### **Microfinance Exclusion List**

**All financial intermediaries (FIs)** when investing in **microfinance** activities must apply the following exclusions:

* 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, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB’s, wildlife or products regulated under CITES.
* Production or trade in weapons and munitions[[1]](#footnote-1).
* Production or trade in alcoholic beverages (excluding beer and wine)¹
* Production or trade in tobacco¹.
* Gambling, casinos and equivalent enterprises¹.
* Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
* Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
* Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
* Production or activities involving harmful or exploitative forms of forced labor[[2]](#footnote-2)/harmful child labor[[3]](#footnote-3).
* 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.
* Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.

1. This does not apply to project sponsors who are not substantially involved in these activities. "Not substantially involved" means that the activity concerned is ancillary to a project sponsor’s primary operations. [↑](#footnote-ref-1)
2. Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty. [↑](#footnote-ref-2)
3. 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. [↑](#footnote-ref-3)