

## **As cannabis is widely legalised, China cashes in on an unprecedented boom**

The country holds hundreds of patents relating to the drug, which means more profits as decriminalisation spreads globally

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The communist country is well placed to exploit the burgeoning cannabis trade with more than half of the patents relating to or involving cannabis originating in China. According to the World Intellectual Property Organisation (Wipo), Chinese firms have filed 309 of the 606 patents relating to the drug.

About 147 million people – around 2.5 per cent of the world's population – use cannabis, according to the World Health Organisation. And medicinal properties of the drug are increasingly being recognised. It can be used to treat conditions ranging from the nausea caused by chemotherapy for cancer patients and chronic pain to cerebral palsy, multiple sclerosis and epilepsy.

Last month, Uruguay became the first country to legalise marijuana in its entirety – from growing the crop to processing and use. Yesterday it appeared that a second South American country, Peru, could follow Uruguay's example and legalise cannabis production. Last week, the US state of Colorado decriminalised the recreational use of cannabis and people in Washington state have also voted to legalise marijuana, although stores are not expected to open until later in the year. Shares in companies involved in cannabis soared after Colorado's move. One firm, MediSwipe Inc, had its stock jump by nearly 70 per cent on 2 January. The legal trade of cannabis in the US alone could be worth \$10bn (£6bn) by 2018. And analysts say it is China that is once again at the forefront of exploiting new economic opportunities.

"Because cannabis in Western medicine is becoming accepted, the predominance of Chinese patents suggests that pharmaceutical sciences are evolving quickly in China, outpacing Western capabilities," Dr Luc Duchesne, an Ottawa-based businessman and biochemist, wrote in InvestorIntel.

Many of the Chinese patents are for herbal treatments. One, filed by the Yunan Industrial Cannabis Sativa Co, refers to an application (...) designed to improve the human immune system. There is also a patent filing from China for a treatment for constipation (...)

However, only one company in the world has developed cannabis-based drugs as medicines that have been recognised by regulators in the West following the long, costly process of clinical trials. GW Pharmaceuticals, based in Wiltshire, makes (medicines) for the treatment of symptoms of multiple sclerosis and cancer pain, and for childhood epilepsy.

A spokesman for the company, which is the only one licensed to carry out research on cannabis in the UK, said China had a long history of working with herbal medicines. "In that sense it doesn't come as a surprise. This is a country with thousands of years of working with plants in medicines," he said of the patent filings.

In December, Jamaica announced it was forming its first medical marijuana company, called MediCanja. Henry Lowe, a scientist and executive chairman of MediCanja, said medical cannabis could help "transform Jamaica's fledgling economy". He added: "Given Jamaica's history with ganja, we could be the hub for medical ganja in Latin America and the Caribbean."

Peter Reynolds, leader of Cannabis Law Reform (Clear), a UK-based campaign group, said China had another advantage over other countries in selling cannabis as it is one of the largest producers in the world of industrial hemp, a form of cannabis with a low amount of the psychoactive compound THC.

The opening up of a legal trade in non-medical marijuana is not without its critics. Uruguay's decision to remove all legal restrictions on use was condemned by the International Narcotics Control Board, the body charged with monitoring international treaties on narcotics : "Cannabis is not only addictive but may also affect some fundamental brain functions."

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