



Environmental and Social Exclusion List

The Environmental and Social Exclusion List delineates specific activities and items ineligible for financing by the Islamic Development Bank (IsDB).

Activities not aligned with IsDB's rules and regulations

The Bank explicitly refrains from financing activities that are prohibited based on the principles of Islamic Shariah. These prohibitions include:

1. Production of, or trade in, alcoholic beverages.
2. Production of, or trade in, tobacco.
3. Gambling establishments, casinos or equivalent enterprises.
4. Production of, or trade in, weapons and/or munitions, including paramilitary materials.
5. Production or activity involving forced labor¹ or harmful or exploitative forms of child labor².

Illegal activities

The Bank categorically excludes from financing activities that violate the laws of the country hosting the Project, as well as activities that contravene any international conventions and agreements ratified by the host country. This exclusion encompasses:

1. Commercial logging operations or purchase of logging equipment for use in primary tropical moist forests or old-growth forests.
2. Production or trade in wood and/or forestry products derived from sources other than sustainably managed forests. Marine and coastal

fishing practices include large-scale pelagic drift net fishing and fine mesh net fishing³.

3. Production, possession or trade in wildlife species regulated under the CITES⁴.
4. Operations resulting in the violation of International Conventions relating to the protection of biodiversity resources and/ or cultural resources (Bonn Convention, Ramsar Convention, World Heritage Convention and Convention on Biological Diversity)
5. Transboundary movements of waste prohibited under international law (Basel Convention).
6. Shipment of oil or other hazardous substances in tankers that do not comply with IMO requirements (IMO, MARPOL, SOLAS and Paris MOU).
7. Production of, or trade in, unbonded asbestos fibers.
8. Production of, or trade in, products containing polychlorinated biphenyl (PCBs).
9. Production of, or trade in, pharmaceuticals, pesticides/herbicides and other hazardous substances subject to international phase outs or bans (Rotterdam Convention, Stockholm Convention).
10. Production of, or trade in, ozone depleting substances subject to international phase out (Montreal Protocol)⁵.

¹ "Forced labor" refers to any work or service performed involuntarily and exacted from an individual by threat of force or punishment as defined in the conventions of the International Labor Organization (ILO).

² 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 schooling or a minimum age for admission to employment or work. In such circumstances, the highest age requirement must be used.

³ These practices are harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats.

⁴ CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora (Washington, 1973).

⁵ 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 the deadlines for phasing them out.