

cSUBSIDIARY LEGISLATION 628.01

**RESPONSIBLE USE OF CANNABIS (LICENSING OF
ORGANISATIONS) REGULATIONS**

10th March, 2023

*LEGAL NOTICE 56 of 2023, as amended by Legal Notice 44 of
2026.*

**Part I
Preliminary**

- 1.** The title of these regulations is the Responsible Use of Cannabis (Licensing of Organisations) Regulations. Citation.
- 2.** The scope of these regulations is to implement the provisions of article 7A of the Drug Dependence (Treatment not Imprisonment) Act. Scope.
Cap. 537.
- 3.** In these regulations, unless the context otherwise requires: Interpretation.
*Amended by:
L.N. 44 of 2026.*

"Act" means the Drug Dependence (Treatment not Imprisonment) Act; Cap. 537.

"administrator" means any person who is appointed or elected on the Board of Administration of an association in accordance with Part II;

"association" means an association as defined in regulation 5 and as set up in terms of these regulations and article 7A of the Act;

"Authority" means the Authority on the Responsible Use of Cannabis as established by article 3 of the Authority on the Responsible Use of Cannabis Act;

"cannabis" means Cannabis as defined in Article 2(1) of the Dangerous Drugs Ordinance; Cap. 101.

"founding member" means any person who is involved in the establishment of an association or holds out himself to third parties as such, and after the establishment of the association the first associating member, and "founding members" shall be construed accordingly;

"non-profit making" means non-profit making as defined in regulation 7(2);

"Register" means the Register of Cannabis Harm Reduction Associations in accordance with Part IV;

"Registrar" means the Registrar for Cannabis Harm Reduction Associations in terms of Part III of these regulations;

Cap. 490.

"Tribunal" means the Administrative Review Tribunal established by article 5 of the Administrative Justice Act.

Part II Of Associations

Legal form.

4. For the purposes of these regulations, an organisation established in pursuance of the provisions of article 7A of the Act shall be established in the form of an association.

Definition of association.

5. For the purposes of these regulations, an association is an agreement between two (2) or more natural persons to establish a non-profit organisation with the sole purpose to cultivate the plant cannabis exclusively for its members in a collective manner and to distribute it only to those members as set out in article 7A of the Act, through the dedication of efforts and resources by such persons and others who may join voluntarily, the patrimony, namely assets and liabilities, if any, of the association being distinct from that of the members and administrators.

How an association is validly constituted.
*Amended by:
L.N. 44 of 2026.*

6. An association shall not be validly constituted under these regulations unless a statute in the form established in regulation 17 is entered into between three (3) or more individuals and a certificate of registration is issued by the Registrar in respect thereof.

Non-profit making.
*Amended by:
L.N. 44 of 2026.*

7. (1) An association shall be non-profit making.

(2) For the purposes of this regulation and without prejudice to and for the better implementation of article 7A(2)(b) of the Act, an association shall be deemed to be "non-profit making" if:

(a) its statute contains an express provision which excludes the purpose to make profit;

(b) its purposes do not include the promotion of private interests;

(c) except as permitted under this regulation, the First Schedule to the Voluntary Organisations Act or the Second Schedule to the Civil Code, no part of the income, capital or property is available directly or indirectly to:

(i) any administrator; or

(ii) any founding member, member, employee, donor or;

(iii) any other private interest;

Cap. 492.
Cap.16.

Provided that such income, capital, property or part thereof is administered solely in order to achieve the purpose and objectives for which the association is established.

(3) An association shall continue to be deemed as "non-profit making" notwithstanding it:

(a) obtains a pecuniary gain from its activities when such gain is not received or accredited to its members, but is intended exclusively for the achievement of the purposes and objectives of the association as provided in its statute, and

(b) buys or sells goods or services where such activities are carried out exclusively to fulfil its sole purpose.

(4) The following principles on remuneration shall be applicable to an association:

(a) a founding member, administrator or member may receive remuneration from the association when he is engaged by, or is an employee of the association under a written contract or when he is the provider of any goods or services to the association:

Provided that such remuneration:

(a) shall be strictly attributable to those functions being the subject of the written contract or to the governing provisions relating to goods or services rendered to the association;

(b) shall be in accordance with market levels and market conditions as established in any binding instrument, or as otherwise approved by the Authority, unless the Authority is otherwise satisfied that the administrator has specific skills which meet the needs of the association;

(c) shall not be as such as to prejudice the achievement of the purposes and objectives of the association or its sustainability;

(d) shall not prejudice the achievement of the principal and sustainable purpose and objectives of the association;

(e) shall be recorded in sufficient detail through a written agreement, the details of which are to be approved by the Authority prior to its signing;

(b) *Repealed by Legal Notice 44 of 2026;*

(c) an association may reimburse the administrator for any costs incurred by him, if directly related to his work as administrator of the association;

(d) an association shall not:

(i) *Repealed by Legal Notice 44 of 2026;*

(ii) remunerate any person, whether an employee or otherwise, with a salary, wage or a fee, which is higher than market levels, unless the Authority is satisfied that in that particular case specific conditions apply;

(iii) pay interest or other remuneration on loans acquired in accordance with regulation 9, other than in accordance with market conditions; or

(iv) pay a price for any good or service, acquired or leased, which is higher than the market price for such good or service as established by the Authority.

Cap. 492.

For the purposes of this regulation, any reference to the "Commissioner" in the Voluntary Organisations Act shall be interpreted to mean the "Authority", and thereby any powers which may otherwise be exercised by the Commissioner shall be exercised by the Authority.

Permitted activities and income generated by an association.
*Amended by:
L.N. 44 of 2026.*

8. (1) An association may only carry out acts of trade which are related to and intended to achieve their sole purpose of cultivating the plant cannabis exclusively for its members in a collective manner and to distribute it only to those members.

(2) In accordance with sub-regulation (1), the following activities and income generated by associations directly in the achievement of their purpose shall be permitted:

(a) the charging of admission and membership fees and, or fees relating to the consumption of cannabis by its members; and

(b) income generated from the distribution of cannabis cultivated by the association and permitted goods only to its members:

Provided that such activity and income shall only be considered permitted if they are carried out:

(a) following the successful conclusion of

laboratory testing, according to the parameters which the Authority may prescribe by means of a binding instrument or other written instruction;

- (b) from a property approved specifically for such purpose by the Authority;
 - (c) in containers of the design, size and type approved by the Authority, and which shall be covered by labels as prescribed by the Authority;
 - (d) sealed and enclosed with the numbered tamper evident security seals provided or prescribed by the Authority;
 - (e) in such form, variety, or processed state of cannabis as may be approved by the Authority; and
 - (f) in a manner which does not cause nuisance to third parties, and does not give rise to loitering in the immediate vicinity of the property where the distribution takes place;
- (c) payment of a reimbursable deposit for the purchase of accessories related to the operations of the association.

(3) An association shall not advertise its name, logos and activities or use any words, signs and designs which may be associated with the cannabis culture in any manner which is visible by non-members, both by physical and electronic means.

(4) An association shall not distribute to any member more than seven (7) grams of cannabis in a day and more than fifty (50) grams of cannabis in a month:

Provided that the Authority may, by means of a binding instrument, stipulate lower amounts for cannabis with a higher potency.

For the purposes of this regulation, "permitted goods" shall mean such goods as may be prescribed by the Authority in any binding instrument.

9. Subject to the provisions of regulation 7 and if so authorised by its statute, an association may only borrow money from its administrators, any European Union or European Economic Area licensed credit institutions or financial institutions authorised to carry

Borrowing powers.
Substituted by:
L.N. 44 of 2026.

out lending in the European Union or in the European Economic Area:

Provided that the association shall only accept money borrowed from the administrators with the prior approval of the Authority and following the signing of an agreement which indicates the terms and conditions of the loan. The loan transaction shall be made through bank wire transfer and shall not be through the physical exchange of cash:

Provided further that prior to accepting any loans from the administrators, the association shall ensure that the source of such funds so advanced to it by the administrators are either their own funds or have been loaned to the administrators by a European Union or European Economic Area licensed credit or financial institution.

Legal personality.

10. An association shall acquire legal personality upon its registration with the Registry in accordance with regulation 33.

Rules applicable to associations.
Cap.16.

11. (1) Associations shall be regulated by the provisions of the Second Schedule to the Civil Code regulating associations established as private benefit organisations, as defined therein, save as otherwise varied by these regulations. In case of inconsistency, the provisions of these regulations shall prevail, and the provisions of the Second Schedule to the Civil Code shall to the extent of the inconsistency, not apply to an association.

(2) Without prejudice to sub-regulation (1), the provisions of the following regulations shall be excluded in their entirety from the scope of these regulations:

S.L. 16.07.

(a) Civil Code (Second Schedule) (Fees) Regulations;

S.L. 16.08.

(b) Civil Code (Second Schedule) (Notification and Forms) Regulations, and

S.L. 16.10.

(c) Civil Code (Second Schedule)(Existing Organisations) Regulations.

S.L. 16.17.

(3) For the avoidance of doubt, the provisions of the Civil Code (Second Schedule)(Register of Beneficial Owners-Associations) regulations shall apply to associations established in accordance with these regulations.

Cap.16.

(4) For the purposes of these regulations, reference to the words "Registrar for Legal Persons" or "Registrar" in the Second Schedule to the Civil Code shall be construed to mean "Registrar for Cannabis Harm Reduction Associations", and thereby any powers which may otherwise be exercised by the Registrar for Legal Persons shall be exercised by the Registrar for Cannabis Harm Reduction Associations.

12. No person may enter into an agreement to establish an association or may make an endowment, whether initial or otherwise, to an association unless such person has been ordinarily residing in Malta for a minimum of five (5) consecutive years prior to establishing the association or making an endowment to the association:

Founding members
and grantors.
*Substituted by:
L.N. 44 of 2026.*

Provided that a minimum contribution including in the form of an admission or membership fee shall not be considered as an endowment for the purpose of this regulation.

13. An association shall be free to determine its internal management structure and governance in its statutes subject to the provisions of these regulations and as otherwise prescribed by the Authority in any binding instrument:

Governance and
bodies.
*Substituted by:
L.N. 44 of 2026.*

Provided that the highest management organ within an association shall be the Board of Administrators in accordance with regulation 14.

14. (1) Following the dismissal, resignation or incapacitation of an administrator, an association shall take immediate action to fill the vacant position as expediently as possible as provided in its statute, these regulations, and any binding instrument or written instruction issued by the Authority, and in any case by not later than three (3) months from when the post became vacant.

Board of
Administrators.
*Amended by:
L.N. 44 of 2026.*

(2) No person may be appointed or elected as administrator or as a member of the Board of Administrators unless such person has been ordinarily residing in Malta for a minimum of five (5) consecutive years prior to his appointment as administrator.

(3) No person may be appointed as an administrator unless such person is a member of the same association.

(4) Each administrator shall be approved by the Authority prior to their appointment.

(5) *Repealed by Legal Notice 44 of 2026.*

15. (1) Persons who have been convicted in the previous ten (10) years of:

Disqualifications
of founding
members,
administrators,
employees and
persons who render
a service.
*Substituted by:
L.N. 44 of 2026.*

(a) any of the offences mentioned in Part I and II of Book First of the Criminal Code or abroad in accordance with laws of equivalent effect;

Cap. 9.

Cap. 101.
Cap. 31.

(b) any offence in accordance with the Dangerous Drugs Ordinance or the Medical and Kindred Professions Ordinance, or any subsidiary legislation thereunder;

(c) any offence involving the possession, supply, production and importation of illegal drugs by any court in Malta or abroad;

(d) any offence involving money laundering or the funding of terrorism; and

(e) any offence which leads to an interdiction;

shall not be:

(i) founding members of an association;

(ii) eligible for appointment or election to the office of administrator or to hold any position, if already appointed or elected, shall not be eligible to retain such office;

(iii) eligible to render services in the premises of any association,

(iv) employees of an association:

Provided that any person who has been convicted of an offence indicated in this sub-regulation shall not be disqualified for the purpose of this sub-regulation, if after his conviction the offence for which he had been convicted is no longer considered to be an offence in terms of Maltese law, or if he has been convicted of possession of personal use of a prohibited drug:

Cap. 9.

Provided further that except in the case of offences falling under Titles V VI or IX of Part II of Book First of the Criminal Code, the Authority may, after the lapse of five (5) years from the date of the final judgment of conviction and subject to its discretion, and upon due consideration of the nature and gravity of the offence, the particular circumstances of the case, the individual's rehabilitation efforts, and any mitigating factors acknowledged by the court, authorise a person to hold the role of administrator, or to be employed with an association, or to render services within the premises of an association.

(2) An association shall carry out a due diligence exercise on its administrators, employees and service providers prior to their engagement, strictly for the purpose of complying with this regulation. The due diligence exercise shall include, but is not limited to, requesting the individual concerned to submit a conduct certificate issued in accordance with the Conduct Certificates Ordinance. Any personal data processed by the association shall fully comply with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) and the Data Protection Act, including the regulations made thereunder and the fundamental rights and freedoms of the data subjects.

Cap. 77.

Cap. 586.

(3) An association shall inform the Registrar in writing about the findings of the due diligence exercise by not later than twenty (20) days following their completion:

Provided that the original conduct certificates or copies thereof, processed by the association for the purpose of the due diligence exercise shall be immediately and permanently erased after the association communicates the relevant information to the Registrar:

Provided further that the association shall notify the Authority in writing within twenty-four (24) hours if it transpires that an individual mentioned in sub-regulation (1) is no longer eligible to hold their position. In such case the association shall, as a minimum, suspend the individual in question from their position with immediate effect and await further instructions from the Authority.

(4) An association shall periodically conduct a due diligence exercise in order to verify that the individuals mentioned in sub-regulation (2) are in possession of a clean police conduct certificate.

16. (1) Subject to the provisions of sub-regulation (2) an association may be designated by any name, but such name must end with the words "Cannabis Harm Reduction Association" or their abbreviation "C.H.R.A.".

Name of
association.
Amended by:
L.N. 44 of 2026.

(2) An association shall not be registered by a name which:

(a) is the same as the name of another association or entity registered in Malta, or is so nearly similar that, in the opinion of the Registrar it may create confusion; or

(b) is in the opinion of the Registrar offensive or otherwise undesirable:

(c) *Repealed by Legal Notice 44 of 2026.*

Provided that the Registrar shall notify any refusal under this sub-regulation to the person requesting the registration.

Form and contents
of the statute.
Amended by:
L.N. 44 of 2026.

17. (1) An agreement establishing an association shall be in writing, on pain of nullity.

(2) The statute shall contain at least the following information for the association to be eligible for registration:

(a) its name which shall be followed by the words "Cannabis Harm Reduction Association" or their abbreviation "C.H.R.A.";

(b) the address of its registered office, which shall be that of one (1) of the properties approved by the Authority for the cultivation or distribution of cannabis;

(c) its email address;

(d) *Repealed by Legal Notice 44 of 2026.*

(e) its purpose which shall be clearly limited to the cultivation of the plant cannabis exclusively for its members in a collective manner to distribute it only to its members;

(f) the manner in which the legal and judicial representation of the association is to be exercised, which shall be as stipulated in regulation 44, and the name surname, identification number, nationality and residential address of the first person vested with such representation;

(g) its non-profit nature;

(h) the maximum number of members it may have which shall not be more than that allowed in the conditions of its operating permit;

(i) its explicit commitment to operate in accordance with all applicable laws and regulations and to promote harm reduction from the use of cannabis among its members;

(j) its assets at the time of its formation, which shall consist, as a bare minimum, of an endowment of not less than one thousand euro (€1,000) donated by the founders;

(k) the conditions and procedures for the admission, expulsion and resignation of its members;

(l) the rights and obligations of its members;

(m) the composition of the Board of Administrators,

which shall not be of less than three (3) administrators;

(n) the procedures for the appointment of members of the Board of Administrators, which shall generally be by means of an election held during a scheduled or extraordinary general meeting;

(o) the provisions governing the functioning, powers and responsibilities of its scheduled and extraordinary general meetings;

(p) the provisions governing the rights and obligations of members, including voting rights liability of members;

(q) the frequency with which its general meeting shall be called, which shall be at least once a year;

(r) the grounds and procedures for its voluntary dissolution;

(s) the term for which it is established, if any; and

(t) the date of adoption of the statutes and the procedure for amending them;

(u) the conditions and procedures for the dismissal of members of the Board of Administrators, which shall include the members' right to call an extraordinary general meeting for such purpose;

(v) provisions governing the functioning of the Board of Administrators and its powers and responsibilities; and

(w) the name, surname, identification number, nationality and residential address of the first administrators.

18. (1) An association may admit new members only when it is in possession of a valid permit and certificate of approval in accordance with the provisions of these regulations, and may only admit the number of members allowed in its permit.

Members.
Amended by:
L.N. 44 of 2026.

(2) All members shall be at least eighteen (18) years old.

(3) An association shall not distinguish between different categories of members including founding members and grantors, if any, and shall only admit full members with equal rights.

(4) Each member shall be entitled to participate at each general meeting and shall be entitled to one (1) vote.

(5) Without prejudice to regulations 12 and 14 relating to the special residency requirements of founding members, grantors and administrators, no person may become a member of an association unless such person is a resident of Malta.

(6) Notwithstanding any other regulation, no association may admit more than five hundred (500) members.

Exclusive membership.

19. No person shall seek to register or register with more than one association at the same time.

Non-transferability of membership.

20. The membership of any person in an association shall not be transferable.

General meeting of members.
*Amended by:
L.N. 44 of 2026.*

21. (1) An association's scheduled or extraordinary general meeting, meaning the gathering of all members shall be referred to as the general meeting.

(2) Notice of the day, time, place and agenda of all general meetings shall be given to each member at least fifteen (15) working days before the day of the meeting or any other such period as the Authority may indicate by means of a binding instrument or other instruction.

(3) The quorum of any general meeting shall not be less than fifty percent (50%) of all members:

Provided that the Authority may, by means of a binding instrument, make provisions for circumstances where the quorum is not achieved.

(4) Decisions taken at a general meeting to terminate an association shall on pain of nullity be supported by at least seventy five percent (75%) of the members present.

(5) Every member shall have the right to information and obtain access to documents, in accordance with the rules set in the statute.

Provided that the Authority may, by binding instrument, prescribe the mandatory disclosure of certain information by an association to its members.

(6) Members may appoint proxies to attend a general meeting on their behalf pursuant to the procedure established in the statute and as long as such proxy is also a member of the association, and such proxy shall have the right to vote in addition to his own vote:

Provided that a member may not represent more than two (2) other members.

(7) At least once a year, the general meeting shall include the election of the members of the Board of Administrators.

22. An association shall keep an internal up to date register of members under strict security controls. Such register shall include the following information about each registered member:

Register of
members.
Substituted by:
L.N. 44 of 2026.

- (a) the full name and surname;
- (b) the identity card number or other reference number indicated in an official document issued by a competent Maltese authority evidencing residency in Malta and the expiry date of such document;
- (c) the date of birth;
- (d) the residential address;
- (e) the email address;
- (f) the contact number;
- (g) the date when such person became a member of the association;
- (h) where applicable, the date when a member ceased to be a member of the association and the reason thereof;
- (i) a copy of the identity card or residence document from which the details in paragraph (b) were obtained;
- (j) details about each gram of cannabis distributed to the members, including the location where the transaction took place, the date and time of the transaction, any unique transaction identification codes as prescribed by the Authority and the amount paid; and
- (k) details about membership and admission fees paid and the period for which they pertain.

(2) An association shall, without divulging details which may identify the identity of the members, deliver an extract from the register of members to the Registrar which indicates all changes for the preceding month by not later than the seventh (7th) day of each month.

(3) The association shall retain the personal data of each member shall be kept for a period of two (2) years after the date when the person ceases to be a member of the association. Following the expiration of such period, an association shall anonymise the data in such manner that the person is no longer identifiable, and keep only information in relation to the amount of cannabis distributed and fees

paid shall be kept for a period of ten (10) years after the date when such person ceased to be a member of the association.

Persons who render a service, procurement of goods and services.
*Substituted by:
L.N. 44 of 2026.*

23. (1) No person shall render service in the premises of an association unless such person is approved by the Authority to carry out such service.

(2) An association shall only procure goods and services against the issuance of a fiscal receipt.

(3) An association shall only procure goods and services from persons and entities that are residents of, or registered in the European Union or the European Economic Area or such other approved jurisdiction, as the Authority may prescribe.

Changes to the statute.
*Amended by:
L.N. 44 of 2026.*

24. (1) An association may make changes to its statute by following the procedures in its statute:

Provided that any change in the statute of the association shall require the support of the majority of members present or such higher amount as the statute may prescribe.

(2) A certified copy of a resolution taken at a general meeting of an association to change its statute together with the amended statute shall be delivered to the Registrar within fourteen (14) days from when it is passed.

(3) The amended statute shall only take effect after it is approved by the Registrar.

Change of registered office and of Board of Administrators.

25. *Repealed by Legal Notice 44 of 2026.*

Annual returns.

26. *Repealed by Legal Notice 44 of 2026.*

Records, accounts and reports.
*Substituted by:
L.N. 44 of 2026.*

27. (1) The Board of Administrators shall keep accounting records and prepare annual financial statements in conformity with the requirements of the International Financial Reporting Standards (IFRS) which shall be duly verified and signed by an auditor on an annual basis and as may be prescribed.

(2) The Board of Administrators shall keep a register of assets which shall include a list of all assets of the association including details relating to whether they have been purchased, leased or donated, the location where such assets are held and their cost or value.

(3) The financial year of an association shall be the calendar year:

Provided that the first year shall be shorter or longer as per generally accepted accounting practices, or as the Authority may

determine by means of written instruction.

(4) An original copy of the audited financial statements signed by the auditor shall be delivered to the Registrar by not later than the thirtieth (30th) of September of the following year.

(5) An association is to submit the following accounts to the Registrar by not later than the twentieth (20th) day of the end of each quarter:

- (a) cash flow statement;
- (b) income and expenditure statement, which shall provide a detailed breakdown of the various transactions; and
- (c) balance sheet:

Provided that the Authority may, by means of a binding instrument or other instruction, demand the submission of additional and more frequent financial records:

Provided further that the Registrar may also request an association to submit the fiscal receipts and other documentation pertaining to specific transactions.

28. (1) The liability of the founding members, members and administrators of the association shall be regulated by article 16 of the Second Schedule to the Civil Code.

Liability of persons involved in the association.
Cap.16.
Amended by:
L.N. 44 of 2026.

(2) The liability of the founding members, administrators or members towards third parties for the obligations of the association shall be determined in accordance with the provisions of article 48(3) and (4) of Sub-Title III of Title III of the Second Schedule to the Civil Code.

Cap.16.

(3) For the avoidance of doubt, no person directly or indirectly involved in the association, including the key officer or other persons performing a key function within the association, may by agreement or otherwise, partially or fully waive or otherwise restrict his liability for wilful misconduct, gross negligence or breach of duty, and any provision in the statute or other agreement seeking to exonerate or restrict a founding member, a member, an administrator, a key officer or any other person performing a key function within the association from such liability shall be null and void.

29. An association shall not establish other organisations of whatever legal form, to directly or indirectly achieve the purposes for which it has been established.

Other organisations.

Segregated cells
within
associations.

30. It shall not be lawful for an association to establish cells within the association.

Part III

Of the Registrar of Cannabis Harm Reduction Associations

Registrar of
Cannabis Harm
Reduction
Associations.
*Amended by:
L.N. 44 of 2026.*

31. (1) For the purposes of these regulations, a senior officer of the Authority shall be appointed as the Registrar for Cannabis Harm Reduction Associations. In the absence of any such appointment, the Chairperson of the Authority shall be deemed to also hold the role of Registrar.

(2) Without prejudice to the provisions of sub-regulation (1), the Registrar may authorise in writing any officer serving within the Authority to perform any of the functions assigned to the Registrar under these regulations or any other law.

(3) The Registrar shall administer the Registry of Cannabis Associations and perform the functions and duties conferred on him by these regulations and any other law, and for the purpose of the exercise of those functions and of the performance of those duties he shall have power to require any person to give him any relevant information and to produce to him any relevant document.

Part IV

Of the Register of Cannabis Harm Reduction Associations and Registration

The Register of
Cannabis Harm
Reduction
Associations.
*Substituted by:
L.N. 44 of 2026.*

32. (1) There shall be an internal Register of Cannabis Harm Reduction Associations which shall be maintained by the Registrar subject to strict security controls for the purpose of registering associations:

Provided that the Authority may publish the name, registration number and registered address of an association together with the name of the individual appointed in terms of regulation 44.

(2) The Register shall contain the following information about each association which shall be supported by the documentation outlined hereunder, as may be further supplemented by guidelines issued by the Authority, and as the same may be amended or updated from time to time:

- (a) the name of the association;
- (b) the addresses from which the association is authorised to operate;
- (c) the registration number of the association;
- (d) an authenticated copy of the constitutive

instrument of the association and any amendments thereto, each of which shall bear the date when the constitutive instrument was drawn up and the dates when any amendments were made thereto and when such amendments were approved;

(e) the names, identity card numbers, the residential addresses, the contact details, and the conduct certificate issued in terms of the Conduct Certificates Ordinance of the:

Cap. 77.

(i) founding members;

(ii) administrators;

(iii) employees; and

(iv) any other individual who provides a regular service in the premises of the association:

Provided that the original conduct certificates or copies thereof received by the Registrar shall be immediately and permanently erased following the necessary verifications, with only an internal note recording the relevant contents:

(f) the persons who have been appointed as the President, Treasurer and General Secretary of the association;

(g) the permit number, its status and category, if in possession of a permit in terms of these regulations;

(h) anonymised monthly updates of the Register of Members;

(i) annual audited accounts of the association;

(j) quarterly accounts of the association; and

(k) such other information as the Authority may by a binding instrument prescribe.

(3) A member of an association may, in accordance with any rules as the Authority may prescribe, request the Registrar to view documentation which has been submitted to the Registrar, pursuant to this regulation by the association they form part of insofar that this shall not adversely affect the rights and freedom of others.

33. (1) The Registrar shall issue a certificate of registration upon the issuance of a letter of approval or any other document, by whatever name it is referred to, evidencing the approval in principle relating to the issuance of a permit referred to in regulation 35 and following the submission of the following documentation:

Registration of
associations.
Amended by:
L.N. 44 of 2026.

(a) an authenticated copy of the constitutive instrument with all binding regulations and byelaws, together referred to as the "statute";

(b) a statement signed by the legal representative of the association indicating the composition of the Board of Administrators which shall include the roles of Key Officer, President, Treasurer and General Secretary; and

(c) an authenticated copy of the identity card of each of the administrators.

(2) The Registrar shall have the right to request any further information or documentation, other than those established in this regulation, in accordance with any rules which may be prescribed by the Authority.

(3) *Repealed by Legal Notice 44 of 2026.*

(4) *Repealed by Legal Notice 44 of 2026.*

(5) Upon registration, the Registrar shall issue a certificate of registration in the name of the association and it shall allocate a unique number to each association and that number shall at all times be quoted by the association on:

(i) its letters, notices and any other documents issued by the association, and

(ii) each container or packet which holds cannabis or seeds of the plant cannabis and which it distributes to its members in accordance with these regulations.

Right of appeal.

34. *Repealed by Legal Notice 44 of 2026.*

Part V Permits and Approvals

Requirement of a permit and certificate of approval.
*Amended by:
L.N. 44 of 2026.*

35. (1) No person shall cultivate the plant cannabis and produce, process, store, transport and distribute cannabis in terms of the provisions of article 7A of the Act, except when in possession of a valid permit for the purpose issued by the Authority and a valid certificate of approval as provided in sub-regulation (2) hereunder.

(2) Without prejudice to the requirements established in any other law, no person shall use any premises to cultivate the plant cannabis and to produce, process, store and distribute cannabis in terms of article 7A of the Act, except when in respect of such premises, a

valid certificate of approval for the purpose has been issued by the Authority.

(3) The Authority may, in granting or renewing any permit or approval under sub-regulations (1) and (2), impose any such condition as the Authority may deem fit and may restrict any activity that may be provided or carried out in the approved premises.

(4) The issuing and renewal of any permit or certificate of approval shall be without prejudice to the requirement of any other licence, authorization or approval required under any other law.

(5) No person may access any premises on which a certificate of approval to cultivate the cannabis plant and, or to produce, process, store and distribute cannabis in accordance with sub-regulations (1) and (2), unless such person is an administrator, an employee, a member or an approved service provider of the association in whose name the approval was issued:

Provided that a member of an association who is not an administrator, an employee or an approved service provider may only access the premises if the certificate of approval denotes that the premises may be used for the distribution of cannabis:

Provided further that the Authority may grant a derogation from this regulation in exceptional circumstances.

(6) An association shall not cultivate the cannabis plant or hold a stock of cannabis in excess of the amounts stipulated in the Act and the Responsible Use of Cannabis (Possession of Cannabis by Associations) Regulations issued in this regard, or in any binding instrument or written instruction issued by the Authority.

S.L. 628.02.

36. The Authority shall have the power to issue permits of the categories set forth in the First Schedule.

Permit categories.

37. (1) Each new permit and certificate of approval shall be valid for a period of one (1) year which period may be renewed by the Authority for further periods of one (1) year each or for such period as may be prescribed by the Authority in any binding instrument.

Term and renewal of permits and approvals.

(2) Any renewal of a permit or a certificate of approval shall in all cases be subject to the continued compliance by the association, during the preceding original or renewed terms of the permit and certificate of approval, with the provisions of the Act, these regulations, all conditions or restrictions contained in the applicable permit and certificate of approval, all applicable regulatory instruments, binding instruments and all other applicable laws.

(3) A request for renewal of a permit or certificate of

Application and renewal for a permit and certificate of approval.

approval shall be made within the time-frame prescribed by the Authority.

38. (1) The founding members of an association or an association may apply to the Authority to obtain or renew a permit or a certificate of approval by making use of the relevant prescribed forms published by the Authority and by following the applicable procedure as prescribed by the Authority.

(2) An applicant under sub-regulation (1) shall provide all information, documentation and assurances required by the Authority and shall fulfil all the requirements as established in any regulatory instruments or as prescribed by the Authority in any binding instruments, in line with the governing principles and regulatory objectives established by the Act.

(3) In addition to and without prejudice to the generality of sub-regulation (2) the applicant shall comply with any request made to it by the Authority to provide it with any information, documentation and assurances which it may consider necessary for it to determine the suitability of the applicant that shall be issued with a permit or a certificate of approval or their renewal.

(4) All applications made in terms of sub-regulation (1) shall be verified in the manner and to the extent required by the Authority.

(5) Without prejudice to sub-regulation (4) in determining an application for a permit or a certificate of approval or for their renewal, the Authority shall have the power to inspect the premises of the association.

(6) All applications made in terms of sub-regulation (1) shall be accompanied by the prescribed fee in accordance with regulation 68.

(7) The Authority may, in furtherance of the regulatory objectives under the Act and, or these regulations:

(a) establish, where appropriate or necessary, by means of binding instruments, more extensive, reduced or amended requirements for an applicant to qualify for an authorisation in certain pre-defined circumstances; and, or

(b) impose on an applicant, where appropriate or necessary, specific additional requirements by means of a binding instrument.

Grant of permit.

39. (1) No person, other than an association that has been registered in the Registry may be granted a permit or a certificate of approval under sub-regulations (1) and (2) of regulation 35.

(2) Upon the successful determination of an application for a

permit, the Authority shall issue a permit to cultivate and distribute cannabis, in the name of the association.

The association shall affix a copy of the permit in a prominent place in each of its premises.

40. (1) Upon the successful determination of an application for the approval of the premises, the Authority shall issue a certificate of approval, in the name of the association. Grant of certificate of approval.

(2) The association shall affix a copy of its certificate of approval in a prominent place in each of its premises.

41. A permit, certificate of approval or any authorisation granted by the Authority cannot be assigned or transferred. Assignment.

42. (1) The Authority shall refuse an application to grant a permit or a renewal thereof in terms of this Part of the regulations, in any of the following instances: Refusal to grant a permit.
Amended by:
L.N. 44 of 2026.

(a) if the application is not submitted in accordance with the established form or applicable procedure;

(b) if the applicable fees have not been paid;

(c) if, in the reasonable opinion of the Authority, the applicant's proposed operational model is not compliant with the Act, these regulations or any applicable regulatory instruments or any binding instruments;

(d) if the applicant's premises have not been or shall not be concurrently certified by the Authority;

(e) if the Authority is not satisfied that the applicant and all relevant persons as determined by it, are fit and proper persons;

(f) if, in the reasonable opinion of the Authority, the applicant does not have the necessary competence, technical know-how and resources to carry out the activity regulated by article 7A of the Act and these regulations;

(g) if it transpires that any document, information or other submission made to the Authority is false, misleading, or inaccurate; or

(h) if the information submitted to the Authority is incomplete in a material respect.

(2) The applicant or association shall have the right to request a reversal of the decision of the Authority by filing an appeal before the Tribunal in accordance with the provisions of Part XV.

(3) If within forty-five (45) days of the submission of the required documentation, the application has not been decided upon by the Authority, the applicants shall have the right to appeal to the Tribunal in accordance with the provisions of Part XV.

Refusal to grant a certificate of approval.
Amended by:
L.N. 44 of 2026.

43. (1) The Authority shall refuse an application for the approval of the premises or renewal thereof in terms of this Part of these regulations, in any of the following instances:

(a) if the application is not submitted in accordance with the established form or applicable procedure;

(b) if the applicable fees have not been paid;

(c) if the premises are located at a distance which is less than two hundred and fifty meters (250m) from the entrance of a school, a sports facility, a club or youth centre;

(d) if, in the reasonable opinion of the Authority the approval of the premises shall constitute a negative impact on the amenity of the general area or the wider community where the proposed premises are situated;

(e) if, in the reasonable opinion of the Authority, the premises do not meet the requirements prescribed by the Authority in any binding instruments; or

(f) if the applicant fails to obtain any other applicable permit or authorization in terms of any other applicable law or regulatory instruments:

Provided that and without prejudice to any other law or regulation, the Authority shall, when considering an application under this regulation, also consider whether approving any such premises may lead to a concentration of such premises in any area within a locality, or part thereof, as well as any other factor and, or requirement, which it deems objectively and reasonably justified and appropriate, to fulfil its functions and regulatory objectives.

(2) For the purposes of this regulation:

(a) "club" and "youth centre" mean the premises of any organisation including voluntary organisations, religious organisations and sports organisations or clubs registered with the Commissioner for Voluntary Organisations or with any other relevant authority or recognised association, from where such organisations work or otherwise organise their activities with children and youths under the age of eighteen (18) years.

(b) "school" means the premises of any entity which is registered or licensed to operate as a school or educational

institution in Malta and from which it provides its services to minors who have not attained the age of eighteen (18) years and includes, but is not limited to, any one (1) or more of the following:

- (i) early childhood educational and care centres;
- (ii) schools which provide educational services up to compulsory school age, these include church, independent and international schools for pre-primary (kindergarten), primary and secondary levels;
- (iii) private educational service providers of specialised programmes for students with specific needs;
- (iv) centres run by the society of Christian Doctrine, more commonly referred to as M.U.S.E.U.M. which provide religious teaching to children and adolescents;
- (v) summer schools;
- (vi) schools for the performing arts;
- (vii) sport schools;
- (viii) English language schools;
- (ix) post-secondary schools;
- (x) further and, or higher education institutions; and
- (xi) universities:

Provided that any further and, or higher educational institution or university which solely and exclusively provides online tuition is excluded from the scope of application of this definition:

Provided further that a property shall continue to be considered compliant with these regulations if a school, club, youth centre or sports facility are opened in its vicinity following the issuing of a conditional approval that it may be used by an association.

(3) The applicant or licensed person shall have the right to request a reversal of the decision of the Authority by filing an appeal before the Tribunal in accordance with the provisions of Part XV.

(4) *Repealed by Legal Notice 44 of 2026.*

Part VI**Key Officer and Key Positions**

Appointment of
key officer.
Amended by:
L.N. 44 of 2026.

44. (1) An association shall at all times have one (1) Key Officer who shall be a member of the Board of Administrators and whose appointment shall be approved by the Authority.

(2) The Authority shall not approve an application for the appointment of a Key Officer unless it is satisfied that such person is fit and proper to fulfil his obligations and any requirements, including any eligibility criteria established by the Authority for the appointment of a Key Officer in any binding instrument.

(3) The Key Officer shall be the sole person vested with the legal and judicial representation of the association.

Functions of the
Key Officer.
Substituted by:
L.N. 44 of 2026.

45. A Key Officer shall:

- (a) personally supervise the operations of the association;
- (b) be the main contact person of the Authority for the association which he represents; and
- (c) shall ensure that the association complies with all applicable laws and regulations, the conditions of the permit and any binding instruments.

Approval by the
Authority.
Substituted by:
L.N. 44 of 2026.

46. The Authority shall revoke an approval granted to a Key Officer if such officer:

- (a) ceases to be resident in Malta;
- (b) ceases to be an administrator of an association;
- (c) fails to comply with any order or direction issued by the Authority; or
- (d) ceases to be, in the Authority's sole discretion, a fit and proper person.

Removal,
resignation, death
or inability of Key
Officer
Substituted by:
L.N. 44 of 2026.

47. (1) A Key Officer may not be removed or be substituted without the written consent of the Authority.

(2) In the case of the death, resignation or incapacitation of the Key Officer, or if the Key Officer is disqualified in accordance with regulation 15, the Board of Administrators shall immediately notify the Authority of such circumstance and shall provide the details of one (1) of the administrators who shall temporarily assume the functions and responsibilities of key officer until such time as a new key officer is

approved by the Authority.y.

(3) An application for the appointment of a new key officer of the association shall be made by the association as soon as practicable and in any case by not later than one (1) month from the date of the occurrence of the circumstances referred to in sub-regulation (2).

48. (1) The Authority may by means of a binding instrument, establish other key positions or functions that shall be performed by persons within an association.

Provision of other key positions or functions.

(2) No person shall be appointed to occupy any such key position or provide any such key function unless such person is approved by the Authority to provide such position or function, or as may be otherwise directed by the Authority in any binding instrument.

Part VII Records and Reports

49. (1) Each association shall keep complete and accurate records of its operating activities, which shall include the following information and any other information as may be prescribed by the Authority in any binding instrument, and shall submit the records to the Authority on the prescribed form by not later than two (2) days following the completion of each stage of the cultivation, harvesting, processing and distribution process:

Record keeping.
Amended by:
L.N. 44 of 2026.

(a) *Repealed by Legal Notice 44 of 2026.*

(b) for each cycle of cultivation:

(i) forecast of cultivation;

(ii) the dates of the cultivation;

(iii) the exact location where each stage of the cultivation process takes place;

(iv) the amount of cannabis plants that it cultivates;

(v) used methods of agriculture and the environmental conditions maintained during the cultivation process;

(vi) results of the cultivation and harvest which shall include amounts collected, the amounts of final dried cannabis;

(vii) evaluation of the forecast and the results indicated in sub-paragraph (vi);

(viii) details relating to the transport of the cannabis plant, harvest and, or product from the cultivation premises to the premises where the distribution takes place;

(ix) the cannabinoid profile (strain name) of each plant cultivated; and

(x) the amount of waste generated and relevant details about its destruction, as the Authority may prescribe.

(c) the quantity of cannabis distributed disaggregated by each transaction and the security seal identification number for each transaction.

(2) The operating records of the association shall be kept for a period of ten (10) years after the relevant period to which they refer.

Quarterly report.

50. *Repealed by Legal Notice 44 of 2026.*

Part VIII

Conditions and Binding Instruments

Conditions.

51. (1) The Authority shall have the power to issue conditions to permits or other authorisations granted in terms of the Act and these regulations.

(2) The Authority shall have the power to add, amend or remove any conditions to permits or other authorisations granted in terms of the Act and these regulations.

(3) Compliance with the Act, any regulations thereunder, these regulations and any binding instrument issued by the Authority shall automatically be construed as conditions to permits or such other authorisations.

Binding instruments.

52. The Authority may, from time to time, issue and publish rules, directives and guidelines which shall be binding on associations and others as may be specified therein. Such rules, directives and guidelines, as may be amended from time to time, may lay down additional requirements and conditions in relation to activities of the associations, the conduct of their operations, reporting requirements, harm reduction initiatives, and any other matters that the Authority may consider appropriate.

Part IX

Centralised Data Collection and Tracking System

53. (1) The Authority may operate a digital centralized data collection and tracking system for the purpose of facilitating data collection and tracking from associations.

Centralised data collection and tracking system.

(2) Associations shall adhere to any requirements established by the Authority for the implementation and operation of a digital centralised data collection system, including but not limited to, the implementation of a tag and track system and the payment of a fee as may be prescribed by the Authority.

54. The Authority may disclose information contained in the centralised data collection and tracking system or which it may have come to its possession through the performance of its functions, to the Executive Police, the Financial Intelligence Analysis Unit or any other public body for the purpose relating to compliance, preventing non-compliance with the provisions of the Act, these regulations and applicable laws, prevention or committal of a criminal offence, protection of public health or safety or any other prescribed circumstances.

Disclosure of information.

Part X Compliance Monitoring

55. (1) An association shall, throughout the term of any permit or authorisation, continuously comply with all relevant requirements and be responsible for all obligations imposed by the Act, these regulations and all applicable regulatory and binding instruments.

Compliance with applicable laws.

(2) An association shall, throughout the terms of any permit or authorisation, comply with the policies and procedures which shall be notified to the Authority in terms of the Act, these regulations or any regulatory or binding instrument.

56. The Authority may require any association:

(a) to take actions, implement procedures or systems, to make submissions, to provide information, reports, compliance certificates and, or any other evidence of compliance to the Authority, on a regular or ad hoc basis, to demonstrate its compliance with the Act, these regulations and all applicable regulatory and binding instruments;

Authority's power to order specific actions and compliance audit.
*Amended by:
L.N. 44 of 2026.*

(b) to undergo a compliance audit, on a regular or ad hoc basis, as may be prescribed by the Authority in any binding instrument;

(c) to limit aspects of its operations until it is satisfied that an identified or potential non-compliance or

risk of a breach of the regulations has been addressed.

Compliance
review.

57. (1) The Authority shall have the power to initiate a review into the operations and, or conduct of the association and, or of its premises, whenever it deems necessary.

(2) If, throughout the conduct of such review, the Authority discovers that the operations, conduct and, or premises of the association may not be, or are not compliant with any applicable regulatory or binding instrument, it shall notify the association of this fact, giving such association a reasonable time within which to rectify any such irregularity, and, or to make any relevant submissions:

Provided that the Authority shall not be required to notify the association where, in the opinion of the Authority, any such notification may potentially prejudice any investigation related to such irregularity or where the Authority is precluded from informing the association by virtue of any applicable law.

(3) The Authority may initiate a formal investigation, and, or take such other measures, including any of the enforcement measures listed in regulation 63 as it may deem appropriate where the association fails to make submissions or, its submissions do not address the concerns raised by the Authority.

Formal
investigation.
Amended by:
L.N. 44 of 2026.

58. (1) When the Authority has reason to suspect that an association is conducting its affairs in breach of the Act, these regulations or any applicable regulatory or binding instrument or is otherwise no longer suitable to hold such authorisation, it shall initiate a formal investigation of such association.

(2) The association shall be informed of the investigation and the reasons for which it was initiated:

Provided that where the Authority reasonably believes that informing the association of such investigation may prejudice the investigation or any possible outcome thereof, or is precluded from informing the association by virtue of any applicable law, it may carry out the investigation without informing the association.

(3) In conducting such investigation, the Authority shall be empowered to request and, or access any and all information, documents and other things from the association or from third parties that directly or indirectly provide one (1) or more services to the association, or any other person, including any one (1) or more of the members of the association, as that it deems relevant:

Provided that where the Authority requests information, documents or any other things from a third party, it shall not require the consent of the association or of any other person to which the

information, documents or other things relate.

(4) It shall be an offence for the association not to provide the Authority with any information, documents and, or other things which the Authority may require, or to otherwise hinder the Authority's investigation or to neglect to collaborate therewith. In any such case it shall also be lawful for the Authority to make a decision based on the information available to it.

(5) When the Authority's investigation is concluded, the Authority shall provide the association with a report thereon which shall include:

(a) the reason or reasons for which the investigation was initiated;

(b) in the case of a breach of an applicable law or regulation, the breaches of the applicable law, regulatory or binding instruments by the authority, and a description of its findings in relation to any such breaches, and

(c) the enforcement measures which the Authority has deemed it fit to take in the circumstances, if any:

Provided that the Authority may withhold any or all of the above information if disclosing them to the association may prejudice the interests of its members or of any other person, or would amount to a breach of any applicable law.

(6) The association may contest the findings in such report within twenty (20) days from the date of notification thereof:

Provided that the findings in the report shall become final, if the association fails to contest such findings within such twenty-day contestation period.

(7) The Authority shall review an association's contestation received within the twenty (20)-day contestation period within a reasonable time and shall thereafter communicate to the association its final decision on the matter, confirming, revoking or amending the report.

59. (1) For the purpose of the exercise by the Authority of its functions relating to but not limited to the enforcement of Article 7A of the Act and these regulations, the Authority shall designate individuals as inspectors to exercise the functions and powers referred to in this regulation.

Inspections and
enforcement
powers.
*Amended by:
L.N. 44 of 2026.*

(2) Each inspector shall be provided with a certificate of designation which shall be issued by the Authority and which shall be presented by the inspector when entering any place for the purpose of

carrying out an inspection in terms of this regulation.

(3) An inspector may, for the purpose of verifying compliance or preventing non-compliance with the provisions of Article 7A of the Act and these regulations and any regulatory or binding instrument made thereunder conduct inspections, including on-site inspections with the power to exercise any of the following acts:

(a) enter the premises of an association and search and inspect its premises and any contents found therein;

(b) take samples of any substance for laboratory testing;

(c) use or cause to be used any computer system at the premises to examine any electronic document, excluding documents that contain the personal data of the members of the association;

(d) reproduce any document by any means including digital or paper form;

(e) take any document in whatever form for examination purposes;

(f) take photographs and make recordings;

(g) seize or detain cannabis or any other thing found in the premises that in the inspector's reasonable opinion is something in relation to which the provisions of Article 7A of the Act, these regulations or any regulatory or binding instrument have been breached or is something the seizure and detention of which is necessary to prevent non-compliance with the provisions of Article 7A of the Act, these regulations or any regulatory or binding instrument;

(h) order the key officer and, or the administrators not to move the cannabis from the premises and, or to stop an activity which in the inspector's reasonable opinion is in breach of the provisions of Article 7A of the Act, these regulations or any regulatory or binding instrument;

(i) order any person in the premises to identify themselves by means of an official identification document, and

(j) call to his assistance any member of the Police Force, for the purpose of carrying out the powers conferred upon him by this regulation.

(4) If:

(a) the administrators of an association refuse to grant access to the property;

(b) the administrators of an association are unreachable; or

(c) the association is deemed to be in disarray following the resignation or incapacitation of all administrators,

the Authority may, after obtaining a warrant from a magistrate, enter any premises managed by an association.

60. (1) The key officer and any person who is present at the premises at the time of the inspection shall give the inspector all reasonable assistance in their power and provide the inspector with any information that the inspector may reasonably require.

Mandatory assistance.
Amended by:
L.N. 44 of 2026.

(2) An association or any person as referred to in sub-regulation (1) who fails to cooperate with the Authority or the orders of an inspector shall be guilty of an offence as established in the Second Schedule.

61. If the Authority determines that it is no longer necessary to detain anything seized by the inspector under this regulation, the inspector shall notify in writing the key officer of that determination and, on being issued a receipt for it, shall return such thing to the key officer.

Return of thing seized.

62. Each inspector shall provide to the Authority a report of the inspection and the Authority shall after having considered the findings of the inspection, have the power to exercise any enforcement measure or measures provided in regulation 63.

Report by inspector.

Part XI Enforcement Measures

63. (1) The Authority may exercise any enforcement measure or measures listed in sub-regulation (2) hereunder, solely following the conclusion of a compliance review, a formal investigation by the Authority and, or an inspection:

Enforcement measures.
Amended by:
L.N. 44 of 2026.

Provided that the Authority may, in exceptional circumstances and in the interest of the members of the associations or on grounds of public policy, public security or the safeguarding of the reputation of Malta, exercise any enforcement measures which it deems appropriate at any time or it deems necessary including prior to or during the performance of the review, investigation, inspection or following the conclusion thereof but prior to the lapse of the time within which the association may contest the findings.

(2) The enforcement measures which the Authority may take are the following:

(a) an order, directing the association to do or refrain from doing any act or to rectify any irregularity in its conduct or operations with the aim of ensuring compliance with the Act, these regulations and any regulatory or binding instrument;

(b) a warning to the association indicating that the Authority may revoke or suspend the permit or approval unless appropriate action as outlined in the warning is taken by the association:

Provided that notwithstanding the above and any other provision in any regulatory instrument or any other law, the Authority shall have the right to immediately suspend or revoke a permit or approval and without giving a warning to the association, in terms of regulations 64 and 65;

(c) the filing of a report to the Executive Police for the commencement of criminal proceedings, in the case where the Authority has reasonable grounds to suspect that any person involved within the association or who renders a service to the association is in the process of committing or has committed an offence against the Act, these regulations or any other law, and, or;

(d) suspending or revoking a permit or any approval in terms of regulations 64 or 65, as the case may be:

Provided that the enforcement sanctions mentioned in this sub-regulation shall not be made public unless the Authority determines that this is in the public interest or if the Authority is obliged to make such sanction public in terms of any other law:

Provided further that any measure mentioned in paragraph (d) shall be made public;

(e) provisionally take custody and seal cannabis held by an association at its premises or provide for its safekeeping at a secure storage location elsewhere.

(3) Without prejudice to the foregoing, the Authority shall also be empowered to keep and publish a list of associations which are not compliant with the applicable laws and, or regulatory instruments:

Provided that any association included on such list shall be given the opportunity to make submissions to the Authority, clarifying and, or addressing its lack of compliance, in order for the Authority to remove such association from the list.

64. (1) The Authority shall have the power to suspend a permit and, or other approval granted, in terms of these regulations, if throughout the term of the permit:

(a) it considers that the requirements of any provision of the Act, these regulations, any applicable regulatory instruments or any binding instruments or any condition imposed by the Authority pursuant to the permit or approval, as the case may be, are not being fulfilled or complied with;

(b) the association is in breach of any of the provisions of the Act, these regulations, any applicable regulatory instruments or any binding instruments or any condition imposed by the Authority pursuant to the permit or approval;

(c) the association is found guilty of an offence against the Act or these regulations;

(d) if the Authority considers that an administrator or any person who assumes responsibility in relation to the Authority is no longer deemed to be fit and proper to carry out the functions required by him or if there is no person in office occupying a mandatory position within the association;

(e) in the reasonable opinion of the Authority, the certified premises no longer meet the requirements prescribed by the Authority in any binding instruments and, or has suspended or revoked the certificate of approval of the premises of the association;

(f) the association has failed or ceased to comply with an order issued by the Authority;

(g) the Authority has reason to believe that the association is in financial distress;

(h) the association is in breach of the laws or regulations at any time in force for the prevention of money laundering and financing of terrorism;

(i) if, in the reasonable opinion of the Authority, the association has failed to comply with its obligations towards its members;

(j) the association has ceased to comply with the eligibility criteria for authorisation or circumstances arise which, had they been present and known to the Authority at the time of issuance of the permit or authorisation, would have led the Authority not to issue such permit or authorisation;

(k) the association has failed to seek the prior approval of the Authority in relation to any material changes or where such prior approval is otherwise required in terms of any regulatory or binding instrument;

(l) the association has failed to pay in a timely manner any amounts due to the Authority; or

(m) the association has failed to pay in a timely manner any penalty imposed on it by a competent court for failure to observe the provisions of Article 7A of the Act or these regulations; or

(n) the Authority, in its sole discretion, has determined that there is material and sufficient reason for suspending the authorisation.

(2) Where a ground for suspension of the permit or approval in terms of sub-regulation (1) is deemed to exist following the conclusion of a formal investigation and the association has been given a period of time within which to contest the findings of the Authority in terms of regulation 58(6), the Authority shall give the association notice in writing of its decision to suspend the approval and, or permit setting out the reasons for its decision and giving such directions to the association, as the Authority may consider necessary.

(3) Where a ground for suspension of the permit or approval in terms of sub-regulation (1) is deemed to exist and the association has not been granted a period of time within which to contest the findings of the Authority in terms of regulation 58(6), the Authority shall notify the association in writing of its intention to suspend the permit or approval, setting out the reasons for the decision it proposes to take, as well as giving such directions to the association, as the Authority may consider necessary, and give the association a reasonable period within which to make representations in writing to the Authority explaining why the proposed suspension should not be made, and the Authority shall consider any representation so made before notifying it of its final decision:

Provided that, notwithstanding anything provided in this regulation and any other provision in any regulatory instrument or any other law, the Authority shall have the right to suspend a permit with immediate effect, by written notice to the association and without giving the association time to show cause why the permit should not be suspended, where it determines that there exist exceptional grounds for doing so, including but not limited to:

(a) when the Authority becomes aware that the authorisation was obtained by one or more materially false or misleading representations or in some other improper way; or

(b) when the association presents an imminent threat to the reputation of Malta; or

(c) when the association presents an imminent threat

or serious prejudice to the interests of the members of the association or to public or national interest.

(4) A suspension in terms of sub-regulation (1) may be lifted by the Authority when it is satisfied that the matter which led to the suspension has been rectified and in such circumstances the Authority shall communicate the matter in writing to the association together with any conditions it may deem fit.

(5) The Authority may by means of binding instruments regulate further the process and procedures to be followed by an association in the circumstances listed in this regulation.

65. (1) The Authority shall have the power to revoke a permit and, or other approval in the following instances:

Revocation of a permit or certificate of approval.

(a) one of the grounds for suspension envisaged in regulation 64 arises and the Authority, in its sole discretion, determines that cancellation of the permit or approval is the most appropriate measure;

(b) the Authority has suspended the permit or approval in terms of regulation 64 and, the association has not rectified the issues indicated in the suspension decision within the time period established therein;

(c) the permit has been voluntarily suspended for more than six (6) months and the association has not provided a plan outlining when it expects the authorisation to be reactivated, to the satisfaction of the Authority; or

(d) the association continues to operate and, or distribute cannabis to its members notwithstanding the suspension of the permit or approval by the Authority in terms of regulation 64.

(2) Where a ground for revocation of the permit or approval in terms of sub-regulation (1) is deemed to exist following the conclusion of a formal investigation and the association has been given a period a time within which to contest the findings of the Authority in terms of regulation 58(6), the Authority shall give the association notice in writing of the revocation of the permit and, or approval setting out the reasons for its decision, as well as giving such directions to the association, as the Authority may consider necessary.

(3) Where a ground for revocation of the permit or an approval in terms of sub-regulation (1) is deemed to exist and the association has not been granted a period of time within which to contest the findings of the Authority as provided in sub-regulation (2), the Authority shall notify the association in writing of its intention to revoke the permit and, or approval, as well as giving such directions to

the association, as the Authority may consider necessary, setting out the reasons for the decision it proposes to take and give the association a reasonable period within which to make representations in writing to made, and the Authority shall consider any representation so made before notifying it of its final decision:

Provided that, notwithstanding anything provided in this regulation and any other provision in any regulatory instrument or any other law, the Authority shall have the right to revoke a permit with immediate effect, by written notice to the association and without giving the association time to show cause why the permit should not be revoked, where it determines that there exist exceptional grounds for doing so, including but not limited to:

(a) when the Authority becomes aware that the authorisation was obtained by one or more materially false or misleading representations or in some other improper way; or

(b) when the association presents an imminent threat to the reputation of Malta; or

(c) when the association presents an imminent threat or serious prejudice to the interests of the members of the association or to public or national interest.

(4) The Authority may by means of binding instruments regulate further the process and procedures to be followed by an association in the circumstances listed in this regulation.

Part XII

Fees and Contributions

Licence fee.

66. (1) An association shall pay a non-refundable fixed annual licence fee as stipulated in Part A of the Third Schedule, upon the issue of a permit which shall be payable in advance for the first twelve (12) running months and every anniversary thereof, throughout the duration of the permit.

S.L. 372.28.

(2) Where any amount payable in terms of these regulations is not paid when due, interest shall be due and payable at the rate prescribed in rule 2 of the Income Tax (Interest Rate) Rules, which rate shall be applied to the unpaid amount for which the amount remains unpaid.

Harm reduction
contribution and
community
projects
contribution.
*Amended by:
L.N. 44 of 2026.*

67. (1) An association shall pay a harm reduction contribution as stipulated in Part B of the Third Schedule, for each and every period of the permit, which shall be payable by the association to the Authority within twenty (20) days of submission of the last quarterly report within a financial year submitted in terms of regulation 27, or within such time period as may be prescribed by the Authority.

(2) An association shall pay a community projects contribution as stipulated in Part C of the Third Schedule which shall be payable by the association to the Authority within twenty (20) days of submission of the annual audited financial statements to the Authority or within such time period as may be prescribed by the Authority:

Provided that an association which fails to settle the amounts due within the timeframes stipulated in this regulation shall also pay interest at the rate of zero point six percent (0.6%) per month on the amount due.

68. An association shall pay the administrative fees stipulated in Part D of the Third Schedule.

Administrative fees.

Part XIII Cannabis Harm Reduction

69. (1) Without prejudice and in addition to requirements of any provision of the Act, these regulations, any applicable regulatory instruments or any binding instruments, every association shall operate ethically and with integrity, prioritising harm reduction of its members from the use of cannabis within its operations and internal management functions.

Prioritisation of harm reduction from the use of cannabis.

(2) An association shall not in any way directly or indirectly promote or encourage and/or in any way stimulate the demand of cannabis use.

(3) Every association shall adopt harm reduction mechanisms for the prevention of cannabis abuse by its members as required by any provision of the Act, these regulations, any applicable regulatory instruments or any binding instruments, which shall, inter alia, include the following measures:

(a) the founding members, administrators and persons occupying designated roles within the association shall attend any training required by the Authority relating to, but not limited to, the prevention of problematic use of cannabis through harm reduction measures, as may be prescribed in any binding instrument;

(b) educate its members on the use and consumption of cannabis by:

(i) providing information about the cannabis that it distributes to its members,

(ii) providing training to its members on the general use of cannabis, and

(iii) organizing private harm reduction activities;

(c) inform its members about their rights and obligations as members of the association, including but not limited to the right to information, privacy and the right to request assistance from the association when the member feels or recognises he is experiencing problematic use of cannabis;

(d) where a member requests assistance in terms of sub-regulation (c) above, the association shall assist that member and help him have access to a rehabilitation process, and

(e) systematically provide each member with statistics on the amounts and the cannabinoid profile of the cannabis distributed to him.

Code of conduct.

70. Every association shall maintain and implement its own code of conduct which shall set rules for the internal functioning of the association to ensure the security and well-functioning of the association and the implementation of harm reduction mechanisms in terms of these regulations, applicable legislation and any binding instruments.

Part XIV

Prevention of Money Laundering

Money laundering.
Cap. 373.

71. (1) Without prejudice to the obligations imposed or that may be imposed upon an association by the Prevention of Money Laundering Act and any regulations made thereunder, the administrators of an association shall implement policies and procedures relating to the prevention of money laundering and the funding of terrorism so as to ensure that their association is not used for such purposes.

(2) The administrators shall obtain information on and keep record of the source of funds of all endowments and permitted loans made to the association and shall verify such information.

(3) The administrators shall not accept any endowments or permitted loans unless they verify that the funds originate from licit sources.

Transactions
related to proceeds
of criminal
activity.

72. (1) Where the Authority discovers facts or obtains information that is related to transactions which are known or suspected to be related to proceeds of criminal activity or the funding of terrorism, or to a person who may have been, is or may be connected with money laundering or the funding of terrorism, the Authority shall disclose those facts or that information, supported by the relevant documentation that may be available, to the Financial Intelligence

Analysis Unit in a timely manner.

(2) Where through its monitoring, or through any other means, the Authority notices that there are areas of arrangements and services which are vulnerable to money laundering or the funding of terrorism, the Authority shall inform the National Coordinating Committee on Combating Money Laundering and the Funding of Terrorism established under Article 12A of the Prevention of Money Laundering Act of its concerns and provide it with any analysis.

Cap. 373.

73. Without prejudice to the provisions of the Prevention of Money Laundering Act and any regulations made thereunder, the Financial Intelligence Analysis Unit, in fulfilling the responsibilities assigned to it under the Prevention of Money Laundering Act and any regulations made thereunder, may demand access to the Register or to any information or documentation relating to the operation of an association and the Registrar and, or the Authority shall comply with any such demand, without undue delay.

FIAU.

Cap. 373.

Part XV

Administrative Review Tribunal

74. (1) The Administrative Review Tribunal shall have jurisdiction to hear and determine appeals from decisions of the Authority as provided in these regulations or in any law or regulations.

Administrative
Review Tribunal.

(2) The provisions of the Administrative Justice Act, in so far as they apply to the Administrative Review Tribunal, shall apply to any proceedings before the said Tribunal, except as otherwise varied by these regulations, in which case the provisions of these regulations shall prevail, and the words "public administration" in the said enactment shall be construed as a reference to the Authority.

Cap. 490.

75. (1) An association or any person aggrieved by a decision of the Authority may appeal to the Tribunal:

Right to appeal and
procedure to be
followed in the
hearing of appeals.

Provided the person making an appeal to the Tribunal shall show juridical interest in challenging the decision appealed from:

Provided further that where the decision appealed from related to the exercise of lawful discretion by the Authority, the Tribunal shall not query the Authority's decision based on the exercise of such discretion:

Provided further that no appeal shall lie from a warning or from a decision of the Authority to refuse to grant, or to suspend or cancel a permit or other authorisation on the grounds of public policy, public security, national interest or for safeguarding the reputation of Malta.

(2) An appeal from a decision of the Authority shall be made

by application within twenty (20) days from the date on which the said decision has been notified to the association.

(3) Subject to the provisions of regulation 76 the Tribunal shall have the power to confirm or annul the decision of the Authority.

Pending appeal.

76. The decision of the Authority, pending an appeal whether before the Tribunal or the Court of Appeal, shall not suspend the operation of any decision and such decision shall stand and shall be adhered to by the association and all parties to whom the decision applies:

Provided that a decision of the Authority to cancel a permit or other authorisation shall not become operative until the expiration of the period within which an appeal lies under this regulation and, if an appeal is made within such period, the decision shall become operative on the date of the decision of the Tribunal dismissing the appeal or the date on which the appeal is abandoned:

Provided further that when a decision to cancel a permit or other authorisation is appealed, pending the determination of the appeal the relevant licence or authorisation shall be deemed suspended.

Appeals from decisions of the Tribunal.

77. (1) Any party to the proceedings before the Tribunal who feels aggrieved by a decision of the Tribunal, may appeal to the Court of Appeal sitting in its inferior jurisdiction, on a point of law only.

Cap. 490.

(2) Without prejudice to sub-regulation (1) the proceedings shall be regulated by the provisions of Part IV of the Administrative Justice Act.

Part XVI

Offences

Offences triable by the Courts of Magistrates.
*Substituted by:
L.N. 44 of 2026.*

78. The Court of Magistrates in its criminal jurisdiction shall be competent to take cognizance of the offences stipulated in the Second Schedule.

Penalties.
*Substituted by:
L.N. 44 of 2026.*

79. (1) Any association which is guilty of an offence stipulated in the Second Schedule shall on conviction be liable to a fine (*multa*) of the amount indicated for the offence for which it has been found guilty.

(2) Any person, whether or not being a member, officer, employee, administrator or otherwise connected with an association, who engages in any conduct prohibited under these regulations, including but not limited to the advertising, promotion, or publicising of the activities of an association, shall be guilty of an offence and shall on conviction be liable to the same punishment as that prescribed for

the corresponding offence when committed by an association.

(3) For the avoidance of doubt, the liability established under these regulations shall apply irrespective of whether the conduct was carried out on behalf of, in collaboration with, or independently of the Association concerned.

80. Any person who commits an act or omission:

Criminal Offences.

(i) which relates to activities that are not tolerated within the parameters and limits established by Article 7A, and

(ii) which is not listed as an offence in the Second Schedule, and constitutes an offence against the Medical and Kindred Professions Ordinance or the Dangerous Drugs Ordinance or any other law shall continue to be subject to the proceedings established in the Act or under the Medical and Kindred Professions Ordinance or the Dangerous Drugs Ordinance or such other law, as the case may be.

Cap. 31.
Cap. 101.

Part XVII

Voluntary Suspension or Surrender of a Permit or Approval

81. (1) An association may request the Authority to suspend or withdraw its permit by giving not less than thirty (30) days notice in writing to the Authority and in such manner as the Authority may prescribe.

Request for
voluntary
suspension or
surrender of
permit or
approval.
Amended by:
L.N. 44 of 2026.

(2) The Authority may request the association to provide it with such information and documentation as it considers necessary for the purposes of assessing whether to refuse or grant approval:

Provided that the Authority may subject the approval to certain conditions or may refuse to grant an approval to safeguard the interests of the members of the association, or on grounds of public policy or public security or to safeguard the reputation of Malta.

(3) Where the Authority gives its approval, such suspension or surrender shall not affect any liability of the association with respect to anything done or omitted to be done, or for any amounts due which may have already accrued, before the date of the voluntary suspension or surrender.

(4) The association may request the reactivation of the permit and, or certificate of approval, in such manner and using such forms as the Authority may prescribe. In processing a request for reactivation of the permit and, or certificate of approval, the Authority shall have the discretion to conduct any and all checks on the association and its operations as it considers necessary, and to refuse reactivation of the permit and, or certificate of approval on the same grounds as it may refuse to grant an application for a permit and, or

certificate of approval.

(5) Where the Authority approves a voluntary suspension or surrender of a permit, the association shall destroy any cannabis in its possession on the last day of operations in such manner as the Authority may prescribe:

Provided that the Authority may also seize such cannabis at any point in time after it is notified that the association intends to renounce its permit and provide for its safekeeping at a secure storage location:

Provided further that the Authority may provide for the destruction of such cannabis or for other measures as provided for in regulation 95.

Request for
voluntary
surrender of permit
or certificate of
approval.

82. *Repealed by Legal Notice 44 of 2026.*

Part XVIII Winding Up of Associations

Winding up of
associations.
*Amended by:
L.N. 44 of 2026.*

83. (1) An association may be wound up voluntarily, by order of the Court or by a special administrator appointed by the Authority in accordance with Part XX.

(2) For the purposes of this Part XVIII of these regulations, any reference to the Court shall be deemed to be a reference to the Civil Court (Voluntary Jurisdiction Section).

Winding up
voluntarily.
*Amended by:
L.N. 44 of 2026.*

84. (1) An association that does not hold a permit and, or certificate of approval may be wound up voluntarily in accordance with the procedures laid down in the statute of the association.

(2) An association that is in possession of a permit and, or certificate of approval shall, prior to resolving its winding up, obtain the cancellation of the permit and certificate of approval.

(3) The winding up of an association shall commence only after a decision of the general meeting is taken in accordance with regulation 21(4):

Provided that the administrators of an association shall also be bound to wind up an association:

(a) when the term for which it has been created has expired;

(b) if the association has not been granted a permit by the Authority within a period of one (1) year from its registration or within such period as the Authority may prescribe; or

- (c) if following the granting of a permit, the permit is withdrawn and a new permit is not granted within a period of six (6) months from the cancellation of the previous permit:

Provided further that in such circumstances the administrators shall call a general meeting of the association and notify the members that the association shall be wound up pursuant to this regulation.

(4) A certified copy of a winding up resolution shall be delivered to the Registrar within fourteen (14) days from when it is passed. The administrators shall, together with the winding up resolution, render to the Registrar a statement of accounts, declaring the assets and liabilities of the association, in such form as may be prescribed by the Authority.

(5) The administrators shall prepare a scheme of distribution of the assets of the association which shall be notified to the Registrar and which shall require the approval by the members of the association, or in the absence, the Registrar, before being implemented.

(6) The assets of the association shall be applied towards the liabilities of the association. Any assets remaining thereafter, shall not be divided amongst the members of the association but shall devolve unto the Government of Malta, or as the may be prescribed.

(7) *Repealed by Legal Notice 44 of 2026.*

85. *Repealed by Legal Notice 44 of 2026.*

Dissolution and winding up when term expires or purpose achieved.

86. (1) An association shall be wound up upon an order of the Court following an application by any interested party, for reasons valid at law in terms of the provisions of the Second Schedule to the Civil Code that shall apply to such associations or any other law.

Winding up by order of the Court.
Amended by:
L.N. 44 of 2026.

Cap. 16.

(2) *Repealed by Legal Notice 44 of 2026.*

(3) *Repealed by Legal Notice 44 of 2026.*

(4) *Repealed by Legal Notice 44 of 2026.*

Cap. 16.

87. *Repealed by Legal Notice 44 of 2026.*

Winding up due to insolvency or other serious difficulties.

88. *Repealed by Legal Notice 44 of 2026.*

Defunct association.

Cancellation of
registration.
Substituted by:
L.N. 44 of 2026.

89. (1) Upon receipt of a declaration by the administrators, liquidators or special administrators appointed in accordance with Part XX, as the case may be, or upon otherwise being satisfied that all assets of the association have been appropriately exhausted as required by law, the Registrar shall cancel the registration of the association which shall thereby be struck off the Register and the association shall thereafter cease to exist.

(2) Where the Registrar has reasonable cause to believe that an association is not in operation, he may send a letter to the association to enquire whether the association is in operation. If the Registrar does not, within one (1) month of sending such letter, receive any notification, or if he receives confirmation from the association or any member thereof, that the association is not operational, he shall publish a notice in the Gazette and in a daily newspaper to the effect that, at the expiration of one (1) month from the date of the last publication of the said notice, the association shall be struck off the Register:

Provided that a special administrator in accordance with Part XX shall be appointed if the Registrar has sufficient grounds to believe that the association has not ceased operations or that its assets have not been extinguished.

Revival of
registration.
Substituted by:
L.N. 44 of 2026.

90. (1) If it results that the assets or liabilities of an association which has been cancelled were not determined or dealt with, the Court shall, on the request of an interested party, have the necessary powers to revive the association, only for the purpose of determining and dealing, paying out or liquidating such assets or liabilities. In this case, upon the transmission of an official copy of the order by the Registrar of the Courts to the Registrar, the association shall be deemed to have continued in existence as if the said association had not been struck off:

Provided that such an application shall be made before the expiration of five (5) years from the publication of the notice of striking off.

(2) Subject to the provisions of sub-regulation (1), the Court may give such directions and make such provisions it deems appropriate for placing the association and all other interested parties in the same position as they were before the said association had been struck off.

(3) Notwithstanding that the name of the association has been struck off the Register in accordance with regulations 86 and 89, the liability, if any, of every founder, administrator or member of the association shall subsist and may be enforced as if the name of the association had not been struck off the Register.

Part XIX
Miscellaneous

91. The Authority and any member of its board, officer or employee of the Authority, shall not be liable in damages for anything done or omitted to be done in the discharge or purported discharge of any functions under the Act, the Authority on the Responsible Use of Cannabis Act or any regulations made thereunder, unless the act or omission is proven to have been done or omitted in bad faith.

Exclusion of liability.

92. Where any notification, howsoever described, is required to be given by the Authority, such shall be addressed to the key officer or if there is no key officer to the board of administrators or any other person as the Authority may prescribe, and such notification shall be given in one of the following ways:

Service of notice.

(a) by delivering it directly to the person on whom it is to be served;

(b) by leaving it at last known residence of the person, if such person has furnished such an address or, if such person has furnished an address for service, at such latter indicated address;

(c) by sending it by registered mail addressed to that person at the place of residence or address for service as aforesaid;

(d) in any case where the Authority considers that the immediate giving of the notice is required, by sending it by electronic means, to the person concerned, provided that the means used must be such as to enable the production of proof of delivery; or

(e) in any case in which it is not reasonably possible to effect service or give notice in any of the indicated manners, in this regulation, whether on all or on any one or more of the persons on whom service is to be made or the notice is to be given, by affixing the document to be served or given in a conspicuous place on the premises to which it relates, and keeping it so affixed for a period of not less than seven (7) working days, and by publishing the said notification in the Gazette.

93. Notices of suspension and cancellation shall be served in accordance with regulation 92:

Notice of suspension or cancellation of permit.

Provided that where the person is notified by electronic means and the Authority does not have evidence that the notice was received by the said person within twenty-four (24) hours, the Authority may issue the suspension and, or cancellation notice on its

website and the association shall be considered as having been notified immediately as soon as the notice is visible on such website:

Provided further that where the suspension or cancellation is issued by the Authority with immediate effect, the Authority may publish such notice prior to the lapse of such twenty-four (24) hours and the association shall be considered to be notified immediately as soon as the notice is visible on the website.

Data protection.
Added by:
L.N. 44 of 2026.

Cap. 586.

94. (1) Any processing of personal data conducted by the Authority in its capacity of a controller in accordance with Article 4(7) of the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), shall fully comply with the provisions of Regulation (EU) 2016/679 and the Data Protection Act, including the regulations made thereunder and the fundamental rights and freedoms of the data subjects.

(2) The controller shall process personal data as necessary and required for the purpose of the performance of its functions and, or the exercise of any of its powers under these regulations.

(3) The processing of personal data shall be proportionate to the aim pursued and respect the essence of the right to data protection and provide for suitable and specific measures to safeguard the fundamental rights and the interests of the data subjects.

(4) The controller, while taking into account the nature, scope, context and purposes of processing, as well as the risks of varying likelihood and severity for the rights and freedoms of the data subjects, both at the time of the determination of the means for processing as well as at the time of the processing itself, shall implement appropriate technical and organisational measures, in an effective manner and shall integrate the necessary safeguards into the processing in order to protect the rights of the data subjects and to ensure a level of security appropriate to the risk.

(5) The access to personal data shall be reserved exclusively to duly designated officers of the controller on the basis of a role-based access control mechanism and subject to confidentiality and, or professional secrecy obligations, in order to prevent abuse, or unlawful access to, or disclosure of personal data.

(6) The data protection officer designated by the controller in accordance with Article 37(1)(a) of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive

95/46/EC (General Data Protection Regulation) shall be involved and duly consulted in a timely manner on all matters in relation to the protection of personal data processed for the purpose of these regulations.

(7) For the purposes of ensuring and being able to demonstrate that the processing of personal data is performed in accordance with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), the controller shall implement the appropriate data protection policies, which policies shall be periodically reviewed and updated where necessary.

Part XX

Appointment of Special Administrators

95. (1) If the Registrar has reasonable grounds to believe that an association is not in a position to function properly as stipulated by law and these regulations, he may appoint a Special Administrator to take over the management of the association for an interim period. Such grounds include:

Appointment of
Special
Administrators.
Added by:
L.N. 44 of 2026.

(a) the sudden resignation, death or inability of all administrators;

(b) if the Authority considers it necessary in the public interest or if the provisions of these regulations or any other law are not observed by the association and the Authority deems the situation to be so serious as to merit the issuing of such an order, since it also deems that the ordinary remedies for breach of law are not sufficient in the circumstances; and

(c) if the administrators refuse to proceed with the voluntary and orderly dissolution even though an association is manifestly insolvent:

Provided that the administrators of an association may also request the Registrar to appoint a special administrator if they are unable to organise an orderly winding up of the operations and subsequent dissolution of the association.

(2) In exceptional circumstances where the Authority has a valid reason to believe that cannabis stored in the property of an association is no longer being monitored, the Authority may make an urgent application before the competent court to obtain permission to make a forced entry into the premises. When such authorisation is granted, the Authority shall, upon gaining access to the property, make a detailed inventory of the premises and hand over its administration to

the special administrator.

(3) The Authority shall specify the reasons for the appointment of a special administrator and notify interested parties by means of a notice in the Gazette and on its electronic website.

(4) Special administrators shall have the powers to carry out all functions usually carried out by the administrators of the association.

(5) The remit of special administrators shall be to hold elections for the appointment of new administrators from amongst the members of the association and, if no interest is shown, to proceed with the winding up and dissolution of the association:

Provided that special administrators may, if they deem appropriate to safeguard the interests of creditors, delay the winding up of an association notwithstanding the lack of interest from the members to appoint new administrators:

Provided further that if in the opinion of the special administrators it would be more prudent to proceed with the immediate winding up of the association, they shall have the powers to proceed accordingly without consulting with the members. In such cases, the provisions of the statute and these regulations about the members' consent for the dissolution of an association shall not apply.

(6) If an association is wound up in accordance with this regulation, the special administrator shall observe the ranking order of creditors as provided by law when making payments to the creditors.

(7) Following the notification of its intention to appoint a special administrator, the Authority shall have the power to provisionally seal cannabis held by the association and to provide for its storage in a secure location.

(8) The provisions of regulation 81(5) regarding the destruction of remaining cannabis shall apply if the operating permit of the association is revoked.

(9) If an association is dissolved, the provisions of regulation 84(6) shall apply if its assets exceed the liabilities.

FIRST SCHEDULE

Permit Categories

Category 1	Associations with a maximum of fifty (50) members.
Category 2	Associations whose membership is between fifty-one (51) and one hundred (100) members.
Category 3	Associations whose membership is between one hundred and one (101) and two hundred and fifty (250) members.
Category 4	Associations whose membership is between two hundred and fifty one (251) and three hundred and fifty (350) members.
Category 5	Associations whose membership is between three hundred and fifty one (351) and five hundred (500) members.

*Substituted by:
L.N. 44 of 2026.*

SECOND SCHEDULE

Offences

(1) Any person or association which, in breach of regulation 5, permits, transfers or facilitates the transfer of ownership, management or membership of an association by, or to a legal entity, shall be guilty of an offence and shall on conviction be liable to a fine (*multa*) of fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated during the period when the legal entity formed part of the ownership, management or membership of the association, whichever is the higher.

(2) Any person or association which, in breach of regulation 7:

(a) distributes income to administrators, employees, or any other private interests, except as expressly permitted by these regulations or by the Authority, pays remuneration, fees or other compensation for goods or services at higher than market rates as determined by the Authority;

(b) otherwise causes or permits the distribution of the association's income in a manner that violates the not-for-profit principles established in these regulations, shall be guilty of an offence and shall on conviction be liable to a fine (*multa*) of not less than two thousand euro (€2,000) and not more than fifty thousand euro (€50,000), or double the compensation

distributed, whichever is the higher.

(3) Without prejudice to any other applicable law, any person or association, who in breach of the provisions of regulation 8(1) distributes cannabis to persons who are not members of the association, shall be guilty of an offence and shall on conviction be liable to a fine (*multa*) of not less than two thousand euro (€2,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated from the activity, whichever is the higher.

(4) Any person or association which, in breach of regulation 8(1) and (2), permits the premises of the association to be used for any activity that is not directly related to the cultivation and distribution of cannabis in accordance with these regulations, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated from the activity, whichever is the higher:

Provided that without prejudice to the applicability of any other laws or regulations, where such unauthorised activity includes the distribution or sale of alcohol, the offender shall be liable to a fine (*multa*) of not less than twenty thousand euro (€20,000).

(5) Any person or association which, in breach of regulation 8(2)(b)(i), distributes cannabis:

(a) that has not been submitted for testing at a laboratory duly authorised and approved by the Authority in accordance with any applicable binding instrument; or

(b) without receiving confirmation from the Authority that the results of such testing confirm the product's compliance with safety and quality standards criteria as established by the Authority,

shall be guilty of an offence and shall on conviction be liable to a fine (*multa*) of not less than two thousand euro (€2,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated from the cannabis distributed, whichever is the higher.

(6) Without prejudice to any other applicable law, any person or association which, in breach of regulations 8(2)(b)(ii) and 35(2), distributes cannabis from a location or premises not duly approved for such purpose by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than ten thousand euro (€10,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated from the

activity, whichever is the higher:

Provided that where such distribution takes place from a property or location not compliant with regulation 43, the offender shall be liable to a fine (*multa*) of not less than twenty thousand euro (€20,000).

(7) Any person or association which, in breach of regulation 8(2)(b)(iii), distributes cannabis that:

(a) is not packaged in containers of the design, size, and type approved by the Authority; or

(b) is not labelled as prescribed by the Authority,

shall be guilty of an offence and shall on conviction be liable to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(8) Any person or association which, in breach of regulation 8(2)(b)(iv), distributes cannabis that is not sealed with the numbered security seals prescribed or provided by the Authority, shall be guilty of an offence and shall on conviction be liable to a fine (*multa*) of not less than two thousand euro (€2,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated from the cannabis distributed, whichever is the higher.

(9) Any person or association which, in breach of regulation 8(2)(b)(v), distributes cannabis products which have not been approved by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than ten thousand euro (€10,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated from the activity, whichever is the higher.

(10) Any person or association which, in breach of regulation 8(2)(b)(vi), permits or allows the premises of an association to cause a nuisance to third parties, including loitering, shall be guilty of an offence and shall on conviction, be liable to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000).

(11) Any person or association which, in breach of regulation 8(3):

(a) promotes or advertises the name, logo, or activities of an association, whether directly or indirectly and whether physically or through any digital or electronic medium; or

(b) publishes any words, signs, symbols, or designs related to cannabis culture in a manner that may reasonably be associated with, or conferring a benefit upon, an association,

shall be guilty of an offence and shall on conviction be liable to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than fifty thousand euro (€50,000).

(12) Any person or association which, in breach of regulation 8(4), distributes more than seven grams (7g) of cannabis to a member in a single day, or more than fifty grams (50g) in a calendar month, or their equivalent amount as stipulated in a binding instrument, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000) or double the income generated from the additional distribution over and above the stipulated limits, whichever is the higher:

Provided that the punishment established under this item shall only be applicable where the Court is satisfied that the breach occurred as a result of negligence and that no circumstances indicative of trafficking or other criminal activity were present, in such case, the provisions of the Dangerous Drugs Ordinance shall apply.

Cap. 101.

(13) Any person or association which, in breach of regulations 9 or 71, grants or receives a loan without the prior approval of the Authority shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five thousand euro (€5,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated by the association until the loan was repaid, whichever is the higher.

(14) Any person or association which, in breach of regulation 12, permits, enables, assists or otherwise facilitates a person who has not been ordinarily resident in Malta for the preceding five (5) consecutive years to:

(a) establish or otherwise establish an association, whether directly or through agents; or

(b) provide, contribute or otherwise channel funds or other financial support to an association, whether directly or indirectly,

shall be guilty of an offence and shall on conviction, be liable to a fine (*multa*) of not less than ten thousand euro (€10,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount donated or income generated from such prohibited conduct, whichever is the higher.

(15) Any person or association which, in breach of regulation 13, establishes or maintains an organisational structure for an association that does not conform with the structure approved by the Authority or established in any binding instrument shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000).

(16) Any person or association which, in breach of regulation 14(1) or any binding instrument or written instruction issued by the Authority, fails to take timely action to fill a vacancy on the Board of Administrators and permit the association to continue operations with fewer than three (3) administrators shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(17) Any person or association which, in breach of regulation 14(2), appoints or facilitates the appointment of a person who has not been resident in Malta for the preceding five (5) consecutive years as an administrator of an association, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than ten thousand euro (€10,000), and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated by the association during the person's tenure, whichever is the higher.

(18) Any person or association which, in breach of regulation 14(3), appoints or facilitates the appointment of a person who is not a member of the association as an administrator of the association shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000):

Provided that if the appointed person is an administrator of more than one association concurrently, the person or association shall be liable to a fine (*multa*) of fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated by the association during the person's tenure, whichever is the higher.

(19) Any person or association which, in breach of regulation 14(4), appoints any person as an administrator, key officer, or to any other management position within an association without the prior written approval of the Authority shall be guilty of an offence and shall be liable to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(20) Any person or association which, in breach of regulation 15, appoints or facilitates the appointment of a person who had committed a crime in the preceding ten (10) years as an administrator,

employee or service provider, shall be guilty of an offence and shall be liable to a fine (*multa*) of not less than five thousand euro (€5,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated during the appointed person's tenure, whichever is the higher.

(21) Any person or association which adopts or causes the adoption of a statute in breach of regulation 17 or any applicable binding instrument shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than five thousand euro (€5,000).

(22) Any person or association which in breach of the provisions of regulation 18(1):

(a) enrolls members in an association which is not in possession of a valid permit issued in accordance with regulation 35; or

(b) enrolls more members than allowed in its permit,

shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than five thousand euro (€5,000).

(23) Any person or association which, in breach of regulation 18(2), admits a person under the age of eighteen (18) years as a member of the association shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than three thousand euro (€3,000) and not more than ten thousand euro (€10,000) for each minor so admitted.

(24) Any person or association which, in breach of regulations 18(3) or 30, adopts a structure that distinguishes between different categories of members or includes segregation of members within an association, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(25) Any person or association which, in breach of regulation 18(4):

(a) hinders or obstructs the participation of members in a general meeting of the association; or

(b) hinders or denies a member his right to vote, or allows a member to vote more than once,

shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(26) Any person or association which, in breach of regulation 18(5), admits or facilitates the admission of persons who are not resident in Malta as members of an association, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than two thousand euro (€2,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated by the association from the enrolled members, whichever is the higher.

(27) Any person or association which, in breach of regulation 18(6), admits or facilitates the admission of more than five hundred (500) persons as members of the association, shall be guilty of an offence and shall be liable to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated by the association from the additional enrolled members, whichever is the higher.

(28) Any person or association which, in breach of regulation 19, knowingly admits or facilitates the admission of a person in more than one association concurrently, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000).

(29) Any person which, in breach of regulation 19, becomes or attempts to become, a member of more than one association concurrently, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than two thousand euro (€2,000).

(30) Any person or association which, in breach of regulation 20, transfers or facilitates the transfer of membership within an association to another person, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than two thousand euro (€2,000).

(31) Any person or association which, in breach of regulation 21(2), fails to give proper and timely notice of a general meeting of the association, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000).

(32) Any person or association which, in breach of regulation 21(3) or any other binding instrument, proceeds with the general meeting of an association in the absence of the required quorum, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000).

(33) Any person or association which, in breach of regulation 21(4), effects the dissolution of an association without securing the requisite support of at least seventy-five per cent (75%) of the members during a general meeting shall be guilty of an offence, and shall be liable on conviction to a fine (*multa*) of not less than five thousand euro (€5,000) and not more than fifty thousand euro (€50,000).

(34) Any person or association which, in breach of regulation 21(5), denies members access to information to which they are entitled, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than two thousand euro (€2,000).

(35) Any person or association who, in breach of regulation 21(6), acts or permits a member to act as a proxy for more than two (2) other members during a general meeting of the association, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than five thousand euro (€5,000).

(36) Any person or association which, in breach of regulation 21(7) or any other binding instrument, fails to convene an annual general meeting of the association, thereby the administrator subsists in office beyond their tenure, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five thousand euro (€5,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of income earned by such administrator from their relationship with the association, whether directly or indirectly, following the lapse of their tenure.

(37) Any person or association which, in breach of regulation 22(1), fails to maintain a complete and up-to-date register of the association's members, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the amount of revenue generated from the members whose records were missing, whichever is the higher.

(38) Any person or association which, in breach of regulation 22(2), fails to submit information regarding the distribution of cannabis to members within the deadlines established by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than twenty thousand euro (€20,000).

(39) Any person or association which, in breach of regulation 22(3), destroys or facilitates the destruction of any part of the register of members prior to the expiration of the retention period prescribed by law, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five thousand euro (€5,000) and not more

than twenty thousand euro (€20,000).

(40) Any person or association which, in breach of regulation 23(1), employs or engages any person to carry out works or services on the premises of an association without registering such person with the Authority and obtaining the requisite approval from the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000).

(41) Any person or association which, in breach of regulation 23(2), makes or authorises payments for goods or services without obtaining a valid fiscal receipt for such payment, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than five thousand euro (€5,000).

(42) Any person or association which, in breach of regulation 23(3), makes or authorises payments for goods or services to a person or entity who are resident or registered in a country outside the European Economic Area or another jurisdiction approved by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000).

(43) Any person or association which, in breach of regulation 24(1), amends or facilitates the amendment of an association's statute without first obtaining the approval of the members during a general meeting, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000).

(44) Any person or association which, in breach of regulation 24(2), fails to submit an amended statute of an association to the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of five hundred euro (€500).

(45) Any person or association which, in breach of the provisions of regulation 27(1), fails to ensure that the accounts of the association are duly audited on an annual basis, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than ten thousand euro (€10,000) and not more than fifty thousand euro (€50,000).

(46) Any person or association which, in breach of regulation 27(2), fails to keep or maintain a register of the assets of an association, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than five thousand euro (€5,000).

(47) Any person or association which, in breach of regulation

27(4), fails to adhere to the deadline for the submission of an association's audited accounts, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than five thousand euro (€5,000).

(48) Any person or association which, in breach of regulation 27(5), fails to adhere to the deadline for the submission of an association's quarterly financial statements, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than ten thousand euro (€10,000).

(49) Any person or association which, in breach of the provisions of regulation 29, establishes or facilitates the establishment of a legal entity partially or wholly owned or managed by an association, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than ten thousand euro (€10,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to twice the income derived from the legal entity so established.

(50) Any person or association which, in breach of regulation 35(3) of these regulations or any binding instrument or written instruction issued by the Authority cultivates, processes or transports cannabis plants in a manner not in conformity with the conditions established or authorised by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than ten thousand euro (€10,000).

(51) Any person or association which, in breach of regulation 35(5), without the prior written approval of the Authority:

(a) allows individuals who are not members of the association to access the association's premises; or

(b) permits members who are not administrators, employees, or authorised service providers to access the association's cultivation site,

shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(52) Any person or association which, in breach of regulation 35(6), cultivates cannabis plants or holds a stock of cannabis in quantities exceeding those authorised by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(53) Any person or association which, in breach of regulations 44(1) or 47(3), fails to ensure that an association appoints a key officer compliant with the requirements established in these regulations and any applicable binding instrument or written instruction issued by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than two thousand euro (€2,000) and not more than twenty thousand euro (€20,000).

(54) Any person or association which, in breach of regulation 44(3), vests the legal and judicial representation of an association in any person who is not the appointed key officer, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than two thousand euro (€2,000) and not more than twenty thousand euro (€20,000).

(55) Any person or association which, in breach of the provisions of regulation 47(1), removes or replaces the key officer of an association without the prior approval of the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five thousand euro (€5,000) and not more than twenty thousand euro (€20,000).

(56) Any person or association which, in breach of regulation 48(2), appoints a person to a designated key position within an association without having obtained the prior approval of the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(57) Any person or association which, in breach of regulation 49(1), fails to maintain accurate records relating to the cannabis cultivation cycles, stock of cannabis or the use of security seals issued or prescribed by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than twenty thousand euro (€20,000).

(58) Any person or association which, in breach of the provisions of regulation 49(2), destroys the records of an association's cultivation cycles, stock of cannabis or the use of the security seals provided or prescribed by the Authority prior to the lapse of the prescribed period of ten (10) years, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(59) Any person or association which, in breach of regulation 51, fails to comply with any of the conditions established in the association's operating permit, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred

euro (€500) and not more than twenty thousand euro (€20,000).

(60) Any person or association which, in breach of regulation 52, fails to comply with the rules, directives or guidelines issued by the Authority by means of a binding instrument, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than twenty thousand euro (€20,000).

(61) Any person or association which, in breach of regulation 53, fails to deploy a digital centralised data collection system introduced by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than ten thousand euro (€10,000).

(62) Any person or association which, in breach of regulation 60(2), refuses to fully and truthfully cooperate with officials of the Authority or fails to comply with any instruction issued by the Authority, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(63) Any person or association which, in breach of regulation 69(2), encourages or induces members of an association to consume cannabis or otherwise takes measures that may stimulate the demand for cannabis, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than one thousand euro (€1,000) and not more than twenty thousand euro (€20,000).

(64) Any person or association which, in breach of regulation 69(3), fails to adopt harm reduction mechanisms, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five thousand euro (€5,000) and not more than twenty thousand euro (€20,000).

(65) Any person or association which, in breach of regulation 70, fails to adopt a code of conduct governing the internal functioning of an association, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than five thousand euro (€5,000).

(66) Any person or association which, in breach of regulation 84(6), disposes of the assets of an association undergoing dissolution in favour of any person or entity other than the Government of Malta, shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) of not less than five thousand euro (€5,000) and not more than fifty thousand euro (€50,000), or to a fine (*multa*) equivalent to double the value of the assets so disposed of.

THIRD SCHEDULE
Fees and Contributions

Part A

In accordance with the provisions of regulation 67, an association shall pay to the Authority a fixed annual licence fee in respect to its permit category, as outlined below:

Permit Category	Licence Fee
Category 1 (up to 50 members)	Euro 1,000
Category 2 (51-100 members)	Euro 5,000
Category 3 (101-250 members)	Euro 13,000
Category 4 (251 – 350 members)	Euro 18,000
Category 5 (351 – 500 members)	Euro 26,000

Part B

In accordance with the provisions of regulation 67(1), an association shall pay to the Authority, a harm reduction contribution equivalent to five percent (5%) of the income that is generated by the association pursuant to regulation 8(2).

Part C

In accordance with the provisions of regulation 67(2), an association shall pay to the Authority, a community projects contribution equivalent to ten percent (10%) of the amount of retained earnings recorded on the association's audited financial statement with respect to each financial year.

Part D

In accordance with the provisions of regulation 68, an association shall pay to the Authority an administrative fee of one thousand euro (€1,000) relating to the submission and processing of an application for a permit.