

WORLD BANK EXCLUSION LIST

If any of the MSME activities fall under the **World Bank's 'Exclusion List'** below, **they are not eligible to participate in the ECPCGC because they are either illegal or represent unacceptably high environmental and social risk.**

- 1) Those that are illegal under country laws, regulations or ratified international conventions and agreements
- 2) Weapons and munitions
- 3) Alcoholic beverages (excluding wine and beer)¹
- 4) Tobacco²
- 5) Gambling, casinos and equivalent enterprises³
- 6) Wildlife or wildlife products regulated under Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)⁴
- 7) Radioactive materials⁵ or unbounded asbestos fibers⁶
- 8) Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forest⁷
- 9) Polychlorinated biphenyl compounds (PCBs, a class of synthetic organic chemicals)
- 10) Pharmaceuticals subject to international phase outs or bans⁸
- 11) Pesticides/herbicides subject to international phase outs or bans⁹
- 12) Ozone depleting substances subject to international phase out¹⁰
- 13) Drift net fishing in the marine environment using nets in excess of 2.5 km. in length

¹ This does not apply to companies for which the operations/activities related to these criteria comprise less than 10 percent of companies total annual revenue

² This does not apply to companies for which the operations/activities related to these criteria comprise less than 10 percent of companies total annual revenue

³ This does not apply to companies for which the operations/activities related to these criteria comprise less than 10 percent of companies total annual revenue

⁴ www.cites.org

⁵ 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.

⁶ This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is <20%.

⁷ Primary forest is defined as relatively intact forest that has been essentially unmodified by human activity for the previous 60 to 80 years; and Tropical moist forest is generally defined as forest in areas that receive not less than 100 mm of rain in any month for two out of three years and have an annual mean temperature of 24 C or higher.

⁸ Pharmaceutical products subject to phase outs or bans in United Nations, Banned Products: Consolidated List of Products Whose Consumption and/or Sale Have Been Banned, Withdrawn, Severely Restricted or not Approved by Governments. (Last version 2001, www.who.int/medicines/library/qsm/edm-qsm-2001-3/edm-qsm-2001_3.pdf)

⁹ Pesticides and herbicides subject to phase outs or bans included in both the Rotterdam Convention (www.pic.int) and the Stockholm Convention (www.pops.int).

¹⁰ 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 includes aerosols, refrigerants, foam blowing agents, solvents, and fire protection agents. (www.unep.org/ozone/montreal.shtml).

- 14) Transboundary trade in waste or waste products¹¹, except for non-hazardous waste destined for recycling
- 15) Persistent Organic Pollutants (POPs)¹²
- 16) Non-compliance with workers fundamental principles and rights at work¹³
- 17) Significant degradation of a National Park or similar protected area¹⁴
- 18) Real estate speculation (Means purchasing real estate for the sole purpose of re-selling it at a higher price which is considered risky due to the fact that real estate speculation is built on future predictions).

¹¹ Define by the Basel Convention (www.basel.int).

¹² Defined by the International Convention on the reduction and elimination of persistent organic pollutants (POPs)(September 1999) and presently include the pesticides aldrin, chlordane, dieldrin, endrin, heptachlor, mirex, and toxaphene, as well as the industrial chemical chlorobenzene (www.pops.int)

¹³ Fundamental Principles and Rights at Work means (i) freedom of association and the effective recognition of the right to collective bargaining; (ii) prohibition of all forms of forced or compulsory labor; (iii) prohibition of child labor, including without limitation the prohibition of persons under 18 from working in hazardous conditions (which includes construction activities), persons under 18 from working at night, and that persons under 18 be found fit to work via medical examinations; (iv) elimination of discrimination in respect of employment and occupation, where discrimination is defined as any distinction, exclusion or preference based on race, color, sex, religion, political opinion, national extraction, or social origin. (International Labor Organization: www.ilo.org).

¹⁴ In addition to in-country designated areas, other areas include: natural World Heritage Sites (defined by World Heritage Convention, <http://whc.unesco.org/nwhc/pages/doc/main.htm>), United Nations List of National Parks and Protected Areas, designated wetlands of international importance (defined by RAMSAR Convention, www.ramsar.org), or selected areas (e.g., strict nature reserves/wilderness areas, natural parks, natural monuments or habitat/species management areas) defined by IUCN (International Conservation Union, www.iucn.org).