

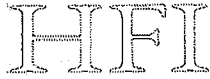


**Hemp Federation Ireland** is the policy research and advisory body for the Irish hemp industry. We represent a diverse range of Irish industry stakeholders, including the largest employer in the sector in Ireland. Our membership also includes pharmacists, farmer-processors, retailers and distributors of high-quality hemp derived CBD rich foods and CBD health supplements across the value chain in Ireland. Hemp is an agricultural crop with no narcotic value and, importantly in this regard, the World Health Organisation (WHO) has advised all member states, including Ireland, that hemp should be removed from **all** drug scheduling. Although Ireland's regulatory bodies continue to enforce the Control of Drugs Act in relation to hemp products in Ireland, HFI is hopeful that government agencies will begin to work with our domestic industry to ensure that Irish businesses, Irish Farmers and Irish society can continue to participate in, (and benefit from), the fastest growing industry on the planet. While CBD oil is the most well known form of CBD health supplement in Ireland, CBD health supplements also come in other forms (powders for example) however given the rate of innovation in the global industry it is likely that more and more CBD health supplements, in various forms, will be developed over time. None of these products should be subject to a prohibitive tax.

Although hemp has been part of the human food chain for millennia, our understanding of its health benefits are only now being observed and recorded. Hemp is the most complete plant based protein we have; it contains all nine essential amino acids in optimal bioavailable ratio. Hemp derived CBD supplements support human health and wellbeing via endocannabinoid receptors in the human body and they restore, maintain and promote homeostasis when taken as a daily health supplement. Driven by rapidly increasing public awareness of its enormous health benefits, Irish consumer demand for CBD oil has taken the domestic market by storm and the sale of CBD supplements is now a significant revenue stream for businesses across our health trade sector.

Hemp derived CBD food and food supplements made in Ireland and sustainably grown by Irish farmers have a further health benefit because of hemp's incredible environmental potentials. HFI's response to evidence presented by the Intergovernmental Panel on Climate Change (IPCC) to the Oireachtas Committee on Climate Action, fully explains the relevance and importance of this aspect of our industry and is available to read in full on our website. The social potentials of a domestic hemp industry are also important in this context, especially for Ireland's rural and farming economies, as the profit per hectare for hemp not only exceeds the profits for beef and dairy, but hemp farming also offers a far less stressful, less labour intensive and therefore healthier, more sustainable lifestyle choice for Irish farming families.

HFI concurs with the IHTA in its main arguments against the imposition of a 23% Vat rate on Health supplements in Ireland. We would further highlight the fact that the availability of these products reduces the cost of medical care to taxpayers and the state. Access to food



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supplements for maintaining health should remain as affordable as possible for as many people as possible and therefore the VAT rate should remain at 0%. If the zero rate exemption can't legally be maintained then the very lowest (5.1%) rate should apply. A tax barrier on health supplements would impact the poor and vulnerable most, therefore, given that 230,000 Irish children live in families with incomes below the poverty line, and given that Ireland is already the most unequal society in Europe, HFI is of the view that implementing such a tax would be highly inappropriate at best.

