

# ANNUAL REPORT

FOR YEAR ENDED 30 JUNE 2020



AIHA

**Australian Industrial Hemp Alliance Inc.**

Australia's national hemp association

[www.hempalliance.org.au](http://www.hempalliance.org.au)



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# WELCOME

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Welcome to the 2020 Annual Report of the Australian Industrial Hemp Alliance ("AIHA"), a not-for-profit Association that was registered as an Incorporated Association with NSW Fair Trading on 23 January 2015.

The Purpose of the AIHA is to represent all people and organisations interested in any aspects of industrial hemp and associated products at a national level in Australia, in order to develop and grow all aspects of the industry. There are also various Industrial Hemp Associations in a number of States in Australia, some of which are members of the AIHA.

Currently our members are operating in the areas of food, fibre, hurd and medicinal. We are looking to expand our membership in these and other areas.

There are varying State laws and regulations throughout Australia that regulate industrial hemp in different ways. There are Australian Federal laws and Australian regulatory bodies and organisations that expressed the need for an Australia-wide organisation to be created in addition to the Industrial Hemp Associations in the various Australian States.

The members of AIHA include growers, processors, retailers, services providers, educators and manufacturers, all united in their passion for this wonderful natural crop, industrial hemp.

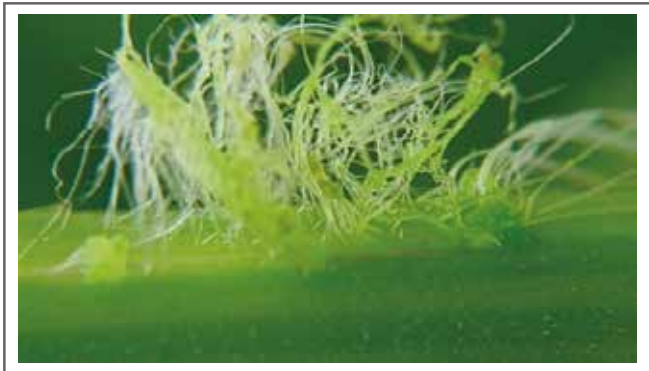
The Alliance operates under the NSW Associations Incorporation Act 2009

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# FOOD

Hemp foods are now legal for human consumption in Australia, since the FSANZ (Food Standards Australia New Zealand) were approved by the Federal Government in 2017. This was a landmark for the industry as hemp foods can be profitably grown on smaller size holdings. The benefits of hemp foods (seed, oil, flour and protein) are that they contain Omega 3 and 6 in the correct ratio for human consumption. Hemp foods are high in protein (20%-30%) and essential vitamins and minerals.

Australia has a perfect climate for hemp grain crops. The expansion of food production and processing has economic and social benefits for rural Australia. This relates to products marketed in Australia and for export.



# FIBRE

Hemp fibre is obtained by separating the outer skin (bast) from the woody core of the plant, known as hurd. This was traditionally done in the field through a process known as "retting". Advances have been made and this is now achievable through decortication of material directly at harvest. This improves the fibre quality and cuts down on wastage and reduces costs overall, making hemp fibre competitive with all other natural fibres.

Hemp fibre has a number of important uses, most commonly in clothing and accessories. Hemp clothing is hardwearing and has natural antiseptic qualities. Hemp is finding increased favour in the fashion industry. Fully manufactured Australian hemp clothing will require a significant investment in infrastructure and machinery. Hemp fibre is also used in making canvas, ropes, twines, matting and insulation.



Hemp hurds, also known as shives or hemp wood, are a product from the inner woody core of the hemp stalk. Once separated from hemp fibre the hurd is broken into pieces, where the grade depends on the purpose for which the hurd is used.

Hemp hurd provides the base material in making hemp concrete. When mixed with a binder the hurd can be used to create hemp concrete in the form of bricks or poured into formwork. Over time this hardens to become a material that is hard and fire and pest resistant. It also continues to absorb CO<sub>2</sub> as it undergoes "carbonisation".

Hurd can be used as a wonderful mulch, proven to be superior to most others, and in particleboard for building and insulation. Hemp hurd is also used for bedding for animals, most notably horses.

# HURD



# MEDICINE

Whilst the AIHA was formed in 2015 primarily to facilitate the development of the hemp fibre and hemp seed food industries in Australia, when the Alliance was established there was also a commitment made to ensure that as and if needed, the Alliance would support the development of an ethical medicinal cannabis industry in Australia.

Medicinal hemp can be manufactured from industrial hemp (def: <1% THC) where CBD and other cannabinoids are extracted from hemp leaves, flowers and stalks.

# OTHER ASPECTS OF INDUSTRIAL HEMP

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There are many other areas where hemp can be used. Hemp is a valuable source of biofuels. Hemp can also be used in bio composite materials to replace plastics in applications as diverse as automotive panels and surfboards. Strong hemp fibre can also replace fibreglass in many applications. There is also research underway to replace graphene in industrial batteries with hemp filaments.

Hemp absorbs more CO<sub>2</sub> than any other broadacre crop and draws heavy metals from soils. It is therefore a great means of sequestering carbon and rehabilitating derelict land. This also means that crops for food and medicine need to be grown in soils that are not contaminated and in areas of low pollution. This is an advantage that Australia has over countries with less stringent environmental regulations. Due to hemp's capacity to absorb CO<sub>2</sub> hemp growers and manufacturers can be largely carbon neutral.

# EXECUTIVE COMMITTEE MEMBERS 2019-20

## **PRESIDENT**

James Vosper

## **VICE PRESIDENT**

Georgina Wilkinson

## **SECRETARY**

Charles Kovess LL.B. (Hons), LL.M., CSP

## **TREASURER**

Robert Bell

## **PUBLIC OFFICER**

James Vosper

## **GENERAL COMMITTEE MEMBERS**

Catherine Cowan

Arthur Wajs

Matt Box

Charles Acton (November 2019-April 2020)

Steven Ng (from June 2020)

Biographical details of your committee are available on the Alliance website: [www.hempalliance.org.au](http://www.hempalliance.org.au)

# PRESIDENT'S *Report*

Thanks, and welcome to the AIHA AGM. Your Officers and Committee Members have put in a lot of work over the past year. This has included attending and manning our stands at conferences, speaking at events and working with the media. It is important that we, within the industry, have a voice when it comes separating the facts from the hyperbole. Our Members have actively supported the AIHA and we now have fourteen Corporate Members and three State Affiliates: NSW, WA and Tasmania. Queensland has no state association, and we have a very active AIHA Chapter there chaired by Arthur Wajs. Queensland has enormous potential for the industry, and we are consulting to the Department of Agriculture and Fisheries on initiatives to accelerate industry growth.

This has been a difficult year for farmers in Australia. The bushfires have taken a heavy toll and the rainfall has been very sporadic. In 2018/2019 CSIRO estimated that 2,500 hectares were grown nationally. The estimates for 2019/2020 are around 2,700. Tasmania remains the leader, with 1,650, followed by NSW with 400 and WA with 282. Victoria had 200 hectares, QLD 131, and SA 110. A point of note is that there are 413 entities that hold licences but only 121 were cultivating. This was a landmark year for the Northern Territory with the first industrial hemp licence being issued. We are working closely with the NT Department of Industry, Tourism and Trade to help the industry get established.

In September 2020, the Federal Government announced a \$1.9 billion investment package to support next generation technologies to lower emissions. Details are not yet firm, but the scheme has incorporated recommendations from the King Review. On 19 May 2020, the Commonwealth Government released its response to the King Review and its 26 recommendations that are targeted at ensuring Australia exceeds its 2030 emissions reduction commitments under the Paris Agreement. Practically, the King Review recommends that this must occur via an expansion of the voluntary demand for Australian Carbon Credit Units (ACCUs) and abatement while simultaneously creating a more dynamic supply where abatement occurs across a greater range of sectors and technologies.

One area that will be considered is soil carbon. We all know that hemp sequesters more CO<sub>2</sub> than any other crop. Hemp is also deep rooted and adds to soil carbon. We are working with carbon farming groups and academic institutions to establish a methodology for hemp farmers to generate income from sequestering carbon.

The AIHA has taken part in several events since the last AGM. We had a presence at the Hemp Health and Innovation Expo in Brisbane last year. We have been deeply involved in the organisation of the Australian Industrial Hemp Conference in Fremantle in February this year. Charles Kovess volunteered his time to be part of the organising committee and, once again, did a great job as MC. As Chair of IHemp WA, Georgina Wilkinson was also on the organising committee. In 2022 the event will be held in Tasmania and we will be working closely with Robert Bell on this in the coming year.

In 2018 Agrifutures published a report recognising hemp grains as a potential \$10 million rural industry and called for submissions for national research trials. The AIHA made two submissions, and we have been active members of the Agrifutures Industrial Hemp Variety Trials Steering Committee. The trials will go ahead albeit on a more modest scale than originally planned. Matt Box has represented the AIHA on this project and we acknowledge his input. Agrifutures (then RIRDC) attended our first AGM in 2015 and I want to acknowledge Klara Marosszeky (our then President) for having the foresight of making this connection that has been so beneficial for the Australian hemp industry.

Hemp building is increasing. Industry estimates are that @220 houses have been built using hemp concrete. Sunday September 19th was Sustainable House Day and there were 10 hemp houses open across the country. Hemp building has great potential and AIHA Members are at the forefront of this movement. There are some innovations happening in hemp building with hemp building blocks being produced locally. There are also hemp panels in development. One exciting development in building is 3D printing and it would be good to see this become a reality in Australia.

Hemp fibre is still an industry that needs a serious investment to reach any kind of meaningful size. We are working with the other states and AIHA Members to attract support for this.

The medicinal industry has had a turbulent year with the market capitalisation of the top 20 ASX listed companies falling from \$2 billion to \$1.5 billion. The largest company is a new listing that represents almost half of the total valuations. However, revenues have not been very high due, in part, to the tightness of the regulations. There are companies in all states in the medicinal industry, but details are not generally made public. Market estimates are that medicinal in Australia will be worth \$1 billion by 2023 and the world market will reach US\$ 54.6 billion in the same year. With the allowance of exports Australia is in a good position to benefit from this growth. Despite medicinal cannabis being legal, approved patient numbers are relatively low and the medicines available are expensive and mostly imported. The TGA carried out a review of barriers to patient access to Cannabidiol (CBD). Submissions were made by the AIHA, state organisations and many others totalling 5,409.

The interim decision was to re-schedule CBD from Schedule 4 (prescription only) of the Poisons Schedule to Schedule 3 (available over the counter in pharmacies), under the following rules:

“CANNABIDIOL in oral, oral mucosal and sublingual formulations preparations for therapeutic use when:

- The cannabidiol is either plant derived, or when synthetic only contains the (-) CBD enantiomer
- The maximum recommended daily dose is 60 mg or less of cannabidiol
- In packs containing not more than 30 days' supply
- Cannabidiol comprises 98 per cent or more of the total cannabinoid content of the preparation
- Any cannabinoids, other than cannabidiol, must be only those naturally found in cannabis and comprise 2 per cent or less of the total cannabinoid content of the preparation
- For adults aged 18 years and over
- Packed in blister or strip packaging or in a container fitted with a child-resistant closure.”

This was picked up by the media as allowing full access to CBD for anyone on the basis of consulting a pharmacist. This is not the case, as only medicines entered on the Australian Register of Therapeutic Goods (ARTG) can be supplied.

There is a concern in the industry that the dosages are not high enough to have an effect on major conditions. There are also major costs involved in the process required to be listed on the ARTG which favours larger players and those listed on the US FDA.

If the recommendations are applied, and the Act is amended, the changes will take place in July 2021.

On October 1st the second annual Cannabis Industry Awards results were announced. AIHA Members and associates were winners in multiple categories:

- CBD Reviews Australia (Steven Ng) - Education Award
- Hemp Homes Australia (Gary Rogers)- Business of The Year
- The Australian Hemp Masonry Company (Klara Marosszeky) - Hemp Award
- Margaret River Hempco (Georgina Wilkinson) - Green Award
- Australian Industrial Hemp Conference (Robert Bell)- Event of The Year
- Australian Industrial Hemp Alliance – Non-Profit of The Year



They should all be congratulated for their success and for the contributions they have made to the industry over the last year. Moving forward we need to build on the work done this year and every year since our inception.

As the peak national body, we have been tasked by Agrifutures to develop a strategic plan for the Australian industry. This is well underway and will be addressed separately in this Annual Report. I believe that there are actions that need to happen that will benefit all involved in the industry. To be competitive we need the industry to scale upwards. This will make production more efficient and reduce costs throughout the supply chain.

We need to make it easier for farmers to enter the industry. We field enquiries daily on this very topic. One of the key issues is access to suitable seed for varied climactic conditions. This will be addressed once the seed trials start to yield data. If we can quantify the role of hemp in the carbon cycle farmers, and others, can access a whole new revenue stream.

The whole of the hemp plant has uses. At present much of the biomass is wasted when it could be used by livestock and in products for human consumption. We need to continue to challenge laws that lead to waste.

Despite the proposed changes to the scheduling of CBD, and the increase in prescribed products, there is still unmet demand. Products that are available are beyond being affordable for many. This is fuelling the illicit market where products are untested and of varied provenance. We must keep up the pressure to have CBD, and other non-psychoactive cannabinoids, classified as complementary medicines.

Our industry has almost unlimited room to grow. We will realise the best return on our efforts by looking outward. This includes, but is not restricted to, geographical expansion. It also includes entering new industries and moving beyond commodities. We welcome input from all individuals and parties that will help the industry to realise its potential.

THANK YOU,  
**JAMES VOSPER**  
President, 2019-2020

# SECRETARY'S *Report*

I am delighted to present my Report for the 2019-20 year.

Firstly, a thank you to my colleagues on the Executive Committee for their respective contributions during the year. Secondly, a thank you to all our members for joining the AIHA, or renewing your membership, and making a contribution to the growth of the industry. I look forward to working with all of you into the coming years.

Whilst James Vosper, our President, has given an overall Review of the year in his Report, my Report will cover in more detail the activities of your committee in building and promoting our industry.

## ADMINISTRATIVE MATTERS

Your committee is working well, albeit with limited resources to do all the things that could possibly be done! More help from members is always welcome, via participation in our subcommittees.

Our membership flyer has been used extensively, handed to contacts to promote the value of membership. The elements of that flyer are set out elsewhere in this Report.

Our website has continued to be developed and expanded, and we receive many online enquiries that then lead to acquiring new members: see [www.hempalliance.org.au](http://www.hempalliance.org.au)

Your committee has continued work on developing a strategic plan for the industry. See this Annual Report for further details of the elements of our strategic plan.

We improved our ability to get our subcommittees functioning well. There are seven subcommittees:

- **Fibre and hurd**
- **Seed**
- **Food**
- **Medicinal**
- **Marketing**
- **Retailing**
- **Regenerative Farming**

We ask members interested in any of these areas to volunteer their services by joining one or more of these subcommittees.

A number of newsletters were sent during the year to members, and additional newsletters were sent to the AIHA's broader mailing list, with a view to keeping them informed about progress being made in our industry, and then showing those people the value to them of joining as members.

## TECHNICAL MATTERS

Your committee is committed to the development of standards for fibre and hurd. Our subcommittee has been working diligently on this, and progress is being made, including globally surveying current standards in hemp and other similar products.

Our Biological Hemp subcommittee has also been exploring the likelihood of our whole hemp industry being able to be 'chemical-free'. The good news is that we believe the industry can be successful with biological, biodynamic, and organic practices. This saves money but more importantly saves our soils through regenerative agriculture. I suggest you research the whole concept of 'regenerative agriculture' if it is of interest to you, and also note the current activities of John Anderson, our former Deputy Prime Minister, and long-standing farmer.

We have handled a number of complaints of unfair use of the word 'hemp' in products coming to market. We advise people of their rights, and help to ensure that complainants understand the relevant laws and regulations relating to misleading and unfair business practices. Any members who see such behaviours are invited to bring them to the attention of the Committee.

Your committee has taken numerous steps during the year with various people and organisations on the issues of CBD levels in products. This is a vexed issue of regulations, both state and federal, that must be simplified and made sensible.

I participated as a member of a group led by Professor Kylie O'Brien to prepare submissions to the Australian Government on easing CBD restrictions. A detailed submission was prepared and signed by me on behalf of the AIHA, together with 13 other key industry bodies. Thanks to Kylie for her great ongoing work in this field.

The AIHA also prepared its own submission to the Australian Government, supporting this industry-wide submission for the descheduling of CBD (cannabidiol).

We hoped that the World Health Organisation, who had reported that CBD's should be totally legalised and that the World Doping Agency has taken CBD's off the banned list, would progress in easing CBD restrictions globally. We need to promote this position amongst Governments in Australia, to relax unwarranted restrictions on CBD's.

Committee members attended seminars put on by the Government's Office of Drug Control in Brisbane, Sydney and Melbourne.

Under Australian law, permits are required to be held for application of pesticides and herbicides. A number of relevant permits are registered in the name of AIHA, and we have been working with John Muir and John Wightman to clarify the use of these chemicals for which permits are held when hemp is grown for food, as distinct from fibre and hurd. We retained Hemp Farming Systems, one of our Corporate Members, to advise the AIHA on a professional basis.

For the benefit of interested parties, the permits currently held by the AIHA are listed in the 2019 Annual Report.

A key ongoing issue is the attitude of the Queensland Government and Police to industrial hemp; the other is to educate that Government on the economic benefits to that State of the growth of our industry. The Government professes to be supportive, but it acts contrary to its statements in a number of ways.

The AIHA takes an interest in medicinal cannabis because it is truly part of 'industrial hemp'. We consider that we can take an overhead perspective, rather than vacating the issue to companies solely interested in commercialising medicinal products.

We also monitor global legislative changes that impact on hemp in any way, including fibre, hurd, food and composite materials. The push for environmentally cleaner products of all descriptions will be a driver of increasing demand for hemp raw materials.

## CONFERENCES & EXHIBITIONS

In October 2019, AIHA was an exhibitor at the Brisbane Hemp Health & Innovation Expo. This involved two days of exhibiting at our Stand, talking with people interested in growing and buying hemp products, promoting membership of AIHA, and exhibiting products of our AIHA members. There is always a lot of work required to plan the elements of participation, including design and production of our display banner, our display, and AIHA promotional materials.

During this Expo, James Vosper and I presented at the Symposium on aspects of the hemp industry and the benefits of joining the AIHA.

Thanks are due to all those who helped us to run a successful Stand. We particularly thank James Vosper, Catherine Cowan, and Anastasia Cowan for their work in setting up the stand, decorating it, and then manning it during the whole Expo.

During the first eight months of the 2019-20 year, three of your Committee, our Vice-President Georgina Wilkinson, Robert Bell, our Treasurer, and me, worked as members of the Organising Committee for the 2nd Australian Industrial Hemp Conference that was held in Fremantle in February 2020. The AIHA shares in the profits of this Conference whenever it is held. Robert Bell is the owner and founder of this Conference. Unfortunately, due to the challenges of coronavirus, the Conference did not make a profit, but as you will see from the Report by Robert Bell elsewhere in this Annual Report, the Conference was a great success!

The Conference's main sponsor was the Government of Western Australia and was also given great support by WA's Minister of Agriculture, the Hon. Alannah McTiernan MP.

We participated in a one-day workshop in Victoria, working in alliance with the Surf Coast Shire.

Robert Bell and I presented a hemp seminar to G21, a Geelong-based business council, to help drive increasing knowledge and demand of, and for, hemp raw materials in production chains.

We ran a number of webinars during the year for members and interested parties, as a way of attracting new members whilst keeping members well informed.

## MEMBERSHIP MATTERST

Our Constitution provides a framework for State Hemp Associations to join as 'Affiliate Members'. Currently, our Affiliate Members are:

- **NSW Industrial Hemp Association**
- **WA Industrial Hemp Association**
- **Tasmanian Hemp Association, who we welcomed as a new member in July 2020**

The two State Associations that are not members are Victoria and South Australia. There is no existing Queensland Association. We hope to continue discussions with these State Associations to bring them into the AIHA, to increase the influence of AIHA on Government decision-making! The South Australian Association continues to be concerned that the AIHA has a position on medicinal cannabis.

Your committee has set up Chapters of the AIHA in Queensland, and Victoria, to give a central contact point to our members in those States. Arthur Wajs has been appointed as Chairman of the Queensland Chapter, and I am the Chairman of the Victorian Chapter. If the Victorian Association becomes a member, then the Victorian Chapter would not be needed.

All members of the AIHA can play a crucial role in helping us to grow. Personal referrals for membership are the most effective way to grow, and if you send us your suggestions, we will happily follow them up with details of membership.

They should also be referred to our website: [www.hempalliance.org.au](http://www.hempalliance.org.au)

Your President, and committee member, Catherine Cowan, have done a sterling job during the year in continuing to handle many hundreds of enquiries from our Facebook site.

## ALLIANCES WITH OTHER NATIONAL BODIES

We have maintained our alliances with other national bodies and can report significant progress has been achieved during the year.

We have agreed to create an alliance with the Canadian Hemp Traders Association, and the USA Council for Federal Cannabis Regulation.

We have agreed to discuss the creation of an alliance with the newly-formed US Hemp Building Association, led by architect and hemp afficianado, Bob Escher.

Such alliances help the AIHA influence global rules and regulations, to share information to ensure sensible Government policies, and then to work together to push back against unreasonable or unwarranted Government restrictions.

## MARKETING AND PUBLICITY MATTERS

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Your committee continued working on development of a hemp materials and products register, to grow demand for hemp products. This includes a register of retailers, and you will see that one of our Corporate Members provides such a register: the HempPages Directory. We noted that some of our members are retailers, but most people do not know where to buy hemp products. Locality is relevant. Some members have indicated a desire to set up a hemp exchange. Such steps will help to grow demand.

Emerging industry status of industrial hemp by AgriFutures has been important during the year. Lots of ongoing work will be needed by the committee to grow the AIHA. Your committee accepts that AIHA information is important and relevant and will also help other countries grow their industrial hemp capacities.

We resolved to retain a professional pr firm, PR Matters, to generate publicity for the hemp industry and to drive participation in the Hemp Conference in Fremantle. Good publicity was generated, and the Committee considers that the financial investment into these steps was worthwhile.

Every monthly committee meeting discusses and reviews relevant news and media coverage of industrial hemp issues, to ensure that we comment when needed. Both James Vosper and I have had a number of radio interviews.

Arthur Wajs generated front-page newspaper coverage of the Queensland Government's unreasonable stance on hemp matters.

We request our members who see such media coverage to send us an email, to ensure we don't miss important items that are worthy of follow through.

## VICTORIAN GOVERNMENT HEMP TASK FORCE

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The Victorian Government established a Hemp Task Force in August 2019, to develop policies in that State. The members of the Task Force are:

- Jaclyn Symes, Minister for Agriculture, Regional Development
- Ali Cupper MP, Member for Mildura
- Fiona Patten MP, Member for Northern Metropolitan Region

The Purpose of this Task Force was stated in detail to be:

- To oversee a targeted investigation into the Victorian industrial (non-therapeutic) hemp industry, engaging directly with the industry, relevant research organisations and other key stakeholders to gain a better understanding of the growth prospects and challenges for the developing industry.
- To focus on new opportunities for the industry in Victoria and whether there are regulatory barriers to growth. The Taskforce will look at the job creating benefits of the industry and potential economic value to the state, especially in regional areas.

I met with the Task Force in October 2019 for extensive discussions.

It has issued an Interim Report that will be sent to all members and interested parties.

## AGRIFUTURES NATIONAL VARIETY TRIALS

The President's Report contains details of the work and planning that went into implementing hemp seed variety trials throughout Australia. It was a lot of work, initiated and driven by James Vosper and Matt Box on behalf of the whole Committee.

The discussions, the thinking, the strategizing, all consumed time and energy for a worthwhile project. We are grateful to AgriFutures for its financial support for the design phase of the trials.

I mention the trials here to underline for you, our members, how significant this aspect of our work actually was during the year.

## AGRIFUTURES RESEARCH DEVELOPMENT & EXTENSION PROJECT

In March 2020, our Treasurer Robert Bell suggested to the Committee that we respond to a public call from AgriFutures for funding for hemp projects that will develop and extend the industry. The Committee agreed, and we retained expert advisers to help us put together a detailed, extensive submission. That submission was successful, and has resulted in funding of \$200,000 to manage and implement the Project over the period from 1 July 2020 to 31 March 2022.

The Committee was pleased to appoint Robert Bell as the Project Manager on behalf of the AIHA. The funds invested in professional advisers has been shown to be an excellent investment that will directly help to grow our industry, to identify key research & development areas, and to take steps to extend the reach of industrial hemp in all its facets.

Robert Bell's detailed Report is included elsewhere. We thank Tom McCue for his ongoing support, guidance and experience that he makes available to AIHA.

## IN CLOSING

There is much that was done, and there is much ongoing work to be done.

I am not able to share with you all details, simply due to the volume of those details. To give you some appreciation of this, the Minutes of our monthly Executive Committee meetings are usually 2300 words each, a total of over 25,000 words annually.

We consider that industrial hemp can play an important and large role in expanding Australia's agricultural sector value from \$60 billion annually to the Federal Government's stated goal of \$100 billion annually. We want to ensure that we play such a role.

I look forward to working with all of our members and stakeholders to continue our growth, to become a mainstream industry, rather than a 'cottage industry'. Hemp can be a global game-changing industry, helping to build healthier people, healthier communities, and a healthier Spaceship Earth.

**CHARLES B. KOVASS** LL.B. (Hons), LL.M., CSP  
Secretary, 2019-20

# FINANCIAL Statements

## AUSTRALIAN INDUSTRIAL HEMP ALLIANCE INC STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 30 JUNE 2020

INCOME	2019 (\$)	2020 (\$)
Membership Fees	5708.00	7340.00
AIHC conference share of profits	Nil	Nil
Seminar income	4814	200
Total Income	10,522.00	7540.00
EXPENSES	2019 (\$)	2020 (\$)
Bank fees	120.00	98.00
Website annual fee	168.00	200.00
HHI Expo Brisbane	5007.00	2000.00
AIHC Exhibitor fee	1000.00	1000.00
Display banner	522.00	nil
Printing & stationery	940.00	nil
APVMA Permits & fees	617.00	2000.00
AgriFutures application consulting	Nil	5500.00
Publicity expenses	Nil	5081.00
<b>TOTAL EXPENSES</b>	<b>10463.00</b>	<b>15879.00</b>
<b>NET LOSS</b>	<b>59.00</b>	<b>8339.00</b>

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

CURRENT ASSETS	2019	2020 (\$)
Cash at bank	14381.65	6041.83
NON-CURRENT ASSETS	2019 (\$)	2020 (\$)
Non-current assets	Nil	Nil
CURRENT LIABILITIES	2019 (\$)	2020 (\$)
Current Liabilities	Nil	Nil
<b>NET ASSETS</b>	<b>14381.65</b>	<b>6041.83</b>

**ROBERT BELL** Treasurer, 2020



# AUSTRALIAN AGRIFUTURES SUPPORTED RESEARCH DEVELOPMENT & EXTENSION PROJECT

In June 2020 AIHA, as the peak body for the iHemp industry, were exceedingly pleased to be awarded funding from AgriFutures Australia for a submission we had made to develop a national RD&E plan for the Australian Industrial Hemp Industry. The project commenced in June 2020 and is scheduled to be submitted by the end of March 2022.

The project aims to set a sound foundation from which to grow iHemp industry capacity and capability having a broad interpretation of research and development that will deliver a wide impact to the industry. The object of the project is to bring together all major stakeholders within the Australian industry supply chain to identify the priority areas that need to be addressed to ensure the ongoing (and optimal) growth of the sector. Some key focus areas have been identified for research, development, and extension, and these in effect become (9) subprojects of the overall campaign.

If you consider that other subprojects need to be added, or are more important than any of the 9 described below, then please share your views with Robert Bell initially.

The 9 subprojects in no order of priority are: -

## NATIONAL HEMP AGRONOMY META RESEARCH

To develop a comprehensive reference/information tool for the industry, that will be presented through a “live” on-line facility. We have identified Hemp Pages to take up and maintain the data. This will give the industry a highly reliable and comprehensive data resource to help enhance the development of a robust, vibrant and transparent industry in Australia, with global significance.

**Hemp**pages   
DIRECTORY

## HEMP SEED CERTIFICATION

Developing a comprehensive certification system for hemp seed, ensuring standardization of consistent, high quality seed supply. This should assist to develop a strong and commercially viable iHemp industry and should result in enhanced success rates for planting, and improved yields for the growers. The activities being undertaken are identification and collation of current seed varieties being used. We can then assess global experiences with each of these, allowing a determination of what represents world's best practice with each seed variety, in terms of consistency, optimal yields, sound resistance to environmental conditions and disease etc. Armed with this information we should be able to establish a systematic, comprehensive seed certification system.



## HEMPCRETE RESEARCH AND CERTIFICATION

to provide the necessary groundwork to develop hemp-based construction materials to meet consistent, high standards with the versatility of other building materials and thus enable it to compete effectively in the construction market. It is envisaged that an educational package will be developed to help generate a stronger understanding of the benefits/value of HempCrete as a building product, ensuring that it is treated as a credible alternative to traditional building and construction materials.



## HEMP WASTE TO FEED

It is intended with this subproject to identify the scope for utilising hemp waste as a feedstock for farm animals, determine what (if anything) needs to be done to the waste to make it viable/ attractive feedstock. Then prepare a plan to develop the market for hemp waste. To achieve this we need to investigate what (if any) research has been done globally, if there are any gaps in this research and initiate further research projects to enhance the uptake/acceptance of hemp waste as a viable feedstock. We would then promote field trials, publish results and promote the findings.



## HEMP FOOD VALUE RESEARCH

to explore the viability of hemp as a food additive/source and further develop hemp as a food. This will require the development of appropriate standards to enable the use of hemp as a food source and development of necessary guidelines to inform the industry of protocols/requirements. There are (apparently) significant health benefits of hemp, these claims need to be validated, and then used to generate market demand.



# CARBON SEQUESTRATION OF HEMP

To prove (or disprove) the “common knowledge” that iHemp is a significant carbon sequestrant. By providing irrefutable evidence of the extent of carbon sequestration of hemp it should provide greater interest in and demand for iHemp products. Once the sequestration benefits can be fully demonstrated/proven, the findings will be published and widely disseminated throughout both the industry, but more importantly the wider community through all types of media, inclusive of social media and at various industry events.

**Table 2.2**

Material	Embodied carbon by weight*	Embodied carbon for 4x8 foot wall @ R-28**	Carbon footprint after sequestration
Hempcrete	-2.73 kgCO <sub>2</sub> e/kg for 300 kg/m <sup>3</sup> mix	-121.4 kgCO <sub>2</sub> e	-121.4 kg per 4x8 wall area
Mineral wool batt	1.28 kgCO <sub>2</sub> e/kg	21.75 kgCO <sub>2</sub> e	21.75 kg per 4x8 wall area
Fiberglass batt	1.35 kgCO <sub>2</sub> e/kg	17.6 kgCO <sub>2</sub> e	17.6 kg per 4x8 wall area
Denim batt	1.28 kgCO <sub>2</sub> e/kg	22.45 kgCO <sub>2</sub> e	-1.5 kg per 4x8 wall area
Dense packed cellulose	0.63 kgCO <sub>2</sub> e/kg	35.3 kgCO <sub>2</sub> e	-41.3 kg per 4x8 wall area
Extruded polystyrene foam	3.42 kgCO <sub>2</sub> e/kg	38.5 kgCO <sub>2</sub> e	38.5 kg per 4x8 wall area
Expanded polystyrene foam	3.29 kgCO <sub>2</sub> e/kg	37.25 kgCO <sub>2</sub> e	37.25 kg per 4x8 wall area
	* figures from Inventory of Carbon and Energy (ICE) 2.0	**material densities from Making Better Buildings	

## Identification of Hemp Processing Sites

Hemp in it’s early stage processing is a lightweight product, for economic reasons this means that it has to be processed as close to growing areas as possible. This project will identify rural regions where the growing of iHemp should ideally take place, and assess whether these locations would lend themselves to early stage processing of iHemp. This information would be used by farmers/growers and would also be used to attract potential investors. Hopefully this would lead to optimal clustering of supply chain partners (possibly establishing industry co-operatives), thus developing highly effective processing chains to be developed.



TCI’s D8 Decorticator, an example of the type of machine needed to process hemp stalks into fibre and hurd.

## Environmental impact of Hemp vs other fibres

to develop a credible, comparative analysis of the environment impact of hemp in relation to other fibres, both natural and synthetic, cataloguing the full impact of each. Through this work a research-based verification analysis on the relative merits of all fibres could be generated, allowing the community at large along with industry, to make well educated judgments for future development, and uptake.

## HEMP

50,000 USES & BENEFITS



## Hemp as Plastics Substitute

until comparatively recent plastics have been the World leader as the favoured material input for most commodities (consumer) products. But as the community becomes increasingly concerned about the disposal of waste product and the adverse environmental impact of polymer-based products, there is strong interest globally in the identification of alternative materials to plastics/polymers. Hemp products have a strong potential to offer a viable alternative for many consumer items. This project will identify markets/products where hemp-based products offer a viable alternative to plastic, and promote the benefits of hemp over these plastic products. One such product could be hemp weed-matting, replacing the black woven polypropylene product currently used in massive quantities.

Since the commencement of the project there has been significant input both locally and globally. Investigations are widening the contributory horizons, with many academic, and research organizations identifying existing projects, which will be helpful to our endeavours. But that is not to say that more assistance is not needed; if you believe you have anything to contribute, in any way to this project please contact:



The Project Manager Robert Bell email [robert\\_bell@iprimus.com.au](mailto:robert_bell@iprimus.com.au) or alternatively tel +61 (0)433 796 450

**Robert Bell**  
Project Manager

# AUSTRALIAN INDUSTRIAL HEMP CONFERENCE 2020 REPORT

## Held in Fremantle WA February 2020

Despite massive bushfires, drought and a World Pandemic, this year's Australian Industrial Hemp Conference (the 2nd Biennial event), was deemed a huge success, by all.

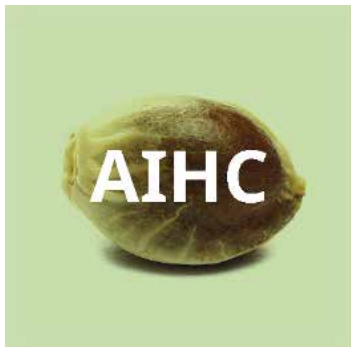
Three members of the Alliance executive committee played an integral part in the planning (and running) – Robert Bell the founder and owner of the event, Charles Kovess the AIHA representative on the committee, and Georgina Wilkinson, who represented the West Australian Association.

There were over 280 delegates, who had the opportunity to sit through 60 presentations, as well as visiting the small (20 sites) exhibition space, throughout the event. They were also entertained at some excellent networking events, the meet & greet on the first night, a terrific hemp fashion show on the second night, and the Gala Dinner on the final night, all supported with Hemp food and drinks. This year there was the opportunity prior to the event to attend hemp based workshops, and the Friday after the event an excellent site tour was offered, visiting farms, breweries, hemp buildings and a hemp store.

All the hard work done by the committee paid off, with the Australian Industrial Hemp Conference being awarded the Event of the Year Award from the Cannabis Industry Awards organisation. Well done to all.

We are now busy planning the 2022 event to be held in Tasmania in March 2022, the website is already up, but will obviously be regularly updated, so please keep abreast of things at [www.australianindustrialhempconference.com](http://www.australianindustrialhempconference.com), and this time around we are also on Facebook, LinkedIn and Instagram, just follow the links from the website, hope to see you all in Tasmania in 2022 (yes a live event not a virtual event).

**Robert Bell**  
Conference Founder



WA's Minister for Agriculture, Hon. Alannah McTiernan, at the Hemp Fashion Show, with Mac Fergusson (RMIT), Johan Tijssen, & Charles Kovess



Beautiful hemp fashions on display during AIHC 2022, with Robert & Susan Bell in the background



Amazing hemp bridal gown on display at the fashion show



**Australian Industrial Hemp Alliance Inc.**  
Australia's national hemp association  
[www.hempalliance.org.au](http://www.hempalliance.org.au)

**Join the AIHA to:**

- Network with hemp industry professionals
- Access hemp industry insights and trends
- Learn about new business opportunities
- Market business services to AIHA members
- Have input on the development of the AIHA
- Shape the future of the Australian hemp industry

The Purpose of the AIHA is to represent people and organisations interested in any aspects of industrial hemp and associated products at a national level, in order to develop and grow all aspects of the industry.

Our members operate in the areas of food, fibre, hurd and medicinal. We are keen to expand our membership in these and other areas. The members of AIHA include growers, processors, retailers, educators and manufacturers, all united in their passion for this wonderful natural crop. Membership is open to individuals over 18 years, Hemp Industry Associations and organisations, and Industrial Hemp businesses. The Alliance is incorporated under the NSW Associations Incorporation Act 2009. We invite you to become a Member.

**The types of membership are:-**

- **ORDINARY MEMBERSHIP – \$200** - Entitled to one vote.
- **CORPORATE MEMBERSHIP – \$500**  
Corporate members will be able to have their logos displayed on the AIHA website and will be given prior notification of enquiries made to the AIHA that could be of commercial benefit. Corporate Members will have their profile shown publicly on the website. Entitled to one vote.
- **ASSOCIATE MEMBERSHIP – \$50** - No voting entitlement.

**PRESIDENT:** James Vosper Phone 0410 348 211  
**VICE-PRESIDENT:** Georgina Wilkinson  
**SECRETARY:** Charles Kovess Phone 0412 317 404

Contact us: [info@hempalliance.org.au](mailto:info@hempalliance.org.au)  
**Phone 0410 348 211**

## AIHA'S STRATEGIC PLAN: AN ONGOING WORK IN PROGRESS.

Your Committee has been continuing to many discussions with key industry players, and with other agribusiness stakeholders, on what a national strategic plan would 'look like' to ensure that our industry grows from a cottage industry to a mainstream industry.

The fact that AgriFutures has now categorised hemp as an 'emerging industry' is very helpful and of great significance. The recent funding by AgriFutures of an RD&E Project as outlined elsewhere in this Annual Report is also of enormous significance in firming up this Strategic Plan for the industry, and then ensuring that it is implemented.

A number of strategic planning discussions lead to the adoption of the following Vision for AIHA:

AIHA's Vision is to be recognised as Australia's peak national body for industrial hemp by all relevant stakeholders.

This will occur when the AIHA achieves its Goals that are designed to build all aspects of industrial hemp in Australia, to make the industry a sustainable, successful, profitable and respected mainstream agribusiness endeavour.

Adoption of clear goals are essential prior to adopting a strategy. The Business Plan aims to prioritise our Goals, and our Strategies to achieve the goals.

AIHA Goals are:

1. Government recognition and acceptance that AIHA is the peak national body for industrial hemp
2. Membership goals
  - a. We have 200 corporate, ordinary, and associate members by 30 June 2022
  - b. We retain ongoing membership of all members along the journey
  - c. All State Hemp Associations are members
3. Conduct hemp events for education, fundraising and awareness raising
  - a. National: one in 2020, in Fremantle, then another in 2022, in a State to be agreed, and thereafter annually
  - b. State: four events in each State each year
  - c. Event programs are designed for corporates and individuals, novices and experienced, growers and all other stakeholder interests
4. Attract research funding to pursue key research areas. AgriFutures funding is a key step in this direction.
5. Key farmers' organisations are well-informed about the benefits of hemp
6. Key end markets are well-informed about the benefits of hemp: seed, fibre, hurd, medicinal & nutraceutical
7. There is significant demand for hemp products of all descriptions
8. Create alliances with relevant associations globally
9. AIHA generates sufficient profits to be able to effectively pursue achievement of these goals
10. There is high awareness of the AIHA amongst key groups:



- a. Farmers
- b. Governments, being municipal, state, and federal
- c. Sponsors
- d. Public
- e. Corporates
- f. Academics, universities and research institutions

- 11. There are clear and useful standards for seed, fibre, hurd and nutritional products
- 12. Consistent and sensible laws and regulations govern all aspects of industrial hemp, both federally and state
- 13. We create significant impact on social media platforms that speeds up the achievement of these Goals.

## The AIHA Business Plan and Strategy

Key elements are as follows, set out for consideration by our members and stakeholders, with a view to seeking feedback and ongoing development and implementation of the Plan, together with volunteer contribution via our seven subcommittees.

**A** The Australian Industrial Hemp Alliance was founded in 2015, the initial aim was to become the recognized peak body for the whole Industrial Hemp Industry. Progress has been made by developing strategic working relationships with:

- a. Federal and State Governments in Australia
- b. Research universities
- c. CSIRO and AgriFutures
- d. State hemp associations
- e. International hemp associations
- f. Hemp media outlets
- g. Farmers and farmer organisations

**B** For the AIHA to move forward, while members of the committee are time poor, it is necessary to prioritize activity to focus on three main areas of activity:

- a. Seeds
- b. Standards
- c. Industry Relevance

### Seeds

- a. Work to ensure reliable hemp seed supply for all demands
- b. Identify and promote the best seed varieties
- c. Create a directory of reliable seed suppliers and promote a certification regime of seeds.

### Standards

Cultivars from both abroad and local supply should adhere to standards developed between AIHA and chosen research authorities to ensure that only good and recognised (approved) products are used to develop the Australian Industrial Hemp Industry.

AIHA will work to develop standards to ensure all industrial hemp products are of the highest standard, and then encourage global supply chains to adopt these standards as Industry Norms.

Through effective and regular media releases, AIHA will work to ensure the public is constantly made aware of these standards, and which organisations utilize them.

## Industry Relevance

To be industry relevant, AIHA will:

- a. Identify Leading Politicians who are Industrial Hemp 'friendly'
- b. Develop Mainstream Media Interest
- c. Widely Circulate the AIHA Newsletter.
- d. Use Social Media Effectively—Create the AIHA You Tube Channel
- e. Develop a Professional "look and feel" for AIHA.
- f. Create useful and impressive marketing collateral.
- g. Exhibit at Rural and Agricultural Field Days/Shows
- h. Ensure our website is constantly kept up to date and content-rich.

This, you may suspect, is a lot of work. You are right.

But understanding the work that needs to be done, as has been done by other agribusinesses, shows us the road map forward, and helps your committee to make decisions, and to attract the right type of support to increase the likelihood of getting to where we want to be!

# LISTING OF MEMBERS

AS AT 30 JUNE 2020

## CORPORATE MEMBERS ( VOTING MEMBERS )

- Hemp Farming Systems Pty Ltd (represented by Dr John Wightman)
- AgPath Path Pty Ltd (represented by Dr Mary Cole)
- FB Rice Patent Attorneys (represented by Lara Gun)
- Gold Flower Australia (represented by Jesse Hughes)
- Hemp Australia (represented by Jeffrey Tang)
- Hemppages Directory (represented by Michelle Tardini)
- Hemp Fields Pty Ltd (represented by Arthur Wajs)
- Australian Hemp Masonry Company Ltd (represented by Klara Marosszeczy)
- Cannim Pty Ltd (represented by Will Worton)
- Dome Group/Nutrifield (represented by Charles Acton)
- ECS Botanics (represented by Alex Keach)
- 13 Seeds Hemp Farm (represented by Gemma Lynch-Memory)
- Hemp Beer Company (represented by Rohan Moxley)
- Southern Cross University (represented by Dr Graeme King)
- Vir Pharma (represented by Simon Pettinger)
- Dr Hemp (represented by Catherine Cowan)

## ORDINARY MEMBERS ( VOTING MEMBERS )

- |                      |                      |                   |
|----------------------|----------------------|-------------------|
| • Adam Goodyer       | • Joel Wren          | • Mr Guoli Pan    |
| • Alex Impey         | • John Muir          | • Mrs Jiqun Ma    |
| • Andi Lucas         | • John Peisley       | • Paulo Umetsu    |
| • Andrew Katelaris   | • Justin Barrick     | • Phil Warner     |
| • Catherine Cowan    | • Karen Dahl         | • Phoebe Brown    |
| • Charles Kovess     | • Kevin Wortes       | • Ray Rankin      |
| • Corey West         | • Kirsten Lunoe      | • Robert Bell     |
| • Dominic Carosa     | • Luke Whitely       | • Robert Pincevic |
| • Dr Benjamin Jansen | • Matt Box           | • Ronghui Zhang   |
| • E J Ang            | • Matthew Barnes     | • Ross George     |
| • Fiona Reynolds     | • Maxine Shea        | • Stephen Ng      |
| • Fred Davies        | • Mike Shea          | • Tom Smith       |
| • James Vosper       | • Mitch Derrick      | • Winton Evers    |
| • Jennifer Midgley   | • Monty Martin-Weber |                   |

## AFFILIATE MEMBERS (VOTING MEMBERS)

- Industrial Hemp Association of NSW, Association Member, represented by Maria Katelaris
- IHA WA, Affiliate member, represented by Georgina Wilkinson
- Tasmanian Hemp Association, represented by Tim Schmidt

## ASSOCIATE MEMBERS (NON-VOTING MEMBERS)

- Adam Roux
- Alanna Agostino
- Alexandru Dorel
- Alison Kelly
- Anant Dave
- Anita Hicks
- Arnaud Castel
- Cathy Briant
- Colin Cheng
- Colin Steddy
- Craig Danzey
- Daniel Maloney
- Daniyal Abdullah
- David Brian
- David Campbell
- Debra Murtagh
- Donald Khoo
- Doug Jennings
- Epilepsy Action, Australia
- Felipe Favaro
- Heinrick Wicker
- Helen Reynolds
- Henrik Nerding
- Huw Edwards
- Ivan Lewis
- James Blundell
- Jamie Milling
- Jenny Calderwood
- Johan Tijssen
- Johannes Geppert
- John Bauld
- Jonathan Landes
- Juntong Zhang
- Ken Stuckey
- Kerry Oldfield
- Larissa Lancaster
- Leah Kelly
- Lewis Gardiner
- Maggie Davidson
- Manfred Preisenberger
- Mark Greathead
- Matt Casali
- Mia Trujillo
- Michael Tsakarellis
- Monty Martin-Weber
- Niraj Chib
- Patricia Griffen
- Peter Consandine
- Peter Edmonds
- Peter Thompson
- Phillip O'Neill
- Rizwan Hassan
- Rory Kerlin
- Sandra & Rick Miller
- Shaheen Aziz
- Shalraj PT
- Sherree Jones
- Steve Burnett
- Sylvia MacDonald
- Tegan Scates
- Troy Mewburn
- Wade Hobson
- Wadsy Wadsworth
- William Martin



#### CONTACT DETAILS FOR THE AIHA

### **AUSTRALIAN INDUSTRIAL HEMP ALLIANCE INC.**

Registered NSW incorporation Number INC 1500123  
ABN 53 617 534 381

Registered office: 3 Pattie Place  
Woy Woy NSW 2256

#### SECRETARY

### **CHARLES B. KOVESS**

PO Box 1412, Central Park Vic 3145  
Email: [charles@kovess.com](mailto:charles@kovess.com)  
Phone: 0412 317 404