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FEATURED Q&A

Will Legalizing Medical Cannabis Work for Mexico?

Last month, Mexico's health ministry published rules to regulate the use of medicinal cannabis in the country. // Image: Esteban López via Unsplash.

Q Mexico's health ministry in January published rules to regulate the use of medicinal cannabis, a major step in a wider reform that is set to create the world's largest legal cannabis market. The new regulations allow pharmaceutical companies to begin doing medical research on cannabis products. What are the next steps in Mexico's legalization process? Will the efforts spur significant investment in Mexico, and what sorts of regulations does the market need? What lessons can Mexico draw from other countries in the region, such as Uruguay and Canada, that have decriminalized or legalized both medicinal and recreational use of marijuana?

A **Luis David Suárez Rodríguez, president of the Mexican Association of Cannabinoid Medicine (AMMCANN):** "Cannabinoid-based medicine (CBM) is already the law of the land. Companies or individuals are already able to apply for licenses to participate in the research, production, import, retailing and distribution of CBM. The authorities have yet to streamline the bureaucracy around this. It could take a few months. We also have to wait for the General Cannabis Law, due to be ready in April, that should regulate adult and industrial uses of cannabis. The two laws complement each other; we are halfway there. We believe these efforts will spur investment in Mexico. The CBM regulation contemplates the possibilities of foreign companies participating in the industry, for example, by helping develop CBM formulations and through partnerships with local growers to produce raw cannabis. We need these companies, not only as economic resources, but more importantly to learn from their experiences in growing medi-

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TODAY'S NEWS

POLITICAL

Bolsonaro Allies Win Top Positions in Brazilian Senate & Lower House

Legislators endorsed by Brazilian President Jair Bolsonaro won the top posts in both chambers of Brazil's Congress. The Senate chose Rodrigo Pacheco, and the Chamber of Deputies selected Arthur Lira.

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ECONOMIC

White House to Release $1.3 Billion in Puerto Rico Aid

The aid was originally meant for reconstruction after Hurricane Maria hit the U.S. territory in 2017. It will now be used to protect against future climate disasters.

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POLITICAL

Haiti May Allow Diaspora Members to Seek Presidency

The change could be among those up before voters in a new constitution, said President Jovenel Moïse.

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Moïse // File Photo: Haitian Government.

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POLITICAL NEWS

Bolsonaro Allies Win Top Positions in Brazil's Congress

Allies of Brazilian President Jair Bolsonaro on Monday won the top positions in both houses of Brazil's Congress, which is expected to help Bolsonaro fights efforts to impeach him, the Associated Press reported. The Chamber of Deputies selected Arthur Lira of the center-right Progressives party as its president, while the Senate selected Rodrigo Pacheco of the center-right Democrats party as its leader. Any move to impeach Bolsonaro would have to begin in the lower chamber. Outgoing Chamber of Deputies President Rodrigo Maia has been a tough critic of Bolsonaro, but he has rejected calls for ousting Bolsonaro, the AP reported. In Monday's vote, Lira garnered 302 votes among his colleagues in the lower house, while Deputy Luiz Felipe Baleia Rossi received 145. Lira also leads the Centrão bloc, a group of 230 legislators known for giving political support in exchange for government appointments or allocations in the government budget, the Financial Times reported. Ahead of Monday's congressional leadership elections, Bolsonaro's government freed up hundreds of millions of dollars in the federal budget for 250 legislators to spend on public works projects in the areas they represent, Brazilian newspaper O Estado de S.Paulo reported before the votes. "A partnership based more on interest than ideology, however, carries its own risks, particularly if Bolsonaro's popularity crumbles further amid a rising Covid-19 death toll and economic woes," Anya Prusa, a senior associate at the Woodrow Wilson International Center for Scholars, told the Advisor in a **Q&A** published Jan. 28. In the Senate race, Pacheco had the support of opposition parties, despite Bolsonaro's endorsement. Pacheco won the Senate presidency by a vote of 57-21 against his rival for the position, Senator Simone Tebet. In their victory speeches, neither Lira nor Pacheco mentioned Bolsonaro, and they both vowed to lead an independent Congress, the AP reported.

Haiti May Allow Diaspora Members to Seek Presidency

Proposed amendments to Haiti's constitution could allow Haitians living outside their native country to run for president and other high-ranking offices, President Jovenel Moïse said Monday, the Associated Press reported. Moïse made the remarks during a public address during which he reiterated that he would remain in office until February of next year, the wire service reported. He also urged Haitians to support the drafting of a new constitution, an issue that Haitians will vote on in a referendum in April. "It's time to change it," said Moïse. 'We can't continue like this. The country is paralyzed." The proposed changes to the constitution are expected to be made public this week. Opposition leaders have urged Moïse to leave office this Sunday, saying his five-year term began when former President Michel Martelly's term ended in February 2016. However, the country's election to replace Martelly was chaotic and led to the appointment of interim President Jocelerme Privert, who served for a year, until Moïse took office in February 2017. Haitians have taken to the streets in recent weeks to demand that Moïse step down. Monday was also the first of a two-day strike by transportation workers, an action that has paralyzed parts of the country and led to the closures of schools, banks and other businesses. The country's provisional electoral council, which Moïse unilaterally appointed, announced nearly a month ago that Haiti's presidential election would be held on Sept. 19. However, critics of the current government have questioned whether the country can hold a free and fair election under its current electoral structure. "No serious election can occur with this provisional electoral council," Simon D. Desras, a former president of Haiti's Senate, told the Advisor in a **Q&A** published Jan. 25. The current electoral council is "unilaterally nonconsensual" and also "unconstitutional" because it was not properly sworn in as required by Haiti's constitution, said Desras. Raymond Joseph, a former Haitian ambassador to the

NEWS BRIEFS

Guyana Won't Engage in Venezuela Talks Before Fishermen's Release: Ali

Guyanese President Irfaan Ali has said his government will not engage in bilateral talks with Venezuela until it releases 12 Guyanese fishermen who he said were illegally detained by the government of President Nicolás Maduro last month, the Jamaica Observer reported today. "We will continue to look for a peaceful solution to Venezuela's aggression," Ali said in an address to the nation over the weekend. The fishermen were arrested on waters that both countries claim, but which have generally been recognized as part of Guyana's exclusive economic zone.

Mexico's Cemex to Sell 24 Concrete Plants in France to LafargeHolcim

Mexican cement producer Cemex announced Monday that it had signed binding agreements for the sale of 24 concrete plants and one aggregates quarry in France to Swiss building material firm LafargeHolcim, Reuters reported. The Mexican company said that the divestment of the assets was part of a larger plan to focus its portfolio development into high growth markets, according to the report. Cemex expects to close the sale by April.

Bassols Tapped as Mastercard's Country Manager for Brazil

Mastercard announced last Friday that it had named Estanislau Bassols as its country manager for Brazil. Bassols, a former chief executive officer of SKY Brasil, will take on the new role at Mastercard as of Feb. 15. He will report to João Pedro Paro Neto, Mastercard's president for Brazil and the Southern Cone. "Brazil's strength and growth over the years has been instrumental for the company worldwide," Paro Neto said in a statement.

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United States, told the Advisor in the same Q&A that Moïse set up the electoral council "without regard to constitutional norms." He added, "It is illogical to think that a budding dictator will organize free and fair elections after he has dismantled the country's already weak democratic structure."

ECONOMIC NEWS

Biden Administration to Release $1.3 Billion in Aid to Puerto Rico

The administration of U.S. President Joe Biden is planning to release $1.3 billion in delayed aid to Puerto Rico, originally meant for reconstruction after Hurricane Maria hit the island in 2017, The New York Times reported Monday. The aid is now intended to protect against future climate disasters, the administration said, adding that it is beginning to lift some restrictions that the Trump administration had put on an additional $4.9 billion for the U.S. territory. Biden has promised a quick delivery of the long-delayed disaster relief package, the Miami Herald reported. "The president has made clear ... that it is a priority for his administration to release this funding," Jen Psaki, the White House press secretary, said on Monday, The Hill reported. Congress had earmarked more than $60 billion in aid for Puerto Rico following the devastating hurricane, which damaged the island's power grid and destroyed other infrastructure. However, only about $20 billion of that aid has been distributed so far, The Hill reported. The Trump administration had put restrictions on the aid's disbursement over concerns of alleged corruption in Puerto Rico. The administration reportedly required Puerto Rico to provide the Department of Housing and Urban Development (HUD) with more information and documentation than what is required of state governments about its spending plans, according to Stan Gimont, then-deputy assistant secretary for grant programs at HUD. "It seemed like it was excessive," Gimont told The New York Times.

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cal-grade cannabis. In terms of regulation, nonpsychotropic cannabinoids are overregulated, as they are in the same category as the psychotropic cannabinoids (mainly THC) and require a controlled prescription just as morphine or barbiturates. This obviously is far from the science of CBM, where even the WHO acknowledges CBD's nonpsychotropic activity. If we can get the legislative chambers to change the General Health Law, and reclassify cannabinoids, it would liberate and ease the use of these cannabinoids for therapeutic and cosmetic uses, for example. A lot of the Uruguayan experience requiring stricter regulations for CBM is enacted in our regulation. Canada also has been very important, especially as it has been successful in educating their teenagers about the risks and benefits of adult cannabis. This has helped increase the age at which people start using cannabis, effectively reducing the risks for this specific population. We need to learn how much resources Canada has devoted to education as to how to navigate a regulated cannabis market."

Melvyn Levitsky, professor of international policy and practice at the University of Michigan's Gerald R. Ford School of Public Policy and former U.S. assistant secretary of state for International Narcotics Matters: "In the international drug conventions that Mexico and virtually every country in the world has signed, cannabis is listed as an illegal, banned drug with no 'medical or scientific' uses. The conventions do allow research into the properties of illegal drugs. Opium, from which heroin is produced, is also listed as a banned drug, but through scientific research, products based on raw opium, such as morphine, codeine and other analgesic drugs, are widely used under controlled conditions for pain reduction. In the United States, the DEA has authorized the University of Mississippi to grow marijuana to allow for research into the chemical properties of the plant. Careful scientific research could—and has—shown promise for medical uses of some of these properties, such as CBD, for example. Without the intoxicating element (THC), Mexico could possibly find legal uses for chemicals extracted from the plant. However, so-called 'medicinal marijuana' has been used in some American states as a wedge to open the door to legalization of the intoxicating smoked or imbibed products of the plant; this clearly violates U.S. obligations under the drug conventions. In Mexico's case, as in other countries, the devil's in the details. That is, the value of the program established will depend on the scientific foundation and the transparency of the regulations governing the research. Mexico would do well to inform and coordinate its program with the International Narcotics Control Board, the treaty-based organization headquartered in Vienna established to monitor the implementation of the conventions' provisions."

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Gary J. Hale, drug policy fellow and Mexico studies scholar at the Baker Institute and retired DEA Houston Division chief of intelligence: "Mexico's legalization of marijuana will have multiple consequences and may result in Mexican domination of the North American marijuana market. For the time being, Mexico is behind the curve in establishing a legitimate framework under which Mexican cultivators and cannabis entrepreneurs can conduct serious, large-scale clinical trials to definitively establish the

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health benefits of all the different cannabinoids and to legitimize the plantation-scale grows that have been focused on quantity and not quality. These changes in Mexican law will also likely see the emergence of a separate marijuana cultivation sector that will mimic the production of high-quality strains that currently emerge from northern California and that are grown for both personal and medicinal use. Canadian companies and other multinational investors may also begin cultivating in Mexico because the latter's climate allows for year-round harvesting, which is less costly than indoor growing operations that take place in the northern climes. Mexican providers will likely petition their government to add cannabis to the list of commodities that can be imported into the United States under the USMCA. If that happens, the market share may be inverted, thereby reducing the U.S. share of a business that is already generating a new wave of investors worldwide, and this shift could suddenly place Mexican entrepreneurs on the top of the heap."

Lisa Sánchez, general director of Mexico United Against Delinquency (MUCD): "Thanks to pressure from organized civil society, which questioned the illegality of cannabis in court and got the Supreme Court to declare its prohibition unconstitutional, Mexico is moving toward the legal regulation of cannabis for medical, industrial and personal uses. Unfortunately, despite progress, the path to regulation has not been without its challenges, and many problems remain unsolved. A clear example is the impossibility of launching a national market for medicinal cannabis despite the fact that legislative reforms to allow it have been approved since 2017. Why? Because the federal government has delayed for more than three years the publication of the regulation that would put the reforms into effect. Now that it has finally been published, it turns out that there are so many rules that the resulting market will be small and expensive for patients (because it only allows access to drugs and not the plant, because it maintains the obligation to request permits to consume it and because it privileges rules for producers but not for consumers). The regulation will do little to improve safety, as patients will continue to be punished both administratively and criminally, making it difficult for police work to be redirected toward the prosecution of other crimes. Another example is the law to regulate adults' personal use of cannabis, which by a court order must be approved before April 30. Despite having been discussed for more than two years, and modified on several occasions, the proposal is still flawed, making it both unfair and unconstitutional. Current legislation would allow the creation of a private production and commercialization market, but it would maintain criminalization for users and aggravate their prosecution both through criminal and administrative channels. Correcting these defects will be key to improving Mexicans' health and safety—that's what we, as civil society, are committed to."

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The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at **gkuleta@thedialogue.org**.

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