



# **Annex 8: SECO Exclusion List**

## **Call for Proposals**

**for**

**“Projects with Swiss Companies in Ukraine”**

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## SECO exclusion list

SECO does not finance operations or activities that involve the production, use of 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.

In addition, SECO does not finance operations or activities in the following fields:

- E1 Production, use or trade in wildlife or wildlife products, unless accompanied by certificates compliant to the Convention on International Trade in Endangered Species of Wild Fauna and Flora.
- E2 Production, use of or trade in radioactive materials, except for medical equipment, quality control (measurement) equipment and any other equipment where the radioactive source is considered to be trivial and/or adequately shielded.
- E3 Production, use of or trade in hazardous materials such as bonded and unbonded asbestos fibres.
- E4 Cross-border trade in waste and waste products unless compliant to the Basel Convention.
- E5 Fishing activities that fall under international bans.
- E6 Production, use of or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances<sup>1</sup> and products containing PCBs<sup>2</sup> unless compliant with the Rotterdam, Stockholm, and Vienna Conventions.
- E7 Destruction<sup>3</sup> of Critical Habitat<sup>4</sup>, according the UNEP Convention on Migratory Species (<http://www.cms.int/>).
- E8 Commercial logging in primary forests.
- E9 Production or trade in wood or other forestry products other than from sustainably managed forests.
- E10 Coal power plant and coal mining.
- E11 Exploration and production of oil as well as oil and diesel power plants, except where necessary as emergency power capacities.
- E12 Exploration and production of gas. Gas power plants as well as mid-stream & downstream projects (i.e. preparation, distribution, transport, further processing; including pipelines, LNG terminals, refineries) are generally not supported.
- S1 Production or trade in weapons and munitions and military equipment.

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<sup>1</sup> Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in "holes in the ozone layer". The Montreal Protocol lists ODs and their target reduction and phase-out dates.

<sup>2</sup> PCBs: Polychlorinated biphenyls, a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

<sup>3</sup> Destruction means the (1) elimination or severe diminution of the integrity of a habitat caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the habitat's ability to maintain its role is lost.

<sup>4</sup> 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 in any 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.

- S2 Production or trade in alcoholic beverages (excluding beer, wine and alcoholic beverages with protected geographical indications).
- S3 Production or trade in tobacco.
- S4 Gambling, casinos and equivalent enterprises.
- S5 Production or activities involving harmful or exploitative forms of forced labor<sup>5</sup>, harmful child labor<sup>6</sup>.
- S6 Prostitution or pornography.
- S7 Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples<sup>7</sup>, without full documented consent of such peoples<sup>8</sup>.
- S8 Financing activities with adverse impacts on UNESCO World Heritage Sites.

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<sup>5</sup> Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

<sup>6</sup> 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.

<sup>7</sup> Considering the diversity of indigenous peoples, an official definition of "indigenous" has not been adopted by any UN-system body. Instead the system has developed a modern understanding of this term based on the following: Self-identification as indigenous peoples at the individual level and accepted by the community as their member; Historical continuity with pre-colonial and/or pre-settler societies; Strong link to territories and surrounding natural resources; Distinct social, economic or political systems; Distinct language, culture and beliefs; Form non-dominant groups of society; Resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities. (Source: UN Permanent forum on Indigenous Issues).

<sup>8</sup> The principle of indigenous peoples' consent can, in areas such as biodiversity, be replaced by the more exigent principle of "free prior and informed consent", which implies greater ownership and participation of indigenous peoples in the decision-making process.