by law, do or perform.
- 5.** The objectives of the Authority shall be to regulate the cultivation, manufacture, production, storage, distribution, import and export of cannabis for medicinal, scientific, research and industrial purposes.
- 6.** The functions of the Authority shall be to —
- (a) develop, implement and monitor strategies and plans designed to promote the cultivation, propagation, production, processing, storage, exportation, importation, distribution and use of cannabis;
 - (b) issue market authorisations;
 - (c) issue, amend, suspend or revoke licences for the cultivation, propagation, production, processing, storage, exportation, importation, distribution and use of cannabis, subject to such conditions, as may be prescribed;

Establishment
of National
Cannabis
Control
Authority

Objectives of
Authority

Functions of
Authority

- (d) conduct inspections of cannabis premises;
- (e) set standards and allowable limits for cannabis and cannabis products and monitor compliance to such standards and requirements;
- (f) maintain a national cannabis register for all cultivation sites;
- (g) impose administrative sanctions;
- (h) levy fees for licences, as may be prescribed;
- (i) control and manage the national cannabis compliance tracking system;
- (j) advise the Government on all technical matters regarding cannabis;
- (k) communicate its regulatory requirements, decisions and opinions and their basis to the public and interested parties in such manner as may be prescribed;
- (l) appoint inspectors to exercise or perform the powers, functions or duties as may be conferred on such inspectors under this Act;
- (m) control quantities and quality of imported and exported cannabis;
- (n) promote research, development and innovation across the value chain in the cannabis industry;
- (o) prepare and publish annual reports on the cannabis industry trends in Botswana; and
- (p) take such other steps and to perform such other acts as may be required for the achievement of its objects and the proper performance of its functions and duties in terms of the Act.

Seal of
Authority

7. (1) The seal of the Authority shall be such device as may be determined by the Authority and shall be kept by the Secretary of the Board.

(2) The seal of the Authority shall be authenticated by the signature of the Chief Executive Officer and the Secretary.

(3) In the absence of the Chief Executive Officer, the person performing the functions of the Chief Executive Officer may authenticate the seal in his or her place and, in the absence of the Secretary, the person performing the functions of the Secretary may authenticate in his or her place.

(4) The Chief Executive Officer may, in writing, delegate to another employee of the Authority his or her power to authenticate the seal.

(5) The Secretary may, in writing and with the approval of the Chief Executive Officer, delegate to another officer of the Authority his or her power to authenticate the seal.

(6) A document issued by the Authority and sealed with the seal of the Authority, which seal is authenticated in the manner provided by this section, shall be received and taken to be a true instrument without further proof, unless the contrary is shown.

PART III — *Board of the Authority*

Establishment
of Board of
Authority

8. There is hereby established a Board of the Authority, which shall be the governing body of the Authority and shall be responsible for the direction of the affairs and operations of the Authority.

9. (1) The Board shall consist of nine members appointed by the Minister, and the members shall be appointed from amongst persons with expertise in —

Membership
of Board

- (a) crop development and production;
- (b) agricultural research;
- (c) law;
- (d) pharmaceutical industry;
- (e) medicine;
- (f) economics;
- (g) business;
- (h) human resource management; and
- (i) information and communication technology;

(2) The Board shall be responsible for the general control of the performance and management of the affairs of the Authority, and without derogating from the generality of this provision, the Board shall —

- (a) determine the general performance of the Authority;
- (b) determine corporate policy and provide strategic direction for giving effect to the objects and purposes of the Act;
- (c) advise the Authority to amend, review or formulate policies and strategies related to the cannabis industry, where necessary;
- (d) establish, implement, assess and improve management systems that are aligned with the goals of the Authority;
- (e) determine and recommend to the Authority, any fees necessary for any licensed activity to be carried out under this Act;
- (f) ensure compliance with international instruments or agreements relating to the cannabis industry, to which Botswana is a party to; and
- (g) do such other things as are provided by this Act or as may be necessary for the proper implementation of this Act.

(3) The Chief Executive Officer shall be an *ex-officio* member of the Board.

10. (1) The Minister may give to the Board written directions, of a general or specific nature, regarding the exercise of its powers, which directions shall not be inconsistent with this Act or with contractual or other legal obligations of the Board.

Directions by
Minister

(2) The Board shall give effect to the Minister's directions given in accordance with subsection (1).

11. (1) A member shall hold office for such period, not exceeding three years, as may be specified in the instrument appointing him or her.

Tenure of
office of
members

(2) A member whose office expires shall be eligible for re-appointment for one more term, not exceeding three years.

12. (1) A person shall not qualify for appointment as a member or continue to hold office as a member where he or she —

Disqualification,
removal and
resignation of
members

- (a) is at the time of appointment, a member of the National Assembly, a councillor or a member of *Ntlo ya Dikgosi*;
- (b) has, in terms of a law in force in any country —

- (i) been adjudged or otherwise declared bankrupt and has not been discharged,
 - (ii) made an assignment to, arrangement or composition with his or her creditors, which has not been rescinded or set aside;
 - (c) has, within the period of 10 years immediately preceding the date of his or her appointment, been convicted —
 - (i) of a criminal offence, within Botswana,
 - (ii) outside Botswana, of an offence which if committed in Botswana, would have been a criminal offence, and sentenced by a court of competent jurisdiction to imprisonment for six months or more without the option of a fine, whether that sentence has been suspended or not, and for which he or she has not received a free pardon;
 - (d) has, within a period of 10 years immediately preceding the date of his or her appointment, been disqualified or suspended by a competent authority from practising a profession on grounds of misconduct or negligence; or
 - (e) is a holder of a licence or has an interest in a licence issued under this Act.
- (2) The Minister may, in writing, suspend from office, a member against whom criminal proceedings are instituted for an offence in respect of which a sentence of imprisonment without the option of a fine may be imposed, and whilst that member is so suspended, he or she shall not carry out any duties under this Act nor be entitled to any remuneration or allowances as a member of the Board.
- (3) The Minister shall remove a member from office, if the member —
- (a) has become subject to a disqualification under subsection (1);
 - (b) is absent without reasonable cause from three consecutive meetings of the Board of which he or she has had notice;
 - (c) has been found to be physically or mentally incapable of performing his or her duties efficiently, and a medical doctor has issued a certificate to that effect;
 - (d) contravenes the provisions of this Act or otherwise misconducts himself or herself to the detriment of the objectives of the Board;
 - (e) has failed to comply with the provisions of sections 19 and 20; or
 - (f) has been convicted of an offence under this Act, or under any other Act for which he or she is sentenced to imprisonment for a term of six months or more without an option of a fine.
- (2) For purposes of subsection (1) (d), “misconduct” includes any act, done by a member without reasonable excuse, which —
- (a) amounts to failure to perform in a proper manner, any duty imposed on him or her as such;
 - (b) is prejudicial to the efficient carrying out of the functions of the Authority; or
 - (c) tends to bring the Authority into disrepute.

(3) A member may resign from the Board by giving 30 days' notice, in writing, to the Minister.

13. A member shall vacate his or her office and his or her office shall become vacant —

Vacation of
office

- (a) if he or she becomes disqualified in terms of section 12 to hold office as a member of the Board;
- (b) upon his or her death;
- (c) upon the expiry of such time as the Minister may specify, in writing, notifying the member of his or her removal from office;
- (d) upon the expiry of one month's notice, in writing, to the Minister, of his or her intention to resign from office; or
- (e) if he or she is summarily dismissed by the Minister on the grounds of contravening the provisions of this Act.

14. (1) Where the office of a member becomes vacant before the expiry of the member's term of office, the Minister shall appoint another person to be a member in place of the member who vacates office, until the expiry of a period during which such member would have otherwise continued in office.

Filling of
vacancies

(2) Subsection (1) shall not apply where the remainder of the period for which the member whose office has been vacated would otherwise have held office is less than six months.

15. A member shall be paid such remuneration, travelling expenses and other expenses and allowances, incurred in connection with his or her services on the Board, if any, as the Minister may determine.

Remuneration
and allowances

PART IV — *Meetings of Board*

16. (1) Subject to the provisions of this Act, the Board shall regulate its own proceedings.

Meetings of
Board

(2) The Board shall hold its first meeting on such date and at such place as the Minister may fix and thereafter the Board shall meet at least once in every three months.

(3) Upon giving notice, in writing, of not less than 14 days, a meeting of the Board may be called by the Chairperson, but if the urgency of any particular matter does not permit the giving of such notice, a special meeting may be called upon the giving of a shorter notice.

(4) The notice referred to under subsection (3) shall state —

- (a) the place and time for the meeting; and
- (b) the agenda for the meeting.

(5) There shall preside at any meeting of the Board —

- (a) the Chairperson; or
- (b) in the absence of the Chairperson, the Vice-Chairperson.

17. (1) The Minister shall appoint the Chairperson of the Board from amongst the members appointed under subsection (1).

Appointment
of Chairperson
and election of
Vice-Chairperson

(2) The members shall, at the first meeting of the Board, elect from amongst their number, the Vice-Chairperson of the Board.

(3) The Chairperson and Vice-Chairperson shall hold office for a period of not more than three years.

(4) On the expiry of the terms of office of the Chairperson or the Vice-Chairperson, or where the Chairperson or the Vice-Chairperson vacates office, a new Chairperson shall be appointed by the Minister and a new Vice-Chairperson shall be elected by the members from among their number at the next meeting of the Board or as soon thereafter as may be convenient.

(5) The Chairperson or Vice-Chairperson may vacate his or her office as such even though he or she remains a member.

(6) The Vice-Chairperson shall exercise the functions of the Chairperson during the period that the Chairperson is absent or unable to act as Chairperson.

Quorum and
procedure
at meetings

18. (1) The quorum at any meeting of the Board shall be a simple majority of the members.

(2) A decision of the Board on any question shall be by the majority of the members present and voting at the meeting and, in the event of an equality of votes, the member presiding shall have a casting vote in addition to that member's deliberative vote.

(3) A decision of the Board shall not be rendered invalid by reason of a vacancy on the Board or the fact that a person who was not entitled to sit as a member did so sit.

(4) The Board may invite any person whose presence it deems necessary, to attend and participate in the deliberations of a meeting of the Board, but such person shall have no vote.

Disclosure of
interest

19. (1) If a member is present at a meeting of the Board or any subcommittee at which any matter —

(a) in which, an immediate member of his or her family is directly or indirectly interested in a private capacity; or

(b) in which the member is directly or indirectly interested in a private capacity,

is the subject of consideration, the member shall, as soon as practicable after the commencement of the meeting, disclose such interest and shall not take part in any consideration or discussion of, or vote on any question touching on the matter.

(2) A disclosure of interest made under subsection (1) shall be recorded in the minutes of the meeting at which it is made.

(3) Where a member fails to disclose his or her interest in accordance with subsection (1) and a decision by the Board is made benefitting such member, or immediate family member of the member, such decision shall be null and void to the extent that it benefits such member or his or her immediate family member.

(4) For the purposes of this section, "immediate family member" means a spouse, son, daughter, sibling or parent.

(5) A member who fails to comply with the provisions of subsection (1) commits an offence and is liable to a fine not exceeding P50 000, or to imprisonment for a term not exceeding six months, or to both.

20. (1) A member and any other person assisting the Board shall observe and preserve the confidentiality of all matters coming before the Board, and such confidentiality shall subsist even after the termination of their terms of office or their mandates.

Confidentiality

(2) A member or any person to whom confidential information is revealed through working with the Board shall not disclose that information to any other person unless he or she is required to do so in terms of any written law or for purposes of any judicial proceedings.

(3) Any member or any other person who contravenes the provisions of this section commits an offence and is liable to a fine not exceeding P50 000, or to imprisonment for a term not exceeding six months, or to both.

21. (1) The Board may, for the purpose of performing the functions of the Authority, establish such committees as it considers appropriate, and may delegate to any committee, such functions as it considers necessary.

Committees
of Board

(2) The Board may appoint to the committees constituted under subsection (1), such number of persons, from amongst the members, as it considers appropriate, to be members of such committees and such persons shall hold office for such period as the Board shall determine.

(3) Subject to any direction given by the Board, a committee may regulate its own procedure.

(4) The meetings of a committee shall be held at such times and places as the committee may determine, or as the Board may direct.

(5) The chairperson of each committee, appointed by the Board from amongst its members, shall cause to be recorded and kept, minutes of all the proceedings of the meetings of the committee and keep the Board informed of the committee's activities, in writing.

(6) A member of a committee shall be paid such remuneration and other allowances, if any, from the funds of the Authority, as the Minister may determine.

(7) The provisions of sections 11, 12, 13, 19 and 20 shall, with the necessary modifications, apply to a member of a committee.

22. (1) The Board may co-opt any person to attend a meeting of the Board or otherwise assist the Board with its deliberations, and such person shall not have any voting or any rights on the Board.

Co-opted
members

(2) The provisions of sections 19 and 20 shall, with necessary modifications, apply to co-opted members.

PART V — Chief Executive Officer and Other Staff of the Authority

23. (1) There shall be a Chief Executive Officer of the Authority, who shall be appointed by the Minister, on the recommendation of the Board, and on such terms and conditions as may be specified in the instrument of appointment.

Chief
Executive
Officer

(2) The Chief Executive Officer shall be responsible to the Board.

(3) The Chief Executive Officer shall not, while in the employment of the Authority engage in paid employment outside the duties of his or her office in the Authority.

(4) The Chief Executive Officer shall hold office for a maximum period of five years on such terms and conditions as may be specified in the instrument of appointment, and may be considered for re-appointment for one more term not exceeding five years.

(5) The Chief Executive Officer shall, subject to the directions of the Board on matters of policy, be responsible for —

- (a) the supervision of the day-to-day affairs of the Authority;
- (b) ensuring that the Authority is carrying out the functions and duties placed upon it in terms of this Act;
- (c) running of the Authority on sound commercial and financial principles in accordance with policies and decisions made by the Board;
- (d) controlling the resources and operations of all the services under the Authority
- (e) implementing the decisions of the Board; and
- (f) carrying out any duty that may be conferred on him or her by the Board.

(6) In the performance of his or her duties, the Chief Executive Officer shall keep the Board fully informed of the affairs of the Authority and shall consult the Board from time to time, as may be necessary.

(7) The Chief Executive Officer may delegate to the Secretary, any senior staff or any member of staff of the Authority, as he or she considers appropriate, the exercise of any powers which he or she is authorised to exercise under this Act.

(8) The Minister may, after consultation with the Board, terminate the appointment of the Chief Executive Officer —

- (a) if the Chief Executive Officer conducts himself or herself in a manner that is detrimental to the objective of, or the proper performance of the functions of the Authority; or
- (b) if the Chief Executive Officer has been found to be physically or mentally unable to perform his or her duties efficiently, and a medical doctor has issued a certificate to that effect.

(9) The Chief Executive Officer may resign from his or her office by giving 30 days' notice of his or her intention to resign from office, in writing, to the Minister.

Secretary to
Board

24. (1) The Board shall, on the recommendation of the Chief Executive Officer appoint a Secretary to the Board (referred to as 'the Secretary'), on such terms and conditions as may be specified in the instrument of appointment.

(2) The Secretary shall, in addition to any function that may be assigned to him or her by the Board or the Chief Executive Officer, be responsible for —

- (a) taking minutes of the meetings of the Board;
- (b) keeping records of all decisions of the Board; and
- (c) keeping records of legal transactions of the Authority.

(3) The Secretary shall, unless the Board otherwise directs, in writing, giving the circumstances leading to its decision, attend all meetings of the Board but shall not have a right to vote on any matter before the Board.

(4) In the performance of his or her duties, the Secretary shall be accountable to the Chief Executive Officer.

(5) In the absence of the Secretary, the Chief Executive Officer may appoint any senior member of staff of the authority to perform the functions of the Secretary until the Secretary resumes office or the vacancy is filled, as the case may be.

25. (1) The Board shall, on the recommendation of the Chief Executive Officer, appoint the senior staff of the Authority.

Appointment
of senior and
other staff of
Authority

(2) The senior staff shall, under the direction of the Chief Executive Officer, assist the Chief Executive Officer in the proper administration and management of the functions and affairs of the Authority, in accordance with the policies laid down by the Board.

(3) The Chief Executive Officer shall appoint such other staff as may be necessary for the proper discharge of the functions of the Authority.

(4) The terms and conditions of employment of staff of the Authority shall be as determined by the Board, in consultation with the Minister.

PART VI — *Financial Provisions*

26. (1) The funds of the Authority shall consist of —

Funds of
Authority

- (a) such monies as may be appropriated by the National Assembly for the purposes of the Authority;
- (b) such grants and donations as the Authority may receive;
- (c) such fees as may be charged for services rendered by the Authority;
- (d) such fees collected as administrative penalties imposed by the Authority;
- (e) the fees that may be charged by the Authority, for licences under this Act; and
- (f) any income that the Authority may receive from investments.

(2) Notwithstanding the provisions of subsection (1) (a), the moneys to be appropriated by the National Assembly for the purposes of the Authority shall be appropriated for a period not exceeding five years, commencing from the first day of operations of the Authority.

(3) The Authority shall use the revenues acquired under subsection (1) to meet the costs incurred for its operations and shall use any surplus accrued for such purposes as it may determine, with the approval of the Minister.

27. (1) The Authority shall submit a five-year strategic plan to the Minister, for the Minister's approval, outlining —

Strategic and
annual plan

	(a) the goals of the Authority; (b) the objectives of the Authority; (c) the budget of the Authority; and (d) any other matter which the Minister may direct for that five-year period. (2) The Authority shall, at least three months before the beginning of each year, submit an annual plan to the Minister, for approval outlining – (a) the goals of the Authority; (b) the objectives of the Authority; (c) the budget of the Authority; and (d) any other matter which the Minister may direct for that financial year.
Financial year	28. The financial year of the Authority shall be a period of 12 months, beginning on the 1st April of each year and ending on the 31st March of the subsequent year.
Accounts and audit	29. (1) The Authority shall keep and maintain proper accounts and records of accounts in respect of every financial year relating to its assets, liabilities, income and expenditure, and shall prepare, in each financial year, a statement of such accounts. (2) The accounts of the Authority in respect of each financial year shall, within three months of the end of the financial year, be audited by an auditor appointed by the Board. (3) The auditor shall report in respect of the accounts for each financial year, in addition to any other matter on which the auditor deems it pertinent to comment on, whether or not – (a) the auditor has received all the information and explanation which, to the best of the auditor's knowledge and belief, were necessary for the performance of the auditor's duties; (b) the accounts and related records of the Authority have been properly kept; (c) the Authority has complied with all the financial provisions of this Act with which it is its duty to comply with; and (d) the statement of accounts prepared by the Authority was prepared on a basis consistent with that of the preceding year and represents a true and fair view of the transactions and financial affairs of the Authority. (4) The auditor's report and a copy of the audited accounts shall, within 14 days of completion, be forwarded to the Authority by the auditor.
Pension and other funds	30. (1) The Authority may, out of its revenues, establish and maintain such pension, superannuation, provident or other funds as it may consider desirable or necessary for the payment of benefits or other allowances on the death, sickness, injury, superannuation, resignation, retirement or discharge of its staff and may make rules providing for the payment of money out of its revenues to such funds and providing for contributions to such funds by its staff.

(2) The Authority may contract with insurance companies or such other bodies as may be appropriate for the maintenance and administration of the funds authorised under subsection (1).

31. (1) The Authority shall, within a period of six months after the financial year or within such longer period as the Minister may approve, submit, to the Minister, a comprehensive report of its operations during that year, together with the auditor's report and the audited accounts as provided for in section 29 and the report shall be published in such manner as the Minister may require.

Annual report

(2) The Minister shall lay the annual report of the Authority in Parliament, within three months of its receipt.

PART VII — *Supervision and Inspection by Authority*

32. The Authority shall supervise and monitor a licensee to ensure —

Supervision
by Authority

- (a) compliance with this Act and the terms and conditions of a licence; and
- (b) implementation of the regulatory decisions and instructions issued by the Authority to the licensee.

33. (1) The Authority may, whenever it deems it necessary or expedient, appoint such inspectors to exercise any powers, functions or duties as may be assigned to the inspector or inspectors in terms of this Act.

Appointment
of inspectors

(2) An inspector appointed in terms of subsection (1) —

- (a) may exercise all the powers conferred on the Authority under this Part, and any requirement made by the inspector shall have the same effect as a requirement made by the Authority; and
- (b) shall submit a report of his or her investigations under this section to the Authority, within one month after the conclusion of the investigations.

(3) Where the Authority decides to conduct an investigation under subsection (1), the Authority shall as soon as practicable, give four days' written notice to the person whose premises are to be inspected, of the investigation and the notice shall —

- (a) indicate the subject matter and the purpose of the investigation;
- (b) request the person to be investigated to submit to the Authority, any information which may be relevant to the investigation within the time specified in the notice; and
- (c) invite the person to be investigated to submit to the Authority, any representation which the person may wish to make to the Authority in connection with the investigation within the time specified in the notice.

(4) Where the Authority considers that to give notice under subsection (3) would materially prejudice the exercise of its powers, the Authority may defer the giving of notice until after the powers under this Part have been exercised.

PART VIII — *Declaration of Licence Quotas and
Licensing Procedures*

Declaration of
licence quotas

34. (1) The Minister may, on the recommendation of the Authority, by Order published in the *Gazette*, declare an annual licence quota for the cultivation, manufacture, production, storage, distribution, importation and exportation of cannabis.

(2) Notwithstanding the provisions of subsection (1), the Minister may prescribe an annual licence quota under such conditions and in terms of such criteria, as may be prescribed.

Application
for licence

35. (1) The following are licences to be issued under this Act —

- (a) cultivation licences;
- (b) manufacturing licences;
- (c) import and export licences;
- (d) cannabis medical products licences;
- (e) transportation of cannabis licences;
- (f) distribution licences; and
- (g) such other licences, as may be prescribed.

(2) A person who intends to cultivate, manufacture, produce, store, distribute, import and export cannabis for medicinal, scientific, research or industrial purposes shall apply to the Authority in such form and manner, as may be prescribed, and upon payment of such fee as may be prescribed.

(3) An application made under subsection (2), shall be accompanied by a police security clearance in such form and manner, as may be prescribed.

(4) The Authority shall, within five days of receipt of an application under subsection (2), approve or reject the application.

(5) The Authority shall, where it rejects the application, inform the applicant within seven days of the Authority's decision in such form and manner, as may be prescribed.

Issue of
licence

36. (1) The Authority may issue an applicant under section 35 with a licence, where the applicant meets the conditions set out in section 39, in such form and manner as may be prescribed and upon payment of such fee as may be prescribed.

(2) An application for a licence under section 35, shall include such documentation and information as may be prescribed.

(3) A licence issued in terms of this Act shall be valid for such period, as may be prescribed.

Renewal of
licence

37. (1) A licensee who intends to renew a licence shall, within such period as may be prescribed, before the expiration of the licence, apply to the Authority for renewal of the licence in such form and manner as may be prescribed, and upon payment of such fee as may be prescribed.

(2) The Authority shall, within such period as may be prescribed, upon the receipt of an application under subsection (1), approve or reject the application.

(3) The Authority shall, where it rejects the application, inform the applicant, in writing, within such period as may be prescribed, of the Authority's decision stating its reasons.

(4) The Authority shall, where the applicant meets the requirements, issue the applicant with a licence in such form and manner, as may be prescribed.

(5) A licensee shall where the licensee does not intend to renew the licence, within such period as may be prescribed, before the expiry of the licence submit to the Authority, a status report in such form and manner, as may be prescribed.

38. (1) The Authority shall, within such period as may be prescribed, acknowledge in writing, receipt of the application for licence made under section 35.

Assessment of
application for
licence

(2) In assessing an application under this Act, the Authority shall consider —

- (a) whether the issue or renewal of a licence will bring any benefits to the national economy and to consumers in the cannabis industry; and
- (b) whether the applicant can provide the service in respect of which the licence or renewal application is made, in a safe and sustainable manner.

(3) If, after receipt of the application, the Authority is of the opinion that it requires further information to assess the application, the Authority may within such period as may be prescribed, and by written notice, request for further information from the applicant or third parties, as may be identified by the Authority, and the notice shall —

- (a) specify the information required from the applicant;
- (b) specify the time within which the information or comments shall be submitted to the Authority; and
- (c) specify the date by which Authority intends to make a final decision on the application.

(4) The Authority shall notify an applicant, in writing, of its decision, within such period as may be prescribed, and where the Authority decides not to issue the licence, state the reasons in such notice.

39. A licence issued under this Act may be issued subject to such conditions and restrictions, as may be prescribed.

Conditions of
licence

40. (1) Where a licensee is licensed to carry out more than one licensed activity, the licensee shall maintain separate accounts for each activity, as may be specified by the Authority.

Licensing of
more than one
activity

(2) The Minister may prescribe additional requirements for separating the licensed activities, including —

- (a) that the other licensed activity be carried out by a separate entity;
- (b) that the licensee establishes contractual arrangements to support the separation process; and
- (c) proposals for amending the licences to facilitate the separation of activities.

41. (1) A licence issued under this Act shall not be transferred, assigned or encumbered in any way.

Transfer of
licence

	(2) A person who contravenes the provisions of this section, commits an offence and is liable to a fine not exceeding P1 000 000 or to imprisonment for a term not exceeding five years, or to both, or in the case of a body corporate, a fine not exceeding 10 per cent of its annual turnover.
Variation of licence	42. (1) A licensee shall, at any time during the validity of the licence apply to the Committee in such form and manner as may be prescribed, and upon payment of such fee, as may be prescribed, for the variation of the terms and conditions of the licence. (2) The Authority shall, within 14 days of receipt of an application under subsection (1) — (a) vary or reject the variation of the terms and conditions of the licence; and (b) notify the licensee of the variation or rejection thereof.
Suspension or revocation of licence	43. (1) The Authority may suspend, impose further conditions or revoke a licence — (a) where a licensee — (i) contravenes the provisions of this Act or fails to comply with any lawful direction or requirement of the Authority, (ii) defaults on or breaches any material condition of the licence, (iii) is declared bankrupt, insolvent or enters into liquidation, or (iv) is found to have presented false information which formed the basis of the licence being issued; or (b) as may be necessary in the public interest. (2) A revocation, suspension or imposition of further conditions upon a licence shall not be made until the licensee has, by notice in writing, been given the opportunity by the Authority, to rectify that contravention or failure, or show cause within such time as may be specified, why the licence should not be revoked, suspended or have further conditions imposed thereon.
Change of particulars of licensee	44. (1) A licensee shall notify the Authority of a change in the particulars relating to the licensed activity in such form and manner, as may be prescribed, and upon such fee as may be prescribed. (2) The Authority shall, within seven days of receipt of the notification under subsection (1) — (a) change the particulars relating to the licensed activity on the licence for the licensee and in the register; and (b) notify the licensee of the change of the particulars of the licence.
Notice of cessation of licensed activities	45. (1) A licensee who intends to cease conducting the licensed activity shall submit to the Authority, a notice of cessation in such form and manner, as may be prescribed. (2) The licensee shall, within three days of the cessation of the licensed activity, submit to the Authority a detailed report of the licensed activity in such form and manner, as may be prescribed. (3) The licensee shall, where the licensed activity ceases before the expiry of the licence, surrender to the Authority the licence and the Authority shall cancel the licence.

- 46.** (1) The Authority shall designate areas as premises for a licensed activity under this Act, taking into account the —
- (a) risk of diversion;
 - (b) risk of contamination, subject to the provisions of the Environmental Assessment Act;
 - (c) economic decentralisation; and
 - (d) any other matters, as may be prescribed.
- (2) Notwithstanding the provisions of subsection (1), a licensee shall not undertake a licensed activity —
- (a) in such area and within such radius as may be prescribed; and
 - (b) where the cultivation does not conform to the requirement of security and other requirements under this Act.
- 47.** (1) Notwithstanding the provisions of section 35, the Authority may reserve licences for such persons and under such conditions, as may be prescribed.
- (2) A licence issued in terms of subsection (1) shall be issued for the cultivation of cannabis for medicinal, scientific, research and industrial purposes.
- 48.** (1) A licensee shall not —
- (a) sell, supply or deliver cannabis or any cannabis product to any person whom the licensee knows or has reason to believe to be under the age of 18 years; or
 - (b) allow a person whom the licensee knows or has reason to believe to be under the age of 18 years to enter and remain in any premises licensed under this Act.
- (2) A licensee who contravenes the provisions of subsection (1) shall be guilty of an offence and liable to a fine not exceeding P50 000 or to imprisonment for a term not exceeding two years, or to both.
- (3) Notwithstanding the provisions of subsection (1), a person under the age of 18 years who has a valid medical cannabis prescription may have access to cannabis medical products —
- (a) through a licensed pharmacist or health professional;
 - (b) by showing parental or guardianship consent upon purchase of the cannabis medical product; and
 - (c) upon showing proof of medical authorisation.

Designation of areas

Cap. 65:07

Reservation of licences

Restrictions on sale of cannabis to persons under 18 years

PART IX — *Quality Control and Cannabis Testing Requirements*

- 49.** (1) The Authority shall establish and maintain such number of laboratories, for the purposes of the verification and testing of cannabis before it is exported or sold, as it may consider appropriate.
- (2) Notwithstanding the provisions of subsection (1), the Authority may, at such fee as may be prescribed, appoint an independent laboratory to undertake the verification and testing of cannabis on its behalf, before it is exported or sold.
- (3) The Authority shall keep and maintain a register of independent laboratories, which shall contain —

Quality control of cannabis plant or cannabis preparation

Cannabis testing requirements	(a) the name and address of each independent laboratory; and (b) such other particular, as may be prescribed. 50. (1) A licensee shall not sell, distribute or export a cannabis plant material or preparation, unless — (a) such plant material or preparation has been tested by an accredited independent laboratory; and (b) such plant material or preparation is accompanied by a certificate of analysis.
Designation of laboratory for testing of cannabis	51. The Authority may designate an independent laboratory as a facility for the testing of cannabis and cannabis products, upon the laboratory meeting such requirement and criteria, as may be prescribed.

PART X — *Security Measures*

Compliance with security measures	52. (1) A licensee shall ensure compliance with such security measures as may be prescribed, of the licensed activity. (2) Without prejudice to the generality of subsection (1), the security measures shall aim at achieving the following — (a) ensuring the visual security monitoring of the site at all time, either in person or electronically; (b) restricting persons whose presence on the site is required and implementing appropriate access control measures; (c) the imposition of physical barriers to prevent unauthorised access to the site through fencing or armed security guards; (d) detection of intrusion on the site through alarm systems or security guard patrols; (e) monthly inspections of intrusion detection systems; (f) establishing and maintaining a bar coding or tagging system on every final product for the benefit of the end user; and (g) maintaining such specified distance from a school or such other premises or facilities as may be prescribed. (3) The Minister may prescribe such other security measures that licensees shall comply with and the manner in which such security measures shall be implemented by licensees.
Production practices	53. A licensee who produces any form of cannabis shall ensure that the production is being done in accordance with the following practices — (a) non-involvement of children in the production, handling and processing of cannabis; (b) good cultivation practices; (c) nature and quality of soil or substrate; (d) the nature and quality of chemicals and fertilizer applied in cultivation; (e) the nature and quality of any extraction media; (f) quantity and quality of irrigation water to be used in cultivation; (g) nature of pesticides to be applied in cultivation; (h) adherence to good harvesting practices; (i) adherence to good post harvesting handling practices;

- (j) the permissible levels of microbial and chemicals contaminants, in line with international standards;
- (k) minimum allowable sanitation and quality assurance management systems;
- (l) testing, premises, and equipment used in respect of products;
- (m) recall, reporting and standard operating procedures; and
- (n) such other product practices as may be prescribed.

54. (1) An owner or occupier of land shall notify the Authority, within seven days of finding out that there is a plant from which cannabis is derived, growing wild in that person's land. Clearing of plants

(2) The Authority shall cause to be cleared, at the expense of the owner or occupier of the land, any plant from which cannabis is derived found to be growing wild or is being cultivated in contravention of this Act.

(3) A person who contravenes subsection (1), commits an offence and is liable to a fine not exceeding P500 000 or to imprisonment for a term not exceeding five years, or to both.

(4) The Authority shall, where a person contravenes subsection (1), in addition to the penalty provided under subsection (3) direct the —

- (a) seizure of the plant by the relevant appropriate authority and cause that person's land to be cleared in the presence of an authorised officer; or
- (b) supervision of the cultivation of the plant until maturity before seizure of the plant by an appropriate authority.

PART XI — *Possession of Cannabis*

55. (1) Subject to this Act, the following classes of persons shall have the authority to be in possession of cannabis for medicinal, scientific, research or industrial purposes, only when undertaking their duties —

Persons
authorised to
handle cannabis

- (a) a health professional;
- (b) a veterinary surgeon;
- (c) a nurse;
- (d) a person in charge of a laboratory used for the purpose of research or instruction and attached to —
 - (i) a university or other educational institution,
 - (ii) a health facility, or
 - (iii) any research institution or approved business entity;
- (e) a person appointed as an authorised officer in accordance with this Act; or
- (f) such other person as may be prescribed.

(2) A person who has cannabis in his or her possession in terms of subsection (1), shall, except when the necessities of the practice of the profession, function or employment, otherwise requires, keep the cannabis in a locked receptacle which shall be opened only by the person or by some other person authorised by virtue of this section, to be in possession of cannabis.

Withdrawal of
authorisation

56. The Authority may revoke the authorisation to possess cannabis granted to a person under section 55 where the person —

- (a) is or has been convicted of an offence under this Act, or of attempting to commit any offence or of soliciting, inciting, aiding or abetting, any other person to commit any offence; or
- (b) is adjudged, certified or otherwise proved to be legally disqualified by any relevant written law.

(2) The Authority may, where the authority of a person has been revoked in accordance with subsection (1), at any time restore the authorisation where the reasons for revocation cease to exist.

PART XII — *Reports, Records, Inventories and Registers*

Records
and reports
of licensed
activity

57. A licensee shall establish and maintain, on a current basis, a complete and accurate record or inventory of cannabis cultivated, manufactured, distributed, received, sold, supplied or otherwise disposed of, except that this section shall not require the maintenance of a perpetual inventory.

Submission of
annual return

58. (1) A licensee shall submit to the Authority, an annual return of all transactions which are required to be kept by the licensee in such manner and form as may be prescribed and upon on payment of such fee as may be prescribed.

(2) An annual return submitted under subsection (1) shall cover the period 1st January to 31st December of the preceding year and the licensee shall submit the annual return by 31st March of the following year.

(3) A licensee shall, where the status of the licensed activity has not changed in any particular year, specify in such form and manner as may be prescribed, the financial year in which the return is filed and include a general statement of a no change in any given particulars in the return from the filing of the previous return.

(4) A person who fails to submit the annual report within such period as may be prescribed, commits an offence.

National
cannabis
compliance
tracking system

59. The Authority may, using the information collected under section 57 and any other information to which the Authority has access, establish and maintain a national cannabis compliance tracking system to —

- (a) enable the tracking of cannabis;
- (b) prevent cannabis from being diverted to an illicit market or activity; and
- (c) prevent illicit cannabis from being a source of supply of cannabis in the legal market.

Keeping of
register

60. (1) A licensee shall keep and maintain a register of cannabis cultivated, manufactured, produced, stored, distributed, imported and exported for medicinal, scientific, research or industrial purposes in such form and manner, as may be prescribed.

(2) The Authority shall keep and maintain a register of licensees, sites where cannabis is cultivated, manufactured, distributed, received, sold, imported or exported or otherwise disposed of, in such manner and form as may be prescribed.

61. A licensee shall preserve registers, records, inventories, books, prescriptions, orders, in writing and other documents issued or made for the purposes of this Act and as prescribed, for a period of five years of the date on which the last entry was made or issued.

Preservation
of documents

PART XIII — *Miscellaneous Provisions*

62. (1) The Minister shall, by Notice published in the *Gazette*, appoint an Appeals Committee which shall hear and determine appeals from decisions of the Authority.

Appointment
of Appeals
Committee

(2) The membership of the Appeals Committee shall consist of —

(a) a legal practitioner;

(b) four persons with skills, knowledge and experience in —

(i) crop science,

(ii) business management,

(iii) pharmaceutical knowledge,

(iv) industrial development;

(v) regulatory compliance; and

(c) two persons, with such expertise as may be determined by the Minister.

(3) The Appeals Committee may within a 30-day period of receiving an appeal, confirm vary or set aside a decision of the Authority on the hearing of any appeal brought under this Act.

(4) The Appeals Committee shall determine its own procedure for the hearing of appeals made in terms of this Act.

(5) The provisions of sections 15, 19 and 20 shall, with necessary modifications, apply to a member of the Appeals Committee.

(6) Any person aggrieved by the Appeal Committee's decision may appeal to the High Court, to review the decision of the Appeals Committee.

63. No liability, civil or criminal, shall attach to an officer of the Authority, in respect of any loss arising from the exercise, in good faith, of the officer's functions under this Act.

Exemption
from liability
of officers of
Authority

64. (1) Except as authorised by this Act, a person commits an offence, if that person —

(a) knowingly opens, leases, rents, uses or maintains any place, whether permanently or temporarily, for the purpose of distributing or using cannabis; or

(b) manages or controls any place, whether permanently or temporarily, either as an owner, lessee, agent, employee, occupant or mortgagee, knowingly and intentionally rent, lease, profit from, or make available for use, with or without compensation, the place for the purpose of unlawfully storing, distributing or using cannabis.

Permitting
premises to
be used for
unlawful
use of cannabis

Offences and penalties	(2) A person convicted of an offence under subsection (1) is liable, to a fine not exceeding P500 000 or to a term of imprisonment not exceeding 10 years, or to both. 65. (1) A person who cultivates, propagates, produces, processes, stores, distributes and uses cannabis in contravention of this Act, commits an offence and shall be liable to a fine not exceeding P1 000 000 or to imprisonment to a term not exceeding 15 years, or to both. (2) A person who — (a) without reasonable excuse, refuses to produce any information or documentation when required by the Authority to do so under this Act; (b) makes any statement knowing it to be false, or provides any information or documentation that is materially incorrect with the intention of misleading the Authority; (c) without a written permission of the Authority, publishes or discloses to an unauthorised person or otherwise than in the course of duty, the contents of any document, communication or information of any kind which has come to his or her knowledge in the course of his or her duty under this Act, commits an offence and shall be liable to a fine not exceeding P500 000 or to imprisonment to a term not exceeding 10 years, or to both. (3) Any person who obstructs or interferes with the Authority, an officer of the Authority or an authorised officer, in the performance of any function under this Act or any other other written law, commits an offence and is liable to a fine not exceeding P500 000 or to imprisonment to a term not exceeding for 10 years, or to both.
Administrative penalties	66. (1) Notwithstanding the penalties imposed under subsection 65 — (a) the court may order that the cannabis involved in the commission of the offence or violation of be seized and disposed in such a manner as the court deems fit; or (b) the Authority may impose an administrative penalty not exceeding P200 000, to any person who contravenes the provisions of this Act, where no penalty has been imposed. (2) An administrative penalty made under subsection (1) shall have the same force and effect as an order of the High Court and be enforceable in like manner.
Regulations	67. (1) The Minister may, after consultation with the Authority, make regulations for the better carrying out of the provisions of this Act. (2) Without prejudice to the generality of the powers conferred by subsection (1), the regulations may — (a) prescribe the manner of delivery of cannabis; (b) provide areas that may be designated as a storage facility for cannabis; (c) prescribe the manner in which cannabis shall be stored at designated facilities; (d) provide for measures to prevent diversion of cannabis for other uses than for medicinal, scientific or research purposes or industrial purposes;

- (e) prescribe fees payable in respect of any matter arising under, provided for, or authorised by this Act;
 - (f) prescribe the forms for the applications for licences and the issuance of licences in terms of this Act;
 - (g) prescribe the security measures that licensee are to undertake in terms of the Act;
 - (h) prescribe the areas and radius within which licensees shall not undertake the cultivation, manufacture, production, storage, distribution, importation and exportation of cannabis;
 - (i) prescribe the information to be given in the annual returns and other documents submitted or made for the purposes of this Act; and
 - (j) provide for anything required to be prescribed under this Act.
- (3) The regulations shall, specify what penalty may be imposed for each offence created under the regulations, and may provide different penalties in the case of continuous offences, but no such penalty shall exceed a fine of P250 000 or, in default of payment thereof, imprisonment for a period not exceeding five years, or to both such fine and imprisonment.

PASSED by the National Assembly this 14th day of August, 2025.

DR. GABRIEL G. G. MALEBANG,
Clerk of the National Assembly.