



Exclusion list

Updated Version – April 2021

Background

The Blue Action Fund Exclusion List is based on:

- (1) the [KfW 2021 Exclusion List](#)
- (2) the [International Finance Corporation \(IFC\) 2007 Exclusion List](#), and
- (3) the [Agence Française de Développement \(AFD\) 2017 Exclusion List](#).

The exclusion list is formatted as a checklist, so grant applicants can review the list and check their compliance with it.

General exclusions

Blue Action Fund will not engage with activities involved with the intentional degradation of the natural environment and the production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans.

Blue Action Fund will therefore not financially support production or sale of any illegal product or unlawful activity under the laws of the host country and laws of its funders or under international regulations, conventions and/or agreements.

Also, it will not support any sector or any service subject to an embargo by the United Nations, European Union and/or its funders in a particular country and with no absolute or relative restriction regarding the amount.

Exclusion checklist

The Exclusion checklist is provided in Table 1 below.

Table 1: Blue Action Fund Exclusion Checklist

Item	Checked
Any operation leading to or requiring the destruction ¹ of critical habitat ² or any forestry project which does not implement a plan for improvement and sustainable management.	
Any activity which could be associated with the significant impairment of areas particularly worthy of protection (without adequate compensation in accordance with international standards).	
Trade in animals, plants or any natural products not complying with the provisions of the CITES/Washington convention ³	
Destructive fishing methods or drift net fishing with a net more than 2.5 km in length.	
Commercial logging operations for use in primary tropical moist forest	
Production or trade in wood or other forestry products other than from sustainably managed forests.	
Exploitation of diamond mines and marketing of diamonds where the host country has not adhered to the Kimberley Process.	
Activities involving harmful or exploitative forms of forced labour ⁴ or harmful child labour ⁵ .	
Projects that include involuntary physical displacement and/or forced eviction.	
Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.	
Production, use, sale or trade of pharmaceuticals, pesticides/herbicides, ozone layer depleting substances ⁶ , and other toxic ⁷ or dangerous materials such as asbestos or products containing PCB's ⁸ , wildlife or products regulated under CITES, including all products that are banned or are being progressively phased out internationally.	
Production or trade of arms, ammunition, weaponry, controversial weapons, or components thereof (eg. nuclear weapons and radioactive ammunition, biological and chemical weapons of mass destruction, cluster bombs, anti -personnel mines, enriched uranium).	
Procurement of firearms.	
Provision of finances to military institutions involved in conservation or security activities.	
Production or trade of strong alcohol intended for human consumption or other alcoholic beverages (excluding beer and wine).	
Production or trade of tobacco.	
Gambling, gaming establishments, casinos or any equivalent enterprises and undertaking. ⁹	

¹ Destruction means (1) the elimination or severe reduction in the integrity of a habitat/area caused by a major and long-term/prolonged change in land-use or water resources or (2) the modification of a habitat such that this habitat's ability to fulfil its function/ role is lost.

² The term critical habitat encompasses natural and modified habitats that deserve particular attention. This term includes (1) spaces with high biodiversity value as defined in the IUCN's classification criteria, including, in particular, habitats required for the survival of endangered species as defined by the IUCN's red list of threatened species or by any national legislation; (2) spaces with a particular importance for endemic species or whose geographical range is limited; (3) critical sites for the survival of migratory species; (4) spaces welcoming a significant number of individuals from congregatory species; (5) spaces presenting unique assemblages of species or containing species which are associated according to key evolution processes or which fulfil key ecosystem services; (6) and territories with socially, economically or culturally significant biodiversity for local communities. Primary forests or high conservation value forests must also be considered as critical habitats.

³ [CITES: Convention on International Trade in Endangered Species of wild fauna and flora threatened with extinction \(Washington, 1993\)](#)

⁴ Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

⁵ Harmful child labour means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development. Employees must be at least 14 years of age, as defined in the ILO's Declaration on the Fundamental Principles and Rights at Work (C138 – Minimum Age Convention, Article 2), unless local laws require compulsory school attendance or a minimum working age. In such circumstances, the highest age requirement must be used.

⁶ Any chemical component which reacts with, and destroys, the stratospheric ozone layer leading to the formation of holes in this layer. The Montreal Protocol lists Ozone Depleting Substances (ODS), their reduction targets and deadlines for phasing them out.

⁷ Including substances included under the Rotterdam Convention, Stockholm Convention and WHO "Pharmaceuticals: Restrictions in Use and Availability").

⁸ PCBs (polychlorinated biphenyls) are a group of highly toxic chemical products that may be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950 to 1985.

⁹ Any direct financing of these projects or activities involving them (for example, a hotel including a casino). Urban improvement plans which could subsequently incorporate such projects are not affected.

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Item	Checked
Any trade related to pornography or prostitution.	
Production or trade in radioactive material. This does not apply to the procurement of medical equipment, quality control equipment or other application for which the radioactive source is insignificant and/or adequately shielded.	
Production or trade in unbound asbestos. This does not apply to the purchase or use of cement linings with bound asbestos and an asbestos content of less than 20%.	
Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products.	
Transboundary trade in wastes, except for those accepted by the Basel Convention and its underlying regulations ¹⁰	
Any activity leading to an irreversible modification or significant displacement of an element of culturally critical heritage ¹¹	
Production and distribution, or investment in, media that are racist, antidemocratic or that advocate discrimination against a part of the population.	
Outside the EU and the OECD high income countries, large agricultural or forestry enterprises producing palm oil or wood must either comply with recognised international certification systems (RSPO or FSC) or equivalent regulations to ensure sustainable cultivation conditions, or must be in the process of achieving compliance.	

¹⁰ Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their disposal (1989).

¹¹ Critical cultural heritage" is considered as any heritage element recognised internationally or nationally as being of historical, social and/or cultural interest.