

Medical Cannabis and CBD: a summary of the challenges and opportunities in the UK

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There is worldwide demand for medical cannabis, and growing calls to make it more widely available in the UK. But some doctors urge caution and more medical trials.

- There would appear to be significant potential worldwide demand for medical cannabis, with market sales estimated at anything between £33.64bn and £62bn by 2025.
- Public opinion, several high-profile cases such as that of eight-year-old Alfie Dingley, the UK medical cannabis industry and a small but vocal body of medical opinion are driving calls to make medical cannabis more widely available in the UK.
- However, a separate body of respected medical opinion, driven by public safety concerns, urges caution in the absence of further medical research data.
- High costs associated with the trialling and development of medical products, the principle that products already licensed should be used first and doctors' reluctance to prescribe without RCT evidence, means very few UK patients currently benefit.
- Supporters say medical cannabis is so different from 'normal' new pharmaceuticals that it needs its own trials and prescribing criteria. Others advocate continued trust in established research procedures, to minimise risk to patients and protect the public.
- More trials are in the pipeline in the form of NHS RCTs, privately sanctioned RCTs and qualitative observational trials. But advocates of medical cannabis, as well as NHS England and the Health Select Committee, say big pharmaceutical companies also need to take part.
- In light of some recent experiences, it was clear that the CBD market needed more regulation and a 'kitemark' approval system to stamp out rogue producers - the February 2020 guidance from the UK Food Standards Agency has therefore been broadly welcomed by many companies at the forefront of the UK CBD industry.
- The recent statement by the FCA of its approach to listings of cannabis-related businesses has been broadly welcomed and it will be interesting to see whether this has an impact on investor confidence.
- To protect those investors and entrepreneurs keen on medical cannabis businesses, all companies wishing to list on UK stock markets need to go through rigorous checks, in the same way as for businesses in any other industry. Furthermore, in light of the Canadian "greenrush" experience, broader investor protection concerns would also seem to be a motivation for UK financial regulators when looking at the medical cannabis sector.
- Campaigners say the UK Government needs to help kick-start the industry via grants for growing companies producing pure strains and bringing UK products to market, since in their view this would bring prices down and competition would keep prices lower. However, it should be noted that the National Institute for Health Research is already making some grants for this purpose.
- There may be opportunities for investors in end-to-end supply chain companies which grow, manufacture, and package products, subject to compliance with applicable legal restrictions.
- Clinician and patient education also present business opportunities.
- Overseas observers say the UK needs to make it easier for clinicians to prescribe on the NHS and to free up legislation and bureaucracy to make investment, import and research easier, although some commentators would argue that the 2018 change in the law already represents a significant step forward.

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Authors



Jonathan Deverill

London - Walbrook
 +44 (0)20 7894 6045
jdeverill@dacbeachcroft.com

