ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM

EXCLUSION LIST

March 22, 2021
Version: Final
Circulation: Open
Elaborated by: Sergio Rodriguez
COCO CONSULTING
Cover: Isla de Guanaja, Honduras. © José Manuel del Busto Miralbés – MAR FUND
GLOSSARY

AFD  Agence française de développement¹
BMZ  Bundesministerium für Wirtschaftliche Zusammenarbeit und Ent-wicklung²
Belize
EbA  Ecosystem-based Adaptation
CSO  Civil Society Organization
DD  Due Diligence
ESDD  Environmental and Social Due Diligence
ES  Environmental and Social
ESMS  Environmental and Social Management System
ESPF  Environmental and Social Performance Framework
ESS  Environmental and Social Safeguards
FB  Fundación Biosfera
FC  Financial Cooperation
FCG  Fundación para la Conservación de los Recursos Naturales y Ambiente en Guatemala
FI  Financial Intermediary
FFEM  Fonds français pour l’environnement Mondial³
FMCN  Fondo Mexicano para la Conservación de la Naturaleza
FC-Measures  Financial Cooperation Measures
FPIC  Free, Prior, and Informed Consent
GCF  Green Climate Fund
GEF  Global Environment Facility
GMO  Genetically Modified Organism

¹French Development Agency
²Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany.
³French Facility for Global Environment.
GT  Guatemala
HN  Honduras
IDB  Inter-American Development Bank
IFC  International Financial Corporation
ILO  International Labour Organisation
KfW  Kreditanstalt für Wiederaufbau
MAR Fund  Mesoamerican Reef Fund
MX  Mexico
NGO  Non-Governmental Organization
OECD  Organisation for Economic Co-operation and Development
PACT  Protected Areas Conservation Trust
PS  Performance Standards
SDG  Sustainable Development Goal
SEA  Sexual Exploitation and Abuse
ToR  Terms of Reference
IUCN  International Union for Conservation of Nature
UN  United Nations
UNDP  United Nations Development Programme
UNEP  United Nations Environmental Programme

4 Reconstruction and Credit Corporation of the Federal Republic of Germany.
MAR FUND EXCLUSION LIST

MAR Fund does not finance activities that:

1. Are illegal under the laws, regulations or ratified international conventions and agreements of Mexico, Belize, Guatemala, or Honduras, or subject to national or international phase-out or prohibition regulations, or to an international ban\(^1\)\(^2\).

2. Projects classified by MAR Fund as Category A (High Risk)\(^3\) regardless of the potential ES risk mitigation measures\(^4\).

3. Involve the purchase or use of destructive fishing practices\(^5\), or drift net fishing in the marine environment, or stationary fishing gear that passively obstructs the natural passage of fish and other species along the coast or between epicontinental bodies of water and the sea while not physically being supervised by fishers.

4. Involve deforestation of primary forests, high conservation value forests, mangroves or any other critical habitat for the establishment of new industrial agricultural activities.

5. Are related to commercial logging operations in primary tropical moist forest and production or trade in wood or other forestry products other than from sustainably managed forests.

6. Involve harmful labor, forced labor\(^6\), or harmful child labor\(^7\).

---

\(^1\) MAR Fund can finance an activity that is considered illegal in one or more than one of the four MAR countries but not in the country where the activity is to be carried out. If an activity is to be carried out in two countries of the MAR Region, MAR Fund could not finance it when the activity is considered illegal in just one of these two countries, although it may be considered legal in the other country.

\(^2\) This includes: i) certain pharmaceuticals, pesticides, herbicides and other toxic substances (under the Rotterdam Convention, Stockholm Convention and WHO "Pharmaceuticals: Restrictions in Use and Availability"); ii) ozone depleting substances (under the Montreal Protocol); iii) protected wildlife or wildlife products (under CITES / Washington Convention); iv) prohibited transboundary trade in waste (under the Basel Convention).

\(^3\) Category A (High Risk): Activities with significantly adverse risks to, and potential impacts on, the environmental and, or communities. ES risks and potential impacts are diverse, extended, irreversible, or unprecedented. (Supra § 104)

\(^4\) A concept or proposal initially classified as Category A can be reclassified if the implementer omits the activities that triggered such an initial classification.

\(^5\) As defined by the FAO/UNEP Expert Meeting on impacts of destructive fishing practices, unsustainable fishing, and illegal, unreported, and unregulated (IUU) fishing on marine biodiversity and habitats (Rome, 23–25 September 2009). The term Destructive fishing practices refers to "the use of fishing gears in ways or in places such that one or more key components of an ecosystem are obliterated, devastated or ceases to be able to provide essential ecosystem functions. From an ecosystem and precautionary approach perspective, destructive fishing refers to the use of gears and/or practices that present a high risk of local or global damage to a population of target, associated or dependent species or their habitat, to the point of eliminating their capacity to continue producing the expected goods and services for present and future generations, particularly if recovery is not possible within an acceptable time frame.

\(^6\) Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty (From IFC Exclusion List).

\(^7\) 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 (From IFC Exclusion List – IFC PS2).
7. Involve restrictions of access to natural and cultural resources to communities, except when these activities are carried out following ESS 5 *Impacts from Access Restrictions to Natural Resources, Livelihood Lost (LL), & Limited Involuntary Resettlement (LIR)*.

8. Require Large Involuntary Resettlement  

9. Impinge on the lands owned, or claimed, by Indigenous Peoples, impact territory under traditional use by indigenous Peoples; affect indigenous Peoples’ access to resources; commercialise indigenous knowledge, except when these activities are carried out following MAR Fund’s ESS 7 *Indigenous Peoples and Local Communities*.

10. Involve production or trade related to alcoholic beverages other than beer, wine, and traditional fermented beverages.

11. Involve production, trade or any other activity related to tobacco; pornography, or prostitution; gambling, casinos, and equivalent enterprises.

12. Are related to production or trade of any kind of weapons and ammunition.

13. Involve production or trade in asbestos and asbestos-containing materials for construction.

14. Involve production, trade, storage, or transport of hazardous chemicals, or commercial scale usage of hazardous chemicals, including gasoline, kerosene, and other petroleum products.

15. Are related to mining or to oil and gas prospection, exploration, and production activities of any type.

16. Involve the purchase of radioactive material, except the procurement of medical equipment, quality control equipment or other equipment for which the radioactive source is insignificant and/or adequately shielded.

---

8 Projects involving more than 500 persons or 100 households will be assessed as Large Resettlement.

9 This does not include purchase, storage, and transport of gasoline and other petroleum products that are necessary for the regular activities of organisations financed by, or receiving grants from, MAR Fund.