

**This is a copy of the Decree that will be signed on Monday,  
May 5 during the Council of Ministers and will take effect on  
May 6, 2014**

WHEREAS: on December 20, 2013, Law No. 19,172 was enacted, which establishes the legal framework for state control and regulation of the import, export, planting, growing, harvesting, production, acquisition, storage, marketing, distribution and use of marijuana and its derivatives.

**CONSIDERING**

- i.) That Article 1 of the Law states that it is in the public interest to take actions to protect, promote and improve the health of the population.
- ii.) That the aforementioned statute sets forth that the Executive Branch will regulate the law within one hundred twenty days of its passage.
- iii.) That in this case it is considered a priority to regulate those aspects of the law directly related to the personal use of psychoactive cannabis, especially the provisions of subparagraphs B, E, F and G under Article 3 of Decree Law 14,294, as amended by Article 5 of Law No. 19,172.

IN RECOGNITION OF: The previously stated and that which is established in Article 168, Clause 4 of the Constitution of the Republic.

THE PRESIDENT OF THE REPUBLIC

HEREBY DECREES

**TITLE I  
ON NON-MEDICINAL PSYCHOACTIVE CANNABIS USE**

**Chapter I  
Definition**

Article 1.) The psychoactive cannabis covered in this decree is a type of controlled plant with psychoactive properties. It is understood that psychoactive cannabis refers to the fertilized or unfertilized buds of the female cannabis plant -- excluding seeds and leaves not connected to the stem -- which have a natural Tetrahydrocannabinol (THC) content equal to or greater than one percent (1%) of their weight.

For the purposes of identification, the classification of this controlled plant with psychoactive properties will apply to subparagraphs B, E, F and G of Article 3 in Law 14,294, as amended by Article 5 of Law 19,172.

The determination of percentage of THC will be performed by laboratories by the IRCCA, according to the analytical techniques approved by that body.

**Chapter II  
Permitted Activities**

Article 2.) According to the provisions of Law No. 19,172, this decree and other existing regulations, it is hereby permitted to carry out the activities listed below,

provided that a license has been obtained, documented by the respective registry kept by the IRCCA and paid for in the applicable cases:

- i. The planting, cultivation, harvest, distribution and dispensation of psychoactive cannabis.
- ii. The domestic planting, cultivation and harvest of psychoactive cannabis plants destined for personal or shared use in the home.
- iii. The planting, cultivation and harvest of psychoactive cannabis carried out by Membership Clubs for the use of their members.
- iv. The dispensation of psychoactive cannabis destined for the personal use of registered individuals, carried out by pharmacies.
- v. The purchase of up to 10 grams of psychoactive cannabis per week from pharmacies with a maximum of 40 grams per month for personal use.
- vi. The production and distribution of seeds or cuttings of psychoactive cannabis.

Article 3.) Marijuana resulting from any of the cannabis crops mentioned in this decree may not be compressed.

Article 4.) Any kind of advertising, indirect advertising, promotion or endorsement of cannabis products by any of the various forms of communications media (print media, radio, television, cinema, magazines, filming in general, posters, billboards, brochures, banners, email, internet technology and any other pertinent type of media) is prohibited.

### **Chapter III Production and Distribution of Psychoactive Cannabis for Dispensation in Pharmacies**

Article 5.) Planting, cultivation, harvesting, processing and distribution of psychoactive cannabis for sale in pharmacies may be performed by individual and legal entities which have been licensed to do so by the IRCCA.

To this end the IRCCA will call on those interested and inform them of the conditions and requirements necessary to supply this psychoactive cannabis, in compliance with public interest and the provisions of Article 6.

Article 6.) The license to be provided will establish the terms and conditions of planting, cultivation, harvesting, processing and distribution of psychoactive cannabis.

The license shall specify the following matters, among others:

- Identification of the person or entity licensee.
- The timeframe and / or conditions to which the license is subject.
- The site where the planting, growing, harvesting and, industrialization will take place.
- The origin of seeds or plants to be used in planting.
- Varietal characteristics of crops to be used.
- Approved production volumes.

- Safety procedures to be applied.
- Guarantees of compliance with obligations.
- Terms of authorized distribution and dispensing to authorized pharmacies.
- Prohibition of selling products to unauthorized third parties.
- Appointment of a Technical Director for the production process.
- Fate of surplus production and products.
- Terms of packaging and labeling of the product.
- Requirements for owners, partners, directors and staff.

Article 7.) Every call for interested parties shall include a requirement of information that the IRCCA may require relative to the corporate structure of the applicant for the purpose of proper identification and knowledge of the final beneficiary, along with the origin of the funds that are proposed for the implementation of the law, under the current anti-money laundering and anti-terrorism financing legislation, allowing the IRCCA to request the clarifications and additions it deems appropriate.

In this regard, the IRCCA will request a report from the National Anti-Money Laundering Secretary prior to the authorization of the respective license.

Article 8.) In accordance with what is provided in subsection D. of Article 29 of Law No.

19,172, the IRCCA Directing Board shall determine the cost of the license to be issued, which will be entered in the Cannabis Registry in the Production and Distribution of Psychoactive Cannabis for Dispensation in Pharmacies section.

Article 9.) Quality control of the harvest of psychoactive cannabis will be carried out by laboratories authorized by the IRCCA to do so.

The IRCCA will determine the fate of any production that is not carried out according to the established parameters, in accordance with the provisions of the aforementioned license.

Article 10.) Any surplus production should be made available to the IRCCA, which will determine its final destination.

Article 11.) Psychoactive cannabis intended for dispensation in pharmacies must be packaged in containers that ensure their inviolability and preserve the quality of the product for a period of no less than six months. The maximum content of each of these containers shall be 10 grams.

Article 12.) The IRCCA will determine the remaining conditions applicable to the packaging and labeling of the product.

Article 13.) The packaging and distribution of psychoactive cannabis will be carried out by the producer at the site of cultivation, and sent directly to the pharmacies.

#### **Chapter IV**

### **Household Cultivation of Psychoactive Cannabis Intended for Personal Use**

Article 14.) By household cultivation it is understood to mean that which is carried out by individuals, intended for personal or shared use in the home, not in excess of six psychoactive cannabis plants per home, with an annual yield not exceeding 480 grams per year.

To this effect, psychoactive cannabis refers to a female plant with flowering buds.

Article 15.) The only individuals authorized to carry out domestic cultivation are those who are of age, naturalized or legalized Uruguayan citizens or those who can prove their permanent residence in the country, according to requirements established by the IRCCA, provided that they are listed in the Household Cannabis Growing of Psychoactive Cannabis Section of the Registry.

Article 16.) Household is understood to mean a single particular structure and any outbuildings, or a place that is occupied with the intent of living in it, even if only temporarily.

Article 17.) More than one domestic plot is not allowed per household, regardless of the composition of its family unit or the number of people who live within it.

Article 18.) No person may hold more than one domestic plot.

Article 19.) Domestic cultivation should be carried out inside the household or its property, including outdoor gardens.

Article 20.) The IRCCA shall determine the applicable safety conditions for domestic plots. These should be placed so as to avoid their easy access by minors, as well as unauthorized persons.

## **Chapter V Cannabis Membership Clubs**

Article 21.) Membership clubs, the purpose of which is planting, growing and harvesting psychoactive cannabis plants intended for use by their members must first be established as voluntary associations. They must receive the approval of their statutes and recognition of their legal status by the Ministry of Education and Culture of the Executive Branch.

Article 22.) The name of these membership clubs must include the term “Cannabis Club.”

Article 23.) The aforementioned membership clubs must have as their exclusive mission the planting, cultivation and harvesting of psychoactive cannabis plants intended for use by their members.

This mission is also understood to include the activities of raising awareness and education of responsible consumption, solely involving their members.

Article 24.) Membership clubs must have a minimum of fifteen and a maximum of forty-five members. If the number of members becomes less than fifteen, the club may elect to dissolve or continue by adding the requisite number of new partners within one year.

Article 25.) Membership clubs may only accept members that are adults and either legal or naturalized Uruguayan citizens or individuals who can prove their permanent residency in the country according to the requirements established by the IRCCA.

Article 26.) Membership clubs and their members must be registered in the membership clubs Section of the Registry. Each entry of a new member to the membership club must be documented in said registry. The identifying information of those who participate in this registry will be considered protected information, in accordance with Article 18 of Law No. 18.331, of August 11, 2008.

Article 27.) The failure to register the civil association or any of its members will result in the application of penalties described in Article 40 of Law No. 19,172.

Article 28.) Membership clubs must grant their members some proof of their membership.

Article 29.) Membership clubs may plant up to ninety-nine psychoactive cannabis plants.

To this effect, psychoactive cannabis refers to a female plant with flowering buds.

The annual cultivation and harvest of cannabis may not exceed the amount of 480 grams per member per year.

All production must be distributed among members for their personal use, keeping records of the transactions made. This information shall be provided monthly to IRCCA.

The clubs shall not provide each member with over 480 grams of marijuana per year.

The IRCCA will determine the final destination of any production that exceeds the annual maximum limit of 480 grams per member.

Membership clubs must have a single headquarters where they shall carry out all of their activities, including the planting, cultivating, harvesting, processing and distribution of psychoactive cannabis among members. Carrying out any of these activities outside this headquarters is prohibited.

Article 30.) The IRCCA will determine the necessary infrastructure, security and performance conditions that the membership clubs must have in order to carry out their activities.

Article 31.) Membership clubs shall designate a technical expert who will monitor compliance with the rules concerning the origin of varieties, cultivation, production and

distribution of psychoactive cannabis among partners, and submit to the IRCCA all information that this would require.

## **Chapter VI**

### **Distribution of Psychoactive Cannabis in Pharmacies for Personal Use**

Article 32.) Selling and dispensing psychoactive cannabis may be performed only by commercial and community pharmacies referred to in Article 6 of Law No. 15,703 of January 11, 1985, authorized by the MSP, which have obtained the appropriate license from the IRCCA, enrolling in the Pharmacies Section of the Cannabis Registry.

Article 33.) The IRCCA shall establish the terms and conditions of the license it shall grant to pharmacies relating to the sales and dispensation of psychoactive cannabis to purchasers.

Article 34.) Any individual over 18, with Uruguayan citizenship or permanent residence duly accredited, and who has signed up under the relevant registry, may purchase psychoactive cannabis.

Article 35.) Only individuals described above may access psychoactive cannabis, and must appear before the pharmacy in person.

The sale of cannabis is prohibited outside the indicated establishments, as well as through any other selling arrangement, such as the internet, telemarketing or home delivery, among others.

Article 36. ) The places where psychoactive cannabis for distribution is kept or stored may not be exposed to the public and shall remain secured with appropriate security conditions. Additionally, the pharmacy must comply with the regulations set forth in Law No. 14,292, Decree No. 454/975 and any other related legal standards.

## **Chapter VII**

### **Use of Psychoactive Cannabis**

Article 37.) The use of psychoactive cannabis is authorized only as long as it comes from one of the following sources:

- i) household cultivation
- ii) membership clubs
- iii) that which is distributed in authorized pharmacies

Article 38.) Users of psychoactive cannabis must choose a single source of it, and must be registered in the corresponding section of the Cannabis Registry.

Acquiring psychoactive cannabis from more than one of the above sources is prohibited.

Article 39.) The possession of psychoactive cannabis is authorized for personal use. As such, the amount intended for personal use shall be deemed up to 40 grams of

marijuana, according to what is established in Article 31 of Law No. 14,294 as amended by Article 7 of Law No. 19,172.

Article 40.) It is forbidden to smoke or hold lighted psychoactive cannabis products in:

- i) Enclosed spaces that are for public use.
- ii) Enclosed workspaces. Taxis, ambulances, school buses and other modes of collective transportation, such as buses, trains, ships, aircraft, etc., with or without passengers, are included.
- iii) Open or closed public or private spaces, which are health facilities or institutions in the health field of any kind or nature, schools and institutions where teaching is conducted in any form, and sporting institutions.

An enclosed space is understood to mean one which is defined in physical units, bordered on their periphery and height by walls and ceilings, regardless of the material with which these enclosures are made or whether they are temporary or permanent and have doors, windows or independent ventilation.

Areas meant for smoking should be located outside of any structures. If they have a roof, the side coverage shall not exceed 50% of the roof perimeter and must be separated from another roof or wall that must be greater than the covered area. In cases where it is necessary, because of a drop or some other circumstance, some siding is acceptable, which should be some manner of railing or fence with large openings.

Article 41.) Any driver that has his judgment impaired due to the consumption of psychoactive cannabis shall be barred from driving any kind of vehicle driven on public roads.

A drivers' judgment is considered impaired when the presence of THC has been detected in their body.

The IRCCA will determine the methods through which it will carry out relevant measurements and tests to detect the presence of THC in the body.

Officials of the Ministry of Interior, the Ministry of Transportation and Public Works, Mayors, Municipalities and the National Maritime Authority may perform the procedures and methods established expressly by the competent authorities for the purposes specified in the preceding paragraphs, in their jurisdictions and according to their respective powers.

If the driver is found to have tetrahydrocannabinol (THC) in their system; they may request at their cost a confirmation test, according to the terms and conditions established by the IRCCA, along with Article 15 of Law No. 19,172.

Anyone found driving a vehicle in contravention of the first paragraph of this Article, shall be denied further permission to drive and shall be liable for the penalties provided in the second paragraph of Article 46 of Law No. 18,191.

The National Drug Board in coordination with the National Road Safety Unit will provide training and advice to the officials referred to in paragraph 2 of Article 15 of Law No. 19,172.

The National Drug Board will provide the necessary material to the entities referred to in paragraph 2 of Article 15 of Law No. 19,172.

Article 42.) It is forbidden to smoke, keep lit, consume or ingest cannabis or cannabis products during the workday, whether in the workplace or in the course of work, and in general, throughout the duration of the time an employee is at the disposal of the employer.

Additionally, employees are prohibited from working when their capacity to complete their task is affected due to the consumption of psychoactive cannabis.

Under the authority of the bipartite health and work safety committees created by Decree 291/2007, random noninvasive preventive tests shall be established and adapted to the ability and needs of the company, according to the procedures approved by the IRCCA for this purpose.

In cases where the aforementioned commissions are not established, the local trade union organization shall serve this purpose, or failing this, the union branch.

The same tests can be arranged by the employer, after notifying the bipartite health and work safety committees (Decree 291/2007) or local trade union organization, in accordance with the provisions of the preceding paragraph, regarding those employees whose capacity at the start of or during the work day is notably affected due to the prior consumption of psychoactive cannabis.

The communication referred to in the preceding paragraph may be carried out immediately in cases where the employee performs perilous tasks involving danger to his physical safety or that of other employees or third parties.

If the completed test proves the existence of THC in the employee's body, their duties must be suspended and, if the employer requires it, they should withdraw from the workplace.

In these cases, the aforementioned Bipartite Health and Safety Commission or appropriate area of the local Trade Union Organization in accordance with the provisions in the third paragraph of this Article, shall determine whether the circumstances have been fulfilled to warrant the implementation of a workplace drug prevention code, referring the employee to some public or private institution that offers this service, without triggering disciplinary sanctions by the commission if the employee has not incurred any other punishable offense according to the obligations set forth in the work contract, either related to the problematic consumption of cannabis or not.

In all cases in which the test results are positive, employees may request at their own cost a confirmation test, within the period and under other conditions set forth by the IRCCA, and which suggest that the previous result was a false positive.



Article 43.) The competent authority may prohibit the entry or presence in education centers of any kind of those people whose capacities have been affected due to consumption of psychoactive cannabis.

In this case, the head of the institution should refer the person in question to centers authorized to provide advice and counseling related to the consumption of psychoactive cannabis.

The National System of Public Education - SNEP may define procedures and protocols in these cases.

Article 44.) The competent authority may deny entry to public events or displays to people showing signs of apparent alteration due to consumption of psychoactive cannabis.

Article 45.) Carrying out contests, tournaments or public events that promote the consumption of psychoactive cannabis shall not be allowed.

## **Chapter VIII Cannabis Seeds and Cuttings**

### Section 1- Producers of Psychoactive Cannabis for Distribution in Pharmacies

Article 46.) In the course of its duties, the IRCCA shall retain sole responsibility for the importation of seeds and cuttings for the production of psychoactive cannabis destined for the producers of cannabis to be distributed in pharmacies, those who cultivate psychoactive cannabis for home use, and the membership clubs.

Article 47.) The production and distribution of seeds or plant cuttings for psychoactive cannabis cultivation may be conducted by the producers of psychoactive cannabis for pharmacies (Article 5, subparagraph B of Law No. 19,172) which have obtained the corresponding license to be granted by the IRCCA, provided that they have paid for its cost.

Article 48.) Individuals who produce seeds and cuttings of psychoactive cannabis with a license from the IRCCA must register in the INASE General Registry of seed growers. Their variety must also be registered with the INASE (Law No. 16.811 of 21 February 1997 and 18,467 of February 27, 2009). In these cases, they must be previously authorized by the IRCCA.

Article 49.) That which is established in Article 25 of Decree No. 438/2004 of December 16, 2004 is hereby revoked.

### Section 2 - Domestic Cultivation of Psychoactive and Cannabis Membership Clubs

Article 50.) Individuals who domestically grow psychoactive cannabis and membership clubs may produce seeds or cuttings of psychoactive cannabis for the sole purpose of being used in their own plots.

To this end, they shall register with the INASE Registry of Varieties and Seed Growers, as applicable, so long as they are enrolled in the corresponding IRCCA registry of domestic cultivation or membership club.

Article 51.) Individuals who domestically grow psychoactive cannabis and members of cannabis membership clubs may acquire psychoactive cannabis seeds and cuttings from producers authorized by the IRCCA, with the sole purpose of being used in their own plots, intended for domestic use or the use of their members.

## **TITLE II ON THE CANNABIS REGISTRY**

### **Chapter I The Cannabis Registry**

Article 52.) Those who carry out any of the activities listed in Title I of this decree must enroll under the relevant section of the Cannabis Registry.

Notwithstanding this, in cases where enrollment in other registries kept by state or non-state entities is required, individuals must do so according to the applicable regulations.

Article 53.) The IRCCA shall be the agency responsible for the Cannabis Registry. The activities covered by this decree shall be catalogued in the corresponding sections of said registry:

- i. The Section on Plantation, Production and Distribution of Psychoactive Cannabis for Dispensation in Pharmacies.
- ii. The Section on Domestic Cultivation of Psychoactive Cannabis
- iii. The Section on Membership Clubs
- iv. The Section on Cannabis Purchasers
- v. The Pharmacy Section

Article 54.) Registration will take place in accordance with the procedures set forth in this decree and the requirements established by the IRCCA.

Article 55.) Registration in the sections indicated in paragraphs ii, iii, iv, and v of Article 52 of this decree will be carried out at no cost, upon request of those interested.

For this purpose, the interested party shall submit the application forms furnished by the IRCCA accompanied by the documentation that each case may require.

The Registry, within 30 days, will determine if the request complies with all the necessary requirements and, where applicable, subsequently authorize the associated activity to be carried out.

Upon application, the interested party or their representative shall have to check with the registry for the status of the process.

In case of denial, the applicant shall have 15 days to counter any faults found in the application, or to write a formal written rebuttal of the denial.

In case of a challenge, the Directive Board of the IRCCA will make a final decision within a period of 30 days. During this period it will weigh the arguments of the denial.

Against the express or implied resolution of the board shall correspond the recourses set forth in Article 35 of Law No. 19,172.

After the period of 15 days, if the objections have not been remedied, the application shall be invalidated.

If the application does not warrant any objections, it will proceed to be entered into the Registry.

Registration to carry out the activities in this article will incorporate the granting of the license referred to in subparagraph A, Article 28 of Law No. 19,172.

Article 56.) Registration in the section indicated in numeral i of Article 52 shall be carried out automatically by the IRCCA, for those who have obtained a license and have paid the cost of it.

Article 57.) Licenses for planting, production and transport of psychoactive cannabis to be distributed in pharmacies will remain in effect for a time period and under the conditions established in said license.

The licenses for domestic cultivation of psychoactive cannabis and membership clubs and their members will be valid for three years and may be renewed upon expiring.

Article 58.) The license for pharmacies to dispense psychoactive cannabis will be valid for the period specified by an Enabling Certificate issued by the Ministry of Public Health.

Article 59.) Persons registered in the Domestic Cultivation, Membership Clubs, or Purchasers sections can apply to be removed from these at any time.

Article 60.) Those individuals registered in the Domestic Cultivation or Membership Clubs section may request their re-enrollment or enrollment in other sections of the Registry, after three months have passed since their removal or the expiration of their licenses. The IRCCA, with just cause, may authorize or deny this request in accordance with the provisions of Article 54 of this Decree.

This time limit does not apply to persons who are registered in the Purchasers Section of the register, who may request their enrollment in a different section of the registry at any time. The IRCCA, with just cause, may authorize or deny this request.

## **Chapter II**

### **The Section on Production and Distribution of**

## **Psychoactive Cannabis for Dispensation in Pharmacies**

Article 61.) This section will catalog the licenses granted by the IRCCA to individuals or legal entities for the planting, growing, harvesting and distribution of psychoactive cannabis destined for sale in pharmacies as well as the production and supply of seeds or cuttings and other obligations agreed upon by the associated parties.

Article 62.) Registration of the respective license will be made officially by the IRCCA, with proof of payment for the license by the interested party.

### **Chapter III The Section on Domestic Cultivation of Psychoactive Cannabis**

Article 63.) Individuals who intend to plant, grow and harvest psychoactive cannabis plants domestically for personal or shared use in the home must register in this section.

Article 64.) Any plants already existing when the registry goes into must be documented within 180 days of the creation of the registry.

Subsequently, the IRCCA will only accept applications seeking prior permission to grow psychoactive cannabis.

Article 65.) For the purposes of registration, applicants shall submit the corresponding application on forms to be provided by the IRCCA, and the documents requested.

The information and / or documentation to provide the registry shall include, at a minimum, the following:

- Uruguayan identity card, or “cedula”
- Proof of naturalize or legal Uruguayan citizenship or permanent residency, duly accredited
- The location of where domestic cultivation shall be carried out
- Proof of address or utility bill in the name of the interested party
- Documentation identifying the interested party as owner, lessee, or holder of any other title under which they are allowed to occupy the property destined for use for domestic cultivation.

Article 66.) Information regarding the identity of those who enroll in this section shall be considered sensitive data (Article 8 of Law No. 19,121 and 18 of Law No. 18,331), and the revelation of it shall be forbidden without the express written consent of the holder.

Article 67.) For the purposes of granting and/or continuation of the license, the IRCCA may request information on home-grown varieties and/or samples of plant cultivation from the license holder in situations to be determined.

### **Chapter IV The Section on Membership Clubs**

Article 68.) Voluntary associations previously authorized by the Ministry of Education and Culture, whose objective will be the planting, growing and harvesting of psychoactive cannabis plant for the use of their members, shall register in this section/

Those who are members of these voluntary associations must also be registered.

Article 69.) The registration of the voluntary associations in the Membership Clubs Section of the Cannabis Registry will take place simultaneously with the registration of founding members.

Non-founding members must enroll in the Membership Clubs Section of the Cannabis Registry, within a period of 10 business days from their acceptance into the voluntary association, leading to their final incorporation within five working days of being enrolled by the IRCCA.

Voluntary associations that do not have all of their members duly registered will be subject to the sanctions laid out in Article 40 of Law No. 19,172.

Article 70.) For the purpose of registration, the corresponding application must be submitted on forms to be provided by the IRCCA, accompanied by the requested documentation.

The information to be provided to the registry must include, at a minimum, the following:

i.) Membership clubs and founding members:

- The identifying information of the voluntary association.
- A charter duly approved and authorized by the Executive - Ministry of Education and Culture.
- The location of headquarters.
- Proof of address or utility bill in the name of the voluntary association on the property to be used as their headquarters where cultivation will be carried out.
- The identity card of each of the founding members.
- Proof of Uruguayan naturalized or legal citizenship or permanent residency, duly accredited, for each of the founding members.

ii.) Non-founding members of the voluntary association:

- Full identifying information.
- Uruguayan identity card.
- Proof of Uruguayan naturalized or legal citizenship or permanent residency, duly accredited, for each non-founding member.
- Proof of their acceptance as applicant to become a member of the voluntary association, with the date of acceptance provided.

Article 71.) Information regarding the identity of those who enroll in this section shall be considered sensitive data (Article 8 of Law No. 19,121 and 18 of Law No. 18,331), and the revelation of it shall be forbidden without the express written consent of the holder.

Article 72.) For the purposes of granting and / or continuation of the license, the IRCCA may request information on varieties and / or samples of plant cultivation from the membership club in situations to be determined.

## **Chapter V The Section on Purchasers**

Article 73.) Those individuals wishing to acquire psychoactive cannabis for personal use must register in this section.

Article 74.) One can register as a purchaser of psychoactive cannabis so long as they are capable adults, providing evidence of naturalized or legal Uruguayan citizenship or permanent residence, duly accredited in accordance with the requirements set by the IRCCA.

Article 75.) For the purpose of registration, the IRCCA shall be provided with the following documentation:

- Uruguayan identity card
- Proof of naturalized or legal Uruguayan citizenship or permanent residency, duly accredited
- Proof of address or utility bill in the name of the interested party

Information regarding the identity of those who enroll in this section shall be considered sensitive data (Article 8 of Law No. 19,121 and 18 of Law No. 18,331), and the revelation of it shall be forbidden without the express written consent of the holder.

## **Chapter VI The Pharmacies Section**

Article 76.) Individuals or legal entities that are owners of pharmacies authorized by the Ministry of Public Health that wish to dispense psychoactive cannabis for personal use must register in this section.

Article 77.) For the purpose of registration, the IRCCA shall be provided with the following documentation:

- Full identifying information of the interested party
- Identification of the establishment which will sell cannabis
- Proof of the status and validity of the legal entity
- Proof of authorization from the Ministry of Public Health.

## **TITLE III ON THE INSTITUTE FOR REGULATION AND CONTROL OF CANNABIS**

### **Chapter I Administrative Organization**

Article 78.) The Institute for Regulation and Control of Cannabis ( IRCCA ) created by Law No. 19,172 for the purpose of regulating the planting, cultivation, harvesting, production, processing, storage, distribution and dispensing of cannabis has as its

mission to promote and propose actions to reduce risks and harms associated with problematic cannabis use and to monitor compliance with the provisions of the Law and these regulations, without prejudice to the constitutional and legal powers conferred on other organizations and public bodies.

The creation of the national policy on cannabis is the responsibility of the National Drug Board, taking into account the recommendations of the IRCCA.

Article 79.) The IRCCA organs are: The Executive Board, the Executive Director and the National Advisory Board.

Article 80). The Executive Board is the chief organ of the Institute of Regulation and Control of Cannabis, which shall exercise powers laid out in Article 29 of Law No. 19,172.

It shall consist of:

- A representative of the National Drug Secretariat, who will preside over the board and serve as its representation.
- A representative of the Ministry of Livestock, Agriculture and Fishing.
- A representative of the Ministry of Social Development.
- A representative of the Ministry of Public Health.

The appointment of members of the Executive Board shall include their alternates.

Article 81.) The members and alternates of the Board shall be appointed on the basis of recognized moral and technical capacity. They shall remain in office for a period of five years and may be appointed for a consecutive five-year term. Notwithstanding this, the representatives of the National Drug Secretariat; Ministry of Livestock, Agriculture and Fisheries; Ministry of Social Development and Ministry of Public Health may be removed from their respective positions any time by the Executive Branch, at the request of the respective minister if applicable.

Prior to the expiration of the five-year terms, the respective ministries shall designate a new representative, informing the President IRCCA. Retiring members shall continue in their positions until their replacements are appointed.

Article 82.) The Executive Board shall determine its meeting schedule and the regularity of its ordinary sessions and other aspects necessary to its performance. It will carry out extraordinary meetings when requested by one or more of its members and, if so, the President shall convene it within forty-eight hours.

A valid session requires the presence of at least two of its members.

Resolutions shall be adopted by the affirmative vote of an absolute majority of members, except in cases where the President is required to cast a vote.

In case of a tie, the President will be authorized to vote twice.

Article 83.) The Executive Board shall be chaired by an Executive Director which shall be appointed by a majority of the Board, with the approval of the president of the IRCCA.

The salary of the Executive Director shall be decided by the Executive Board with the agreement of the Executive Branch and according to the resources of the IRCCA.

The Executive Director shall attend the meetings of the Board without the right to vote and shall have the powers listed in Article 30 of Law No. 19.172 and any other that is conferred or delegated by the Board.

Article 84.) The Executive Director will be named for terms of three years, which can be renewed only once at most.

The renewal or removal of their contract must receive the majority vote of the Board, including that of the President.

Article 85.) The National Advisory Council is the advisory body to the IRCCA under the provisions of Article 31 of Law No. 19,172.

The National Advisory Council shall consist of 9 members, representatives of each of the following state agencies: the Ministry of Education and Culture; Ministry of Interior; Ministry of Economy and Finance; Ministry of Industry, Energy and Mining; a representative of the University of the Republic; a representative of the Congress of Mayors; a representative of the membership clubs; a representative of the association of homegrowers, and a representative of license-holders.

Article 86.) The Ministry of Education and Culture; the Ministry of the Interior; the Ministry of Economy and Finance ; the Ministry of Industry, Energy and Mining ; the University of the Republic and the Congress of Mayors shall designate their representatives to the National Advisory Council, after notifying the Executive Board.

The associations of membership clubs, homegrowers and license-holders will propose to the Executive Branch a shortlist of three candidates to act as their representatives in the National Advisory Council along with their alternates. The Executive Branch shall appoint the respective representatives after taking into account their proposals. Notwithstanding this, the Executive may make appointments directly when it has not received the respective proposals or when it is warranted on reasonable grounds to depart from the proposals received.

The designation of representatives to the National Advisory Council will include their corresponding alternates.

Article 87.) The National Advisory Council members shall remain in office for a period of five years. Prior to the expiration of their terms, the respective Ministers shall appoint new representatives. Notwithstanding this, the representatives of the Ministry of Education and Culture; Ministry of Interior; Ministry of Economy and Finance; Ministry of Industry, Energy and Mining; the University of the Republic and the Congress of Mayors may be dismissed from their respective positions at any time by the Executive Branch at the request of the head of the corresponding agency .



Before these five years of tenure in office have elapsed, the Executive Branch shall request associations of membership clubs homegrowers and license-holders to propose their representatives, as established in this article.

In all cases, the outgoing members shall retain their positions until new members have been appointed .

Article 88.) The National Advisory Council may be convened by the Executive Board or at the request of three members of the Advisory Council. It will work in plenary with the present members of the Executive Board and the Executive Director.

The National Advisory Council will issue its recommendations and advice to the vote according to an absolute majority vote of its members.

## **Chapter II**

### **The Oversight and Control Powers of the IRCCA**

Article 89.) The IRCCA shall control all stages of planting, cultivating, harvesting, distribution and dispensing of psychoactive cannabis up to its use by purchasers, membership clubs or domestic cultivators

To this end the IRCCA will implement systems and procedures which among other things enable the traceability and geo-referencing from the planting to sale of psychoactive cannabis.

Article 90.) The IRCCA shall have the broadest powers of investigation and prosecution for the technical control and supervision of planting, cultivation, harvesting, production, storage, distribution, supplying and use of psychoactive cannabis, without prejudice to the powers conferred to other organizations and public bodies.

To develop its activities of control and supervision, the IRCCA may contract or coordinate with technical services from other public institutions, including state, non-state or private entities and entrust them with analysis and other specific tasks, so long as they provide sufficient evidence of the suitability of their material.

As such it shall be authorized to carry out the following:

i ) To require owners or occupiers of real and personal property in which psychoactive cannabis is planted, grown, harvested , produced, collected, or distributed, to demonstrate proof of documents authorizing these activities, and all the registry records linked to their completion.

ii ) Require information from third parties, with the authority to compel their compliance.

iii ) The ability to inspect the premises used for planting, cultivation, harvest, production, storage, distribution or dispensation of cannabis, as well as the vehicles used for the transportation of these products.

Included within this category are the headquarters of membership clubs.

In households or their dependencies, entrance will only be granted with the consent of the owner or, failing that, by day and with the order of a competent judge.

iv.) Drawing samples, carrying out analyses and testing of seeds, plants and the product of cannabis plants located in commercial establishments, in order to determine whether they meet the legal and regulatory requirements.

v.) Requesting the help of the police force to carry out their duties.

### **Chapter III Oversight of the Financial Management and Administrative Control of the IRCCA**

Article 91.) The oversight of the IRCCA's funds shall be governed by the provisions of Article 199 of Law No. 16,736 dated January 5, 1996, as amended by Article 146 of Law No.18,046, from October 24 2006, as appropriate.

The closing date of its fiscal year shall be December 31, for each year.

At the end of each year the IRCCA shall send the balance of the previous year to the Executive Branch.

Article 92.) Administrative supervision of the Institute of Regulation and Control of Cannabis shall be exercised by the executive branch through the Ministry of Public Health.

This supervision shall be exercised for reasons of legality as well as opportunity and convenience.

### **TITLE IV INFRINGEMENTS AND SANCTIONS**

Article 93.) The Executive Board of the IRCCA shall oversee the sanctions that apply to those who violate the terms of licenses, whether for not being authorized and/or registered to plant, grow, harvest, collect, distribute, market or sell cannabis, or whether it be for proof of any breach of the applicable licensing regulations.

Article 94.) The offenses related to the defense of the rights of consumers will be sanctioned by the IRCCA, without prejudice to the authority of other public, state and non-state entities that may have been assigned supervisory competence in matters related to consumer protection, in observation of the provisions of Article 44 of Law No. 17,250 and Articles 15 and 16 of Decree No. 244/2000.

Article 95.) Violations of existing rules that involve legal and regulatory provisions related to licenses shall be punished by:

- Warning

- A penalty of between 50 UR (fifty indexed units) to 2,000 UR (two thousand indexed units).
- The confiscation of goods or items used in this offense.
- Destruction of merchandise.
- Suspension of the offender from the appropriate registry.
- Temporary or permanent bans.
- Partial or total, temporary or permanent closure of the establishments of license-holders.

The penalties provided shall be applied cumulatively, taking into account the seriousness of the offense and the background of the offender.

Article 96.) Offences shall be classified as minor, serious and very serious, on the basis of the following criteria: risk to the health of the population; the market position and financial capacity of the offender; the amount of cannabis plants or product of the yield related to the offense; the degree of intentionality; the level of profit received; and the risk of escalation or recidivism.

Article 97.) Once the existence of an infringement of the provisions of Law No. 19,172 by the relevant inspective officials has been proven, a record shall be kept, in detail, to be provided to the person or persons involved and/or who are in charge of the establishment, who may furnish and sign further evidence of their own choosing. If they refuse to sign it, this will be noted by the acting official.

Article 98.) In case an infringement of the provisions of this law is detected by the IRCCA which concerns matters whose control is explicitly attributed to another body or public authority, it shall forward the complaint within seventy-two hours business days.

Article 99.) In proceedings instituted due to complaints or during standard procedures, the offender shall have ten working days to submit a rebuttal in writing and provide supporting evidence, which shall be reviewed within fifteen days, which may be extended provided there is just cause. Once the period of ten working days has passed without the presentation of charges or supporting evidence, a final resolution shall be issued.

Article 100.) As provided in subsection G ) of Article 39 of Law No. 19,172 , the IRCCA may present the judiciary with an order of the total or partial closure of local and commercial establishments for up to six working days, based on a violation of the licensing terms. To this end, prior to the issuance of the closure order which will be provided to the judiciary, the offender must be notified.

The judge must rule on the closure order within six days of its submission to the IRCCA.

The appeals filed against the closure order will not have suspensory effect.

During the duration of the closure, a poster shall be placed in a visible place, which shall indicate the status of the offender.

Article 101.) As provided in paragraph F) of Article 39 of Law No. 19,172, the IRCCA may recommend to the judiciary the temporary or permanent disqualification from practicing the planting, cultivation, harvesting, collecting, distribution, marketing or sale of cannabis, for those who have been identified as committing violations of the laws and regulations on licensing.

To this end, prior to the issuance of the decision to report the relevant facts underlying the complaint, the offender will be allowed to directly respond under the provisions of Article 95.

Article 102.) A decision by the Executive Board or Director of the IRCCA may be challenged and invalidated, pursuant to the provisions of Articles 35 and 36 of Law No. 19,172.

## **TITLE V TAX PROVISIONS**

Article 103.) Hereby added to Article 141 of Decree No. 220/998 of August 12 1998, is the following paragraph:

"Likewise, psychoactive cannabis referred to in Article 1 of the decree of May 2, 2014; the regulation of Law No. 19,172, is hereby included in the first paragraph of this article."

Article 104.) Any tax on psychoactive cannabis proceeds, according to the sale of agricultural goods related to Article 1 of this decree shall be fixed at the rate of 0%.