

Economy and Infrastructure Committee

Industrial Hemp Industry in Victoria

On behalf of our startup which is driven by a passion to revolutionize the hemp industry. With a focus on innovation, compliance & stakeholder value. We are embarking on a mission to reshape the industry landscape for the betterment of all stakeholders. By addressing the questions & items raised by the Legislative Council, we hope to provide a clear & concise view from a startup's perspective of the current hemp industry within Victoria.

Issues, barriers and opportunities within the current Victorian industrial hemp industry

Victoria's industrial hemp industry has witnessed significant growth and development in recent years. As the demand for sustainable and eco-friendly products continues to rise, hemp has re-emerged to demonstrate its versatility with numerous applications. Like any burgeoning industry, the Victorian industrial hemp sector faces its fair share of challenges. Challenges in the regulatory framework, limited varietal options and infrastructure for processing with additional barriers in limited knowledge and awareness, lack of access to capital and financing, and market demand and consumer perception. Opportunities lie in promoting sustainable agriculture, diversifying products and capturing global market. By addressing these issues, Victoria can position itself as a leader in sustainable agriculture, expand product offerings and tap into international markets, boosting the industry's economic prospects.

The current Victorian industrial hemp industry compared to other relevant jurisdictions

We hope by making significant strides compared to other relevant jurisdictions in Australia and around the world the current Victorian industrial hemp industry (taking into consideration it may not be the largest or most mature hemp industry), will position itself as a promising player in the national & global hemp market. With our proactive regulatory environment, focus on research and innovation, commitment to sustainable agriculture, product diversification efforts, market access, and collaborative approach will distinguish it from other relevant jurisdictions. With continued support and strategic investments, Victoria has great potential on becoming the leading producer of hemp and it's related by products. Without these significant strides, Victoria looks only to fall further behind the economic & industry prosperity other jurisdictions are currently and looking to benefit from.

The constraints and confounders to expanding the industrial hemp industry in Victoria

Expanding the industrial hemp industry in Victoria faces several constraints and confounders that can impact its growth and development. Some of these are regulatory complexities, limited access to capital, knowledge gaps, infrastructure limitations, varietal constraints, market acceptance challenges, supply chain integration and international competition. Overcoming these barriers requires streamlining regulations, improving financing options, educating stakeholders, investing in infrastructure, expanding varietal research, promoting market acceptance, enhancing supply chain integration, and leveraging unique strengths to differentiate from competitors. Addressing these challenges with the state governments support is crucial to ensure successful expansion of the industrial hemp industry in Victoria.

The environmental benefits and costs of an expanded industrial hemp sector

Expanding the industrial hemp sector can bring about several environmental benefits while also incurring certain costs. The environmental benefits of an expanded industrial hemp sector, are carbon sequestration, soil health improvement, reduced chemical usage, water conservation, and biodiversity conservation. Which all contribute to sustainable agricultural practices and mitigate climate change. However, careful planning, sustainable land management, efficient resource utilization and responsible waste management are crucial to minimizing any potential environmental costs associated with the expansion of the industry. Overall, the environmental benefits of expanding the industrial hemp sector outweigh the associated costs, making it a promising avenue for sustainable and eco-friendly practices.

How industrial hemp can be best utilised to assist Victoria in meeting emissions reduction targets

Industrial hemp can play a significant role in assisting Victoria in meeting emissions reduction targets by leveraging its unique characteristics and applications some of which have been mentioned previously, these include carbon sequestration, sustainable agricultural practices, biofuel production, low-carbon building materials, hemp-based products, and waste utilization. By maximizing the cultivation and utilization of hemp, Victoria can enhance carbon sequestration, reduce greenhouse gas emissions, promote sustainable practices across sectors, and contribute to a more environmentally friendly and low-carbon future. To fully leverage the emissions reduction potential of industrial hemp, the Victorian government should consider implementing supportive policies, providing financial incentives and facilitating research and development initiatives in hemp-based technologies and products. Collaboration between government agencies, research institutions, farmers, and industries are crucial for maximizing the benefits of industrial hemp in meeting emissions reduction targets while promoting sustainable economic growth.

How the Victorian government could support industry development and growth across Victoria

The Victorian government can play a crucial role in supporting industry development and growth across the state by implementing various measures and initiatives such as creating a supportive policy and regulatory environment, investing in infrastructure development, supporting research and innovation, providing access to capital, facilitating skills development and training, promoting market access and export support, fostering collaboration and networking, and encouraging sustainability and environmental practices. These initiatives would create an enabling environment for businesses, enhance competitiveness, attract investments, and drive sustainable economic growth across various industries in Victoria. This will drive economic prosperity, create employment opportunities, and enhance Victoria's competitiveness in the domestic and global markets.

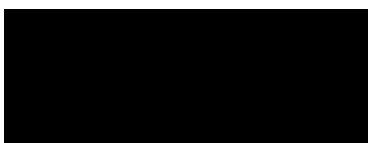
Whether the regulatory and licensing framework for hemp cultivation and hemp products may be streamlined to benefit the expansion of the industrial hemp industry, including but not limited to the introduction of a standalone industrial hemp act

Streamlining the regulatory and licensing framework for the industrial hemp industry through a standalone Industrial Hemp Act would provide clarity, simplify licensing procedures, establish quality control standards, support research and development, differentiate from cannabis (high THC) regulations, attract investment, facilitate international harmonization and ensure compliance and enforcement. This approach would create a conducive environment for the hemp industry to thrive, promote innovation, enhance market expansion, and position Victoria as a global leader in high-quality hemp products. A collaborative approach involving all relevant parties would help ensure that the act effectively supports the expansion of the industrial hemp industry while addressing key concerns and promoting responsible practices.

Key elements for the potential development of a hemp industry plan for Victoria;

Developing a comprehensive hemp industry plan for Victoria involves many of the items discussed above, but to reiterate defining a vision and goals, establishing a supportive regulatory framework, addressing infrastructure and supply chain needs, promoting research and innovation, developing markets and promoting products, integrating sustainability practices, investing in workforce development, fostering collaboration with stakeholders, and implementing monitoring and evaluation mechanisms. By considering these key elements, the plan can guide the sustainable growth and development of Victoria's hemp industry, aligning with economic, environmental, and social objectives while ensuring industry competitiveness and environmental responsibility.

Yours Sincerely



Matthew Lariba-Taing
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