



## List of exclusions

Victoriabank will not knowingly finance, directly or indirectly, projects involving the following:

- Production or trade in any product or activity considered illegal under the laws and regulations in force, or international conventions and agreements to which the Republic of Moldova is a party;
- Production of or trade in products containing polychlorinated biphenyls (PCB<sup>1</sup>);
- The production of or trade in any internationally banned pharmaceutical, pesticide/herbicide or other hazardous substance<sup>2</sup>;
- Production of or trade in ozone-depleting substances or substances subject to international phase-outs<sup>3</sup>;
- Trade in wild animals or production of or trade in products from wild animals covered by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES<sup>4</sup>);
- Transboundary movements of waste prohibited under international law<sup>5</sup>;
- Production, use or trade in unbound asbestos fibers. This does not apply to the purchase and use of cement slabs with bonded asbestos where the asbestos content is less than 20%;
- Activities prohibited by national legislation or international conventions on the protection of biodiversity or cultural heritage resources<sup>6</sup>;
- Marine net fishing with nets over 2.5 km in length;
- Shipping oil or other hazardous substances in tanks which do not comply with the requirements of the International Maritime Organization (IMO)<sup>7</sup>;
- Trade in goods without the existence of export or import licenses or other evidence of transit authorizations from the relevant countries of export, import and, where applicable, transit;
- Production or activities involving exploitative or harmful forms of forced/harmful child labor<sup>8</sup>;
- Production or trade in military arms and ammunition;
- Production or trade in radioactive materials. This does not apply to the purchase of medical, quality control and any equipment for which the radioactive source is minor and/or adequately shielded;
- Production or trade in tobacco products will be financed on the basis of a specific analysis and environmental/social risk assessment;
- Production of or trade in alcoholic beverages (excluding beer or wine) will be financed on the basis of a specific analysis and environmental/social risk assessment;
- Production of or trade in timber or forest products other than from sustainably managed forests<sup>9</sup>;
- Gambling, casinos and equivalent;
- Logging operations in tropical forests;
- Pawnbroking and currency exchange activities;
- Activities involving forced displacement;
- Activities in, near or around areas protected under national laws or international conventions, sites of scientific interest, habitats of rare/endangered species, fisheries of economic importance and primary/ancient forests of ecological importance;
- Activities on, adjacent to or surrounding areas occupied by indigenous people and/or vulnerable groups including land and watercourses used for subsistence activities such as herding, hunting or fishing;

- Activities that could adversely affect sites of cultural or archaeological importance;
- Activities in the nuclear fuel production cycle (uranium mining, production, enrichment, storage or transportation of nuclear fuels);
- Power generation using nuclear fuels (excluding import/export of electricity);
- Activities involving the release of GMOs (Genetically Modified Organisms) into the natural environment<sup>10</sup>;
- Construction of hydropower plants with a generating capacity exceeding 15 MW and storage hydropower plants with large dams<sup>11</sup>.

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<sup>1</sup> PCB: polychlorinated biphenyls - a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

<sup>2</sup> The reference documents are REGULATION (EC) No 689/2008 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 June 2008 concerning the export and import of dangerous chemicals; the UN Consolidated List of products whose consumption and/or sale have been banned, withdrawn, severely restricted or not approved by governments; the Convention on Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); the Stockholm Convention on Persistent Organic Pollutants; the WHO Classification of Pesticides by Hazard.

<sup>3</sup> Ozone Depleting Substances (ODSs): chemical compounds that react with and deplete stratospheric ozone, resulting in widely publicized "ozone holes". The Montreal Protocol lists ODSs and target dates for their reduction and phase-out. A list of chemical compounds covered by the Montreal Protocol, including aerosols, refrigerants, foam blowing agents, solvents and fire protection agents, together with details of signatory countries and phase-out target dates, is available from the EBRD.

<sup>4</sup> CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora. A list of CITES-listed species is available from the EBRD. To find out which species are listed, visit the CITES species database at <http://www.cites.org/eng/resources/species.html>.

<sup>5</sup> The reference documents are: Regulation (EC) No 1013/2006 of 14 June 2006 on shipments of waste; Decision C(2001)107/Final of the OECD Council concerning the revision of Decision C(92)39/Final on the control of transboundary movements of wastes destined for recovery operations; Basel Convention of March 22, 1989 on the control of transboundary movements of hazardous wastes and their disposal. For more information and a simplified guide to the Basel Convention, visit <https://www.basel.int>.

<sup>6</sup> Relevant international Conventions include, but are not limited to: the Convention on the Conservation of Migratory Species of Wild Animals (BoD); the Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention); the Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention); the World Heritage Convention; the Convention on Biological Diversity.

<sup>7</sup> These include: tankers not holding all required MARPOL SOLAS certificates (including, but not limited to, compliance with the ISM Code), tankers blacklisted by the European Union or banned by the Paris Memorandum of Understanding on Port State Control (Paris MOU) and tankers to be withdrawn in accordance with MARPOL Regulation 13G and 13H of MARPOL Annex I. No tankers over 25 years old should be allowed to remain in service.

<sup>8</sup> This includes any activity related to trafficking in human beings. Forced labor means any work or service, not performed voluntarily, which is exacted from a person under threat of force or penalty. Hazardous work by children means the employment of children which is economically exploitative, or which is likely to be hazardous, or to interfere with the child's education, or to produce adverse effects on the child's health or on the child's physical, mental, spiritual, moral or social development. For further references, see: IFC (Joint IFC/MIGA Declaration on forced and harmful child labor); ILO Declaration on Fundamental Principles and Rights at Work and the principles enshrined in the following Conventions: ILO Conventions 29 and 105 (forced and compulsory labor), 87 (freedom of association), 98 (right to collective bargaining), 100 and 111 (discrimination); 138 (minimum age); 182 (worst forms of child labor); Universal Declaration of Human Rights.

<sup>9</sup> Sustainably managed forests - in the Bank's understanding, timber from sustainably managed forests is timber that originates from legally harvested and verifiable timber.

<sup>10</sup> Activities involving the release of genetically modified organisms into the environment without approval by the competent authorities or where the relevant authority has declared GMO-free.

- <sup>11</sup> According to the International BoD on Large Dams (ICOLD), a dam with a height of 15 meters or more or with a reservoir volume of more than 3 million m<sup>3</sup> is considered to be large.