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Horizontal Evaluation of the Legalization and Strict Regulation of Cannabis 2017-18 to 2021-22

Prepared by the Office of Audit and Evaluation
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List of Acronyms

ACMPR	Access to Cannabis for Medical Purposes Regulations
AMP	Administrative Monetary Penalty
CBSA	Canada Border Services Agency
CCSA	Canadian Centre on Substance Use and Addiction
CHIRPP	Canadian Hospitals Injury Reporting and Prevention Program
CPHO	Chief Public Health Officer
CPKN	Canadian Police Knowledge Network
CSCB	Controlled Substances and Cannabis Branch
CTLS	Cannabis Tracking and Licensing System
FPT	Federal/Provincial/Territorial
G&Cs	Grants and Contributions
GMP	Good Manufacturing Practices
GPP	Good Production Practices
HC	Health Canada
HPFB	Health Products and Food Branch
LERC	Law Enforcement Record Checks
MHCC	Mental Health Commission of Canada
MOU	Memorandum of Understanding
PHAC	Public Health Agency of Canada
PS	Public Safety Canada
PT	Provincial/Territorial
RCMP	Royal Canadian Mounted Police
ROEB	Regulatory Operations and Enforcement Branch
SUAP	Substance Use and Addictions Program

Executive Summary

Program Profile and Evaluation Scope

The *Cannabis Act* came into force on October 17, 2018 to legalize and regulate the possession, production, import, export, sale, and distribution of cannabis for adults in Canada for medical and non-medical purposes. The Horizontal Initiative, *Implementing a New Federal Framework for the Legalization and Strict Regulation of Cannabis*, was created to support this new legislation and to develop, implement, and administer the new Framework, in order to support the Government of Canada’s objectives of:

- Protecting the health of young persons by restricting their access to cannabis;
- Protecting public health and public safety by establishing strict product safety and product quality requirements; and
- Deterring criminal activity by imposing serious criminal penalties for those operating outside of the legal Framework.

Funded partners under this Initiative include Health Canada (HC) as the lead, the Royal Canadian Mounted Police (RCMP), the Canada Border Services Agency (CBSA), Public Safety Canada (PS), and the Public Health Agency of Canada (PHAC). Their activities are organized by five high-level themes:



The evaluation looked at all five funded partners’ activities from 2017-18 to 2021-22, as well as the first four years of HC’s Substance Use and Addictions Program (SUAP), which was funded for public education, awareness, and research related to cannabis (2018-19 to 2021-22). The evaluation focused on what progress had been made by partners to implement planned activities and deliver on

short-term results for the Horizontal Initiative. It also looked at the Initiative’s horizontal governance structure and collaboration among partners in support of the Framework’s objectives.

What we found

The implementation of the new Cannabis Framework was a success, particularly considering the short timelines leading up to legalization, the complexity of related issues, the number of stakeholders involved, and the historical context of the subject. All funded partners have made significant progress against planned outcomes included in the scope of this evaluation, despite unexpected impacts from the COVID-19 pandemic. The five areas of activity led by funded partners are still appropriate to meet the goals of the Initiative. As the program moves forward with renewal, varying perspectives have been raised about which activities should be prioritized in light of the current context and challenges, such as online illicit cannabis sales and illegal cross-border movement.

The vast majority of external stakeholders and partners expressed appreciation for how smoothly the implementation of the Cannabis Framework went overall, due in large part to extensive engagement efforts by HC and other funded partners. However, concerns were raised by the few First Nations partners interviewed for this evaluation as to the level of meaningful engagement with Indigenous partners leading up to and since legalization.

While there is a view, expressed by some First Nations partners, that current engagement activities have not resulted in the changes they seek to the way the program is currently delivered, the First Nations partners interviewed for this evaluation also expressed cautious optimism regarding a 2021 Memorandum of Understanding (MOU) signed between HC and a First Nations community. This MOU helps support the consideration of community processes where appropriate, during HC’s licensing and oversight processes, including information sharing related to new applications, supporting transparency of on-site inspections, and providing expertise and support for the ongoing oversight of cannabis activities within the community. Some noted that the agreement could be a potential “blueprint” for other communities wanting similar recognition of their community processes within the federal cannabis framework.

There are also opportunities to further results of the Horizontal Initiative by increasing the transparency of HC inspection activities through timely publication of results, improving information sharing between HC and law enforcement related to personal and/or

designated production of cannabis for medical purpose in support of investigations under the *Cannabis Act*, and enhancing public education and awareness efforts regarding cross-border movement of cannabis.

The horizontal Federal/Provincial/Territorial (FPT) governance structure established in the period leading up to legalization was found to be a key factor in the success of implementation activities. Now that the Framework and its supporting activities are moving towards stabilization following implementation, multiple partners have suggested that it is time to re-evaluate the governance strategy and streamline it where possible.

Recommendations

1. Examine ways to increase transparency related to inspection activities, including a review of the approval levels required for publication of inspection data to support more timely public availability of inspection results. [HC]
2. Explore additional ways to improve information sharing between HC and law enforcement agencies, including the RCMP, as part of the service provided by HC to disclose information relating to registrations to produce cannabis for medical purposes in support of investigations under the *Cannabis Act*, subject to legal restrictions, including those set out in the *Cannabis Act*. [HC, in collaboration with RCMP]
3. Review the governance structure and strategy to streamline where possible while still facilitating ongoing information sharing across partners and all levels of government. [HC]
4. Identify lessons learned from First Nations, Métis and Inuit community engagement and integrate learnings, where appropriate, into cannabis-related activities and services to ensure they are culturally responsive and relevant. [HC]
5. Enhance public education and awareness strategies as they relate to cross-border movement of cannabis, in order to combat the high rates of prohibited importation and exportation occurring at the border, much of which is occurring unintentionally due to lack of awareness in travellers or consumers purchasing product online. [CBSA]

Program Description



In April 2017, the Government of Canada introduced Bill C-45, an *Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts¹*, to legalize and regulate the possession, production, import, export, sale, and distribution of cannabis for adults in

Canada for medical and non-medical purposes. After receiving royal assent, the *Cannabis Act* came into force on October 17, 2018. This made Canada only the second country in the world to legalize cannabis for non-medical purposes, with Uruguay being the first in 2013. The *Cannabis Act* was amended one year later on October 17, 2019, to permit the sale of edible cannabis, cannabis extracts, and cannabis topicals.

The new regulations developed under the *Cannabis Act* build on and replace the pre-existing *Access to Cannabis for Medical Purposes Regulations* (ACMPR), continuing the evolution of access to cannabis in Canada since legal access to dried cannabis for medical purposes was first provided in 1999. However, it was not until the *Cannabis Act* in 2018 that a system was created to allow access to cannabis for non-medical purposes for adults.

Horizontal Initiative

The Horizontal Initiative, *Implementing a New Federal Framework for the Legalization and Strict Regulation of Cannabis*, was designed to develop, implement, and administer the new federal Framework to legalize and strictly regulate cannabis and to support the Government of Canada's objectives of:

- Protecting the health of young persons by restricting their access to cannabis;
- Protecting public health and public safety by establishing strict product safety and product quality requirements; and
- Deterring criminal activity by imposing serious criminal penalties for those operating outside the legal Framework.

Funded partners under this Initiative include Health Canada (HC) as the lead, the Royal Canadian Mounted Police (RCMP), the Canada Border Services Agency (CBSA), Public Safety Canada (PS), and the Public Health Agency of Canada (PHAC).

Partner activities are organized under the five high-level themes below. Intended results associated with these five themes are outlined in Annex A.



For HC, intended results linked to public education, awareness, and research under the Horizontal Initiative are also supported by the Substance Use and Addictions Program (SUAP). Since 2018-19, SUAP has been funding community-level initiatives, including in Indigenous communities, to undertake time-limited projects for cannabis public education and awareness. Funding has also been provided to the Canadian Centre on Substance Use and Addiction (CCSA) to advance research and evidence on cannabis use, as well as to the Mental Health Commission of Canada (MHCC) to assess the impacts of cannabis use on the mental health of Canadians.

As indicated in Table 1, the total federal funding allocation for the Horizontal Initiative is \$565,582,044 over five years (April 2017-March 2022).

In addition, total HC SUAP investment for cannabis over four years (2018-19 to 2021-22) was \$69,434,334. Of this amount, \$7,670,000 was allocated to CCSA, and \$8,443,000 to MHCC. The last year of cannabis-related SUAP and transfer payment activities (2022-23) is not reflected in these amounts, as it falls outside the evaluation period.

Table 1: Implementing a New Federal Framework for the Legalization and Strict Regulation of Cannabis Funding

Partner	Total Funding (2017-18 to 2021-22)
HC	\$431,001,054
RCMP	\$67,832,519
CBSA	\$39,696,420
PS	\$5,484,338
PHAC	\$2,793,125
TOTAL	\$546,807,456

Evaluation Scope and Approach

The evaluation was conducted to meet commitments to the Treasury Board of Canada and to provide guidance and information for the continuous improvement of the Horizontal Initiative. It covered funded partner activities from 2017-18 to 2021-22, and the first four years of HC's Substance Use and Addictions Program (SUAP) funding for cannabis public education, awareness, and research (2018-19 to 2021-22). It was led by HC and PHAC's Office of Audit and Evaluation (OAE), in collaboration with all funded partners.

An evaluation of HC's Administration of Licensing of Producers of Cannabis for Medical Purposes (under the former *Access to Cannabis for Medical Purposes Regulations - ACMPR*) was completed in 2018. The current evaluation is the first evaluation of activities conducted under the 2018 *Cannabis Act*.

The evaluation drew on evidence from multiple data sources to answer the evaluation questions outlined below. For detailed information on methodology, limitations, and mitigation strategies, refer to Annex B.

The evaluation focused on **short-term outcomes**, given the limited time that has passed since legalization, and aims to avoid possible duplication of a mandated Legislative Review of the *Cannabis Act*. However, medium-term compliance results were included in the evaluation scope, considering their availability and importance in the successful implementation of the Framework.

The registration process for personal and designated production of cannabis for medical purposes, and questions around reasonable access to cannabis for medical purposes, are more aligned with medium-term outcomes, and were therefore excluded from the evaluation scope to avoid possible duplication with other program-led reviews.

Evaluation Questions

- 1. Design and Delivery:** What progress has been made by partners to implement the planned activities and deliver on expected short-term results of the Horizontal Initiative?
 - Are there elements missing? Were resources used effectively and efficiently? How does the program compare to that of other jurisdictions?
- 2. Governance:** Is there effective governance and collaboration among horizontal partners in support of the Framework's objectives?

Design and Implementation

A New Legislative Framework

The implementation of the new Cannabis Framework has been a success, particularly considering the short timelines leading up to legalization, the complexity of related issues, the number of stakeholders involved, and the historical context of the subject.

The **Cannabis Act** came into force on October 17, 2018. It legalized and regulated the possession, production, import, export, sale, and distribution of cannabis for adults in Canada for medical and non-medical purposes. The Act was amended one year later on October 17, 2019 to also permit the sale of edible cannabis, cannabis extracts, and cannabis topicals.² Taking this phased approach as part of the design and delivery of the legalization process was seen as a best practice, and was considered a key factor in the success of the initial implementation, allowing the program to maintain a risk-based public health perspective. Timelines for legalization were shorter than first envisioned, which was a notable challenge for implementation, as was highlighted by both internal and external interviewees.

Despite this challenge, a federally regulated cannabis industry has been successfully established, with a robust licensing and compliance and enforcement system. The large number of licence decisions made by HC has been noted in the program's annual performance data since legalization (Table 2).

Table 2: Cannabis licence application decisions by HC

Fiscal Year	# of cannabis licence application decisions (total, for all classes)
2018-19	715
2019-20	2,570
2020-21	1,746
2021-22	1,862

Licensing

Processing times for licences have stabilized since legalization. The process for conducting Law Enforcement Record Checks (LERCs) is well established, and there has been effective communication between HC and RCMP in support of the completion of these checks. As the industry evolves, HC is adapting its services to respond to emerging needs. There are challenges for researchers seeking a research licence in order to conduct clinical trials involving cannabis and Health Canada is exploring potential solutions.

The processing times of applications for standard licences (cultivation, processing, and sale for medical purposes) appear to have stabilized since legalization, with 82% of all licence applications reviewed in 2021-22 falling within established internal service standards. HC service standards for processing licence applications are non-binding and vary depending on the type of licence. Concerns were raised around processing times associated with certain licences (i.e. hemp, research) since processing times, expectations for these classes, and performance against service standards are not consistent. For example, in 2020-21, only 36% of applications for new single-protocol cannabis research licences were processed within service standards (42 days), and 40% of new multi-protocol research licence applications were processed within service standards (180 days).³ Improvements have since been made to simplify the licensing process and eliminate the backlog. Data from 2021-22 suggests that 82% of new applications across all licence types, including research, were reviewed by HC within established service standards. This is the first year that data for this indicator was rolled up, so additional trends cannot be determined at this time.

Law Enforcement Record Checks (LERCs): Individuals holding certain positions associated with a cannabis licence are required to hold a security clearance. The security clearance process involves various checks, including a LERC, in order to support the public safety objectives of the *Cannabis Act* and identify possible associations with criminal activity. The RCMP's process for conducting LERCs existed prior to 2018 under the former cannabis for medical purposes regime. While the process has not changed, the tolerance for certain cannabis-related activities has, such as increased tolerance for minor infractions. Overall, the process and communication between HC and the RCMP related to LERCs was found to be working effectively. Still, a concern was raised by some HC and RCMP representatives as to the impacts these checks may have on different groups' ability to transition from the illegal to the legal market, particularly considering challenges with suspending or pardoning past cannabis records, which have been reported in the media since legalization.⁴ This may be a disproportionate disadvantage to racialized applicants and other marginalized communities who were most affected before the *Cannabis Act* came into force.⁵ Quantitative data to substantiate the extent to which this is happening, or if it is occurring, is not available.

Adapting Services: HC has also adapted its services in light of the specific needs of the evolving industry. Particular focus is currently being placed on support to smaller businesses that may be eligible for a micro-class licence, and Indigenous-affiliated businesses, as part of both the licensing and compliance process.

- An Indigenous Navigator Service with three full-time equivalents (FTEs), and a Licensing Advisor Service with one FTE were established in November 2017 and November 2019 respectively, to support Indigenous-affiliated applicants through the licensing process. These resources seek to facilitate the participation of Indigenous and Indigenous-affiliated applicants in the federally regulated cannabis market. While this effort by HC was recognized by a few First Nations partners interviewed for this evaluation, they also expressed concern that significant challenges remain for Indigenous businesses wanting to enter the cannabis market, some of which are not within HC's mandate or jurisdiction.
- As of March 2022, 47 Indigenous-owned or affiliated businesses had received a federal licence to cultivate or process cannabis (19 standard licences, 23 micro licences, four nursery licences and one medical sales without possession licence), including six businesses operating within First Nations communities. While some may see these numbers as a success, the First Nations partners interviewed for this evaluation saw them as being low and indicative that more work is needed to ensure their full participation.

Clinical Trials Involving Cannabis: To conduct clinical trials involving cannabis, researchers are required to obtain a cannabis research licence issued by HC's Controlled Substances and Cannabis Branch (CSCB) under the *Cannabis Act*, and obtain a No Objection Letter from HC's Health Products and Food Branch (HPFB) under the *Food and Drug Regulations* of the *Food and Drugs Act*. Under Part 5 of the *Cannabis Regulations*, cannabis products available for sale to consumers in Canada must meet Good Production Practices (GPP); however, any and all cannabis used in clinical trials or for approved therapeutic purposes are required to meet Good Manufacturing Practices (GMP), in accordance with the *Food and Drug Regulations*. While both standards seek to ensure product safety, quality, and environmental protection, GMP standards are recognized internationally for clinical trials, and for market authorizations for therapeutic purposes and include additional requirements to ensure drugs are consistently produced and controlled. At the time of this evaluation, there were ample cannabis products available for sale to consumers across the country that meet GPP standards, but the volume that meet GMP standards is unknown but believed to be small. This discrepancy between the standards for consumer sale and standards for drugs used for clinical research and for therapeutic purposes in humans creates challenges to researchers who are unable to use the GPP-compliant cannabis products that are readily available on the legal,

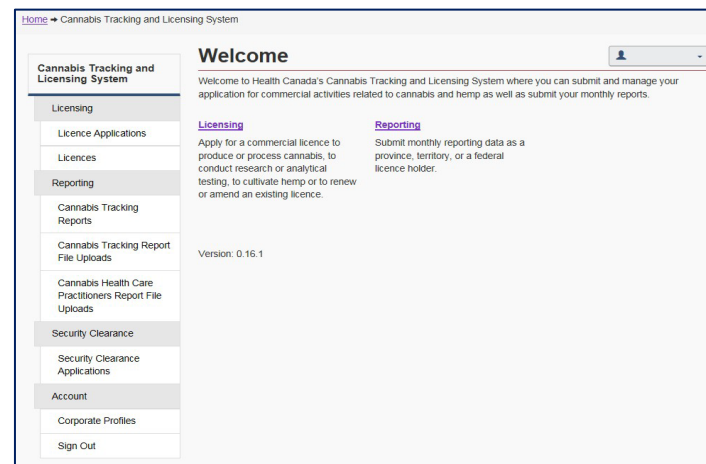
regulated market in their research. This in turn impacts the scientific information available to inform evidence-based public education and awareness materials, or better understand the risks and/or benefits associated with cannabis use.

In March 2022, the Minister of Health proposed to make amendments to the *Cannabis Regulations* and the *Cannabis Exemption (Food and Drugs Act) Regulations* to create an exemption from the application of the *Food and Drugs Act* for non-therapeutic research on cannabis; and to regulate such research solely under the *Cannabis Act* and its Regulations.⁶ Under the proposed amendments, researchers would be able to use GPP-compliant cannabis products in non-therapeutic research. However, clinical trials of cannabis for therapeutic purposes would continue to be subject to the *Food and Drugs Act* and meet the applicable requirements of the *Food and Drugs Regulations*, including the requirement to use cannabis produced pursuant to GMP standards.

Cannabis Tracking and Licensing System (CTLS)

CTLS was a key tool for the successful implementation of the Framework, although there have been some challenges with its functionality, given the wide variety of users and timelines available to build this new system.

The CTLS was highlighted as a helpful tool during the implementation and for ongoing monitoring of the cannabis industry. This system was created at the time of legalization to enable high-level tracking of cannabis to help prevent diversion from or inversion into the regulated supply chain. It also serves to streamline licensing application processes and collect information from licence holders. Having this system ready from the start of the Initiative was instrumental to the success of its implementation and ongoing delivery, as it supported efficient information management and sharing across HC and between HC and licence holders. Due to short timelines leading up to legalization, this system was developed at the same time as business processes, which meant that only essential functions were put in place initially. Now that business processes have stabilized, there are ongoing amendments and modifications to the system to improve functionality for all users.



Screen grab of the public-facing CTLS portal for licence holders.

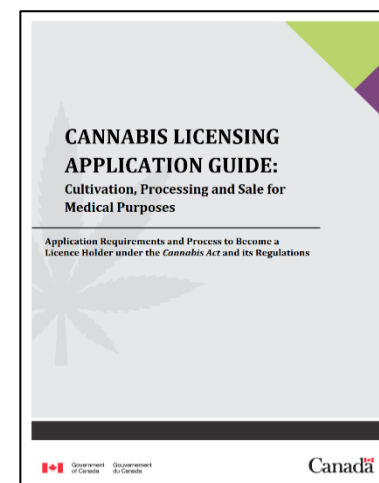
Compliance and Enforcement

The legal cannabis industry demonstrated a high level of compliance with regulatory requirements, and HC provided a variety of different compliance promotion services to support the new and growing industry understand their regulatory requirements. Within HC, the Regulatory Operations and Enforcement Branch (ROEB) (inspection) and Controlled Substances and Cannabis Branch (CSCB) (compliance) collaborate to avoid duplication between their two areas of responsibility. There are challenges with timely publication of inspection results to the public.

HC takes a risk-based approach to compliance and enforcement measures, with a strategic focus on compliance promotion to educate and bring regulated parties into compliance before proceeding to enforcement action, in order to build regulatory literacy in a new and growing industry.

The evaluation found that various client service and information resources were provided by HC to licence holders to help ensure compliance with and understanding of the regulations. For example:

- A call centre and an email address for inquiries were established to support licence holders from all classes, and multiple guidance documents have been published and updated as needed to clarify regulations for the industry. Feedback from industry members noted that these guides were helpful in fostering a better understanding of their responsibilities, and that the guides were reviewed and updated by HC on an ongoing basis. One gap noted in current guidance relates to sales amendments for licence holders.
- The creation of an Information Session for New Licence Holders was seen as a best practice, as it gives industry partners an opportunity to ask questions and hear directly from experts regarding their regulatory requirements.



Example of guidance published by HC to support compliance and industry

The number of compliance promotion sessions delivered to educate licence holders on regulatory requirements, as well as compliance promotion activities conducted (e.g., emails, webinars, calls, letters), both continue to increase every year, with 317 sessions delivered to individual licence holders, and 2,279 activities conducted in 2021-22, which is an increase of 134 and 767 respectively as compared to 2020-21. The vast majority of the legal cannabis industry was found to be compliant with regulatory requirements, with over 90% compliance every year since legalization. It is important to note that observations of deviations or

deficiencies may have been identified during inspections that resulted in a 'compliant' rating, but that these observations did not meet the threshold of posing significant risk to health or safety to be characterized as 'non-compliant.'

Compliance and enforcement responsibilities are divided within HC between two branches: CSCB for compliance, and ROEB for inspections. There was strong communication and coordination between the two branches to avoid duplication of effort. Despite these coordination efforts, issues were raised about the timely communication of inspection results to the public, with the last inspection data summary published online in February 2022, and covering the period of April 1, 2019 to March 31, 2020.⁷ While the delay of publishing this 2019-20 summary report may have been due to COVID-19, the root cause was not clear from program documentation. Timely publication of results is important to support transparency for the public and promote learnings from the industry.

- Inspection data summary reports are currently approved jointly by the two accountable Assistant Deputy Ministers (ROEB and CSCB). As the workload of the program continues to increase, with a rapid increase in the number of federal licence holders and other regulated parties, several internal interviewees noted that lowering the approval level for public inspection data summaries may improve timely communication of results. As the program has developed strong processes over the last three years, it may now be time to re-evaluate its controls relative to risk.

A planned survey to monitor industry's understanding of regulatory requirements was delayed due to the COVID-19 pandemic. The first iteration of this survey was launched in March 2022, and is planned to be repeated every two years moving forward. Results from this first compliance survey suggest the vast majority of licence holders have access to the information they need to understand their regulatory requirements. Survey respondents provided a number of suggestions on where improvements could be made, including additional help to interpret regulations and clearer communication around regulatory amendments. Actions to address some of these suggestions are already underway. Moving forward, this compliance survey will continue to be an important source of information to inform updated engagement and guidance strategies. Survey data will become especially important as more micro-class licence holders enter the legal market, as it has been noted that smaller businesses may have fewer resources to devote to ensuring compliance, and may be less familiar with overall regulatory requirements.



Spotlight: Nimbleness and flexibility in the face of COVID-19

The COVID-19 pandemic has had clear impacts on all partner activities since 2020; however, each organization demonstrated remarkable nimbleness to ensure Horizontal Initiative activities continued, and that the necessary support continued to be provided to industry and other partners, despite significant internal operational impacts.

The Regulatory Framework demonstrated adaptability in response to COVID-19 and permitted HC to adjust its inspection model to conduct virtual or hybrid inspections, and afford flexibility to the industry in order to support both the industry and HC's ongoing regulatory efforts. These adjustments meant that work was able to continue throughout the pandemic. A few internal and external interviewees noted that this flexibility was a best practice and should be reviewed to determine if any of the changes could be made permanent.

While some of this flexibility would require regulatory changes, it may be appropriate for the program to consider lessons learned from the COVID-19 experience and determine if there are any adjustments possible that would not require regulatory changes. As the cannabis industry stabilizes, there may be opportunities to assess the regulatory requirements set out in the legislative scheme, based on updated risk assessments and this evolving context.

Public Education and Awareness

Evidence-based information sources and outreach activities have been developed by both HC and PHAC to support public awareness of the risks associated with cannabis use, including substance-related harm reduction information for priority populations. Ongoing public education was identified as a key priority moving forward, including targeted outreach for youth, young adults, older adults, and other subsets of the population. Although law enforcement partners have also made efforts to educate the public about the legal implications of new cannabis legislation, there continue to be gaps in public awareness about specific offences under the Act.

A variety of evidence-based information resources and outreach activities have been developed by both HC and PHAC to support public awareness of risks associated with cannabis use, as well as substance-related harms in priority populations more generally. Using public health approaches rooted in harm reduction, the materials seek to reach populations with unique information needs, such as those at greater risk of experiencing substance-related harms (including youth, pregnant or breastfeeding individuals), and school communities. Activities completed by both HC and PHAC include but are not limited to: advertising campaigns, experiential

marketing events for youth and young adults (with additional teacher resources), consumer information sheets, youth engagement sessions, public education partnership symposiums on substance use, printed and online resources, knowledge products, reports, posters, national mail outs, infographics, videos, and community-based public education, awareness, harm reduction and prevention projects funded through SUAP. According to mid-year 2021-22 performance data, millions of people across Canada, including various organizations, have been reached through the 33 funded SUAP cannabis projects alone.

73,528,226*

Targeted Canadians and stakeholders with access to cannabis-related awareness and education products funded by SUAP

714,198

Individuals participated in cannabis-related learning and engagement opportunities funded by SUAP between April and October 2021.

**Note: This value does not represent distinct individuals, but rather the cumulative reach of all SUAP-funded cannabis projects between April 1, 2018 and October 31, 2021. This value includes number of website views, downloads of resources, etc.*

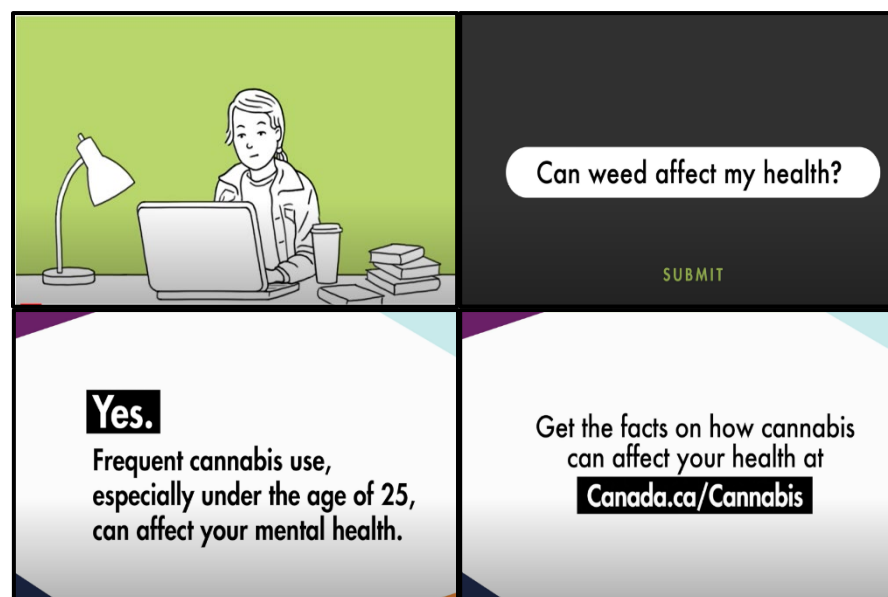
PHAC supports the Chief Public Health Officer (CPHO) as a leading voice in Canada on public health, communicating with Canadians, partners, and stakeholders on the risks and issues associated with polysubstance use. Guidance and advice were also provided to health care professionals through collaborative efforts, such as the *Cannabasics* toolkit⁸, and the *Lower-Risk Cannabis Use Guidelines*⁹, released in 2018 to help synthesize and translate evidence around cannabis use for patients and the general public. These guidelines were identified in external interviews as helpful resources in support of harm reduction goals. Detailed clinical information for health care professionals on cannabis and cannabinoids was also released by HC at the time of legalization, and according to program representatives, continues to be referenced as a key resource by PT medical regulatory colleges.¹⁰

PHAC public education resources on substance-related harms were accessed on 285,444 occasions between 2018-19 and 2021-22, and the HC clinical information for health care professionals page was visited over 50,000 times in 2021 alone. Several external interviewees noted the need for ongoing education for health care professionals, specifically for practitioners who could be authorizing cannabis for medical purposes for their patients and indicated that information needs differ by patient group.

It was noted by a few of the interviewed experts and community partners that, as the cannabis program continues to evolve, targeted public education may be needed for demographic groups based on emerging trends, such as older adults, who reported an increase in use since legalization, including both those 45-64 years of age and those 65 and older,¹¹ and young adults under the age of 25 whose brains are still developing, yet who continue to report the highest rate of cannabis use in Canada.¹² Despite these emerging trends in older adults, it has been well documented that continued public education and awareness for youth must remain a top priority for the Horizontal Initiative moving forward, with a focus on prevention.

Awareness of Legal Implications: From a law enforcement perspective, while the majority of the population knows that cannabis has been legalized in Canada, gaps in public awareness about specific offences under the *Cannabis Act* are still evident. For example, the public’s knowledge and ability to identify legal versus illegal vendors remains a challenge, particularly online. Public Safety Canada (PS) has recently added a “Buying Legal Cannabis – What You Need To Know” webpage to its public-facing website and developed and distributed two animated videos and audio spots on buying legal cannabis for pickup by media like news websites and radio stations. These tools inform the public about the risks of illegal cannabis, the dangers of purchasing online, and how to identify what is legal and not legal. HC also prepared information for Canadians on how to identify legal from illegal cannabis products, which was published shortly after the end of the scoping period of this evaluation.¹³

Gaps also exist in travellers’ awareness. While many activities involving cannabis are now legal in Canada, it remains illegal to bring cannabis products into or out of the country without the necessary permits issued by HC. According to public opinion research conducted by PS in 2020, 19% of respondents stated they are aware of the laws around cannabis and the legal consequence of breaking cannabis laws, while 36% indicated they are somewhat aware, suggesting there is more work to be done in this area.



Screen grabs from a public education from the Government of Canada on the effects of Cannabis on your health.

Some SUAP-funded community-based projects are focused on public safety outreach and education, such as the Canadian Automobile Association’s (CAA) campaign to young, new, and novice drivers (ages 16-24) informing them of the dangers that edible cannabis can pose to one’s ability to drive safely, and Mothers Against Drunk Driving’s (MADD) “Weed out the Risk”, a national youth public education program focused on the road safety risks of driving while under the influence of cannabis, which reached over 163,000 youth between June 2019 and March 2021. It should be noted that law enforcement partners also received funding through a separate Government of Canada initiative focused specifically on reducing drug-impaired driving. While there is overlap between these activities and the Horizontal Initiative currently under review, specific activities and results of the Drug-Impaired Driving Program were not examined as part of the current evaluation.

Supporting Research

Stakeholders and partners were positive about the work of CCSA and MHCC, which was supported by HC SUAP funding, to advance cannabis research priorities and provide reliable information. However, gaps were noted in the advancement of scientific research on the harmful effects and/or benefits of cannabis, in support of evidence-based information sharing.

The Canadian Centre on Substance Use and Addiction (CCSA) and the Mental Health Commission of Canada (MHCC) both receive funding through SUAP to help advance cannabis research priorities. From 2018-19 to 2021-22, MHCC has produced a total of 20 knowledge products and provided 21 learning opportunities related to cannabis, including four products co-developed and produced with the CCSA in response to rising concerns related to mental health issues and substance use due to COVID-19. In 2021-22 alone, CCSA released eight new cannabis knowledge products on a variety of topics, co-authored three articles published in peer-reviewed journals, and delivered over five workshops, presentations, and webinars. CCSA also continues to support a variety of new research projects each year, including the dissemination of external funding for partners to conduct multi-jurisdictional and targeted research.

CCSA and MHCC knowledge products were noted by many interviewees as being widely used and highly regarded sources of evidence-based information. A few of the interviewees identified as experts and others working in the area of public education also indicated that they often refer their audience to CCSA materials for accessible and reliable information. These consistent and reliable voices are particularly important as there continues to be a lot of ‘noise’ and inconsistent messaging on cannabis from non-governmental sources, including cannabis advocates making claims about certain medical benefits of cannabis use which have not been proven through scientific study, and which can lead to confusion by the general public.

Despite the important work of CCSA and MHCC, the majority of experts interviewed highlighted concerns regarding a continuing lack of scientific knowledge about the harmful effects and/or benefits of cannabis. MHCC has further identified gaps in research on the benefits and harms of different forms of ingestion, as well as gaps in cannabis research focused on veterans, seniors, Indigenous people, racialized or new immigrants and refugees, and people affected by adverse childhood experiences.¹⁴ HC has conducted its own analysis of research gaps, which include those listed by MHCC, as well as other more specific public health and regulatory research gaps.

Public Health Surveillance

Various surveillance activities have been conducted related to behaviours around cannabis use and adverse reactions to cannabis, although ongoing public health surveillance of cannabis-related harms remains a gap.

HC received funding to put into place a pharmacovigilance program for cannabis adverse reaction surveillance. HC collects, monitors, and analyses adverse reactions to cannabis and releases information to the public on cannabis-related harms and health effects including adverse reactions through various tools (e.g., public advisories, Infowatch newsletter, fact sheets, etc.), and activities (e.g., presentations to stakeholders including licence holders, healthcare professionals, scientific and research communities and international stakeholders). HC also publishes guidance to help licence holders with meeting mandatory adverse reaction reporting requirements and good vigilance practices, including in the Information Session for New Licence Holders. HC also conducts various surveillance activities related to knowledge, awareness and behaviours around cannabis use and to track cannabis prevalence related indicators including the Canadian Cannabis Survey, the Canadian Alcohol and Drugs Survey [CADS], the Canadian Student Tobacco, Alcohol and Drugs Survey [CSTADS]) and from other sources (e.g., poison centre data).

There was no funding within the Horizontal Initiative allocated to PHAC for ongoing public health surveillance of cannabis-related harms. Still, PHAC has conducted an environmental scan to identify gaps in the surveillance of cannabis-related harms, including longer term effect/harms. However, development and implementation of surveillance activities for cannabis-related harms remain limited due to resource limitations. PHAC also manages the Canadian Hospitals Injury Reporting and Prevention Program (CHIRPP), an injury and poisoning routine surveillance system operating in the emergency departments of 11 pediatric and 10 general hospitals across Canada. This data source has been used by PHAC, in addition to other health data sources, to monitor injuries and poisonings related to cannabis use. However, along with not having a routine surveillance system in place, there are also challenges

with the data that is available, including information gaps on the source of cannabis when harms involving cannabis are reported to the Canadian Hospitals Injury Reporting and Prevention Program (CHIRRP) or collected through other datasets such as the Canadian Institute for Health Information's (CIHI) administrative data (national hospitalisation and ambulatory care data).

Current gaps in ongoing public health surveillance about the effects of different forms of cannabis, effects of cannabis on different populations, and adverse effects following cannabis use impacts PHAC and HC's ability to provide timely evidence-based public health risk information, advice, and guidance.

Law Enforcement Knowledge and Training

Overall, law enforcement officers and Border Services Officers were well informed and prepared to enforce the new legislation in advance of it coming into force. The RCMP developed and disseminated a course on changes to cannabis laws in collaboration with law enforcement partners, and most officers who needed to take the course have now completed it. Knowledge-sharing efforts by PS are ongoing to help law enforcement better understand the evolving illicit cannabis market and how to combat it.

Training: In preparation for legalization, the RCMP developed an *Introduction to Cannabis Legislation* course in partnership with the Canadian Association of Chiefs of Police and the Canadian Police Knowledge Network (CPKN) to train officers on the new regime. This course is available online to all RCMP officers and has been shared widely with the CPKN for local law enforcement agencies to use and adapt to their contexts. The course has been updated twice since it was launched, and no further updates are planned at this time. Most RCMP officers who need to complete this course have now done so, and new officers are now receiving training on cannabis legislation as part of their basic training.



Training and guidance were also provided by the CBSA to Border Services Officers in advance of legalization to ensure they were prepared to enforce the new legislation.

Knowledge sharing: Since legalization, PS has undertaken various research projects to help law enforcement better understand the evolving illicit cannabis market and how to combat it. Two reports have been published to date:

- Patterns in Cannabis Cryptomarkets in Canada in 2018¹⁵: focused on understanding the illicit cannabis trade by Canadians on cryptomarkets pre- and post-legalization; and
- Behaviours and Beliefs Related to Cannabis before Legalization: A Public Safety Perspective¹⁶: focused on the perceptions of cannabis held by Canadians prior to legalization in 2018, which will be used to inform future research and policies.

In 2021-22, PS undertook and continues to finalize further research related to cannabis and illegal drugs, such as research that identified promising practices for countering the supply side of both online and offline illicit drug markets, including the involvement of organized crime. PS also conducted a literature review that examined how operation patterns among organized crime groups changed since cannabis legalization (e.g., production, sourcing, distribution, scope of involvement, operation methods, price/volume available). Both these studies included the impacts of COVID-19.

Additional studies have been completed by PS in collaboration with CCSA and have been shared with law enforcement partners. While publically-reported performance information from PS related to knowledge sharing has previously focused on the number of publications, a new strategy for knowledge dissemination has been initiated, whereby reports are shared with the law enforcement community via PS-led policy research symposiums (outlined below), then made available upon request. Performance indicators have not yet been established for this new approach.

To date, PS has delivered three forums to further disseminate knowledge on various public safety aspects of cannabis legalization:

- A policy research symposium co-hosted with CCSA in February 2019 took stock of knowledge, trends, and priority research areas from a public safety perspective following the coming into force of the *Cannabis Act*. Approximately 100 stakeholders participated in this event, including representatives from federal, provincial, and territorial governments, researchers, and non-governmental organizations;
- A series of three sessions held in collaboration with HC between January and March 2021 brought together over 120 federal, provincial, and territorial cannabis compliance and law enforcement professionals to discuss common issues, opportunities,

and strategies to support the strict legal Framework. This series was originally scheduled to take place in 2019-20, but was postponed due to the COVID-19 pandemic; and

- A second policy research symposium, also co-hosted with CCSA and held virtually in January 2022, brought together members from the public safety and law enforcement communities, academics, and federal, provincial, and territorial policy makers to share knowledge on the effects of cannabis legalization on law enforcement. Specific themes discussed included organized crime, illicit markets, consumer behaviour patterns, impacts on youth, and impacts on impaired driving.¹⁷

A stakeholder survey to collect feedback on the impact of these efforts was undertaken in 2021-22. PS exceeded its 50% target with 75% of stakeholder survey respondents indicating that materials had informed decision making, and 78% of respondents indicating that policy development and decision making was based on performance measurement results and lessons learned.

Also, the RCMP, with the support of dedicated cannabis funded positions, created cannabis specific digital and printed reference materials for police officers and the general public. These are available on the RCMP “Infoweb” and include:

- Cannabis: Be aware before buying online
- Cannabis: What you need to know!
- Cannabis grow operations: What realtors need to know
- Illegal cannabis extraction
- Cannabis Watch Report - Issue 1 to 4

Data on the impact of this material (e.g., reach, usefulness) was not available at the time this report was written.

Outreach on Public Safety

RCMP outreach and engagement activities are ongoing, with specific focus given to engagement with youth, and adults involved in the lives of youth, to increase understanding of the legal implications associated with cannabis use.

The RCMP engages with youth through a variety of mechanisms to support enhanced understanding of the new cannabis regime from a law enforcement perspective. While many of these efforts focus on drug-impaired driving, which is a separate initiative, there is significant overlap with the current Horizontal Initiative. Examples of activities completed to date by the RCMP include but are not limited to:

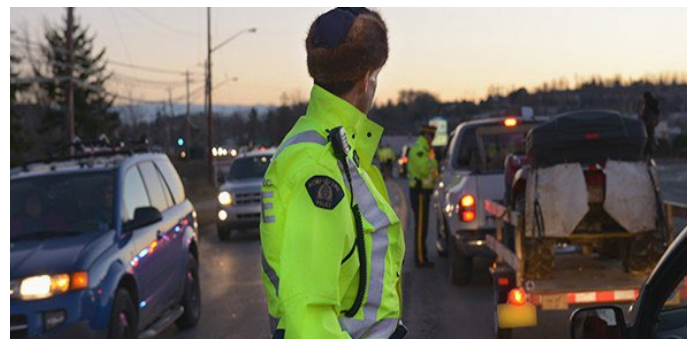
- A National Youth Engagement Toolkit was created to raise awareness around cannabis legalization and drug-impaired driving. During the first year of implementation, over 50,000 toolkits were distributed to police officers, parents, and persons working with youth across the country.
- School workshops were developed and reached over 19,000 students in over 100 school and youth centres in 2018-19 alone. These workshops were geared toward youth in grades 7 to 12 and addressed the legal, social, and health implications of cannabis. Discussion topics included drug-impaired driving, relevant parts of the *Cannabis Act*, and applicable provincial or territorial legislation.
- A cannabis myths and facts infographic was developed entitled “*Marijuana: We’d Like Youth to Know*,” and a cannabis awareness brochure developed entitled “*Things you should know about cannabis*”, which both targeted youth in grades 7 to 12.
- Three cannabis-related videos were developed by the RCMP’s National Youth Services unit between 2018 and 2021 in consultation with youth and subject matter experts. These videos sought to educate youth on cannabis legalization, including topics such as cannabis possession and distribution, impaired driving, and related consequences. They were created to be presented in classrooms to facilitate discussion among youth and educators.

In 2020-21, 38% of surveyed partners and stakeholders felt that the RCMP’s activities contributed to increased understanding of the new cannabis regime, organized crime, and the illicit cannabis market. This is the latest data available at the time of this report. The cancellation of events and changes to approaches required as a result of COVID-19 restrictions may have adversely impacted results for 2021-22. The Centre for Youth Crime Prevention at the RCMP continues to respond to information inquiries, with 157 inquiries

responded to in 2021-22, and 87 additional requests for access to internal RCMP documents for cannabis educational awareness materials.

Criminal Intelligence and Law Enforcement

The reach and prevalence of online illicit cannabis sales is a major challenge for law enforcement efforts. The potential exploitation of the access to cannabis for medical purposes regime, by some, also poses a significant challenge for law enforcement efforts, and there are opportunities to improve information sharing between HC and the RCMP in support of these investigations under the *Cannabis Act*.



The RCMP continues to play an active role in the investigation of cannabis-related violations, and has developed strategic partnerships to address organized crime activities, including with the CBSA. The RCMP works with domestic and international partners as necessary to detect and dismantle illegal cannabis grow operations. At the time of legalization, the RCMP had established six new cannabis coordinator positions across the country to further support investigations, intelligence, prevention, and engagement efforts. This function was highlighted by several RCMP representatives as a key resource for engagement, ongoing information sharing, and supporting law enforcement needs at the local level.

Since legalization, the reach and prevalence of online illicit cannabis sales has been a major challenge for both criminal intelligence and enforcement efforts.¹⁸ Online sales may also have been exacerbated by COVID-19, as increased levels of e-commerce have been noted since 2020. PS has established and chairs a Federal/Provincial/Territorial (FPT) Online Illicit Cannabis Sales Working Group to identify strategies to address the issue. They also engaged with stakeholders from the private sector, such as financial institutions, to contribute to solutions. A Sub-Working Group was created to address existing data gaps related to online illicit cannabis sales which has resulted in complementary efforts and improved information sharing across FPT partners.

While criminal intelligence and enforcement is the shared responsibility of the RCMP and other PT law enforcement partners, HC plays a supporting role by providing law enforcement partners with information on illicit website addresses so they can investigate online cannabis sales. HC also provides information on individuals registered for personal or designated production of cannabis for

medical purposes, while still respecting the *Privacy Act* and subject to legal restrictions, including those set out in the *Cannabis Act* and its regulations. Potential exploitation of the cannabis for medical purposes regime by organized crime is a significant challenge for law enforcement. A 24/7 police services phone line is in place at HC for law enforcement partners to call and confirm that specific individuals are authorized to possess or produce a limited amount of cannabis for medical purposes. This line is used when law enforcement requires information during the course of investigations under the *Cannabis Act*. Concerns were raised by the RCMP over response times when a request is made through this channel, and it was noted that delays negatively impact how information and intelligence products can be produced to support law enforcement efforts. Data was unavailable to confirm HC response times; however, HC program representatives indicated that staffing has been increased to support more timely information sharing, and that timely responses are now only a challenge when law enforcement submits more than four addresses at a time, or when the requests received from law enforcement partners are not clear.

HC is working with PTs to find solutions and mechanisms for faster information exchanges with local law enforcement, while still respecting the *Privacy Act* and other legal restrictions, including those set out in the *Cannabis Act*. While the Cannabis Tracking and Licensing System (CTLS) and Jira software, which is the system used to track registrations for personal and designated production, are widely used within HC to support the Framework, no other federal partners have access to these secure platforms.

Enforcement of the Access to Cannabis for Medical Purposes Regime: Concerns were raised by many law enforcement partners regarding exploitation of the access to cannabis for medical purposes regime by organized crime. While abuse may only be occurring in a subset of registrants, it impacts progress made by law enforcement partners in their areas of responsibility.

Under the current access to cannabis for medical purposes regime, a person can register to produce cannabis for their own medical purposes or designate someone to produce cannabis on their behalf. The quantity that may be produced depends on the amount indicated on a medical document provided by their health care practitioner. Multiple experts and law enforcement partners noted the perception that the system can be easily abused. For example, the requirements that individuals must meet to become registered for personal or designated production of cannabis for medical purposes are less numerous and onerous than those associated with obtaining a licence to participate in the cannabis industry, and this in part due to Charter consideration (i.e., not creating overly onerous obligations that could impede reasonable access). Limited data are publicly available regarding the extent to which organized crime is exploiting the current cannabis for medical purposes regime, but it was noted in publicly available documents and by some internal and external interviewees that law enforcement bodies across the country have evidence of the

exploitation of personal and designated production by criminal organizations, and that there are significant quantities of product being diverted from the legal system to the illegal market.^{19,20} This diversion creates challenges for law enforcement from a public safety perspective.

- The number of active medical registrations for personal or designated production has more than doubled since legalization (**14,707** in 2017-18 to **35,754** as of March 31, 2022).
- HC has reported ongoing efforts since legalization to strengthen the oversight of persons registered to produce cannabis for medical purposes, including applying its powers to refuse or revoke a registration and increasing its focus on compliance promotion with registrants.²¹ As of June 30, 2022, HC refused or revoked 799 registrations, including refusing or revoking over 250 registrations for reasons of public health and safety. Opinions differ as to whether or not more could be done in this area.
- HC has authority to conduct inspections to verify compliance of the requirements for persons registered to produce cannabis for their own medical purposes, or as a designated person. Inspection of these sites are prioritized through a risk-based triage system. Eighty-two such inspections were completed in 2019-20, out of 35,227 active medical registrations. No inspections were completed of the 39,525 active medical registrations in 2020-21 due to COVID-19. Eighty-nine inspections were completed in 2021-22- out of 35,754 active medical registrations.
- Constraints inherent in the pre-existing cannabis for medical purposes regime itself, which was conceived in response to various court decisions, have established HC's ability to limit abuse. Inspections of personal or designated production differ greatly from inspections of licence holders, such as the limited regulatory and legislative requirements associated with personal and designated production, and the level of knowledge of regulatory obligations by personal and designated production registrants. Additionally, inspections of personal and designated productions sites in dwelling homes require consent or an entry warrant. Inspector safety is also a key consideration, given the lack of security clearance required by registered and designated persons, as compared to specified individuals working under a licence, and the potential for illegal activity (diversion to the illicit market) associated with the growth of large volumes of cannabis.
- While HC has the authority to administer and enforce the registration system, it does not conduct law enforcement activities related to criminal activities conducted by personal or designated registrants operating outside the scope of

their registrations, as this is the role of law enforcement partners. Cannabis is one of many illicit commodity types competing for policing resources and responses in Canada.

Controlling Cross-Border Movement of Cannabis

Despite preparedness and public education by the CBSA, there has been a significant increase in unauthorized imports and exports of cannabis products across the border, particularly through e-commerce during the COVID-19 pandemic.

Evidence indicates that the CBSA was well-prepared to enforce the new legislative regime at the time of legalization by undertaking a number of activities, including:

- Signage displayed at all ports of entry in 2018-19;
- Awareness tools in place to inform travellers that cross-border movement of cannabis is prohibited without the necessary permits issued by HC (e.g., digital strategy launched in 2018-19); and
- Relevant primary inspection kiosks, systems, training materials, operational guidelines, and forms updated in 2018-19.

A new Administrative Monetary Penalty (AMP) regime was put in place by the CBSA to enhance the Agency's capacity to promote compliance and enforce import-related laws, while also ensuring that travellers and trade chain partners had access to an appropriate recourse mechanism. The new CBSA AMP regime is for contraventions of the *Customs Act* involving cannabis offences at the border, in respect of a traveller's personal goods and conveyances.²² A decline in CBSA response times for certain complaints was noted in 2019-20, with 61% of cannabis-related complainants contacted by CBSA within 14 calendar days after a written complaint was received. However, delays in the process have since been rectified, and this percentage rose to 94% in 2021-22. Overall, no issues were found with CBSA service standards for the recourse mechanism, as other results averaged between 90% and 95% for the period under review, which is in alignment with established targets.



Example of CBSA public awareness material taken from a bilingual one-page summary of laws relating to cannabis and crossing borders.

According to multiple internal interviewees across the Horizontal Initiative, the CBSA has worked in close collaboration with many stakeholders to complete planned activities and respond to issues as they arose, including the RCMP to ensure criminal enforcement at the border, HC to align and amplify communications, and the United States, as Canada’s closest international jurisdiction.

CBSA Laboratory Services collaborated with other federal laboratories around the time of legalization to develop the necessary processes and methods for analyzing various cannabis samples. However, a backlog in processing samples exists, due in part to the time required to develop detailed cannabis analysis and testing methods, as well as the need to sample a wide range of types of cannabis products. The COVID-19 pandemic may have also adversely affected this backlog, as the CBSA experienced an increase in prohibited cannabis shipments via postal services, but was limited by the number of staff able to be on-site to complete the necessary analysis on the intercepted products. As a result, service standard targets have not been met since legalization (Table 3).

Table 3. CBSA laboratory results against service standards

Fiscal Year	% of cannabis samples analyzed by CBSA laboratory services within service standards (60 days or negotiated date)
Target	90%
2018-19	10%
2019-20	26.5%
2020-21	10%
2021-22	17.3%

Source: CBSA

This backlog affects Border Services Officers’ decision-making and enforcement capacity. It was also noted that it is difficult to estimate the exact size of this backlog, as traveller and postal traffic has not been ‘normal’ during the pandemic or comparable to other years.

Imports

There has been a well documented increase in cannabis interdictions at the border, particularly through the mail from the United States (Table 4). In many of the cases of illegal importation, consumers are not aware or intentionally purchasing from illicit vendors online, or do not know that their cannabis order is being shipped from outside of Canada. This has been an issue especially during COVID-19, where levels of e-commerce have risen exponentially. In July 2021, the CBSA implemented an outreach strategy to communicate with and educate foreign vendors about Canadian border laws for certain

Table 4. Cannabis Import Interdictions

Fiscal Year	# of cannabis import interdictions by the CBSA at Canadian ports of entry
2019-20	18,197
2020-21	22,845
2021-22	18,039

Source: CBSA. Target moving forward is a 10% reduction annually (+/- 5% variance) to the baseline of 20,933, established in 2020.

restricted products, including cannabis. Early results of this strategy show a slight reduction in volume of unauthorized cannabis importations, however, challenges remain.

Ongoing education is required to ensure international travellers are aware that, while many activities with cannabis are legal in Canada, it remains illegal to bring cannabis into and out of the country without the necessary permits issued by HC. Many travellers remain unaware of the difference between possessing or buying cannabis products in Canada, and importing or exporting them. For example, 79% of the cannabis interdicted at the border by the CBSA over the last four fiscal years was confiscated as a “forfeiture”, which means the cannabis was likely properly declared and there was no intention to contravene the *Customs Act*. Rather, travellers misunderstood what was permitted. Ongoing communication of this nuance will be needed, especially following two years of limited travel during COVID-19. Additionally, hemp products are defined and regulated differently in Canada and the United States, which may cause confusion as to what is allowed to cross the border or not.

Overall, the increase in prohibited imports has led to an increase in interdictions by the CBSA, which has subsequently created challenges with storage space and destruction of products interdicted, increased pressures on CBSA personnel in the forms of backlogs for CBSA laboratory services, increases in seizure registrations, and higher costs and delays from required issuance of notifications to clients.

Exports

Data from the US Customs and Border Protection shows a significant increase in the quantity of cannabis being seized (weight, volume) at the land border between Canada and the US between 2019 and 2021 (see Table 5). This increase was recorded despite the Canada/US border being closed for a portion of this time, and a significant reduction in the number of travellers crossing the border due to COVID-19.

Table 5. Cannabis Seizures by the US at the US/CAN land border

Year	Total weight (lbs) of cannabis seized by the US Customs and Border Protection at the land border between the United States and Canada ²³
Oct. 2018 – Sept. 2019	6,446 lbs
Oct. 2019 – Sept. 2020	52,425 lbs
Oct. 2020 – Sept. 2021	70,823 lbs

Source: <https://www.cbp.gov/newsroom/stats/drug-seizure-statistics>

While the exact weight increase of cannabis being illegally exported worldwide from Canada is unknown, according to US Customs and Border Protection data, the quantity of cannabis seized on import at US ports of entry that share a border with Canada has increased by at least 929% since domestic legalization. Experts who participated in the evaluation estimate that the overall increase

of illegal cannabis exportation from Canada worldwide since domestic legalization could be as high as 2000%. This illegal cannabis exportation was a serious concern for multiple interviewees, both internally and externally, as Canada does not want to be known as a “source” country for cannabis, and there is potential harm to Canada’s international reputation if this is not addressed. Again, it is important to note that not all illegal exportation is intentional, and there is room for continued education to inform travellers and online consumers about cannabis rules at the border. The CBSA verifies export permits issued by HC for legal exportation of cannabis, and monitors commercial exports departing from Canada.

Engagement

Evidence of extensive and positive engagement with external stakeholders was found in support of establishing the new legislative Framework. However, concerns were raised by the few First Nations partners interviewed for this evaluation as to the level of meaningful engagement with Indigenous partners leading up to and since legalization.

HC has completed extensive stakeholder engagement since legalization. Multiple partners interviewed noted that interactions were open and transparent, particularly for funding recipients receiving Grants and Contributions (G&Cs) funding through SUAP. The majority of funding recipients felt that there was extremely strong communication and information sharing with the program area in support of their activities. A few external partners expressed a desire for greater engagement with the research community, in order to better align research and policy priorities, as has been done for similar programs. Others noted that, while HC reached out to them initially, there was not always follow-up from those conversations, and it was not always clear what came about as a result of their consultation. Overall, external interviewees noted that continued engagement with stakeholders is needed as the Initiative continues to move towards stabilization.

Engagement with Indigenous Partners

Engagement with Indigenous partners is a priority for the Government of Canada, as stated multiple times in the various mandate letters issued since 2015. In November 2021, the Prime Minister further instructed his Ministers to implement the United Nations Declaration on the Rights of Indigenous Peoples and to work in partnership with Indigenous Peoples to advance their rights.²⁴ The *United Nations Declaration on the Rights of Indigenous Peoples Act* became law in June 2021 and requires the Government of

Canada to take all measures necessary to ensure that the laws of Canada are consistent with the Declaration, as well as to prepare and implement an action plan to achieve the objectives of the Declaration.

In line with this government priority, HC established dedicated teams for Indigenous engagement. In addition to the Indigenous Navigator Service and the Licensing Advisor Service discussed earlier in this report, an Indigenous Affairs team was also established within the Controlled Substances and Cannabis Branch (CSCB) in 2017 to enhance engagement with Indigenous partners.

While not every Indigenous community needs or wants to discuss cannabis with HC, program data shows that HC does engage with Indigenous communities and organizations that request to speak with HC. Still, the few First Nations community leaders interviewed for this evaluation expressed dissatisfaction with engagement done to date. More specifically they feel that:

1. Indigenous partners were not sufficiently consulted in the design of the *Cannabis Act* prior to implementation, which led to a lack of integration of their culture into the system, and
2. Post-implementation, current engagement activities have not resulted in the changes they seek to the way the program is delivered, such as being more inclusive and relevant to their own community processes.

In summer 2021, HC and a First Nations community signed a Memorandum of Understanding (MOU) establishing a process for cooperation and information sharing on certain cannabis-related activities within HC's area of responsibility. The MOU helps support the consideration of community processes during HC's licensing and oversight processes where appropriate, including information sharing related to new applications, supporting transparency of onsite inspections, and providing expertise and support for the ongoing oversight of cannabis activities within the community. This MOU was highlighted by both internal and external interviewees as a best practice. The few First Nations partners interviewed for this evaluation expressed being cautiously optimistic towards that MOU and noted that it could be a potential "blue print" to support the consideration of Indigenous community processes, where appropriate in the delivery of the program.

Another MOU was also signed back in 2019 between HC with another First Nations community. That MOU related to informing the Community of inspection activities to be carried-out by HC with licence holders operating on the reserve.

International Lessons Learned

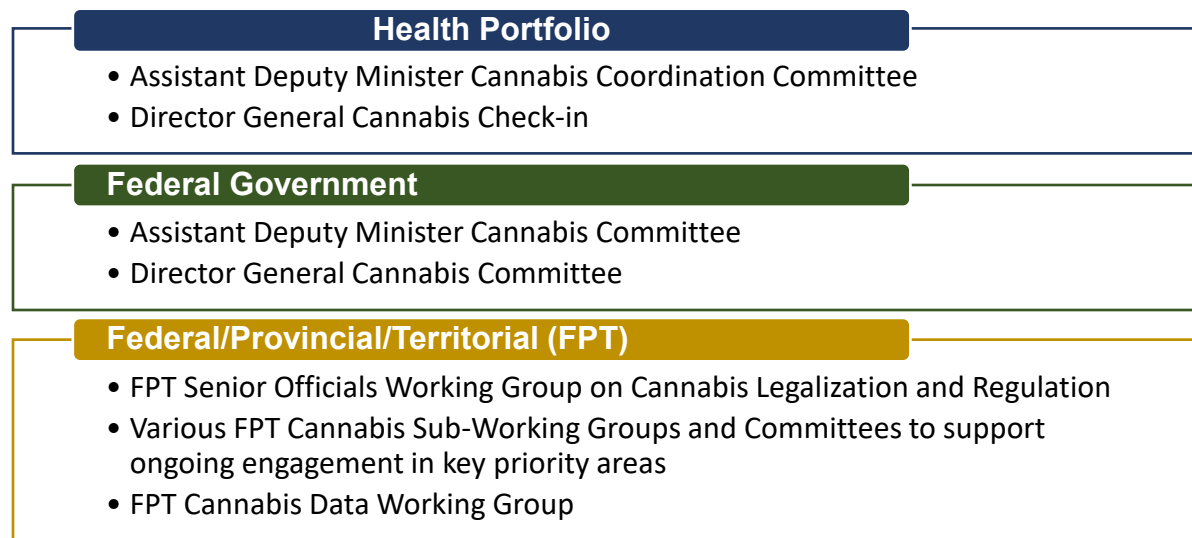
There has been extensive international engagement leading up to and since legalization, to learn from other jurisdictions who had legalized cannabis for non-medical purposes. In particular, HC met with American State representatives where non-medical cannabis had been legalized at the State-level, including Colorado, Washington State, and California. Best practices and lessons learned were identified from the approaches taken in each of these jurisdictions and used to inform the design and implementation of Canada's Framework, such as taking a phased approach to legalizing the sale of edible cannabis, and strictly regulating advertising and labelling to protect public health and public safety. Such an approach allowed Canada to avoid some of the challenges faced by other jurisdictions, and to build in appropriate mitigation strategies for possible issues and unintended consequences right from the design phase.

Canada's Framework remains unique, and many countries are now looking to Canada to learn from its experience. HC in particular has met with numerous jurisdictions that have reached out with questions about its legalization and regulation processes. Caution was voiced by a few external expert interviewees who noted that Canada's model, although good, may not be the solution for other countries, given differences in use and consequences in different contexts (e.g., different health care systems, and different public health approaches). In this sense, while the evaluation found that implementation was successful in the Canadian context, there is certainly value in sharing lessons learned with other jurisdictions and it should not be assumed that Canada's approach is a "gold standard" that will work everywhere. As more countries move towards legalization, there will continue to be opportunities to both share lessons learned from Canada's context, and for Canada to learn from other emerging models or approaches.

Governance

The governance structure established and subsequent collaboration among partners was instrumental to the successful implementation of the *Cannabis Act* in such short a timeline. Frequent communication and information sharing was noted, not just between funded partners, but government-wide, and at all levels, including PTs and municipal partners. Now that the program has been established and is moving from implementation towards stabilization, the structure and frequency of meetings could be reviewed to be made more efficient, while continuing to achieve information needs and focus work on emerging challenges.

At the time of legalization, HC's CSCB assumed a coordinating role for the Horizontal Initiative, including establishing a robust governance structure to support the smooth and timely implementation of the Framework. This structure sought to facilitate government-wide communication and coordination, identify challenges and resolve issues, ensure consistency among program areas, and support direction setting. Evidence was found that multiple governance committees were established at all levels in support of this whole-of-government coordinated approach to implementing the new Framework.



The evaluation found that the Horizontal Initiative's governance structure was a key factor to the success of implementation. Committees met on a consistent and frequent basis, particularly leading up to and immediately following legalization, and when issues were raised, working groups were created to action and respond efficiently as needed. For example the Online Illicit Cannabis Sales Working Group, led by PS, as well as a sub-working group focused on data, was created to bring stakeholders together to address this complex issue as it was identified. Feedback from members of the governance structure indicated that information sharing was facilitated through these committees, and that this shared information supported the transparency and whole-of-government approach.

Data from internal and external interviewees noted some confusion about the differentiation of roles and responsibilities between HC and the RCMP when it came to enforcement of the *Cannabis Act* and regulations. This confusion was particularly evident as it pertains to enforcement of the access to cannabis for medical purposes regime, and which organization is ultimately responsible for addressing potential abuses identified in that system. While HC has authority to administer its registration system and to address non-compliance among registrants, HC is not authorized to charge individuals who are engaged in criminal activities, this is the role of law enforcement partners. However, it appears that not all implicated parties shared this understanding, as there were opportunities to partner on threat reduction. Additional clarification may be needed among partners to clarify roles and to ensure realistic expectations and collaboration.

As the Initiative has now moved from the implementation stage towards a steadier state, the frequency of committee meetings and the strategy for agenda setting could be reviewed to streamline and improve efficiency where appropriate. It was suggested by committee members interviewed that governance tables may be able to take a more thematic approach, focusing on emerging challenges, and the meetings should avoid last-minute agendas to ensure continued interest and participation at the various committee levels. It was also suggested that the meetings' agenda should be reviewed to reduce the number of roundtables since partners have fewer updates to provide on an ongoing basis.

Use of Resources

Partners used their allocated resources efficiently in order to set-up the Horizontal Initiative and oversee the implementation of the new cannabis Framework. As the program continues to evolve, activities should be prioritized in light of the current context, such as online illicit cannabis sales and illegal cross-border movement.

As stated earlier in this report, the activities outlined under each of the five main activity areas continue to be well aligned to the needs of the Horizontal Initiative. As shown in Table 6, partners spent between 80% and 96% of their total budget for Cannabis Horizontal Initiative activities from 2017-18 to 2021-22 (see Annex C for a more detailed breakdown by year). In some instances, planned amounts differed from those reported in the Departmental Plan due to internal budget transfers and re-profiling, when additional funding was received to support cannabis-related activities.

Table 6. Total Expenditures by Partner from 2017-18 to 2021-22

Partner	Planned Allocation	Actual Spending	Variance (Planned-Actual)	% of budget spent
HC*	431,001,054	414,546,883	16,454,171	96%
RCMP**	67,832,519	54,002,454	13,830,065	80%
CBSA	39,696,420	32,520,438	7,175,982	82%
PS	5,484,338	4,711,746	772,592	86%
PHAC	2,793,125	2,626,889	166,236	94%
TOTAL	546,807,456	508,408,410	38,399,046	93%
*HC planned and actual figures exclude annual \$2.4M funding for the cannabis medical access regime. **Planned RCMP varies from published information in the Departmental Plan due to approved re-profiles completed after input to the Departmental Plan Figures include Shared Services Canada and accommodations cost Source: Health Canada's Chief Financial Officer Branch				

Instances of high variance were attributed mainly to unstaffed positions, particularly during the first three years of the Initiative. For CBSA, the variance between planned and actual spending was primarily caused by systems development being split into three phases due to the Initiative's complexity.

Still, as the Horizontal Initiative context evolved, moving from implementation to a more steady state of business, many internal interviewees highlighted the importance for the Initiative to reprioritize its functions in light of the current context and challenges. These being addressing volumes of prohibited cross-border movement of cannabis products and the online illicit sale of cannabis, but also enhancing the consideration of Indigenous community processes, where appropriate in the delivery of the program. Currently, resources allotted for all of these priorities remain limited relative to their respective complexity.

As discussed earlier in the report, with SUAP G&Cs funding, the Initiative was able to successfully implement its planned activities related to public awareness. SUAP financial data (Table 7) indicates that there was significant underspending in the first year of G&Cs funding (2018-19). This occurred because funding was received later in the fiscal year, which did not allow for staffing in time to spend these funds. The distribution of G&Cs funding was adjusted in 2019-20 to make up for this variance. These delays also did not impact funding designated for MHCC and CCSA, and both organizations received planned funding in 2018-19.

Table 7. HC Funding for Public Education (SUAP G&Cs including MHCC and CCSA funding)

Fiscal Year	Planned Spending		Actual Spending		Variance (Planned-Actual)			
	G&Cs	Total	G&Cs	Total	G&Cs	% of G&Cs budget spent	Total	% of total budget spent
2018-19	10,259,000	15,441,779	4,558,972	5,275,208	5,700,028	44%	5,666,571	34%
2019-20	16,131,000	20,110,335	16,638,779	17,668,448	- 507,779	103%	-558,113	87%
2020-21	22,516,806	23,491,374	18,899,196	19,598,376	3,617,610	83%	3,892,998	83%
2021-22	19,527,528	20,502,100	18,246,451	19,086,560	1,281,077	93%	1,415,540	93%
TOTAL	68,434,334	72,045,589	58,343,398	61,628,593	10,090,936	85%	10,416,996	85%

Figures exclude Shared Services Canada and accommodations cost

Source: Health Canada's Chief Financial Officer Branch

The need for funding to support ongoing public education was identified by both internal and external interviewees as a key priority that should remain as the Initiative moves forward. This includes providing targeted outreach for youth, young adults, older adults, and other subsets of the population, with a focus on prevention. Raising public awareness about the difference between what is legal domestically in Canada and what is legal when crossing the border was also identified as a priority, particularly following the ease of travelling restrictions associated with the COVID-19 pandemic.

Another area internal interviewees identified as a priority for investment in the upcoming years is information technology and systems. For example, while CTLS was instrumental in supporting the implementation of the new system, this system now has to be built upon with new functionality. With so many CTLS users, challenges were noted with prioritizing amendment requests and ensuring user knowledge of their functions. There is now a need to continue refining CTLS to ensure it remains agile and able to meet user needs as the industry continues to evolve and grow in complexity.

In terms of law enforcement, some interviewees also identified that prioritizing investments in IT capabilities is necessary to allow for data analysis and timely responses to suspected criminality and non-compliance. A need for a shared secure platform or portal for information sharing between funded partners in support of intelligence sharing was also identified.

Conclusion and Recommendations

The *Implementation of the New Federal Framework for the Legalization and Strict Regulation of Cannabis* was a success, despite short timelines leading up to legalization and unexpected impacts from the COVID-19 pandemic. All funded partners have made significant progress on planned short-term outcomes, as well as the medium-term outcomes included in the scope of this evaluation. Funded partners have also demonstrated flexibility to ensure services continue despite significant operational challenges due to the COVID-19 pandemic. HC in particular introduced great flexibility for licence holders to support the industry, and introduced innovative solutions such as virtual inspections to support compliance and enforcement, despite public health restrictions.

The five areas of activity led by funded partners are still appropriate to meet the goals of the Initiative and the *Cannabis Act*. As the program moves forward with renewal, varying perspectives have been raised about which activities should be prioritized in light of the current context and challenges, such as online illicit cannabis sales and illegal cross-border movement.

The vast majority of stakeholders and partners expressed appreciation for how smoothly the implementation went overall, due in large part to extensive engagement efforts by HC and other funded partners. However, concerns were raised by the few First Nations partners interviewed for this evaluation as to the level of meaningful engagement with Indigenous partners leading up to and since legalization.

While there is a view that current engagement activities have not resulted in the changes some Indigenous partners seek to the way the program is delivered, the few First Nations interviewees also expressed cautious optimism regarding a 2021 Memorandum of Understanding (MOU) signed between HC and a First Nations community. This MOU helps support the consideration of community processes where appropriate, during HC's licensing and oversight processes, including information sharing related to new applications, supporting transparency of on-site inspections, and providing expertise and support for the ongoing oversight of cannabis activities within the community. Some noted that it could be a potential "blueprint" for other communities wanting similar recognition of their community processes in the delivery of the program, where appropriate.

There are also opportunities to further results of the Horizontal Initiative by increasing the transparency of HC inspection activities through timely publication of results, improving information sharing between HC and law enforcement related to personal and/or designated production of cannabis for medical purpose in support of investigations under the Cannabis Act, and enhancing public education and awareness efforts regarding cross-border movement of cannabis.

The horizontal Federal/Provincial/Territorial (FPT) governance structure established in the period leading up to legalization was found to be a key factor in the success of implementation activities. Now that the Framework and its supporting activities are moving towards stabilization following implementation, multiple partners have suggested that it is time to re-evaluate the governance strategy and streamline it where possible.

The findings of this evaluation have resulted in five recommendations listed below, four of which are directed at HC as the office of primary interest (OPI), and one is directed to the CBSA (Recommendation 5). The RCMP is included as a supporting partner for Recommendation 2. In addition to the recommendations below, the evaluation findings highlighted three other areas that the program should consider as critical areas impacting results, including authorization for clinical trials involving cannabis to support research, gaps in public health surveillance, and challenges associated with the medical access regime. Given that a legislative review will be conducted following this evaluation, no recommendations related to these three items are being made at this time. The program is encouraged to consider the results of the legislative review alongside evaluation findings in order to explore potential improvements in these areas.

Recommendation 1: Examine ways to increase transparency related to inspection activities, including a review of the approval levels required for publication of inspection data to support more timely public availability of inspection results. [HC]

Important delays were found with the communication of inspection summary reports to the public. Approvals of these reports are currently done by the two ADMs accountable. COVID-19 may have had an impact here, but it was also suggested that lowering the approval level may improve timely communication of results, particularly since the program has developed strong processes over the last three years and it may be an appropriate time now to re-evaluate risk controls.

Recommendation 2: Explore additional ways to improve information sharing between HC and law enforcement agencies, including the RCMP, as part of the service provided by HC to disclose information relating to registrations to produce cannabis for medical purposes in support of investigations under the Cannabis Act, subject to legal restrictions, including those set out in the Cannabis Act. [HC, in collaboration with RCMP]

A 24/7 police services phone line is currently in place at HC for law enforcement partners to call and confirm that specific individuals are authorized to possess or produce a limited amount of cannabis for medical purposes. Additional consideration is needed as to what mechanisms would further support information sharing for active investigations related to the medical access program, subject to legal restrictions, including those set out in the *Cannabis Act*.

Recommendation 3: Review the governance structure and strategy to streamline where possible while still facilitating ongoing information sharing across partners and all levels of government. [HC]

While the horizontal governance structure has been an overall success, now that the program has been well established and is moving towards stabilization, the frequency of committee meetings and the strategy for agenda setting could be reviewed to streamline where appropriate and improve efficiency. Governance tables may be able to take a more thematic approach, focusing on emerging challenges, and should move away from last-minute agendas to ensure continued interest and participation at the various levels of committees. The frequency of roundtables could also be reviewed.

Recommendation 4: Identify lessons learned from First Nations, Métis and Inuit community engagement and integrate learnings, where appropriate, into cannabis-related activities and services to ensure they are culturally responsive and relevant. [HC]

There is a view, expressed by some First Nations partners that current engagement activities have not resulted in the changes they seek to the way the program is currently delivered (such as consideration for their community processes). As the Initiative continues to move forward with its Indigenous partner engagement, there are opportunities to learn from past experience and recent successes, in order for the program to be more responsive and inclusive to the varying needs and perspectives of First Nations, Inuit and Métis in the delivery of the program.

Recommendation 5: Enhance public education and awareness strategies as they relate to cross-border movement of cannabis, in order to combat the high rates of prohibited importation and exportation occurring at the border, much of which is occurring unintentionally due to lack of awareness in travellers or consumers purchasing product online. [CBSA]

It has been noted that increased rates of illegal importation and exportation is partially due to lack of awareness in travellers as to the difference between what is legal domestically in Canada and what is legal when crossing the border. Many consumers are also unintentionally ordering cannabis products online from international vendors, which are then seized at the border. Enhanced public education and messaging to inform the public on cannabis border requirements is especially necessary following two years of limited travel due to the COVID-19 pandemic. It is believed that addressing the root cause of the issues, which is seen as a lack of awareness, should help reduce the amount of products being seized at the border, which will in turn help address the backlog currently occurring at CBSA laboratory services.

Management Response and Action Plan

Horizontal Evaluation of the Legalization and Strict Regulation of Cannabis
2017-18 to 2021-22

Recommendation 1				
Examine ways to increase transparency related to inspection activities, including a review of the levels of approvals required for publication of inspection data to support more timely public availability of inspection results. [Health Canada]				
Management response				
Management agrees with the recommendation.				
Action Plan	Deliverables	Expected Completion Date	Accountability	Resources
Establish clear roles and responsibilities and develop an efficient process leading to the timely publication of the inspection summary reports	<ul style="list-style-type: none"> Establish decision making process flow to streamline the approval process for the inspection summary data 	June 2023	Director General, Cannabis Directorate, Regulatory Operations and Enforcement Branch, Health Canada	Existing resources
	<ul style="list-style-type: none"> Development of quality documents (e.g., standard operating procedures or process map) to allow more 	April 2024		

	<p>timely publication of inspection results, including processes and frequency for data extraction, verification, and approval</p> <ul style="list-style-type: none"> • Explore other methods for making this data available and useable to the public and data practitioners for potential implementation next fiscal year 	April 2024		
Recommendation 2				
Explore additional ways to improve information sharing between Health Canada and law enforcement agencies, including the Royal Canadian Mounted Police, as part of the service provided by Health Canada to disclose information relating to registrations to produce cannabis for medical purposes to support investigations under the <i>Cannabis Act</i> (subject to legal restrictions, including those set out in the <i>Cannabis Act</i>). [Health Canada, in collaboration with the Royal Canadian Mounted Police]				
Management response				
Management agrees with the recommendation.				
Action Plan	Deliverables	Expected Completion Date	Accountability	Resources
Streamline the process for law enforcement agencies to send requests to Health Canada for	Centralize the processing of all law enforcement requests into one unit in Health Canada, to	November 2022	Director General, Licensing and Medical Access Directorate,	Existing resources

information that crosses multiple cannabis program areas (commercial licences, hemp and personal production)	minimize the number of program areas that law enforcement need to contact for the information		Controlled Substances and Cannabis Branch, Health Canada	
Review, with key input from stakeholders, the intake form used by law enforcement to submit requests to Health Canada Police Services line to improve the consistency and clarity of information requests	Updated intake form for law enforcement requests submitted to the Health Canada Police Service Line	April 2023	Director General, Licensing and Medical Access Directorate, Controlled Substances and Cannabis Branch, Health Canada	Existing resources
Recommendation 3				
Review the governance structure and strategy to streamline where appropriate while still facilitating ongoing information sharing across partners and all levels of government. [Health Canada]				
Management response				
Management agrees with the recommendation.				
Action Plan	Deliverables	Expected Completion Date	Accountability	Resources
Work with key partners to review and update the horizontal cannabis governance structure (and related processes) to streamline, where	<ul style="list-style-type: none"> Presentation, for discussion, on the cannabis governance renewal at the Federal/ Provincial/Territorial Senior 	April 2023	Director General, Strategic Policy Directorate, Controlled Substances and Cannabis Branch, Health Canada	Existing resources

<p>appropriate, while facilitating ongoing information sharing</p>	<p>Officials Working Group, with a focus on:</p> <ul style="list-style-type: none"> ➤ Revising the frequency of meetings, as appropriate ➤ Setting standards for the timely distribution of agenda/meeting materials ➤ Re-examining the composition of committee members, as appropriate <ul style="list-style-type: none"> • Approval by the Controlled Substances and Cannabis Branch Assistant Deputy Minister of the governance renewal proposal • Updated Terms of Reference for the Federal/ Provincial/Territorial Senior Officials Working Group outlining the process for forward agenda items by priorities/thematic areas 	<p>June 2023</p> <p>October 2023</p>		
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Recommendation 4				
Identify lessons learned from First Nations, Inuit and Metis engagement and integrate learnings, where appropriate, into cannabis-related activities and services to ensure that they are culturally responsive and relevant. [Health Canada]				
Management response				
Management agrees with the recommendation.				
Action Plan	Deliverables	Expected Completion Date	Accountability	Resources
Coordinate the identification of lessons learned from engagement with Indigenous communities, and Health Canada services and activities for Indigenous and Indigenous affiliated applicants and integrate learnings, where appropriate, into cannabis-related activities and services to ensure that they are culturally responsive and relevant	<ul style="list-style-type: none"> Develop a lessons learned document based on the past five years of engagement and client service with Indigenous and Indigenous-affiliated applicants and licence holders, in the context of the administration and operation of the <i>Cannabis Act</i> 	June 2023	Director General, Strategic Policy Directorate, Controlled Substances and Cannabis Branch, Health Canada	Existing resources
	<ul style="list-style-type: none"> Share lessons learned and knowledge accumulated to staff via internal learning event and through the development of staff exchange opportunities for 	April 2024		

	Controlled Substances and Cannabis Branch cannabis staff			
Recommendation 5				
Enhance public education and awareness strategies as they relate to cross-border movement of cannabis, in order to combat high rates of prohibited importation and exportation occurring at the border, many of which is occurring unintentionally due to lack of awareness in travelers or consumers purchasing product online. [Canada Border Services Agency]				
Management response				
The Canada Border Services Agency agrees with the recommendation.				
Action Plan	Deliverables	Expected Completion Date	Accountability	Resources
Implement a proactive and sustained communications strategy on cross border movement of cannabis to increase awareness of what is legal and illegal at the border.	The communication strategy will leverage various tactics and tools, with the collaboration of other relevant departments and agencies, to reach maximum audiences. This will include: -News releases -Social media posts -Web updates -Video clips/infographics	Starting on November 2022 and completed by October 2024	Travellers Branch with the support of Strategic Policy Branch, Canada Border Services Agency Director General, Communications Directorate, Canada Border Services Agency Director General, Travellers Policy and Programs Directorate,	Existing resources

	For broader outreach (outside Canada): engage and leverage missions and United States Customs and Border Protection to amplify messaging.		Canada Border Services Agency	
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Annex A: Horizontal Initiative Activity Areas and Intended Results^{25,26}

1. Establish, implement and enforce the new legislative framework	2. Provide Canadians with information needed to make informed decisions and minimize health and safety harms	3. Build law enforcement knowledge and engage partners and stakeholders on public safety	4. Provide criminal intelligence, enforcement and related training activities	5. Prevent and interdict prohibited cross-border movement of cannabis while maintaining the flow of legitimate travellers and goods
<p>Short Term Results</p> <p>A federally licensed and regulated (non-medical) industry is established and implemented [HC]</p> <p>Regulated parties understand and comply with the legislation and regulatory requirements (<i>includes both licence holders in the commercial market and individuals registered to produce for medical purposes</i>) [HC]</p> <p>Law Enforcement Records Checks are conducted in support of Health Canada's security clearance decisions [RCMP]</p> <p>Medium Term Results</p> <p>Canadians have access to legal and quality-controlled cannabis [HC]</p> <p>The licensed industry is compliant with regulatory requirements [HC]</p>	<p>Short Term Results</p> <p>Canadians, with a focus on youth and at-risk groups, understand the potential health and safety risks associated with cannabis use [HC, PHAC]</p> <p>Health care and social service professionals and public health officials have access to high-quality public health information [PHAC]</p> <p>Canadians are aware of the legal implications associated with cannabis use, and understand the laws associated with the new legislation [PS]</p> <p>Medium Term Results</p> <p>People living in Canada use information about the potential health and safety risks associated with cannabis to make informed decisions [HC]</p> <p>Health care and social service professionals and public health officials use information, knowledge and data products related to the public health impacts of cannabis and interventions to address them [PHAC]</p> <p>Canadians use information provided by the program to make informed, lawful decisions [PS]</p>	<p>Short Term Results</p> <p>Law enforcement is well-informed to apply the new legislation [PS]</p> <p>Research projects related to cannabis and performance measurement implemented [PS]</p> <p>RCMP prevention and engagement activities support enhanced understanding among targeted partners and stakeholders, including youth and Indigenous communities [RCMP]</p> <p>Medium Term Results</p> <p>Evidence-based decision-making on organized crime and policing issues [PS]</p> <p>Policy development and decision-making is informed by evidence and performance measurement [PS]</p> <p>Enhanced capacity of target populations, including partners and stakeholders, youth and Indigenous communities, to respond to the new cannabis regime [RCMP]</p>	<p>Short Term Results</p> <p>Information and intelligence products/advice related to cannabis are shared with Canadian law enforcement agencies and available to be used to target organized crime [RCMP, HC]</p> <p>RCMP staff have access to required training in regards to enforcement of the new cannabis regime [RCMP]</p> <p>Medium Term Results</p> <p>Canadian law enforcement agencies have intelligence information to nationally coordinate activities to target organized crime groups involved in the Canadian cannabis market [RCMP]</p> <p>RCMP employees have an increased ability to enforce the new cannabis regime [RCMP]</p>	<p>Short Term Results</p> <p>Travellers understand the requirements to declare cannabis and cannabis-related products when entering or exiting Canada [CBSA]</p> <p>Travellers are provided a clear opportunity to declare cannabis in their possession either during primary inspection when entering Canada or on export prior to leaving Canada [CBSA]</p> <p>CBSA has enhanced capacity to promote compliance and to enforce import-related and export-related laws [CBSA]</p> <p>Prohibited cross-border movement of cannabis is detected [CBSA]</p> <p>Border-related regulations, accompanying policies and procedures, agreements, studies, and monitoring framework are developed and implemented [CBSA]</p> <p>Travellers and the import/export community have access to recourse mechanisms to challenge certain CBSA actions and decisions in a timely manner [CBSA]</p>

Shared Long Term Results

Cannabis is kept out of the hands of Canadian children and youth

Criminal involvement in the illicit cannabis market is reduced

Annex B: Methodology, Limitations, and Mitigation Strategies

Data was collected from all five funded partners (HC, RCMP, CBSA, PS, and PHAC) and analyzed through various methods, as outlined below. These lines of evidence were also analyzed by triangulation to improve the reliability and credibility of evaluation findings and conclusions.



Document and File Review

Evaluators reviewed approximately 630 documents and files provided by the five funded partners. These documents included administrative files, guiding policy documents, records of decisions, briefing materials, summary reports, examples of public education materials, and internal work plans.



Interviews

Interviews were conducted with 124 representatives from the following groups:

Program:

- HC: 46
- PHAC: 9
- RCMP: 14
- CBSA: 15
- PS: 3

External Stakeholders/ Partners:

- Other Federal Partners: 4
- PT Partners: 5
- Indigenous Partners: 3
- Municipal Partners: 1
- Industry Representatives: 7
- SUAP Funding Recipients: 7
- Academics and Experts: 8
- Healthcare Professional Associations: 2



Academic and Grey Literature

A focused review of academic literature (24 peer-reviewed articles) and grey literature from reliable sources (over 35 non-peer reviewed files) was conducted by the evaluators to further inform evaluation findings.



Performance Measurement Data

The five funded partners each provided performance measurement data for the period under review. Performance indicators were specified for all funded partners in the HC Departmental Results Report, Supplementary Information Tables, as well as relevant performance information profiles. Additional indicators were also added by partners for consideration. The data were analyzed by evaluators for key trends and results against established targets.



Financial Data

A breakdown of annual planned vs actual expenditures for Horizontal Initiative activities was provided by each funded partner for the period under review. Evaluators analyzed these data for variance and key trends.

Despite triangulation across various lines of evidence, most evaluations still face constraints that may affect the validity and reliability of findings and conclusions. The table below outlines the limitations encountered during the current evaluation, as well as mitigation strategies put in place to ensure evaluation findings were sufficiently robust.

Limitations	Potential Impact	Mitigation Strategies
The COVID-19 pandemic has affected many departments and agencies across the Government of Canada, requiring mobilization of priorities and resources.	A shift in resources and the introduction of transitional provisions could have an impact on planned deliverables, as well as availability of certain performance data.	Administrative data and evidence from other sources (e.g., interviews) were used to fill any gaps and to estimate the impact of COVID-19 on planned deliverables and expected short-term results.
Key informant interviews are retrospective in nature, providing only a recent perspective on past events.	This could influence the validity of respondents' assessment of activities or results that may have changed over time.	The other lines of evidence were triangulated with the data received from interviews to substantiate or provide further information. Document review also provided corporate knowledge.
A number of interviewees were not available to participate due to turnover or did not respond to the interview invitation. Some interviewees, particularly PT representatives, health care professional associations, and other federal partners, declined due to ongoing workload pressures from COVID-19. All Indigenous interviewees were First Nations. Therefore the perspectives of Inuit and Métis are not reflected in this evaluation. We were unable to interview individuals from other Indigenous groups as they declined to be interviewed.	Some perspectives may not have been captured due to declined interview invites, and perspectives shared may not be representative of the stakeholder group.	The evaluation incorporated representatives from a wide variety of internal and external stakeholders. In-depth interviews were conducted based on the focused interview guides unique to key informants' area of expertise. Triangulation with other lines of evidence was also conducted to substantiate interview findings.
A planned comparative analysis of other jurisdictions that have legalized cannabis for medical and non-medical purposes could not be conducted due to procurement challenges.	This could compromise the evaluation's ability to respond to all evaluation questions, particularly the sub-question about how Canada's regulatory approach to cannabis compares to that of other jurisdictions.	Questions about lessons learned from other jurisdictions were included in key informant interviews. Academic literature was also reviewed for additional insight into best practices. In the end, it was determined that a full comparative analysis would not provide any additional value to the project given a lack of comparable jurisdictions.

Annex C: Planned and actual spending, per year across all partners for Implementing a New Federal Framework for the Legalization and Strict Regulation of Cannabis

Fiscal year	Department	Planned allocations	Actual spending	Variance	% of budget spent
2017-18	HC*	50,759,373	48,118,315	2,641,058	95%
	RCMP	5,943,254	1,217,573	4,725,681	20%
	CBSA	3,399,552	954,733	2,444,819	28%
	PS	996,763	744,404	252,359	75%
	PHAC	299,237	269,335	29,902	90%
	Year total	61,398,179	51,304,360	10,093,819	84%
2018-19	HC*	78,041,080	71,131,330	6,909,750	91%
	RCMP**	16,729,544	11,675,194	5,054,350	70%
	CBSA	7,499,469	6,574,738	924,731	88%
	PS	1,298,043	959,475	338,568	74%
	PHAC	623,472	568,618	54,854	91%
	Year total	104,191,608	90,909,355	13,282,253	87%
2019-20	HC*	89,396,257	92,196,289	-2,800,032	103%
	RCMP**	14,038,741	14,648,050	-609,309	104%
	CBSA	9,898,974	7,464,601	2,434,373	75%
	PS	1,094,784	944,118	150,666	86%
	PHAC	623,472	589,097	34,375	94%
	Year total	115,052,228	115,842,155	-789,927	101%
2020-21	HC*	99,708,227	97,988,642	1,719,585	98%
	RCMP **	15,156,652	14,398,430	758,222	95%
	CBSA	9,099,051	8,074,794	1,024,257	89%
	PS	997,374	954,241	43,133	96%
	PHAC	623,472	559,791	63,681	90%
	Year total	125,584,776	121,975,898	3,608,878	97%
2021-22	HC*	113,096,117	105,112,307	7,983,810	93%
	RCMP **	15,964,328	12,063,207	3,901,121	76%
	CBSA	9,799,374	9,451,572	347,802	96%
	PS	1,097,373	1,109,508	-12,134	101%
	PHAC	623,472	640,048	-16,576	103%
	Year total	140,580,664	128,376,642	12,204,023	91%

* HC figures do not include \$2.4M annual allocations for the access to cannabis for medical purposes regime

** Planned RCMP allocation for 2018-19, 2019-20, 2020-21 and 2021-22 varies from published information in the Departmental Plan due to approved re-profiles completed after input to the Departmental Plan.

Figures include Shared Services Canada and accommodations cost

Source: Health Canada's Chief Financial Officer Branch

End Notes

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²⁵ Outcomes reflected in Annex A are from the Horizontal Initiative public reporting in HC’s Departmental Results Report. HC’s Cannabis Performance Information Profile has since been updated, which may mean there are slight discrepancies with select outcomes above; however this Figure is consistent with the Horizontal Initiative’s public reporting. Minor changes to language have been made in Annex A, in consultation with the program area to increase inclusiveness and ensure all outputs and activities are reflected. HC has also been added as a supporting partner under Activity Area 4, at the request of program officials.

²⁶ Access to cannabis for medical purposes was not included in the Horizontal Initiative, as the Medical Access Framework had already been established. A note has been added above to clarify that for the purposes of this evaluation, regulatory activities related to the medical industry will be included in scope. A program-led review of the Medical Access Framework is planned, and will likely complete a deeper dive into the medium-term indicator of whether Canadians have reasonable access to cannabis for medical purposes.