

# Exclusion and Eligibility Criteria

## EXCLUSION CRITERIA

1. Activities with significant adverse environmental and social risks that are diverse, irreversible or unprecedented
2. Non-legal and non-sustainable waste projects, including:
  - a. Transboundary movements of waste prohibited under international law, unless compliant with the Basel Convention and underlying regulations
  - b. Large unsorted municipal waste incineration projects
3. Large Hydro projects including dam construction and run-of-river hydro
4. Projects involving physical or involuntary resettlement
5. Activities prohibited by host country legislation or international conventions relating to the protection of biodiversity resources or cultural heritage
6. Destruction of High Conservation Value areas or areas with major biodiversity
7. Projects affecting indigenous people or involving indigenous communities
8. Projects adversely affecting cultural heritage or cultural heritage sites
9. Projects which result in limiting people's individual rights and freedom, or violation of human rights
10. The production of, or trade in, any product or activity deemed illegal under host country (i.e. national) laws or regulations, or international conventions and agreements, or subject to international phase out or bans, such as:
  - a. For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol
  - b. Production of or trade in pharmaceuticals, pesticides/herbicides and other hazardous substances subject to international phase-outs or bans
  - c. Production of or trade in ozone depleting substances subject to international phase out
  - d. Trade in wildlife, production of or trade in wildlife products regulated under CITES
  - e. Trade in goods without required export or import licenses or other evidence of authorization of transit from the relevant countries of export, import and, if applicable, transit
11. Production or trade in weapons and munitions
12. Production or activities involving harmful or exploitative forms of forced labor or child labor as defined in the ILO core labor standards
13. Production of cosmetics etc. involving testing on animals
14. Commercial logging operations for use in primary tropical moist forests
15. Production of wood or wood products other than from sustainably managed forests (enterprises with less than 50% FSC-certified production are excluded)
16. Any business activity involving pornography
17. Production or distribution of racist, anti-democratic and/or neo-Nazi media
18. Production or trade in alcoholic beverages (excluding beer and wine)
19. Production or trade in tobacco
20. Gambling, casinos and equivalent enterprises
21. Production or trade in radioactive materials
22. Production or use of or trade in unbonded asbestos fibres or asbestos-containing products
23. Drift net fishing in the marine environment
24. Shipment of oil or other hazardous substances in tankers which do not comply with IMO requirements
25. Project associated with geoengineering or energy generated from fossil fuel or nuclear, fossil fuel switch, or any project that supports, enhances or prolongs such energy generation.
26. Projects involving the use of GMOs

## ADDITIONAL SECTOR AND PROJECT SPECIFIC ELIGIBILITY CRITERIA

27. For hydro projects more than 20 MW, compliance with World Commission on Dams (WCD) guidelines is required.
28. Project activities making use of biomass resources to generate energy shall demonstrate that the biomass resources are renewable and available in surplus in the region.
29. The use of non-renewable fuel in biomass heat and/or electricity generation plants is authorized as long as the renewable fuel share reaches 50% after the first 3 years of operation for retrofit projects, and represents 80% from the outset for Greenfield projects.
30. Project activities making use of Palm oil and/or palm oil mill by-products or residues/waste for electricity and/or heat generation, and/or for biofuel production shall show compliance with RSPO requirements.
31. Methane recovery project activities shall be eligible if it is demonstrated that system is designed in a way to at least make use of some of the biogas recovered for the delivery of energy services (e.g., electricity, heat).
32. Project activities planning to make use of waste materials that are already in use in the pre-project situation shall NOT be eligible unless convincing evidence is provided to show that the current users are in agreement with the shift of use resulting from the project.
33. MSW incineration projects (with waste sorting) shall comply with EU Regulations for Waste Incineration Plants & Waste Co-incineration Plants for emission levels OR host country regulations if they are stricter than EU norms.
34. Project area shall not meet the definition of forest 10 years before project start date and at project start date.
35. Project area shall not be on wetlands.
36. Project owner holds all the rights to implement the project and legal land title is uncontested
37. Preserving and increasing adaptive capacity for project participants must be an integral element of every project.
38. Agriculture-related projects shall implement climate change adaptation activities appropriate to the context and need of the respective project.
39. All projects shall set aside a minimum of 10% of the project area as a conservation area managed throughout the duration of the project.
40. Projects shall maintain a 15 meter-buffer in both sides of permanent or temporary water bodies.
41. The Project activity shall not negatively influence access to and availability of food for people affected.