CANNABIS IN EUROPE

With a country focus on Germany, United Kingdom, France, Italy and Spain.

ERIN MADDREN, EMEA MARKET RESEARCH | FEBRUARY 2025

Introduction to this report

Background

The expanding market for medical cannabis, particularly in Europe, presents an opportunity for New Zealand exporters. The demand for high-quality, sustainable cannabis products creates a chance for New Zealand companies to establish themselves as leading suppliers.

In addition to medicinal use and CBD, recreational/adult use of cannabis will likely become more widely accepted in Europe.

Methodology

This report was generated using desktop research, with NZTE subscriptions, purchased reports and publicly available data. Key sources of data are listed below:

- **Prohibition Partners**
- **UNComTrade**
- **Statista Global Consumer Survey**
- **GlobalWebIndex**
- **OnFrontiers**

Purpose

The purpose of this research is twofold:

1) To help New Zealand exporters understand the cannabis landscape in Europe.
2) Show New Zealand exporters where there are current and upcoming opportunities in cannabis in this region.

Limitations

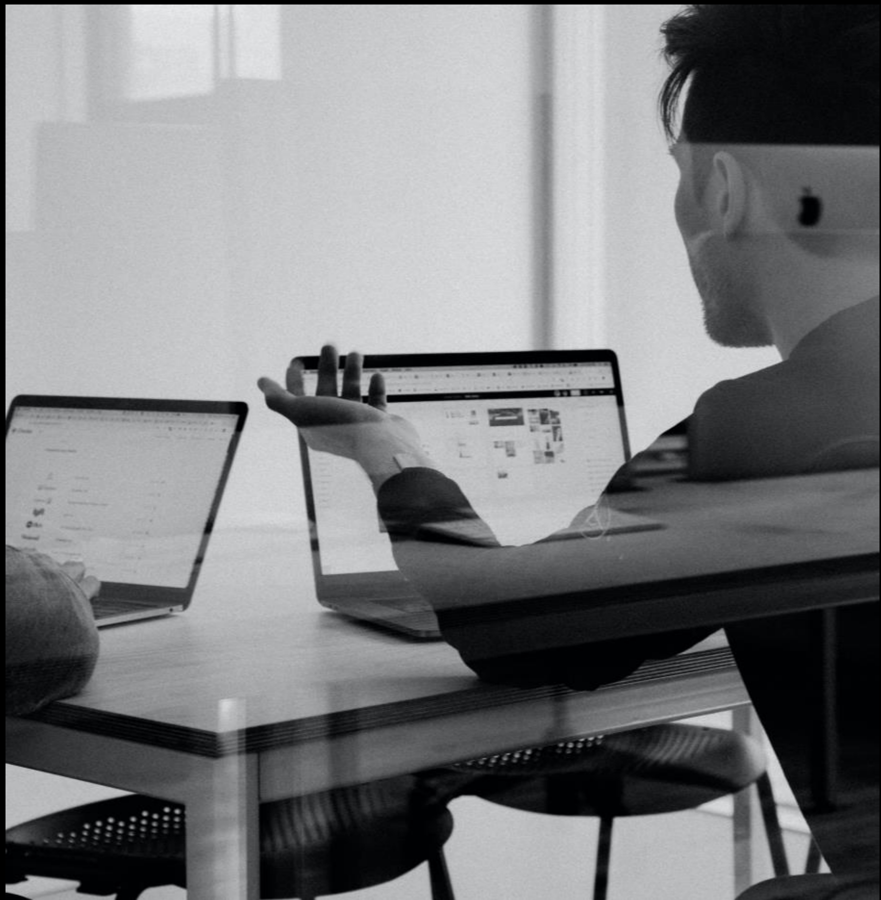
Most of the information provided in this report was sourced from secondary data sources. Due to the nature of secondary data, all values and figures should be treated as indicative, rather than absolute. The latest information available at the time of research was used, however present values may differ.

Note: This is an update to a report published in 2023. Some of the data was unable to be updated.

Contents

SECTION 1

HIGH LEVEL LEGAL CONTEXT



A note about this section.

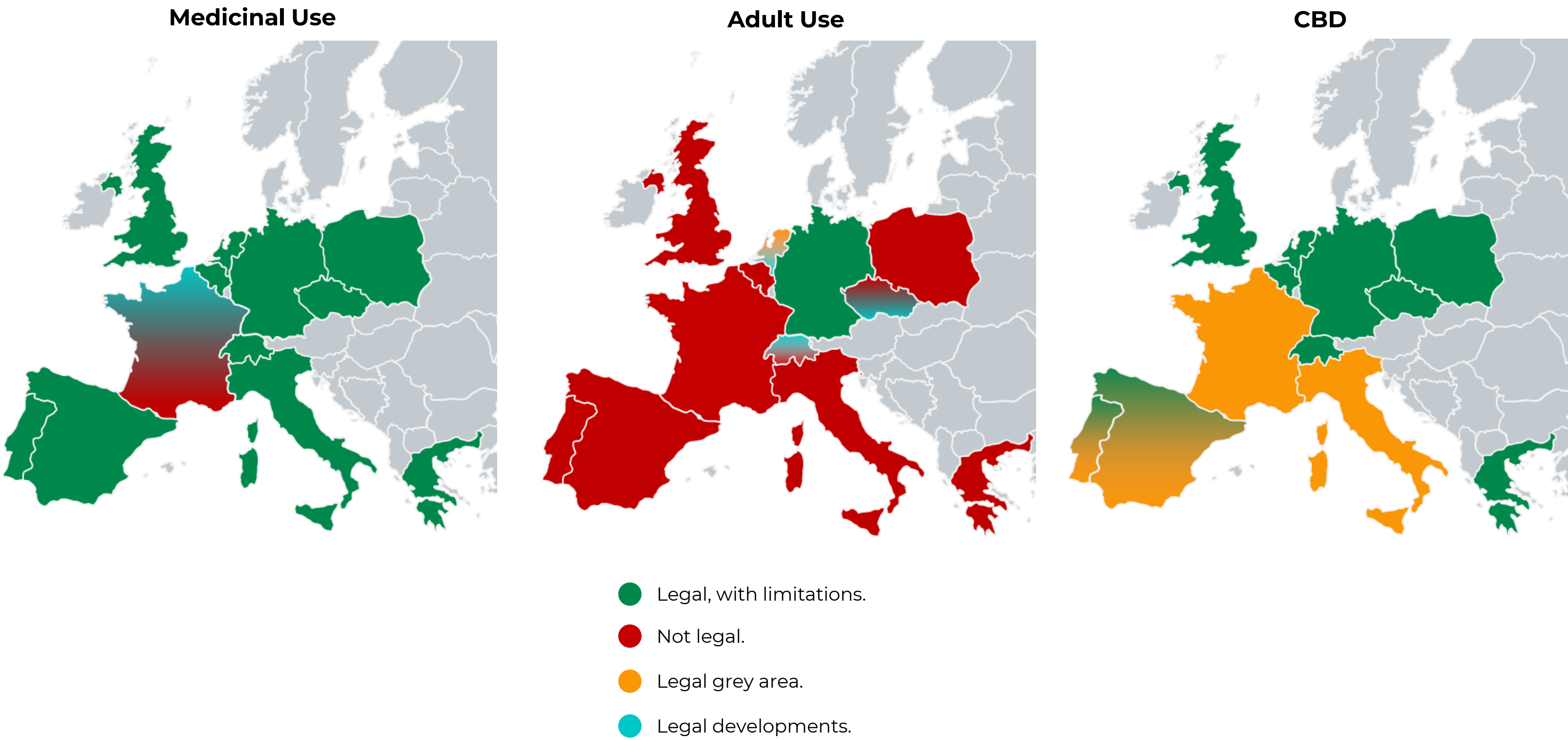
The cannabis market, including the legal and regulatory environment in each country, is a rapidly changing space.

The information provided in this section may not stay up to date for long.

It is important for exporters to do their own research and seek expert guidance before entering a market.

Medicinal cannabis use has been legalised across many European countries, while recreational use remains illegal in many.

The legal status of cannabis in European markets as of end of year 2022



Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024; CMS Legal, 2025.

Although France has been notoriously strict on cannabis legislation, a trial for medical use is taking place. However, there is doubt whether this will continue.

Overview of the legal status of cannabis by use type in European markets as of early 2025

Country	Medical Use	Adult Use	CBD	Notes
Czech Republic	Legal by prescription since 2013.	Not legal, but the Cannabis Management Act is planned for introduction by the end of 2025, though its implementation remains uncertain.	Legal with THC under 0.3% since 2013. Under 1% since 2022.	In September 2022, the government began drafting a law to legalise adult-use cannabis, inspired by Germany. However, there has been opposition to this, which has slowed the process, making legalisation uncertain.
Poland	Legal by prescription since 2017.	Not legal.	Legal with THC under 0.2% since 2005. Under 0.3% since 2022.	The political climate for adult-use legalisation is unfavourable.
Portugal	Legal by prescription since 2018 for patients with certain conditions where conventional treatments have failed.	Not legal, however possession and consumption below specific quantities was decriminalised in 2001 (along with all other drugs).	Complex legal area. Technically legal with THC under 0.2% since drug decriminalisation in 2001.	There is an increasingly liberal view towards adult-use in the country, which has led to continuous proposals for legislation. However, none have yet been converted to a discussion paper.
Belgium	As of 2019, has had a government agency for exclusive right of distributing medical cannabis.	Not legal.	Legal for supplements with THC under 0.2%, but this is heavily controlled. CBD for external use can be sold in pharmacies.	In Belgium, two cannabis-based medicines are authorised: Sativex® and Epidyolex®. Neither are on the market yet.
France	Not legal. A trial with ~2,000 patients is taking place, but likely to stall.	Not legal.	Legal grey area. Some CBD products with THC under 0.3% are legal.	A trial has been conducted for medical use since 2021. This has been extended to July 2025, but patients have been advised to seek alternative treatments.
Greece	Legal by prescription since 2017 for patients with certain conditions.	Not legal.	Legal with THC under 0.2% since 2017.	In early 2024, Greek patients gained access to medical cannabis treatment for the first time, using only domestically produced products.

Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024; CMS Legal, 2025.

In 2024, Germany legalised adult use cannabis; a first in Europe. It is expected that nations like Czech Republic and Switzerland will follow this lead.

Overview of the legal status of cannabis by use type in European markets as of early 2025

Country	Medical Use	Adult Use	CBD	Notes
Italy	Legal by prescription since 2013.	Not legal.	Legal since 2016 with THC under 0.2%-0.6%. There is ambiguity, as CBD comes under two pieces of law.	The government in Italy would like to ban products derived from hemp flower, this shutting down the CBD industry. However, this is facing opposition.
Netherlands	Legal by prescription since 2003 in flower or oil formats.	'Coffeeshops' are licensed by local councils to sell, but it is often purchased illegally (though this is changing). Pilot program for adult use began in late 2023.	Legal since 1999. However, production of CBD is not legal.	The Netherlands are now in the early stages of its Controlled Cannabis Supply Chain Experiment, which will close the supply chain for coffeeshops to only legal supply.
Germany	Legal by prescription since 2017.	Legal since 2024, with restrictions.	Legal with THC under 0.3% since 2017.	The legalisation of adult use cannabis did not address industrial hemp. However, a separate law has been passed which has provided more freedom to producers of CBD products under 0.3% THC.
Spain	Legal by prescription in 2023 for patients with certain conditions. Implementation of this is delayed & will have limitations.	Not legal.	Legal with THC under 0.2%, but only for medicinal purposes.	Despite medicinal cannabis only just becoming legal in 2023, the cultivation of cannabis products for medical purposes has been legal since 2018.
Switzerland	Legal by prescription since 2022. Prior to this, it was possible to obtain but was heavily regulated.	Not legal, but in 2021 the government authorised an pilot programme, which came into effect in 2023.	Legal with THC under 1%.	Switzerland has a relatively liberal regulatory framework for cannabis and it is likely further liberalisation will occur.
UK	Legal by prescription since 2018 for patients with certain conditions.	Not legal.	Legal with THC under 0.2%.	In 2020, it was decided that no new CBD products could enter the UK & brands had to apply for a Novel Food application. Some progress was made in late 2024.

Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024; CMS Legal, 2025.

Adult use cannabis is not currently an opportunity for exporters due to international treaties.

United Nations drug control treaties regulate cannabis for medical and scientific use, classifying it as a Schedule I drug with strict controls. Signatory countries must limit its use to medical and scientific purposes and prevent diversion to illicit markets. Import/export for medical use is allowed with oversight, but any adult-use import/export violates the treaties and international obligations.

The treaties referred to are the Single Convention on Narcotic Drugs of 1961, the Convention on Psychotropic Substances of 1971, and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.

Source: United Nations Office on Drugs and Crime, 2023.

Medical cannabis provides an opportunity for cannabis exporters due to the state of legalisation and ability to export under international treaties and law.

Medical cannabis is legalised in most European countries, excluding France, which is undergoing trials.

This market is heavily regulated, due to it being a prescription medicine. Regulations and laws differ from country to country.

In many cases, medical cannabis is only available for certain conditions or circumstances. Most commonly, it is prescribed for conditions such as epilepsy, chemotherapy side effects, and multiple sclerosis.

CBD is sold in most European markets. However, the legal context for these products is very ambiguous and still developing in a lot of markets.

CBD can be considered a food supplement, so there are regulations to consider in each market in this respect too.

The allowance threshold for THC (Tetrahydrocannabinol), the psychoactive compound found in cannabis, differs between countries as well.

Adult use cannabis remains illegal in many European markets. However, there have been legal developments in several countries, namely legalisation in Germany, planned legalisation in the Czech Republic, and pilot programmes in Switzerland and the Netherlands.

The recreational space does not offer opportunities for exporters due to international treaties, however, increased liberalisation may impact consumer perceptions and uptake in the medical space.

SECTION 2

MARKET DYNAMICS

“Europe remains the centre of attention when it comes to the development of the medical cannabis industry at a global level. This is not only because it has the potential to become the largest market, but also because it is open to international players.”

- Prohibition Partners, 2023.

While North America makes up a larger share of cannabis sales globally, Europe is set for strong growth, with legislation developing in this space and cultural acceptance progressing.

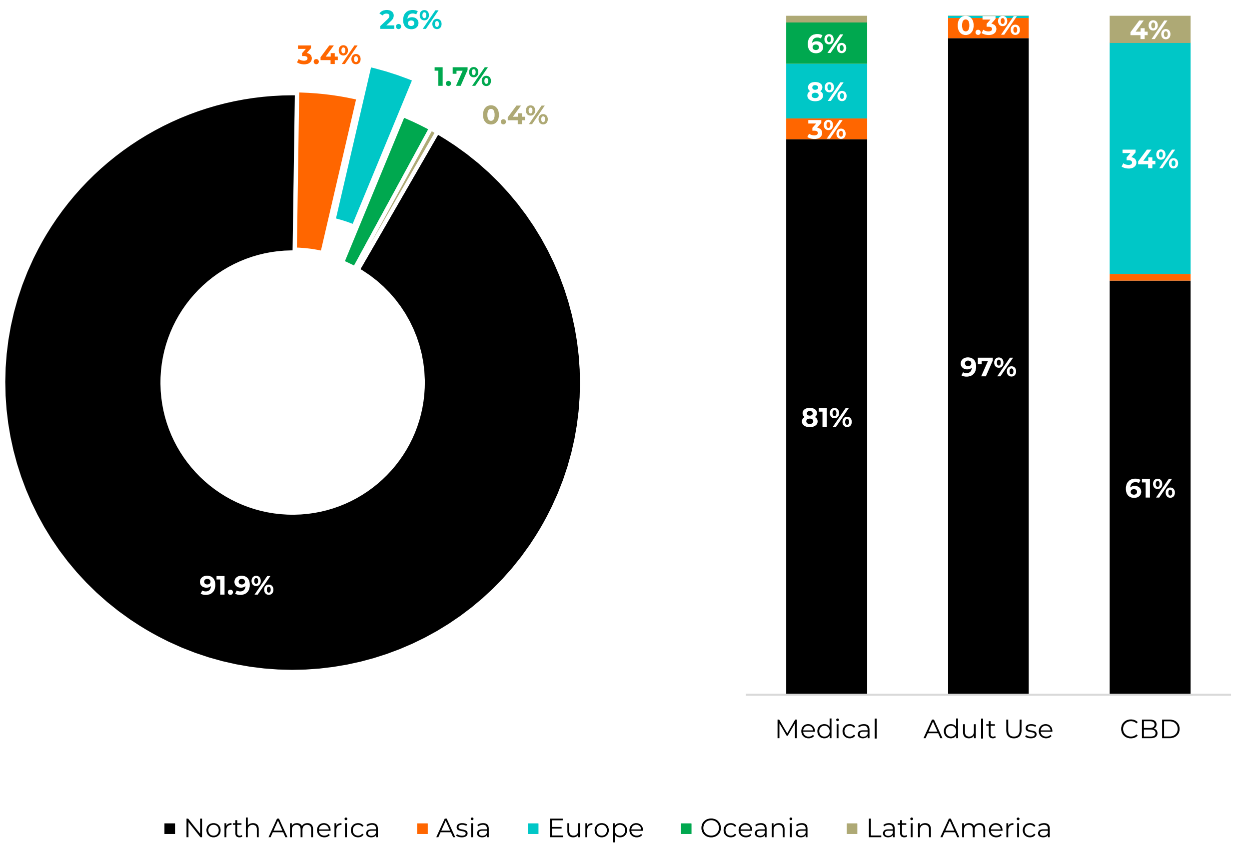
While North America currently dominates the global cannabis market, Europe is emerging as a key player with significant growth potential.

While Europe makes up 2.6% of global total cannabis sales, it makes up 8% of medical sales and 34% of CBD sales.

Europe's cannabis value share is expected to continue to grow. In fact, it is expected to make up 16% of total medical sales in 2028.

Additionally, several countries in Europe are making big leaps in adult use cannabis legislation. Germany has now legalised this and several countries, such as Switzerland and Czech Republic are conducting pilot programs. This is set to increase the value share of cannabis globally as well.

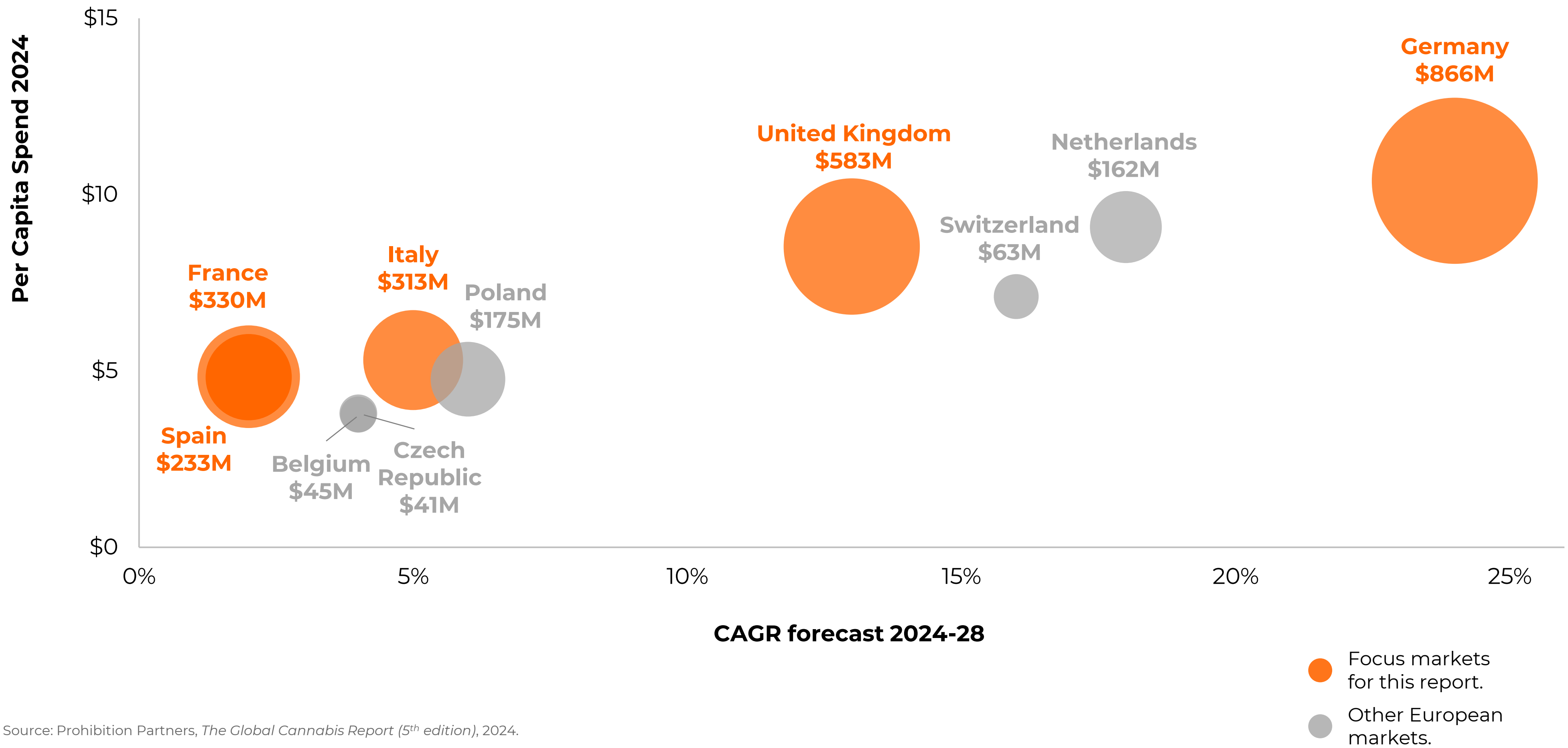
Total global cannabis sales by region
(Medical, Adult Use and CBD)



Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024.

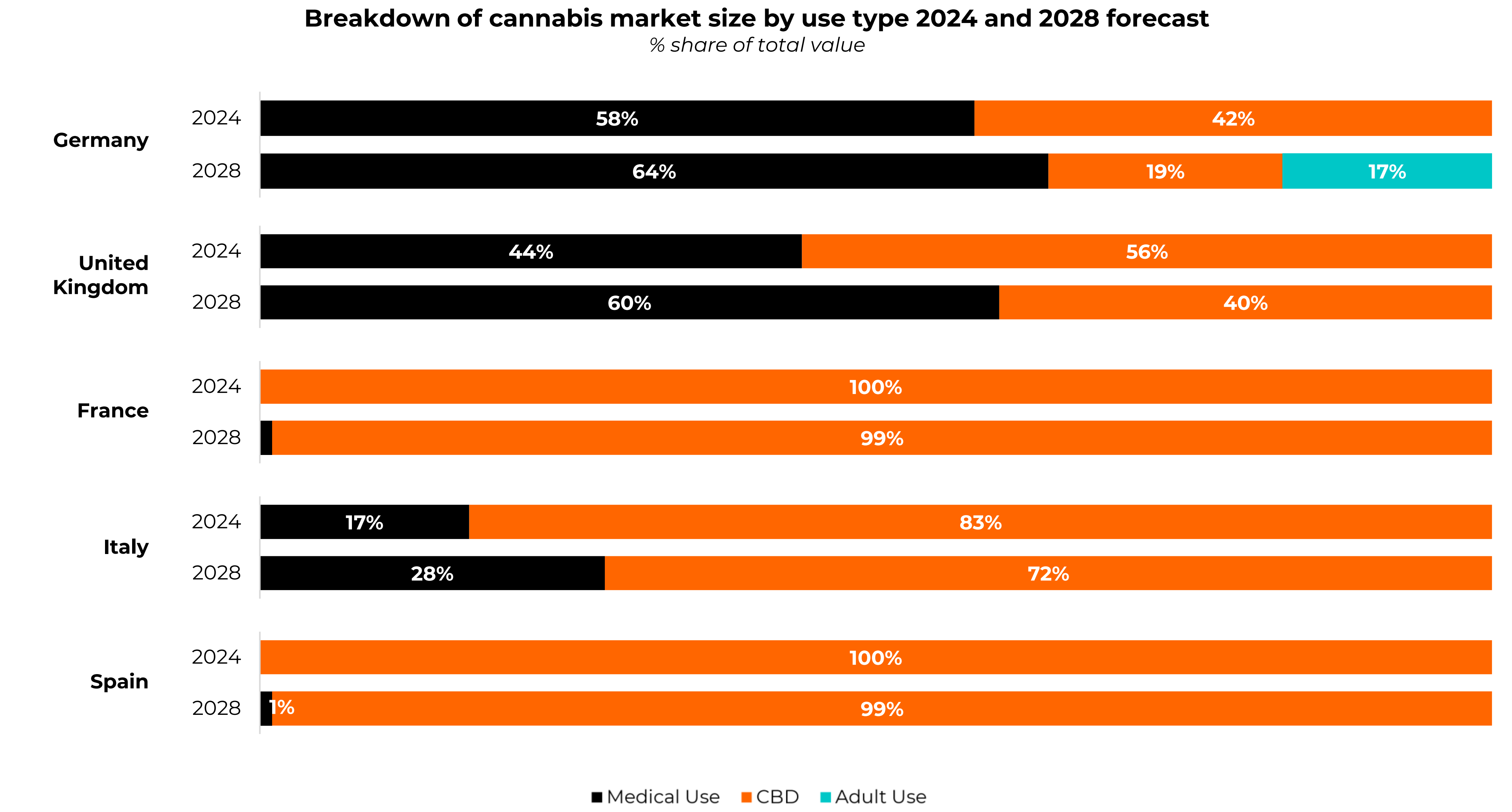
Germany is the largest and fastest growing cannabis market in Europe. The UK follows as the second largest.

Market value of cannabis (medical, adult use and CBD), per capita, and growth (CAGR)
(USD million)



Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024.

Medical use cannabis is expected to grow significantly as share of total cannabis use in Germany, the UK, and Italy.

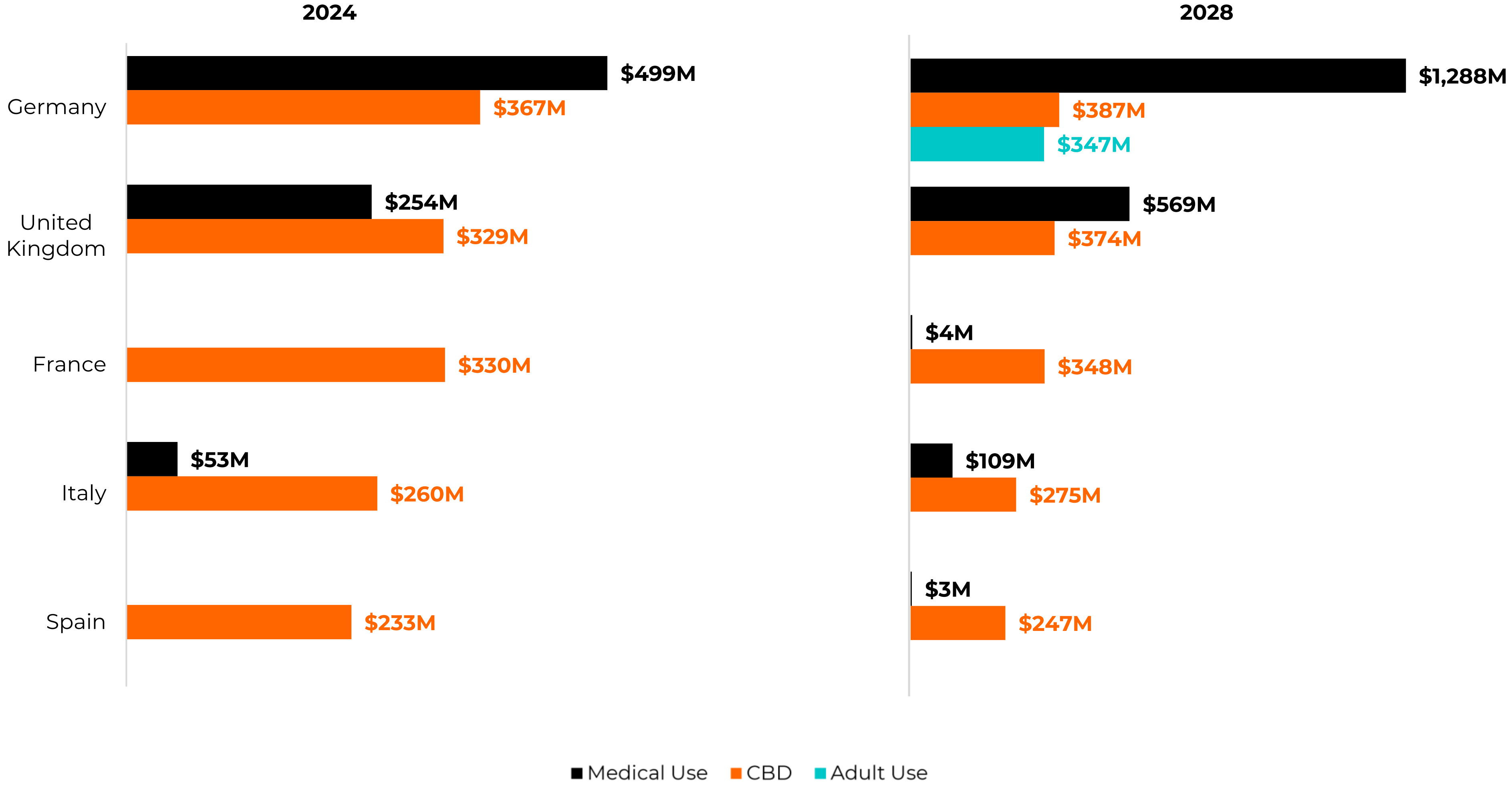


Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024.

With the legalisation of adult use cannabis in Germany, this is expected to grow significantly. However, medical use will still far exceed this in market size.

Breakdown of cannabis market size by use type 2024 and 2028 forecast

Total value in USD millions



Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024.

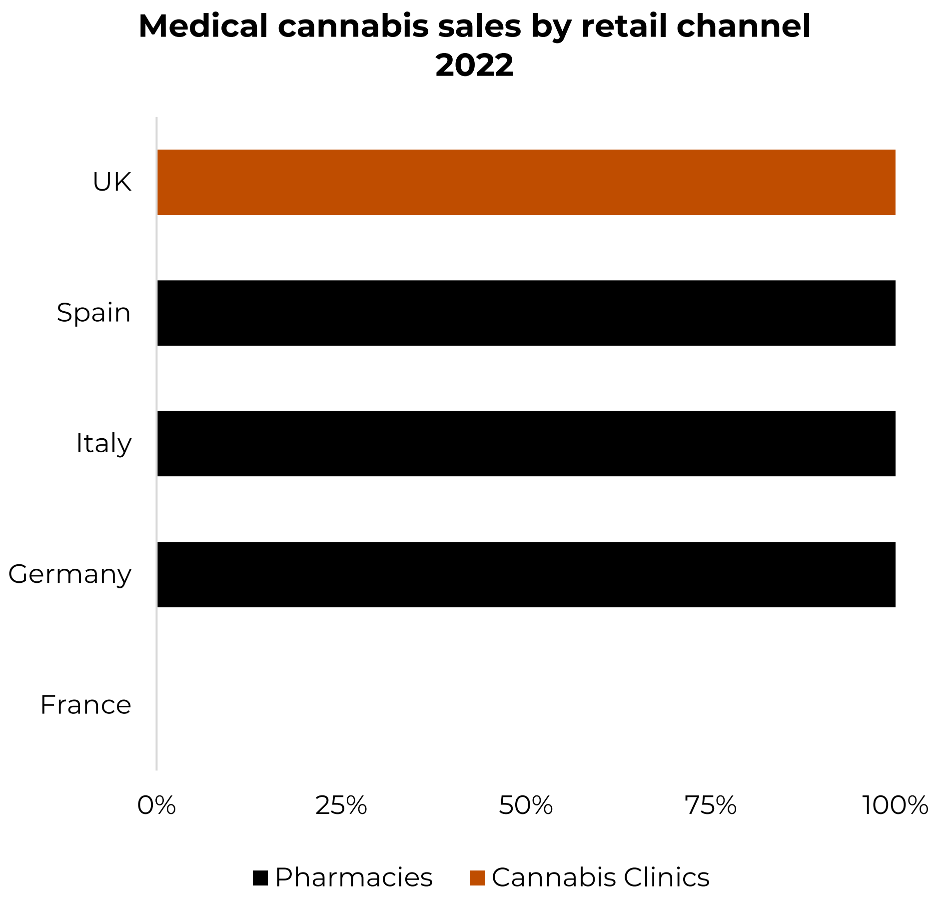
Tinctures/sprays and flower tends to be the most common prescription cannabis format across all five markets.

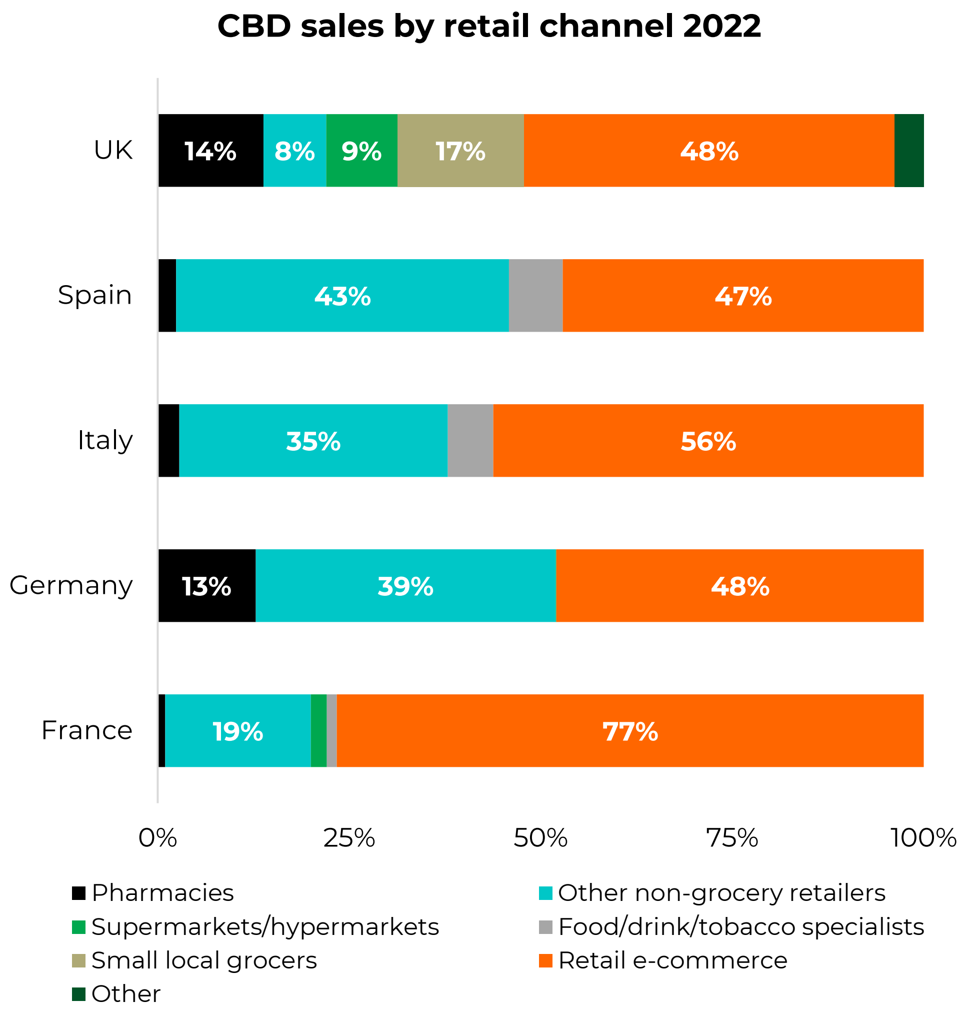
Top cannabis formats by market 2022

France	Germany	Italy	Spain	UK
Medicinal Use				
n/a	Tinctures & sprays €376M (78%) Flower €106M (22%) Capsule €2.7M (0.6%)	Tinctures & sprays €20M (64%) Flower €9.1M (29%) Capsule €2.2M (7%)	Tinctures & sprays €4.4M (100%)	Flower €55M (62%) Tinctures & sprays €34M (38%) Capsule €0.5M (0.6%)
CBD				
Flower €223M (64%) Tinctures & sprays €86M (25%) Vapour €18M (5%)	Tinctures & sprays €202M (52%) Topicals €119M (31%) Flower €21M (5%)	Flower €147M (64%) Tinctures & sprays €68M (29%) Capsule €4.8M (2%)	Tinctures & sprays €58M (49%) Flower €53M (45%) Vapour €3.9M (3%)	Tinctures & sprays €502M (53%) Capsule €137M (14%) Topicals €123M (13%)

Source: Euromonitor International, 2022.

Medical cannabis is distributed exclusively through pharmacies in Spain, Italy and Germany, and through cannabis dispensaries in the UK.



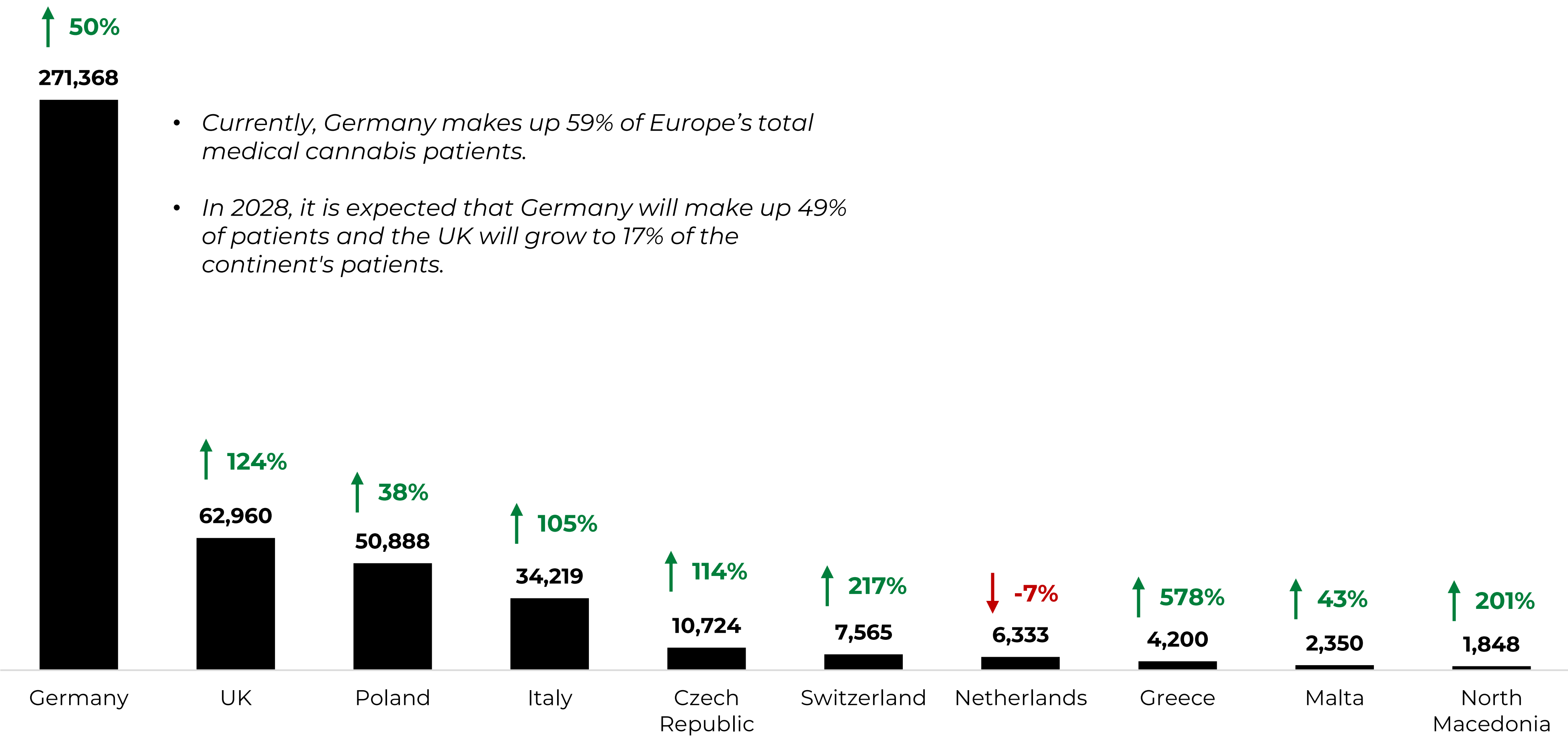


A note from our expert, Alfredo Pascual: In some European pharmacies, particularly in Italy, pharmacists will produce their own medical cannabis products i.e. make a tincture.

Source: Euromonitor International, 2022; Alfredo Pascual via OnFrontiers, 2023.

The number of patients accessing medical cannabis is expected to grow across Europe, with the exception of the Netherlands, which is likely due to the easy accessibility of cannabis through coffeeshops.

Medical cannabis patients 2024 and projected growth by 2028



- *Currently, Germany makes up 59% of Europe's total medical cannabis patients.*
- *In 2028, it is expected that Germany will make up 49% of patients and the UK will grow to 17% of the continent's patients.*

Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024.

Germany, the UK and Italy are the most clear opportunities for medical cannabis currently.

Germany is the largest medical cannabis market in Europe. The UK also has a significant market size. In terms of current opportunity, these are the main two markets exporters can consider.

Tinctures, sprays and flower tend to be the most common format of prescription cannabis. Exporters should ensure they know what formats are most in demand in each market. Note that preference may change.

Medical cannabis is distributed via pharmacies in most European markets. However, it is sold through specialised cannabis clinics in the UK.

Cultivation of medical cannabis used to be on an award-based system, but has now shifted to an authorisation based system.

Cultivation & production of cannabis in Germany

- In 2019, under the observation of Cannabisagentur Deutschland GmbH, the state-owned cannabis agency, three companies were awarded contracts for the cultivation of cannabis:

AURORA

Aurora is a Canadian company, that has presence in North America, Europe and Australia. In 2022 the company received certification for a new state-of-the-art facility in Leuna, Saxony-Anhalt, Germany.

TILRAY

Tilray is also a Canadian company that has operations in several countries including the US, Australia, Germany and Portugal. Tilray's German subsidiary is based in Frankfurt.

DEMECAN

Demecan is a German pharmaceutical and cannabis company. They were awarded a contract to cultivate cannabis in 2019. The company's production facility is located in the state of Bavaria. The facility is expected to produce over 2,400kg of medical cannabis annually.

- Since 2019, cannabis legislation has evolved significantly. As this has evolved, so have cultivation regulations**. Cultivation of medical cannabis is now regulated by an authorisation-based system.**

- Other companies that are in the medical cannabis production space in Germany include:

FOUR 20 PHARMA

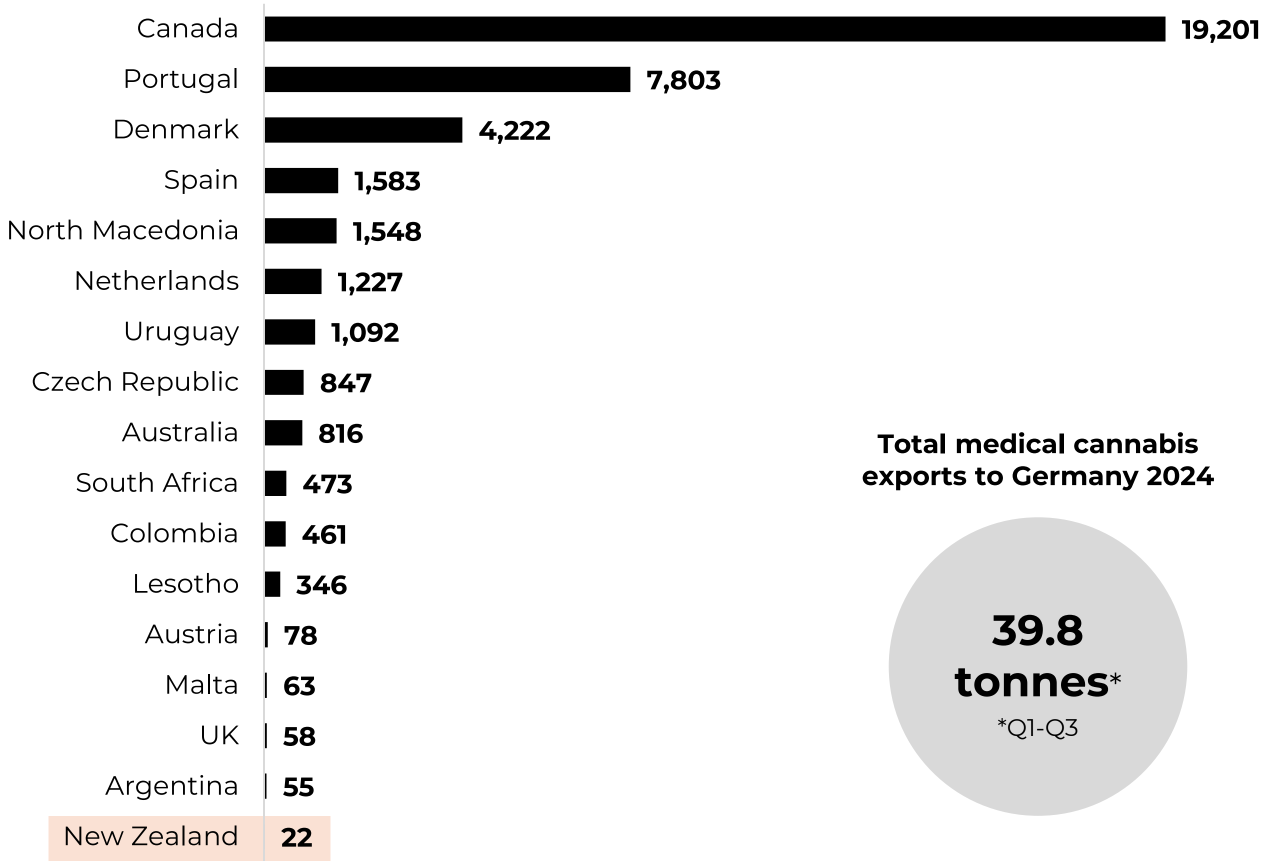
Acquired by CuraLeaf in 2022.

- While use of recreational cannabis is now legal, the commercial cultivation of it is still under development. Currently, recreational cannabis can be cultivated by users themselves for personal use or through non-commercial cannabis social clubs. Pilot programs for commercial production will take place in the near future, however this remains to not be an opportunity for exporters due to international treaties.

Source: Euromonitor International, 2023; Gleiss Lutz, 2024.

A small amount of Germany's exports are from New Zealand, but with a growing space, there may be opportunity for New Zealand to increase its medical cannabis exports to Germany.

Total medical cannabis imports to Germany 2024 (Q1-Q3), by origin country
Tonnes



Total medical cannabis exports to Germany 2024

39.8 tonnes*
*Q1-Q3

Source: Prohibition Partners, *The Global Cannabis Report (5th edition)*, 2024.

There are a number of cannabis companies in the UK that have been operating for many years.

Cultivation & production of cannabis in the UK

- In 2016, the International Narcotics Control Board (INCB) named the UK as one of the largest global producers of cannabis-based medicines.
- Despite the UK being a significant producer of medical-use cannabis, much of the product used domestically is imported from the Netherlands and Canada.
- The Crown Dependencies (Jersey, Guernsey and the Isle of Man), which are not part of the UK, are making their own progress with legal developments for medical cannabis production.
- Cannabis is a controlled substance in the UK and illegal to possess, supply, produce, import or export except under a Home Office license.
- There are different licensing regimes for CBD and medicinal use cannabis under the Home Office license.
- Another option for legal cultivation is a Manufacturers "Specials" Licence granted by the Medicines and Healthcare Products Regulatory Agency. This allows companies to produce and supply medicinal products that are not commercially available in the UK for patients with clinical needs that are not met by licensed products.

- Key cannabis cultivation and production companies:

Jazz Pharmaceuticals GW pharmaceuticals

GW Pharmaceuticals, owned by Jazz Pharmaceuticals, first gained government approval to conduct medical cannabis research in ***1998****. Until the start of 2021, this was the only company awarded a license from the Home Office.*

NORTHERN LEAF

Although not technically part of the UK, the government of Jersey awarded Northern Leaf a license under the Home Office rules in February 2021.

HILLTOP LEAF PHARMACEUTICAL CANNABINOIDS

Hilltop Leaf, based in Scotland, holds a Manufacturers "Specials" Licence granted by the Medicines and Healthcare Products Regulatory Agency. Hilltop Leaf commenced distribution in 2022.

CELADON PHARMACEUTICALS PLC

Celadon is a UK-based and focused on the research, cultivation, manufacturing, and sale of cannabis-based medicines. In 2023, Celadon had their Home Office license updated to cultivate and sell high THC product.

Source: Euromonitor International, 2023.

Cultivation of cannabis in Italy is owned by the Italian military, however there are still opportunities for exporters.

Cultivation & production of cannabis in Italy

- The Italian military is the primary entity responsible for the production of medical cannabis in Italy.
- The military has a high-security facility for growing medical cannabis in Florence, Italy. This facility is known as Stabilimento Chimico Farmaceutico Militare di Firenze (Military Pharmaceutical Chemical Plant in Florence).
- There have been limited allowances for private companies to cultivate medical cannabis under strict regulatory control. However, the military remains the main producer and Italy's goal is self-sufficiency in the medical cannabis space.
- Despite this, a large portion of cannabis distributed in Italy is still imported from the Netherlands, Germany and Denmark or via contract notices (formal announcements made by the government to solicit bids from potential suppliers) to meet domestic demand. For example:
    - In 2021 the Italian government imported 110kg of cannabis from Little Green Pharma, an Australian owned company, from their Danish facility.
    - A contract notice for 630kg of cannabis was put out by the government in September 2022.

- Italy's Ministry of Health medical cannabis production quotas:

2017	2018	2019	2020	2021	2022	2023
150kg	250kg	350kg	500kg	500kg	400kg	400kg

- In comparison, domestic demand is approximately **1,500kg per year**, thus meaning domestic supply currently only makes up about 27% of consumption.
- Stabilimento Chimico Farmaceutico Militare di Firenze:

Source: Euromonitor International, 2023; US Department of Agriculture 2023.

France has notably strict laws on cannabis, including for medical purposes. However, there have been developments.

Cultivation & production of cannabis in France

- As of March 1st, 2022, it became legal in France to cultivate cannabis for medical purposes. However, specific regulations and licensing are still not clear as the landscape is still developing.
- One company that is making headway in the medical cannabis production space in France is Overseed Biotech:
- France is the largest producer of hemp in Europe by a long way and has a long history of it.
- Most of the hemp fields in France are located in the central and western regions of the country, including the departments of Deux-Sèvres, Vendée, and Maine-et-Loire.
- There is potential for some of the hemp fields to be used to produce medical cannabis in the future if laws allow. The chances of this are higher due to medical cannabis being legalised in the near future.

- Production data:

	2020	2021	2022
Hemp (ha)	17,900	20,000	21,700

Source: Euromonitor International, 2023.

There are five key companies that have received authorisation to produce medical cannabis in Spain.

Cultivation & production of cannabis in Spain

- Although medical cannabis dispensing and use only became legal in 2023 (although not yet implemented), the government has authorised cultivation of cannabis since 2018.
- Authorisation is made by the Spanish Agency for Medicines and Medical Devices (AEMPS). The authorisation process involves submitting an application with detailed information about the production facilities, equipment, and processes.
- As of the end of October 2024, ten authorisations for the production of medical or scientific use cannabis have been issued. Some of these companies include:

linneo health

Phytoplant Research

Oils4Cure

CANNAFLOS

MIFCO BIOSCIENCES

- For the full list of authorisations, click here.

- One of the leading companies in cannabis cultivation/production in Spain is Linneo Health, which is owned by GHO, a private equity fund that is also the leading supplier of Alcaliber products, a pharmaceutical company.
- There are a number of other companies that have been granted authorisation for cultivating cannabis for research purposes only.
- Production data:

	2018	2019	2020	2021	2022	2023
Medical cannabis production (kg)	400	500	500	600	6,000*	23,425

*Estimate

Over 80% of this was exported.

Source: Euromonitor International, 2023; Spanish Agency for Medicines and Medical Devices, 2024.

Currently, there is active production/cultivation of cannabis in Germany, the UK, Italy and Spain.

Domestic production of medical cannabis has increased and it is now on an authorisation-based system as opposed to award-based. Despite this, domestic demand is high and Germany imports a lot of product from a range of markets.

While the UK is recognised as one of the major global producers of cannabis-based medicines, the majority of these products used domestically are imported.

In Italy, the military is responsible for the domestic production of cannabis. A way to supply to Italy as an exporter is via contract notices/tenders. It should be noted that although Italy relies on imports, it has a goal of self-sufficiency for medical cannabis.

Despite cannabis production and use being incredibly strict in France, cultivation was legalised in 2022. However, activity is relatively low in this space. France is also a strong hemp producer, which could position it to be a strong cannabis producer if regulations permit.

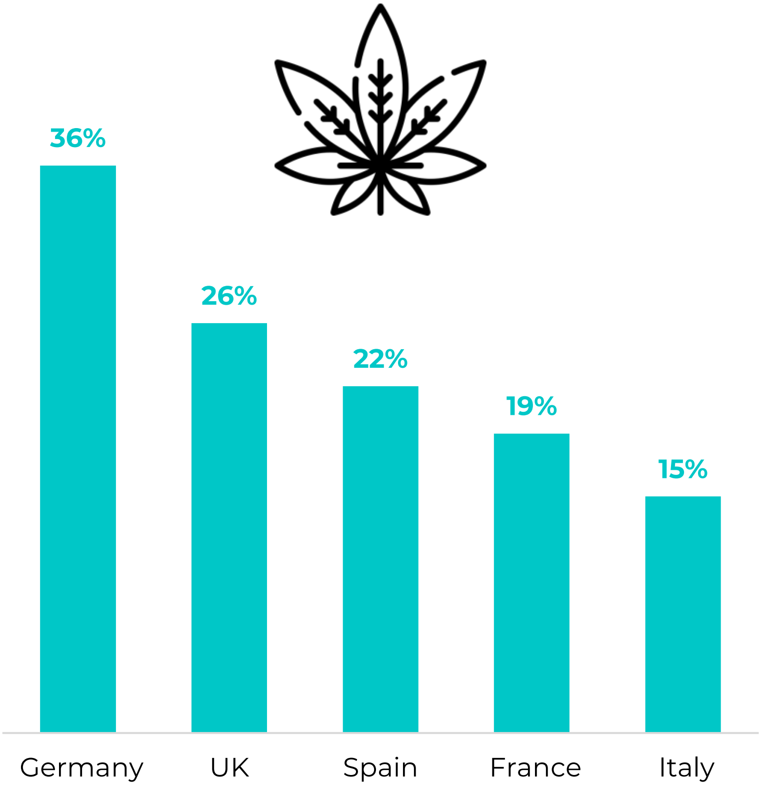
Spain is a significant exporter of medical cannabis. There are 10 companies that have been granted authorisation to cultivate cannabis in Spain. Although implantation of medical use product has been stalled domestically, they are positioned well to supply domestically.

SECTION 3

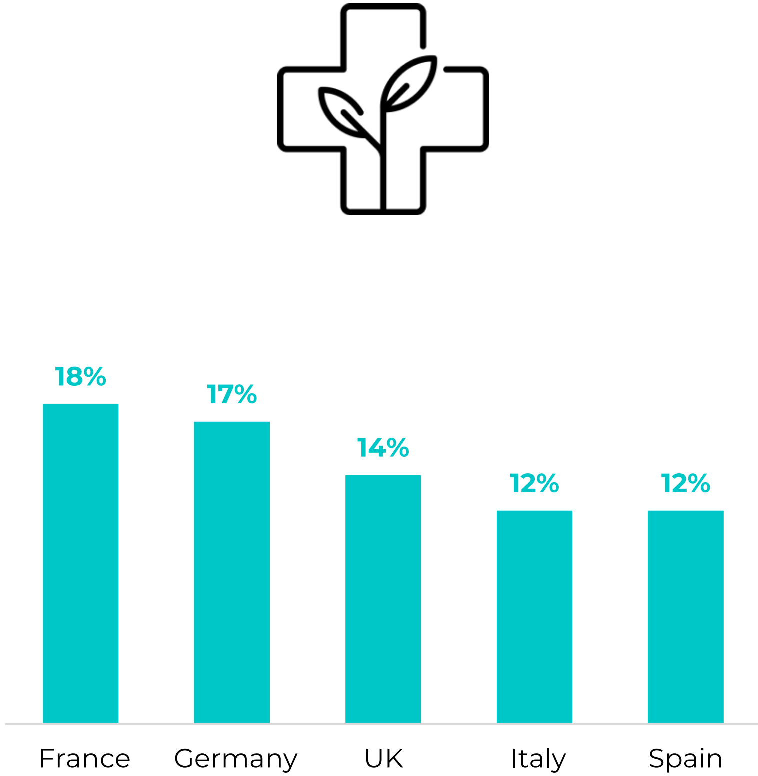
CONSUMER INSIGHTS AND SOCIAL CONTEXT

36% of consumers in Germany say they would be open to medical cannabis. This differs from Italy where openness to cannabis and alternative treatments is relatively low.

‘I can imagine taking medical cannabis for treatment’
% of respondents



‘I prefer alternative healing methods to conventional medicine’
% of respondents



Source: Statista Global Consumer Survey, 2024.

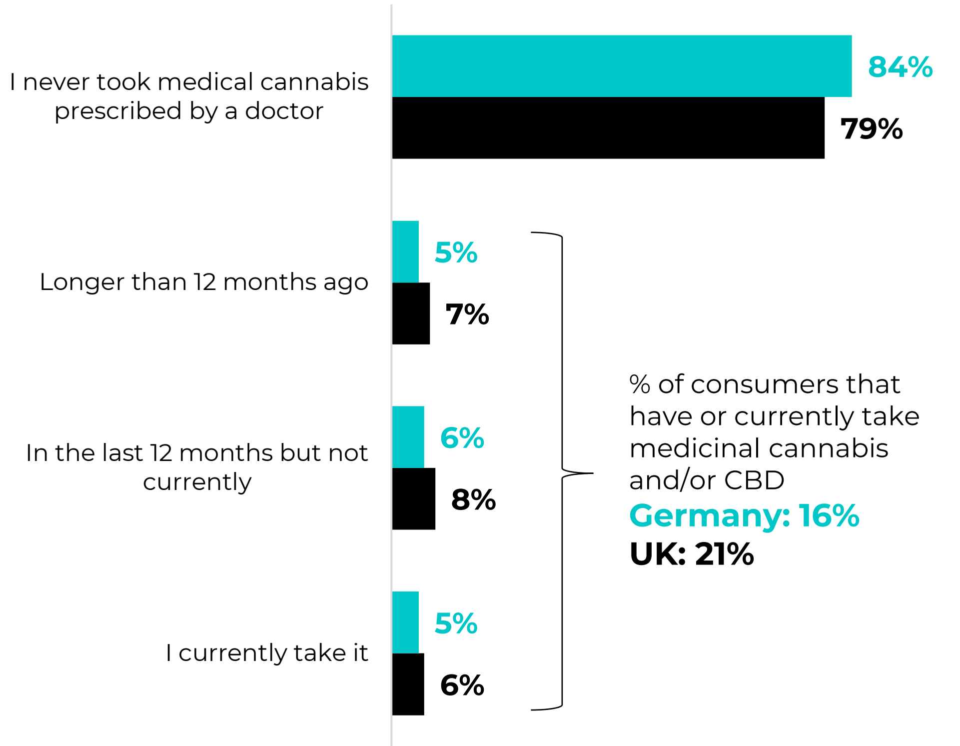
The consumer insights on the following slides about medical cannabis / CBD are only for the UK and Germany only due to data availability.

Further investigation may be required before entering France, Italy, or Spain.

Although a greater proportion of consumers in the UK have used medicinal cannabis/CBD, there is a greater openness to it in Germany.

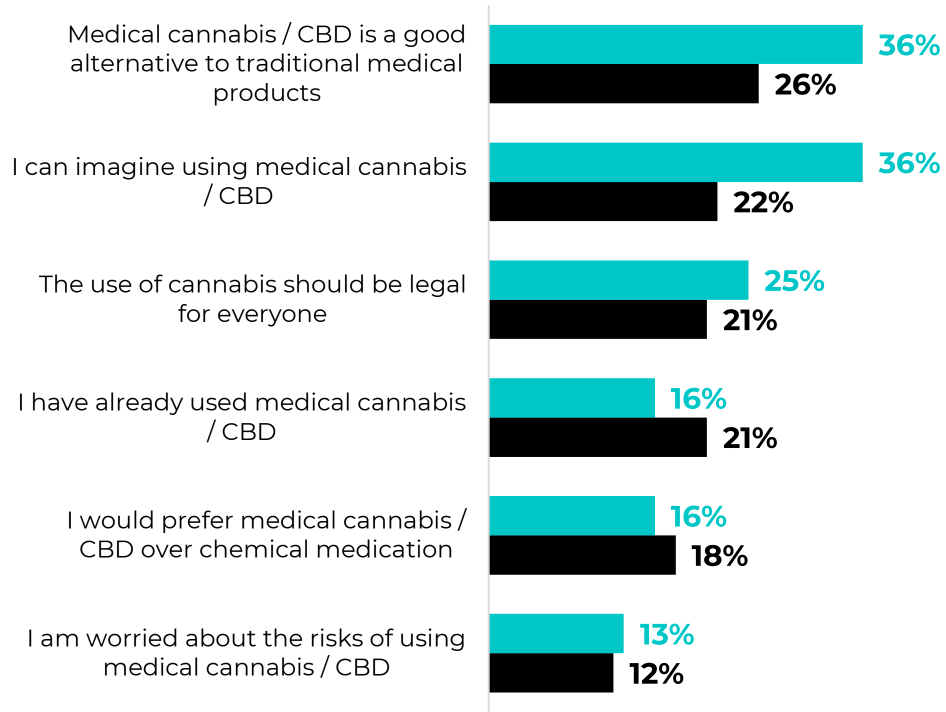
Medical cannabis / CBD usage 2023

Single pick: 'When was the last time you used medical cannabis / CBD?'



Attitudes towards medical cannabis / CBD 2023

Multi-pick: 'Which of these statements regarding medical cannabis / CBD apply to you?'



■ Germany ■ UK

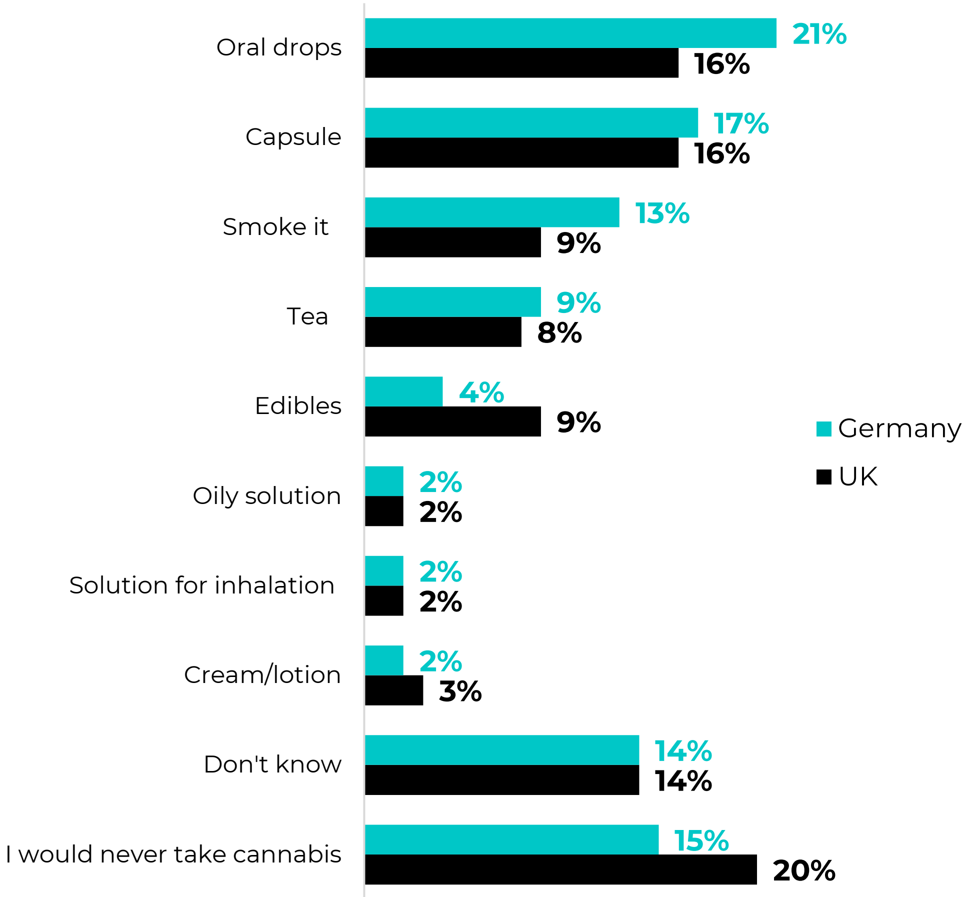
Note: data on this slide includes medical cannabis and CBD. The data on slide 27 refers to medical cannabis only.

Source: Statista Global Consumer Survey, 2023.

Oral drops are the preferred method of taking cannabis in Germany. Oral drops and capsules are evenly preferred in the UK.

Method of taking cannabis 2023

Single pick: 'Which form would you prefer for intake of cannabis?'



Exporters should consider the different formats that consumers prefer in different markets.

A large proportion of consumers in Germany are open to cannabis as a medicine; the most so of the five markets considered.

There is a reasonable degree of openness to alternative therapies/medicines in France, so this market could be of interest if regulations/legislation develop.

It would be interesting to further investigate the relationship between consumer perceptions of CBD vs. medical cannabis in markets and whether they differ. Does use of CBD translate to openness to medical cannabis?

SECTION 4

EXPERT INSIGHTS

Cannabis Industry Expert: Alfredo Pascual

Vice President of Investment Analysis, Seed Innovations (LON:SEED), an AIM-quoted investment company that specializes in the cannabis industry.

Having worked in the cannabis space since the end of 2016, Alfredo is a well-known name in the sector. He identifies opportunities and generates unique insights for businesses and investors in the legal cannabis industry, focusing on Europe and Latin America. Before joining SEED, Alfredo worked as International Analyst at Marijuana Business Daily (MJBizDaily), the US-based business news and information resource.

The medical cannabis markets in Europe, particularly Germany and the UK, operate at least in part like consumer markets, a factor that should be considered.

Key insights from Alfredo Pascual

The medical cannabis market operates like a consumer market

In Europe, particularly Germany and the UK, the growth of the medical cannabis market in recent years has been driven by patients asking for specific products, an anomaly when it comes to medicines. The current demands and trends among patients has a major influence on what gets prescribed and ultimately the market. Although exporters will be focusing on prescription product, they need to take product and brand positioning into account.

The market is saturated, differentiation is important

There are a large number of medical cannabis products available in the countries where it is legalised, so New Zealand exporters must demonstrate what makes their product different. This could be done by proving efficacy or quality through clinical trials or focusing on other elements that consumers in the market may be looking for, for example, sustainability.

The private market is an opportunity

Generally, there are two types of patients in the medical cannabis market in Europe: 1) patients who get their medical cannabis reimbursed, and 2) patients who pay out of pocket for a private prescription. In Germany, the reimbursement market is not growing rapidly, and in the UK, it barely exists for unlicensed cannabis. This means the private market is a key opportunity for exporters.

There is a demand for higher THC levels, but this is reaching its peak

The perception of what is high THC has changed over time. Currently what is considered high THC is about 25% and above, as cannabis producers have been able to offer higher and higher levels. More than 30% THC in a flower is unlikely, so this growth may reach its peak soon. In addition to THC concentration, other factors, such as terpene profile, will increasingly play a role to differentiate the products.

Meeting quality regulations and offering the cheapest price are important for tenders

Winning tenders for medical cannabis import by European governments, namely Italy, has two major success factors: 1) meeting all the strict quality regulations, and 2) offering the cheapest price. If exporters are interested in bidding for tenders, they need to keep this in mind.

Outside of the focus countries, Poland is a potential market

Outside of the five focus markets in this report, Poland is another opportunity market for exporters. A key factor in this market is that they currently have no domestic production of medical cannabis flower and therefore imports all of it. Exporters could consider this market but should be aware that the approval process is lengthy.

Source: Alfredo Pascual via OnFrontiers, 2023.

New Zealand exporters have two key factors to overcome in the European cannabis market:

1) The impression that imported cannabis may not be as fresh as domestic product
2) Environmental concerns about importing a product from the other side of the world

These can be overcome by offering additional benefits, i.e. higher THC levels, traceability.

Source: Alfredo Pascual via OnFrontiers, 2023.

Germany and the UK offer the most immediate and sizeable market opportunities. Italy offers ad hoc opportunities. France & Spain should be monitored for developments and future opportunities.

Country specific insights from Alfredo Pascal

Germany

- Germany has the largest potential for exporters.
- The opportunity is mostly in the private market. Positioning should be considered.
- The key routes to market are:
    1) Open a German company
    2) Finding a local partner as a white label supplier,
    3) Finding a local partner that will offer your brand.

United Kingdom

- The UK also offers a large opportunity for exporters.
- There is almost no opportunity in the reimbursement market. The NHS has only granted reimbursement for a handful of patients.
- Patients often compare price, taste etc. online. It is very much like a consumer market.

Italy

- Italy is a significant market.
- Italy gets product via:
    1) A supply agreement with the Dutch government
    2) Grown domestically by the army
    3) Government tenders
- The military have not been able to scale cannabis production to meet domestic demand. Tenders have been put out as a result and opportunities are ad hoc.

France

- France is still in its stages of a pilot project, which has been extended, so the opportunities are currently minimal.
- Currently, an Australian company (with facilities in Denmark) supplies to the French government as part of this pilot.
- Exporters should keep watch for developments.

Spain

- In terms of cannabis under prescription, there is currently no market for this in Spain.
- Although it has been legalised, the regulatory agency in Spain is yet to set rules and regulations that allows for implementation.
- Exporters should keep watch for developments.

Source: Alfredo Pascal via OnFrontiers, 2023.