

---

## MICROFINANCE EXCLUSION LIST

---

1. Production or activities involving forced labor<sup>i</sup> or harmful child labor<sup>ii</sup>.
2. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
3. Production or trade<sup>iii</sup> in: (i) weapons and munitions; (ii) tobacco; or (iii) hard liquor.
4. Gambling, casinos or equivalent enterprises<sup>iv</sup>.
5. Any business relating to pornography or prostitution.
6. Trade in wildlife or wildlife products regulated under CITES<sup>v</sup>.
7. Production or use of or trade in or storage of hazardous materials such as radioactive materials<sup>vi</sup>, unbounded asbestos fibers and products containing PCBs<sup>vii</sup>.
8. Cross-boarder trade in waste and waste products unless compliant to the Basel Convention and the underlying regulations.
9. Drift net fishing in the marine environment using nets in excess of 2.5 km in length.
10. Production, use of or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances<sup>viii</sup> and other hazardous substances subject to international phase-outs or bans.
11. Significant<sup>ix</sup> conversion or degradation of Critical Habitat<sup>x</sup>.
12. Significant alteration, damage, or removal of any critical cultural heritage<sup>xi</sup>.
13. Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without fully documented consent of such peoples.

---

<sup>i</sup> Forced labor means all work or service, not voluntarily preformed, that is extracted from an individual under threat of force or penalty.

<sup>ii</sup> Harmful child labor 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.

<sup>iii</sup> This applies when these activities are a substantial part of a project sponsor's primary operations.

<sup>iv</sup> This applies when these activities are a substantial part of a project sponsor's primary operations.

<sup>v</sup> CITES: Convention on International Trade in Endangered Species or Wild Fauna and Flora. A list of CITES listed species is available from their website: [www.cites.org](http://www.cites.org).

<sup>vi</sup> This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where NMI considers the radioactive source to be trivial and/or adequately shielded.

---

vii PCBs: Polychlorinated biphenyls - a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgears dated from 1950-1985..

viii Ozone Depleting Substances (ODSs): 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.

ix Significant conversion or degradation means the (i) elimination or severe diminution of the integrity of a habitat caused by a major, long-term change in land or water use; or (ii) modification of a habitat that substantially reduces the habitat's ability to maintain viable population of its native species.

x Critical habitat is a subset of both natural and modified habitat that deserves particular attention.

Critical habitat includes areas with high biodiversity value that meet the criteria of the World Conservation Union (IUCN) classification, including habitat required for the survival of critically endangered or endangered species as defined by the IUCN Red List of Threatened Species or as defined by national legislation; areas having special significance for endemic or restricted-range species; sites that are critical for the survival of migratory species; areas supporting globally significant concentrations or numbers of individuals of congregatory species; areas with unique assemblages of species or which are associated with key evolutionary processes or provide key ecosystem services; and areas having biodiversity of significant social, economic or cultural importance to local communities. Primary Forest or forests of High Conservation Value shall be considered Critical Habitats.

xi Critical cultural heritage consists of (i) the internationally recognized heritage of communities who use, or have used within living memory the cultural heritage for long-standing cultural purposes; and (ii) legally protected cultural heritage areas, including those proposed by host governments for such designation.