

Date: June 24, 2022

To: All LCRB staff
All Licensees
All Industry Associations
All Local Government, First Nations, and police agencies

Re: Cannabis Product Transfer Regulatory Amendments

Current Regulation Provisions

Section 9 of the Cannabis Licensing Regulation (CLR) requires a cannabis retail store (CRS) licensee to identify the licence under which the cannabis will be sold, unless the general manager (GM) grants an exemption. GM exemptions will only be granted for product transfers between stores held by the same licensee in situations where there are no purchase or sale implications.

CRS licensees must receive written approval from the GM to be exempted prior to transferring cannabis between their stores.

CRS licensees are required to obtain approval from the GM to sell cannabis to a licensee who holds another CRS licence. The GM may authorize the sale of cannabis to another licensee in exceptional circumstances (e.g., a business closure), and the authorization must be obtained prior to the sale of cannabis to other licensees and licensee applicants

The CLR currently does not authorize a licensee to transfer cannabis to prospective licensees as part of a business sale.

New Regulation Provisions

The CLR requirement for the GM to exempt CRS licensees in writing prior to transferring cannabis products between stores held by the same licensee has been removed. Licensees are no longer required to submit the Application for Product Transfer Form to Liquor and Cannabis Regulation Branch (LCRB) prior to any cannabis transfers between their own stores.

A CRS licensee that holds multiple licences and wants to complete transfers of cannabis products must maintain records of each transfer as part of their cannabis register and take adequate measures to reduce the risk of cannabis being diverted to an illicit market or activity. Suggestions include regular audits of all cannabis on the premises and reporting any concerns in the incident log.

Additional CLR amendments will allow cannabis inventory to be sold to an applicant for a retail store licence as part of a business sale and licence transfer. CRS licensees are still required to obtain approval from the GM to sell cannabis to another CRS licensee or to a licence applicant prior to cannabis sales. See 'Buying Cannabis, Cannabis Accessories & Cannabis-Related Items' in the CRS Terms and Conditions Handbook for detailed requirements.

For additional requirements, please review the CLR and the CRS Terms and Conditions Handbook available on the LCRB website at <https://www2.gov.bc.ca/gov/content?id=885DA343124343C7B4BDE187D96164A1>.

Disclaimer

This communication is intended to be used only for general informational purposes and may not apply to all situations. This communication does not constitute legal advice nor is it a comprehensive statement of the legal obligations that arise under the *Cannabis Control and Licensing Act*, regulations, or any other applicable laws. When interpreting and applying the information contained in this communication, you are encouraged to seek specific advice from your professional advisors as appropriate in the circumstances.

Further Information

Further information regarding liquor and cannabis control and licensing in British Columbia is available on the LCRB website at www.gov.bc.ca/lcrb.

If you have any questions regarding these changes, please email the Liquor and Cannabis Regulation Branch at CannabisRegs@gov.bc.ca .

Original signed by

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