

# The Danish medical cannabis pilot programme creates new business opportunities

The Danish four-year medical cannabis pilot programme along with additional regulations have opened the markets for cultivation, manufacturing and distribution of medical cannabis in Denmark and created new business opportunities for companies.



The pilot programme has made new medical cannabis products available to patients for testing purposes. The medical cannabis products are targeting patients who have not found relief from pain symptoms or nausea through authorized medicine.

A government spokesperson has estimated that from the implementation of the programme, the number of patients using cannabis will increase from 500 in 2018 to 1500 in 2021. This creates an opportunity for companies to enter the medical cannabis market as only a few companies are acting under the pilot programme today.

## The four-year medical cannabis pilot programme

On 1 January 2018, the Danish Parliament introduced a four-year medical cannabis pilot programme. The purpose of the programme is to give patients better access to treatment with medical cannabis products.

The pilot programme has made monitoring the use of medical cannabis products easier, which creates a safer industry for both entrepreneurs and patients. Furthermore, a separate development programme allows companies to provide products to the pilot programme. As a result, Denmark is one of the few countries in Europe to permit the domestic production of cannabis for medical use.

## New legislative changes to the pilot programme

Since the pilot programme is relatively new, changes to the legislation are made from case to case. One of the most recent modifications was the change to the THC limit in cannabis-based products. As of 1 July 2018, the executive order on euphoriant substances has been changed. The change introduces a threshold limit, which makes it possible to produce and sell cannabis-based products containing up to 0.2% THC without contravening the executive order on euphoriant substances.

Furthermore, a political agreement has made cannabis products included in the pilot programme eligible for reimbursement from 1 January 2019. Under the agreement, terminally ill patients will be reimbursed 100% when buying cannabis products included in the pilot programme. Other patients will be reimbursed 50%, up to an annual reimbursement amount of DKK 10,000 (around EUR 1,350).

## Want to know more?

At NJORD Law Firm, we advise companies to seek professional help before starting to operate in the medical cannabis industry. NJORD's lawyers have helped clients to successfully start their operations under the pilot programme. If you wish to know more about the different license technicalities, you can read more in our previous article.



### **The relevant licenses for medicinal cannabis**

The Danish Medicines Agency is granting licenses for cultivating, manufacturing, and distributing medical cannabis as the four-year medicinal cannabis pilot programme was established on 1 January 2018.

NJORD is closely following the development of the pilot programme. We focus on helping our clients navigate the complex legislative framework. Furthermore, our lawyers provide guidance on what the future might hold in relation to the possible changes to legislation.



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