

Title of the PRR	The BSTDB's Negative List of Products
Authority	Board of Directors
Effective Date	05 Apr 2003
Codification	OPE-14
History	BD 2003-11 approved by the Board of Directors at its 32 nd meeting – agenda item 11
Relates Policies and Information	n.a.
Access Level	For Public Use
Contact Person	Office of the Vice President Banking ext. 560

The Bank must observe in all its operations compliance to the maximum extent possible with the applicable rules and regulations regarding procurement of goods and services, national legislation of member states, and with the provisions of the international conventions, treaties and agreements that limit, restrict or prohibit use, proliferation, generation, or otherwise disfavor the financing of operations that facilitate dealing in goods and services that pose a threat to health and safety of humans, other species, or the environment in general.

In application of the above policy statement, the Bank has produced a list, which should be regarded as minimal. Of goods and services that it specifically excludes from financing in all its operations. The exclusion is meant to eliminate the risk for the Bank of entering into financing operations that facilitate dealing in controversial or specifically prohibited goods and services. The size of the Bank and its current state of development does not offer the possibility for detailed monitoring of the day to day activities of clients that benefit of BSTDB financing; therefore, goods and services that have the potential of leaking into illegal use or, as a result of manufacturing, handling, storage or trade pose a threat to health and safety, security, or present an intrinsic risk for the environment are specifically excluded from Bank financing.

The exclusion list includes the following:

1. Weaponry, ammunition, military goods, or goods that may be directly used for military purposes;
2. Casinos or other gambling facilities;
3. Tobacco;
4. Hard alcohol (content in excess of 20%);
5. Narcotic drugs, psychotropic substances, precursor and essential chemicals, which may directly or without major modifications be used for illegal purposes (regulated by the Single Convention of Narcotic Drugs of 1961 as amended by the 1972 Protocol; the Convention on Psychotropic Substances of 1971; and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances adopted in 1988);
6. Hazardous materials generation, storage, treatment, disposal or trade;

7. Transactions which contravene any applicable laws or international conventions in all relevant jurisdictions, or United Nations economic sanctions;
8. Goods that are on the BSTDB Financing Environmental Exclusion List:
 - a) Wildlife and wildlife products regulated under the CITES Convention;
 - b) Genetically modified organisms to be released into the natural environment
 - c) Manufacture, distribution or use of banned pesticides and herbicides;
 - d) Unsustainable fishing practices;
 - e) Radioactive materials, including radioactive waste;
 - f) Energy generation using nuclear fuels;
 - g) Hazardous waste storage, treatment or disposal;
 - h) Manufacturing of, or trade in, equipment and appliances containing Chlorofluorocarbons (CFCs), halons and other substances regulated under the Montreal Protocol;
 - i) Manufacture of, or trade in, equipment containing polychlorinated biphenyls (PCBs);
 - j) Manufacturing of, or trade in, products containing asbestos;
 - k) Transboundary trade in waste and waste products;
 - l) Shipment of oil using tankers without valid IMO certificates;
 - m) Construction or extension of large dams and reservoirs.