

## IDB Invest Environmental and Social Exclusion List

The IDB Invest will not knowingly finance, directly, or indirectly through FIs, projects involved in the production, trade, or use of the products, substances or activities listed below. Additional exclusions may apply in the context of a specific operation.

### 1. Prohibited Activities

- a) Activities that are illegal under host country laws, regulations or ratified international conventions and agreements, or subject to international phase out or bans, such as:
  - i. Polychlorinated biphenyl compounds (PCBs).
  - ii. Pharmaceuticals, pesticides/herbicides and other hazardous substances subject to international phase-outs or bans.<sup>1</sup>
  - iii. Persistent Organic Pollutants (POPs).<sup>2</sup>
  - iv. Ozone depleting substances subject to international phase out.<sup>3</sup>
  - v. Wildlife or wildlife products regulated under Convention on International Trade in Endangered Species of Wild Fauna and Flora CITES.<sup>4</sup>
  - vi. Transboundary trade in waste or waste products,<sup>5</sup> except for non-hazardous waste destined for recycling.
  - vii. Lead paint or coatings in the construction of structures and roads.<sup>6</sup>
  
- b) Activities that are illegal under host country laws, regulations or ratified international conventions and agreements relating to the protection of biodiversity resources or cultural heritage.

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<sup>1</sup> Reference documents are: Council Regulation (EEC) No 2455/92 of 23 July 1992 Concerning the Export and Import of Certain Dangerous Chemicals, as amended from time to time; United Nations Consolidated List of Products whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted or not Approved by Governments; Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); Stockholm Convention on Persistent Organic Pollutants; World Health Organization Recommended Classification of Pesticides by Hazard, World Health Organization Pharmaceuticals: Restrictions in Use and Availability.

<sup>2</sup> Stockholm Convention on Persistent Organic Pollutants (POPs) as amended in 2009

<sup>3</sup> Ozone Depleting Substances (ODSs) are chemical compounds which react with and deplete stratospheric ozone, resulting in the widely publicized 'ozone holes.' The Montreal Protocol lists ODSs and their target reduction and phase out dates. The chemical compounds regulated by the Montreal Protocol include aerosols, refrigerants, foam blowing agents, solvents, and fire protection agents. ([www.unep.org/ozone/montreal.shtml](http://www.unep.org/ozone/montreal.shtml)).

<sup>4</sup> [www.cites.org](http://www.cites.org)

<sup>5</sup> As defined by the Basel Convention ([www.basel.int](http://www.basel.int))

<sup>6</sup> Paints or coatings with a total lead concentration great than 90 ppm or the concentration limit set by the host country, whichever is lower.

## 2. Other Activities

- a) Activities that, although consistent with a country's legal and/or regulatory framework, may generate particularly significant adverse impacts on people and/or the environment.
  - i. Weapons, ammunitions and other military goods/technology.
  - ii. Tobacco.<sup>7</sup>
  - iii. Gambling, casinos and equivalent enterprises.<sup>8</sup>
  - iv. Radioactive materials.<sup>9</sup>
  - v. Unbonded asbestos fibers or asbestos-containing products.
  - vi. Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
  
- b) Activities that are inconsistent with the IDB Invest's commitments to address the challenges of climate change and promote environmental and social sustainability
  - i. Thermal coal mining or coal-fired power generation and associated facilities<sup>10</sup>.
  - ii. Upstream oil exploration and development projects.
  - iii. Upstream gas exploration and development projects. Under exceptional circumstances and on a case-by-case basis, consideration will be given to financing upstream gas infrastructure where there is a clear benefit in terms of energy access for the poor and where greenhouse gas (GHG) emissions are minimized, projects are consistent with national goals on climate change, and risks of stranded assets are properly analyzed.

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<sup>7</sup> This does not apply to projects whose primary objective is not related to the production, trade, or use of tobacco.

<sup>8</sup> This does not apply to projects whose primary objective is not related to the construction and operation of gambling, casinos and equivalent enterprises

<sup>9</sup> This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where it can be demonstrated that the radioactive source is to be trivial and/or adequately shielded.

<sup>10</sup> This applies only to associated facilities which primary objective is related to the production, trade or use of coal for power generation or to the transmission of energy generated by a coal-fired power plant (e.g. a dedicated transmission line).