

Hemp Once a Taboo, Now a Multibillion-Dollar Market

BY AMBER OUSSOREN

The global industrial hemp market size is expected to reach USD 15.26 billion by 2027. Which can come as a surprise, hemp, cannabis and marijuana was seen as taboo for many years. But as hemp gets accepted by society, the legalization of the product continues to grow globally, as does the market size.

Hemp is derived from the cannabis plant. When society thinks of cannabis, a youthful boy holding a fat recreational joint pops into our minds. Indeed, the cannabis plant can be used for such purposes. But to think it is the only purpose of the plant is a misassumption. There are different species of cannabis plants. Although hemp and marijuana both originate from the Cannabis Sativa plant, the species of cannabis plants are very different.

HEMP OR MARIJUANA

A marijuana plant contains high amounts of THC. THC or tetrahydrocannabinol is the primary psychoactive compound in cannabis that produces the high sensation. It can be consumed by smoking cannabis with high doses of THC. A marijuana plant generally contains between 7%-35% THC. Long story short, THC is what causes the taboo effect. A hemp plant is low in THC; the plant generally contains less than 0,3% THC and is therefore non-psychoactive. The legal limit of THC in a hemp plant is generally 0,3%.

Even though producing low amounts of THC, hemp plants have high amounts of CBD. CBD stands for cannabidiol. CBD is advertised as providing relief for anxiety, depression, and post-traumatic stress disorder. It is also marketed to promote sleep. Part of CBD's popularity is that it purports to be "non-psychoactive" and that consumers can reap health benefits from the plant without the high (or the midnight cravings). Hemp plants can be used for many purposes, and CBD is only one of many.

Moreover, all cannabis species are dioecious plants, meaning male or female reproductive organs appear on different plants. Depending on the purpose of production, females are isolated away from or with male plants. Introducing males into a garden will result in pollination, causing females to create seeds. Non-pollinated female plants will produce more resin, which consists of CBD.

In conclusion, the misassumption that hemp is part of a marijuana taboo is fading away and making place for a multi-billion-dollar market. The hemp market is driven by the growing demand for hemp oil and fibers construction, food and beverage, personal care, and textile industries, especially in emerging regions such as the Asia Pacific. In addition, growth in the investment for the production of hemp-based products is expected to drive the market growth.

