



The Board of Directors of the Kosovo Credit Guarantee Fund,

Pursuant to Article 17, paragraph 1, subparagraph 1.6 of Law No. 05/L-057 on the Establishment of the Kosovo Credit Guarantee Fund and Article 8, paragraph 1.5 of the Charter of KCGF, on its meeting held on 28.04.2023 approved:

POLICY ON ENVIRONMENTAL AND SOCIAL MANAGEMENT

Article 1 Introduction

1. Kosovo Credit Guarantee Fund (hereinafter KCGF) is an independent, autonomous legal institution established by law to help meet the need for increased access to finance for micro, small and medium-sized enterprises (hereinafter referred to as MSME) in Kosovo, through the provision of credit guarantees for the Registered Financial Institutions, for certain loans issued to MSMEs.
2. This Policy presents the vision and mission of the KCGF with respect to the environment, society, and contributions to sustainable development. KCGF recognizes the importance of environmental and social risk management. In this regard, KCGF is committed to identifying and addressing all environmental and social risks associated with its guaranteeing activities. The Policy outlines guiding principles and rules that should be part of the best environmental and social risk management practice for the management of the credit guarantee fund's impact on environmental and social aspects where KCGF bears most of the risk.
3. The objective of KCGF through this policy is to:
 - 3.1. fulfil its institutional mandate with full responsibility toward the environment and society;
 - 3.2. set out how the Registered Financial Institutions (hereafter RFIs) that are supported by KCGF will assess and manage environmental and social risks and impacts associated with the sub-projects they finance;
 - 3.3. promote good environmental and social management practices in the sub-projects the RFIs finance;
 - 3.4. promote good environmental and sound human resources management within the RFIs.
4. Environmental and social assessments will be carried out by KCGF's RFIs in accordance with relevant environmental and social national/ local laws and regulations as well as good international practice. The environmental and social assessment process is carried out to determine the possible positive or negative impacts of proposed qualifying borrowers' projects Micro, Small and Medium Size Enterprises (hereafter MSMEs); to evaluate the precautions to be taken in order to avoid, prevent, mitigate or minimize negative impacts

which may damage the environment such as construction and mitigation measures; and for supervision and inspection of sub-project implementation.

5. The qualifying borrowers' projects should be subject to an environmental and social review process by RFIs.
6. The RFIs will be responsible for environmental and social risk categorization of projects, and for ensuring that each guaranteed project and project proposal includes an assessment of its environmental and social impact appropriate for the category and that the project complies with the relevant national environmental and social regulation and other requirements according to this Policy.
7. Obligations and conditions arising from this Policy will be incorporated in the Guarantee Agreements with RFIs.

Article 2 **The Purpose and Scope**

1. The purpose of this Policy is to establish a steady and healthy framework that measures and controls the credit guarantee environmental and social risk within the framework of KCGF activities.
2. Considering the size of the institution, and that the direct impact through its own day-to-day activities is considered minimal, the Policy is focused on indirect impact through the credit guarantee service offered by KCGF's RFIs to the qualifying borrowers.
3. This Policy defines and sets the rules for:
 - 3.1. eligible and non-eligible environmental and social projects;
 - 3.2. environmental and social risk screening;
 - 3.3. environmental and social risk categories;
 - 3.4. legal requirements to be complied by MSMEs;
 - 3.5. grievance redress mechanism;
 - 3.6. monitoring of financial institutions and performance of KCGF ESM credit guarantee portfolio.

Article 3 **Definitions**

1. Terms used in this policy shall have the following meaning:
 - 1.1. **KEPA** - Kosovo Environmental Protection Agency;
 - 1.2. **EIB** - European Investment Bank;
 - 1.3. **EIF** – European Investment Fund;

- 1.4. **The Kosovo Credit Guarantee Fund (KCGF)** – is an independent and autonomous legal entity, established by law, to manage the assets of KCGF and to provide Credit Guarantees in accordance with the provisions of Law no.05/L-057 on the Establishment of the Kosovo Credit Guarantee Fund, KCGF Statute, its Internal Policies and Procedures;
- 1.5. **Credit Guarantee** - means a guarantee provided by KCGF to a registered financial institution on a Loan in accordance with the provisions of Law no.05 / L-057 on the Establishment of the KCGF and the Guarantee Agreement;
- 1.6. **FI** – Financial Institution;
- 1.7. **RFI** – Registered Financial Institution;
- 1.8. **KfW** – German Development Bank;
- 1.9. **IFC** – International Finance Corporation;
- 1.10. **MESPI** - Ministry of Environment, Spatial Planning, and Infrastructure;
- 1.11. **ESM** - Environmental and Social Management;
- 1.12. **MSME** –a micro, small or medium business enterprise registered with the Kosovo Business Registration Agency that has a unique identification number and has less than two hundred and fifty (250) employees;
- 1.13. **Environmental and Social Management Policy (ESMP)** - the Environmental and Social Management Policy of KCGF, including its amendments and additions;
- 1.14. **Environmental and Social Management System (ESMS)** –internal policies, procedures, tools and capacities to identify and manage the Guaranteed Party's exposure to the environmental and social risks of its clients/investors approved in accordance with the KCGF's ESMP;
- 1.15. **IFC Performance Standards**; define IFC clients' responsibilities for managing their environmental and social risks;
- 1.16. **MEP** - Municipal Environmental Permit;
- 1.17. **NACE** – common reference for Statistical Classification of Economic Activities in the European Community
- 1.18. **AI** – Administrative Instruction;
- 1.19. **EIA** - Environmental Impact Assessment;
- 1.20. **EA** – Environmental Assessment.

Article 4

Environmental Management and Capacity Building

1. The KCGF ESMP's execution and implementation is the responsibility of the Managing Director.
2. KCGF assigned personnel responsible for environmental and social compliance management. The Environmental and Social Specialist is responsible for the coordination and implementation of this ESMP within the internal operations of the Institution.

3. RFIs have various practices and capacities regarding the implementation of their ESMS. The RFIs with functioning ESMSs in place will use their systems for screening the projects and management.
4. Financial institutions that will register under KCGF, must meet the following requirements:
 - 4.1. environmental and social management system according to IFC/World Bank Group standards;
 - 4.2. a Risk Officer that will act as an Environmental Coordinator for the implementation of the ESMS;
5. RFI's have assigned a Risk Officer that will act as an Environmental Coordinator which will be responsible for the day-to-day implementation of the ESMS, (a) including the environmental and social procedures; (b) ensure that adequate resources are available for management and training in environmental and social issues; and (c) ensure that adequate technical expertise, either in-house or external expert support, is available to carry out due diligence and manage the environmental and social risks of the RFI's subprojects, including providing implementation support as required.
6. Any shortcomings identified on the part of RFIs will be addressed and overcome through training sessions, the content of which will be prepared by the Environmental and Social Specialist. The training program will be optimized based on the existing capacity of an RFI and feedback from the RFIs on later stages.
7. Internally, the Environmental and Social Specialist will conduct ESMS training once a year.

Article 5

Environmental Stakeholders related to Credit Guarantees

1. In the context of the credit guarantee process there are three main stakeholders: (i) KCGF who is guaranteeing the RFIs portfolio; (ii) RFIs, the recipients of KCGF Guarantees, (iii) qualifying borrowers (MSMEs/Applicants) as direct beneficiaries. The above stakeholders' responsibilities are:
 - 1.1. KCGF is responsible to implement this ESMP and only guarantee financing of environmentally sound projects;
 - 1.2. the RFIs according to the guarantee agreement shall implement the requirements of this ESMP and shall use KCGF guarantees only for environmentally sound projects as defined in this ESMP and shall require that their clients comply with the requirements stipulated by local health, safety, and environmental legislation;
 - 1.3. the RFI's clients must comply with the requirements stipulated by their loan agreements and the local health, safety, and environmental legislation.

Article 6 Environmental Stakeholders-Legislation

1. Two main governmental institutions that draft, enforce, and oversee the implementation of environmental legislation and regulations in Kosovo are Ministry of Environment, Spatial Planning and Infrastructure (MESPI), and the Kosovo Environmental Protection Agency (KEPA).
2. MESPI is a central executive body tasked with the creation and implementation of general management legislation in the field of environment, water, housing spatial planning, and construction.
3. KEPA is a government institution that engages, through integrated environmental monitoring, an efficient system of environmental information, and continuous reporting on the environment, to maintain the quality of air, water, soil and biodiversity, promote the use of renewable energy sources and sustainable use of natural resources.
4. Local government (municipalities) are responsible for issuance of Municipal Environmental Permit (MEP) for the projects and activities that are subject to Municipal Environmental Permits listed in the Annex of the Administrative Instruction No. 01/2017 for the release of Municipal Environmental Permit of the Ministry of Environment, Spatial Planning and Infrastructure as well as the projects and activities that have passed the selection phase in MESPI and are assessed to be subject to Municipal Environmental Permit and not Environmental Impact Assessment (EIA) - if an EIA report is not required, the relevant Municipality assesses the project against the requirements of a municipal permit and may initiate the procedure for issuing a MEP.
5. During the evaluation process of guaranteed loans by KCGF the following local on the enforced laws listed below will apply:
 - 5.1. Law on Environmental Protection
 - 5.2. Law on Environmental Impact Assessment (EIA);
 - 5.3. Law on Labour;
 - 5.4. Law of Nature Protection;
 - 5.5. Law on The Inspectorate of Environment, Waters, Nature, Spatial Planning and Construction;
 - 5.6. Law on Construction;
 - 5.7. Law on Occupational Safety, Health and the Working Environment;
 - 5.8. Law on Waste;
 - 5.9. Law on Noise Protection;
 - 5.10. Law on Cultural Heritage.

Article 7

Applicable International Environmental and Social Standards

1. For the implementation of this Policy, KCGF will adhere with the following international Environmental and Social Standards.
2. IFC Performance Standards:
 - 2.1 Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts;
 - 2.2 Performance Standard 2: Labor and Working Conditions;
 - 2.3 Performance Standard 3: Resource Efficiency and Pollution Prevention;
 - 2.4 Performance Standard 4: Community Health, Safety, and Security;
3. Sustainability Guidelines of KfW Development Bank.
4. World Bank Environmental Health and Safety (EHS) Guidelines and applicable sector-specific guidelines.
5. International Labor Organization (ILO) Core Labour Conventions.
6. IFC's Interpretation Note on Financial Intermediaries (FIs).
7. EIB and EIF Environmental and Social Standards.
8. Statistical Classification of Economic Activities in the European Community (NACE code).

Article 8

Other Standards that are Relevant but not Applicable

1. Other relevant international environmental and social standards that are not applicable to KCGF include:
 - 1.1. Performance Standard 5: Land Acquisition and Involuntary Resettlement;
 - 1.2. Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources;
 - 1.3. Performance Standard 7: Indigenous Peoples;
 - 1.4. Performance Standard 8: Cultural Heritage;
 - 1.5. UN Basic Principles and Guidelines on Development-Based Evictions and Displacement;
 - 1.6. World Commission on Dams (WCD) (for large dam projects)
 - 1.9. World Bank (WB) Environmental and Social Standards (ESS)
 - 10.

Article 9

Prohibited, Restricted Sectors and Loan Purposes

1. This ESMP is based on the IFC/World Bank Group Exclusion List, and EIF and EIB prohibited and restricted sectors as outlined below:
 - 1.1. Forced labour¹ or child labour²;
 - 1.2. Activities or materials deemed illegal under the laws or regulations of the host country or international conventions and agreements, or subject to international phase-outs or bans, such as:
 - 1.2.1. ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
 - 1.2.2. wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
 - 1.2.3. unsustainable fishing methods (e.g., blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length).
 - 1.3. Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.
 - 1.4. Destruction of High Conservation Value areas³.
 - 1.5. Radioactive⁴ materials and unbounded asbestos fibres;
 - 1.6. Pornography and/or prostitution.
 - 1.7. Gambling, casinos and equivalent enterprises or hotels hosting such facilities.
 - 1.8. Ammunition and weapons, military/police equipment or infrastructure, correctional facilities;
 - 1.9. Racist and/or anti-democratic media;
 - 1.10. Excluded activities according to NACE codes defined in Annex II of this Policy;
 - 1.11. IT Sector Restrictions: research, development or technical applications relating to electronic data programs or solutions, which aim specifically at/or which include:
 - 1.11.1. supporting any activity included in the Restricted Sectors referred to under 1.2. and 1.8. (inclusive) of this Article;
 - 1.11.2. internet gambling and online casinos;
 - 1.11.3. are intended to enable to illegally:
 - 1.11.4. enter into electronic data networks; or

¹ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

² 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, moral or social development. In addition any labour that is performed by a person which has not yet reached the age of 15 is considered to be harmful, unless the local legislation specifies compulsory school attendance or the minimum age for working to be higher; in such cases, the higher age will be applied for defining harmful child labour.

³ Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost. High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (See <http://www.hcvnetwork.org>).

⁴ This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.

- 1.11.5. download electronic data.
- 1.12. Life Science Sector Restrictions: When providing support to the financing of the research, development, or technical applications relating to:
 - 1.12.1. human cloning for research or therapeutic purposes; and
 - 1.12.2. Genetically Modified Organisms (“GMOs”).
- 1.13. Nuclear power plants (apart from measures that reduce environmental hazards of existing assets) and mines with uranium as an essential source of extraction;
- 1.14. Quarries;
- 1.15. Prospection, exploration and mining of coal; land-based means of transport and related infrastructure essentially used for coal; power plants, heating stations and cogeneration facilities essentially fired with coal, as well as associated stub lines⁵
- 1.16. Non-conventional prospection, exploration and extraction of oil from bituminous shale, tar sands or oil sands;
- 1.17. Purchase of logging equipment for use in tropical natural forests or high natural value forests in all regions; and activities that clear-cutting and/or degradation of tropical natural forests or high nature value forest;
- 1.18. New palm oil plantations.
- 1.19. In the event that any of form a substantial⁶ part of a project’s primary financed business activities:
 - 1.19.1. Production and trade of alcoholic beverages (excluding beer and wine);
 - 1.19.2. Production and trade of tobacco;
- 1.20. Carbon intensive sectors allowed under the NACE⁷ codes defined in Annex I of this Policy.

Article 10 Environmental Screening Categories

1. Depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental and social impacts, the final investment of MSMEs can be classified into one of three categories: A, B and C. Loans for activities that fall into the **Category A** will not be guaranteed by KCGF, since those might likely have highly significant, diverse, and/or long-term adverse impacts on human health and the natural environment. Loans for activities that fall into categories B and C, will be guaranteed by KCFG in accordance with this policy and its internal legal regulations:
 - 1.1. **Category B:** Activities that fall into this category are those projects that their potential adverse environmental impacts on humans or the environment are less adverse than

⁵ Investments in power transmission grids with significant coal-based power feed-in will only be pursued in countries and regions with an ambitious national climate protection policy or strategy (NDC), or where the investments are targeted at reducing the share of coal-based power in the relevant grid.

⁶ For MSMEs, substantial means more than either of the following two criteria: a) 10% of their consolidated balance sheet (total assets) or b) 10% of revenues from sales. For financial institutions and investment funds, "substantial" means more than 10% of their underlying portfolio volumes.

⁷ Participation of these activities should not exceed 10% in the outstanding portfolio of the RFI within the KCGF

those of Category A projects. Typically, the potential impact and risks of category B activities are limited to local areas, are in most cases reversible and are easier to mitigate through appropriate measures. Category B includes projects such as upgrades, civil works, construction, as well as reconstruction, rehabilitation or adaptation of the existing buildings. This category is divided into B+ and B- sub-categories:

- 1.1.1. **B+:** Large constructions projects that are listed under Annex II of Kosovo EIA law that do not require full Environmental Impact Assessment by the Ministry of Environment, Spatial Planning and Infrastructure (MESPI). Agriculture (pesticides and herbicides) and forestry, deep drilling and extractive industry (quarries, stone crushers which are not included in Annex I of EIA), textile industry, mineral industry, food, rubber and infrastructure projects. Loans that require Environmental Impact Assessment which qualify under the GROW Window guaranteed by KCGF will be classified under this category;
- 1.1.2. **B-:** Small civil works, small constructions (annexes to buildings), exterior renovation, reconstruction, rehabilitation or adaptation of the existing building.
- 1.2. **Category C:** Activities are categorised under this category if they are likely to have minimal or no adverse environmental impacts and therefore do not require an Environmental Assessment. Category C may include projects such as investments in fixed assets, working capital, purchase of immovable property, renovation (inside of the premises), purchasing of land and buildings. Beyond initial screening, no further environmental assessment action is required for a Category C project.

Article 11

Environmental Due Diligence Documentation

1. The Applicant prepares an initial project concept. Following an informal discussion with the RFI, in which the RFI alerts the Applicant of environmental assessment requirements, the RFI distributes an Environmental and Social Risk Assessment Form (Annex III of this ESMP). The Applicant provides requested information and submits the filled Environmental and Social Risk Assessment Form and other requested documentation to the RFI. It is the responsibility of the Applicant to initiate discussions with MESPI or relevant Municipality in order to fulfil any local and national environmental review requirements (such as opinion on EIA procedure and/or other official approval/permits). It will be the responsibility of the Applicant to obtain the appropriate permits and licenses as required by national law in order to facilitate the clearance process with MESPI or relevant Municipality. By the time the Applicant contacts the RFI, all the permits and opinions/consents/approvals must be obtained. These requirements are considered separate, but parallel, to those presented here and satisfying them is the responsibility of the Applicant. The Applicant is responsible for validity and truthfulness of the information provided in the Environmental and Social Risk Assessment Form and other documents.
2. Based on the submitted Environmental and Social Risk Assessment Form the, RFI (Risk Officer) categorizes the sub-project (as A or otherwise non-eligible, B+, B-, C).

- 2.1: For category C sub-projects, no further actions are required other than following the RFIs internal environmental management procedures;
 - 2.2. For B+ category sub-projects the draft Environmental and Social Risk Assessment Form is sent to KCGF (Environmental and Social Specialist) for review. KCGF confirms or corrects the screening and categorization result. RFI informs the Applicant on (i) E&S risk category, (ii) required process and reports. Public disclosure for B+ projects will be as per World Bank/ KfW/ EIB/ EIF requirements;
 - 2.3. For B- category sub-projects, the Applicant submits the completed Environmental and Social Risk Assessment Form to the RFI. For this type of category, approval from KCGF is not needed. The Environmental and social specialist will provide assistance when required.
3. When an RFI is satisfied with the environmental documentation provided by the Applicant, the RFI approves the application, disburses a loan and requests the guarantee. The Applicant implements the mitigation and monitoring measures in the Corrective Action Plan. RFIs will perform supervision and propose corrective actions if needed. At least first three (3) Environmental and Social Risk Assessment Forms of each RFI will be subject to KCGF review and approval.
 4. RFI reports the environmental compliance to KCGF in regular progress reports, minimum once in six months. KCGF carries out supervision of selected B+ sub-projects.
 5. For all category B sub-projects, any established significant non-compliance will be reported in the Environmental Audit Report and submitted to KCGF. RFs are required to keep records of Environmental and Social Risk Assessment Forms, and relevant associated documents (e.g., waste manifests and records, complaints). In addition to the supervision, Environmental Audits will be assessed against these documents.

Article 12 Grievance Redress Mechanism

1. KCGF has established a Grievance Redress Mechanism (GRM). The mechanism is accessible to the general public and in particular to the project affected persons, and the workforce engaged in project implementation. The KCGF website has the contact information of the Environmental and Social Specialist to whom any grievance can be submitted as well as description of the GRM process.
2. The grievances will be addressed by the Grievance Committee consisting of the Managing Director, Senior Legal Officer and Environmental and Social Specialist.
3. It is envisaged that the grievance would warrant a response, as long as the following two criteria have been met:
 - 3.1. the grievance concerns any of the guaranteed activities;
 - 3.2. contains a sufficient amount of details to indicate a malignant action has occurred or is likely to take place, affecting individual or collective well-being or posing a risk to the environment.

4. If the grievance could be addressed by the Environmental and Social Specialist, then she/he will follow up with the actions to be taken to address the grievance. In the case the second criterion foreseen in paragraph 3, sub-paragraph 3.1 of this article, is not fully met, the Environmental and Social Specialist will still make further inquiries (with or without contacting the complainant) as well as corrective measures and provide response to the complainant. In the case the complaint is anonymous, the feedback will be provided on the website.
5. Monthly, the Environmental and Social Specialist shall report to the KCGF Management and the donors regarding the grievances received over the course of the year and report on which measures have been taken or plan to be taken in response to this critical feedback.

Article 13

Monitoring and Reporting

1. Once the loan is disbursed and accepted under guarantee, the investment enters the implementation stage, the environmental work also moves to a new phase.
2. In the course of an investment implementation the MSMEs are responsible for carrying out their daily activities and applying mitigation measures in compliance with the requirements set by national environmental/ social regulation and good industry practice.
3. RFIs will be expected to monitor their borrower's according to the internal policies and report to the KCGF on the environmental and social performance of their clients if incompliance happens.
4. KCGF, on monthly basis shall monitor the overall guarantee portfolio development in terms of environmental categorisation and should be presented to the management and also regularly to the Risk Committee. The monitoring shall include:
 - 4.1. the portfolio categorisation according to RFI's;
 - 4.2. the portfolio ES quality according to loan classification;
 - 4.3. the portfolio ES quality according to destination;
 - 4.4. the portfolio ES quality according to sectors.
5. The purpose of the monitoring is to determine the distribution of the portfolio and the concentration of risk according to the Environmental and Social categories.
6. The KCGF will inform the Board of Directors and its donors for portfolio development and any incompliance through the general reporting.
7. The reporting standards that KCGF has defined, will ensure that appropriate information on environmental and social risk is available to all levels of the organization and that both internal and external reporting requirements can be met on time and the reports are of high quality.

Article 14

Implementation of this Policy

1. This Policy is in place to ensure the orderly running of KCGF and to set the internal rules of conduct and the professional standards required to be met by KCGF employees and management. In any situation where there is a conflict between the Policy and the Law of KCGF, the law shall prevail.
2. KCGF in providing its services will be in full compliance with this Policy.
3. The Managing Director of KCGF issues the decision that regulates the implementation of energy-efficient measures and optimization within KCGF.

Article 15

Amendments to this Policy

This Policy will be reviewed by the KCGF Board of Directors and may be amended as the Board deems appropriate, in light of changing circumstances or to stay in accordance with the applicable laws.

Article 16

Repealing Provisions

1. With the entry into force of this Policy, the Environmental and Social Management Policy, dated 17.06.2022 is repealed.
2. All decisions, policies and other documents approved by the Board of Directors or Managing Director based on the previous Policy shall continue to remain in force until and unless repealed or replaced accordingly.

Article 17

Compliance and Sanctions

KCGF employees are individually responsible for complying with this Policy. Violations to this Policy and the above-mentioned rules and prohibitions could subject employees to disciplinary actions.

Article 18

Annexes

1. This Policy includes the following Annexes:
 - 1.1. Annex I - Carbon intensive sectors listed by NACE codes;
 - 1.2 Annex II- Excluded activities according to NACE codes;
 - 1.2. Annex III - Environmental and Social Risk Assessment Form;

- 1.3. Annex IV – Generic Credit Approval Process Flow;
- 1.4. Annex V - Projects listed in Annex I of the EIA law which require an EIA;
- 1.5. Annex VI - Projects listed in Annex II of national EIA Law;
- 1.6. Annex VII - List of activities that subjugate to the Municipal Environmental Permit.

Article 19 **Entry into force**

This Policy shall enter into force on the date of the approval of Board of Directors.

28.04.2023

Acting Chairperson of the Board of Directors

Arta Hoxha

Annex I
Carbon Intensive Sectors listed by NACE Codes

1411	Manufacture of leather clothes
1711	Manufacture of pulp
1712	Manufacture of paper and paperboard
2352	Manufacture of lime and plaster
2451	Casting of iron
4612	Agents involved in the sale of fuels, ores, metals and industrial chemicals
4671	Wholesale of solid, liquid and gaseous fuels and related products
4730	Retail sale of automotive fuel in specialized stores
4941	Freight transport by road (except when purchase of hybrid or electric vehicles)

Annex II
Excluded Activities according to NACE Codes.

0115	Growing of tobacco
0220	Logging
0510	Mining of hard coal
0520	Mining of lignite
0710	Mining of iron ores
0721	Mining of uranium and thorium ores
0729	Mining of other non-ferrous metal ores
0811	Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate
0899	Other mining and quarrying n.e.c.
1200	Manufacture of tobacco products
1910	Manufacture of coke oven products
2012	Manufacture of dyes and pigments
2013	Manufacture of other inorganic basic chemicals
2014	Manufacture of other organic basic chemicals
2015	Manufacture of fertilisers and nitrogen compounds
2016	Manufacture of plastics in primary forms
2017	Manufacture of synthetic rubber in primary forms
2020	Manufacture of pesticides and other agrochemical products
2351	Manufacture of cement
2410	Manufacture of basic iron and steel and of ferro-alloys
2442	Aluminium production
2443	Lead, zinc and tin production
2444	Copper production
2445	Other non-ferrous metal production
2446	Processing of nuclear fuel
2452	Casting of steel
2454	Casting of other non-ferrous metals
3812	Collection of hazardous waste
3822	Treatment and disposal of hazardous waste
4635	Wholesale of tobacco products
4726	Retail sale of tobacco products in specialised stores

Annex III
Environmental and Social Risk Assessment Form

RFI (specify name of RFI) – ENVIRONMENTAL AND SOCIAL RISK ASSESSMENT FORM				Comments	
Project Name:	Kosovo Financial Sector Strengthening	Location:			
Address:		Contact Person and Phone number:			
Industry:	Activity:	Facility Amount and Type:			
Type of Financing (tick x):		New	Extension		Existing
		E&S Category			
Date of Site Visit:	Prepared/Updated by: Name Surname				
	Position: E&S Risk Officer				
Brief Project Description:					
Sector Specific E&S Issues:					
Instructions:					
Please provide as much information as possible in the ‘additional information’ section to support the responses provided					
<p>- Please provide a summary of the key issues after completing the questionnaire and include a categorization for the Project</p> <p>Please include an action plan if required</p> <p>For sector-specific information on E&S risks, please refer to the First for Sustainability Factsheets and the WBG EHS Guidelines:</p> <p>http://firstforsustainability.org/risk-management/understanding-environmental-and-social-risk/risk-by-industry-sector/</p> <p>http://ifc.org/ehsguidelines</p>					

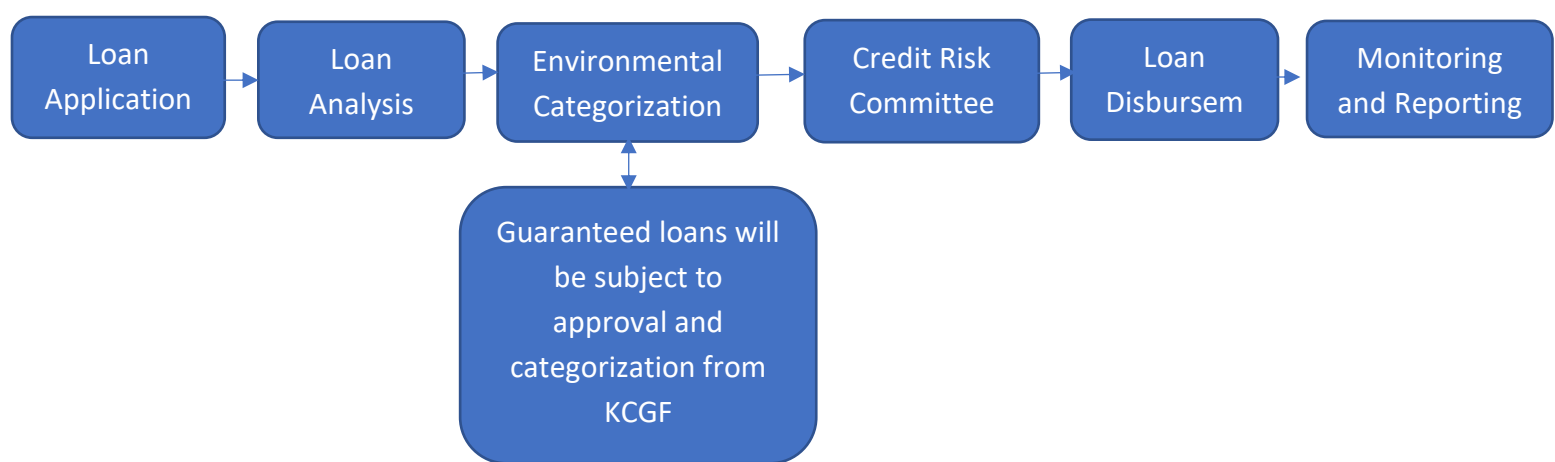
Assessment of Applicable Requirements			Yes	No	N/A	ADDITIONAL INFORMATION (Please provide additional information to support all responses)	Comments
		Requirement					
Exclusion List:	<p>Is the activity on the Exclusion List?</p> <p>IFC Exclusion List</p> <p>https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist</p>						Check against WBG' exclusion list provided in the contract to be signed: No business activities on the WBG Exclusion List are eligible for financing
National Laws: Does the activity comply with National regulatory requirements?	Does the company have proof of valid environmental permits and licenses?						Attach if applicable
Provide List of Licenses and Permits relevant to client business							
Applicable E&S Licenses & Permits	Status – Have this been obtained or not	License/Permit Expiration Date					
e.g., Water use license							
Etc.							
Assessment of Environmental and Social Risks and Impacts of the client's business							Comments
1. Assessment and Management of Environmental	a. Does the company have a system in place to manage E&S risks of its business activities? If yes, who is the responsible person?						
and Social Risks and Impacts	b. How many employees does the company have?						

	c. Does the company comply with local legislation regarding E&S issues?					
2: Review of Labor and Working Conditions	d. Does the company apply the principle of non-discrimination in the process of hiring, compensation, and terms of employment including to the vulnerable groups of employees?					
	e. Does the company provide its workers with a safe and healthy work environment?					
	i. Where applicable, does the company provide workers with and mandating that workers use personal protective equipment (PPE)?					
	ii. Does the company have occupational health and safety procedures?					
	iii. Does the company track and report on rates of injury, occupational diseases, lost days, and number of work-related fatalities? Please provide recent data.					
	iv. Does the company have training programs in place for workers on occupational health and safety?					
	f. Is the company involved in harmful child labor or forced labor (including supply chain)?					
3. Pollution Prevention at the site	a. Does the company implement measures for improving efficiency in its consumption of energy, water, raw materials and other resources and inputs?					
	b. Does the company generate any air, liquid or solid waste emissions during construction and/or operational phases? If yes, please provide details.					Measures:
	c. Please describe the procedures in place for monitoring air and water emissions. Please provide a copy of any effluent discharge permit issued by the local authorities.					

	<p>d. Does the company have procedures to guide the storage, handling, and disposal of solid wastes (including hazardous waste) emanating from its business? If yes, provide brief details.</p>					
	<p>e. Are the diesel storage tanks fitted with secondary tanks to prevent leakages and spills?</p>					
	<p>f. Is there response procedure in place to manage spills or accidental discharges?</p>					
	<p>g. Are there local communities in close proximity to the company's facilities? Does the company have procedures to address community health, safety and security issues in the context of its operations?</p>					
	<p>h. Does the company have safety procedures in place to deal with hazardous material release, transport and disposal in order to avoid or to minimize exposure of local communities to those materials? Please describe</p>					
4. Community Health, Safety and Security	<p>Are there local communities in close proximity to the company's facilities? Does the company have procedures to address community health, safety and security issues in the context of its operations?</p>					
	<p>Does the company have safety procedures in place to deal with hazardous material release, transport and disposal in order to avoid or to minimize exposure of local communities to those materials? Please describe</p>					
	<p>c. Does the company engage armed security personnel to provide security services at their facilities? If so, do the contract provisions include guidelines on how security personnel shall interact with communities in close proximity to the facility?</p>					
5. Stakeholder Engagement and Information Disclosure	<p>a. Please describe the procedures in place to engage with local communities and address community grievances where applicable. (e.g., grievance redress mechanism, stakeholder engagement plan).</p>					

<p>Summary of E&S Issues (Please provide a summary addressing the management of the main E&S issues associated with the client's business)</p>						<p>Actions specified in the Corrective Action Plan must be included in the facility agreement between the FI and the MSMEs</p>
<p>Corrective Action Plan -This should be included in the facility agreement of the bank and monitored for compliance</p>						
<p>Issue Identified</p>	<p>Action Required</p>	<p>Completion Date</p>				

Annex IV Generic Credit Approval Process Flow



1. *Loan Application*: Client applies to RFI for loan; the application form is submitted along with relevant documents;
2. *Loan Analysis*: Collection of documents/permits that were missing in the application phase, investment plan needs to be included;
3. *Environmental Categorization*: In this phase, environmental categorization occurs. Based on the investment plan, the loan can be categorized as A-non eligible, B+, B- and C. B+ categories will be subject of approval and categorization from KCGF;
4. *Credit Risk Committee*: Loan is presented to Bank's management;
5. *Loan Disbursement*: Contract signing and transferring of funds;
6. *Monitoring and Reporting*: The RFI will monitor the loans and their environmental and social impacts (if any) and report to KCGF and World Bank/ KfW/ EIB/ EIF in case of **incompliances**.

Annex V

Projects listed in Annex I of the EIA law which requires an EIA

1. Production and Processing of Metals

1. Metal ore (including sulphide ore) roasting or sintering installations.
2. Factories for cast iron and steel influx (primary or secondary fusion), including continuous casting.
3. Factories/foundries for processing of ferrous metals:
 - 3.1 hammer smitheries with an energy output exceeding fifty (50) KJ per hammer, while the power input exceeds twenty (20) KW;
 - 3.2. application of protective fused mixed metal coats with an input which exceeds one (1) tones/hour of steel gross;
 - 3.3. foundries for production of ferrous metals with capacity higher than one hundred (100) tonnes/day.
4. Factories/foundries for:
 - 4.1.non-ferrous metal production and production of non-ferrous crude metals from ore; concentrates or secondary raw materials by metallurgical, chemical or electrolytic processes;
 - 4.2 smelting, including production of alloys, including reclaimed products (refining, casting in foundries, etc.) with production that exceeds one (1) tone/day for lead and cadmium or ten (10) tones/day for other metals.
5. Factories for surface treatment of metals and plastic materials, using electrolytic or chemical processes where the volume of treatment vats exceeds ten (10) m³.
6. Installations for surface treatment of substances or products which use organic solvents especially for coating, painting, degreasing, protection against water and colour infiltration, cleaning or pressing where the amount of solvents used exceeds one hundred (100) tonnes/year.
7. Production and processing of alloys from non-ferrous metals which contain arsenic, mercury and lead, with a capacity higher than one thousand (1,000) tonnes/year.

2. Mineral Industry

- 8.Cement factories containing rotating kilns (baking and drying) with production capacity higher than three hundred (300) ton/day or lime producing factories with rotating limekilns with a production capacity of thirty (30) tones/day or more, or containing other types of kilns with production capacity of thirty (30) tones/day or more.
9. Factories for production of materials using processes such as calcification and baking of minerals which contain toxic elements like, mercury, arsenic and cadmium.
10. Glass producing factories, including production of glass fibre, with a production capacity of ten (10) tonnes/day or more.
11. Foundries for smelting of mineral substances, including production of mineral fibres, with a production capacity of ten (10) tonnes/day or more.
12. Factories for production of ceramic products, by firing, especially production of bricks, tiles, refractory bricks, stoneware and porcelain, with a production capacity of thirty (30) tones/day or more.
13. Installations for extraction of asbestos and for the processing and transformation of asbestos and other asbestos containing products, such as: asbestos-cement products, with an annual production of more than five thousand (5,000) tones of finished products; for friction material, with annual production of more than fifty (50) tones of finished products; and for other uses of asbestos, utilization of more than two hundred (200) tones/year.
14. Factories for roasting and sintering of non-metallic minerals with a production capacity of thirty (30) tonnes/day or more.

3. Extractive Industry

- 15.Quarries and open-cast mining of clay where the surface of the site exceeds five (5) ha, or peat extraction, where the surface of the site exceeds ten (10) ha or involves the extraction of fifteen thousand (15,000) tones or more/annum.

16. Extraction and processing (except liquefaction and gasification) of coal, lignite and bituminous minerals with a production capacity of fifty thousand (50,000) tones/year or more.

4. Chemical Industry

17. Integrated activities for industrial production, through chemical processes, of single substances or groups of substances, listed in the sub-paragraphs 17.1 to 17.7:

17.1. Production of basic organic chemicals, such as:

17.1.1. simple hydrocarbons (linear or cyclic, saturated or not saturated, aliphatic or aromatic);

17.1.2. hydrocarbons which contain oxygen such as: alcohols, carboxylic acids, ethers, acetone, peroxide, epoxy resin;

17.1.3. sulphate hydrocarbons;

17.1.4. nitrogen hydrocarbons, such as amines, amides, nitrogen compounds, nitrate compounds, nitrites, cyanide, isocyanides;

17.1.5. phosphor-containing hydrocarbons;

17.1.6. halogen hydrocarbons;

17.1.7. organometallic components;

17.1.8. base plastic materials (polymers synthetic fibres and fibres with a cellulose base);

17.1.9. synthetic rubber;

17.1.10. colourings and pigments;

17.1.11. active-surface agents.

17.2. Production of basic inorganic chemicals, such as:

17.2.1. gases, like ammonia, chlorine, or hydrogen chloride, fluorine or hydrogen fluoride, carbon dioxide, sulphur compounds, hydrogen, sulphur dioxide, carbonyl fluoride;

17.2.2. acids, such as: chromic acid, hydrofluoric acid, phosphoric acid, nitric acid, hydrochloric acid, sulphuric acid, sulphurous acid;

17.2.3. bases, such as ammonium hydroxide, potassium hydroxide, sodium hydroxide;

17.2.4. salts, such as potassium carbonate, sodium carbonate, bleaches based on sodium or potassium borates, silver nitrate;

17.2.5. non metals, metal oxides and other inorganic combinations, such as: calcium carbide, silicon, silicon carbide;

17.3. Production of chemical fertilizers with a phosphate, nitrogen, or potassium base (simple or compound fertilizers);

17.4. Production of basic plant health products and biocides;

17.5. Production of basic pharmaceutical products, colours and pesticides, using a chemical or biological process;

17.6. Production of explosive substances;

17.7. Production of protein nutrition additives, ferments and other protein substances using chemical and biological processes.

5. Energy Industry

18. Thermal power stations and other combustion installations with a heat output of fifty (50) MW or more.

19. Centrals of Nuclear Energy.

20. Installation of electric lines of high voltage with minimum of two hundred and twenty (220) kV and with length longer than ten (10) km.

21. Crude oil refineries and installations for gasification and liquefaction of coal and bituminous shale and installations for reclaiming of used oils involving amounts of one hundred thousand (100,000) tonnes/year or more.

22. Installations for storage of petroleum, petrochemical, or chemical products with a capacity of one hundred thousand (100,000) tones or more.

23. Installations for storage of radioactive materials.

6. Transport Infrastructure

24. Construction of lines for long-distance railway traffic and of airports with a basic runway length of two thousand one hundred (2100) m or more.

25. Construction of a new road of two or more lanes, or realignment and/or widening of an existing road to provide two or more lanes, where such new road, or realignment and/or widened section would be five (5) km or more in continuous length.

26. Pipelines with a diameter of five hundred (500) mm or more and a length of ten (10) km or more for the transport of:

26.1. natural gas, oil or chemicals, and

26.2. carbon dioxide (CO₂) streams for the purposes of geological storage, including associated booster stations.

27. Pipelines with a diameter of eight hundred (800) mm or more and a length of forty (40) km for the transport carbon dioxide (CO₂) streams for the purposes of geological storage, including associated booster stations.

7. Food Industry

28. Manufacture and processing of food products from:

28.1. raw materials of animal origin (excluding milk) where production capacity of final product, exceeds thirty (30) tonnes/day;

28.2. raw materials of plant origin where production capacity of final product, exceeds two hundred fifty (250) tones/day (average based on the quarterly value);

28.3. milk products, where the amount of treated milk exceeds one hundred (100) tones/day (average based on annual amount);

8. Waste and Wastewater Treatment and Disposal

29. Installations for incineration, recovery, chemical treatment, or land filling of hazardous waste.

30. Facilities for municipal waste incineration, with an input of 1 tone/hour or more.

31. Landfills for non-hazardous waste, with an input of thirty (30) tonnes/day or more.

32. Plants for treatment of municipal wastewater with a capacity exceeding one hundred thousand (100,000) population equivalents.

33. Plants for treatment of industrial wastewater.

9. Water Storage, Transfer and Supply Projects

34. Groundwater abstraction or artificial groundwater recharge schemes where the annual volume of water abstracted or recharged is equivalent to or exceeds five (5) million cubic meters.

35. 1. Works for the transfer of water resources between river basins where the transfer aims at preventing possible shortages of water and where the amount of water transferred exceeds thirty (30) million m³/year.

35. 2. In all other cases, works for the transfer of water resources between river basins where the multi-annual average flow of the basin of abstraction exceeds six hundred (600) million m³/year and where the amount transferred exceeds 5% of this flow. In both cases transfers of piped drinking water are excluded.

36. Dams and other installations designed for the holding back or permanent storage of water, where a new or additional amount of water held back or stored exceeds five (5) million m³.

10. Paper, Wood, Textile and Leather Industries

37. Installations for production of paper and board exceeding one hundred thousand (100,000)m²/year.

38. Industrial plants for the:

38.1. production of pulp from timber or similar fibrous materials;

38.2. production of paper and board with a production capacity exceeding fifty (50) tonnes/day.

39. Furniture production with an input of wood or other basic material greater than ten thousand (10.000) m³/year.

40. Plants for the pre-treatment (operations such as washing, bleaching, mercerisation) or dyeing of fibres or textiles.

41. Factories for tanning of hides and skins.

11. Intensive Agriculture

42. Installations for intensive rearing of poultry, pigs or livestock with more than:

42.1. ten thousand (10,000) poultry;

42.2. five hundred (500) pigs;

42.3. one hundred (100) cattle; and

42.4. one thousand (1,000) small livestock;

12. Other Projects

43. Installations for rendering or disposal of dead animals.

44. Storage sites for the geological storage of carbon dioxide.

45. Installations for the capture of CO₂ streams for the purposes of geological storage from installations covered by this Annex or where the total yearly capture of CO₂ is 1,5 megatons or more.

46. Any change or extension to projects listed in this Annex where such a change or extension in itself meets the thresholds, if any, set out in this Annex.

Annex VI

Projects listed in Annex II of national EIA Law

1. Agriculture, forestry and fishing:

- 1.1. Projects for the use of uncultivated land or semi-natural areas for intensive agricultural purposes;
- 1.2. Water management projects for agriculture, including irrigation and land drainage projects;
- 1.3. Initial afforestation and deforestation, for the purposes of conversion to another type of land use;
- 1.4. Intensive fish farming.

2. Extractive industry

- 2.1. Quarries, stone crushers, open-cast mining and peat extraction including sites identified for municipally managed artisan mining (projects which are not included in Annex I);
- 2.2. Underground mining;
- 2.3. Extraction, crumbling and other minerals by dredging of river beds;
- 2.4. Deep drillings, in particular:
 - 2.4.1. Geothermal drilling; and
 - 2.4.2. Drilling for water supplies, with the exception of drillings investigating the stability of the soil;
- 2.5. Surface installations for extraction of coal, lignite and bituminous minerals (projects which are not included in Annex I);

3. Energy Industry

- 3.1. Industrial installations for the production of electricity, steam and hot water (projects not included in Annex I);
- 3.2. Industrial installations for carrying gas, steam and hot water; transmission of electrical energy by overhead cables (projects not included in Annex I);
- 3.3. Surface storage of natural gas;
- 3.4. Underground storage of combustible gases;
- 3.5. Surface and underground storage of fluid combustible materials (projects not included in Annex I) and storage in land surface of fossil carburants;
- 3.6. Industrial briquetting of coal and lignite;
- 3.7. installations for the processing and storage of radioactive waste (unless included in Annex I);
- 3.8. Installations for hydroelectric energy production (projects not included in Annex I);
- 3.9. Installations for harnessing of wind power for energy production; 3.9.continuous radiate resources (ionizing and non-ionizing).
- 3.10. Installations for the capture of CO₂ streams for the purposes of geological storage (installations not covered by Annex I);

4. Production and processing of metals

- 4.1. Installations for the production of pig iron or steel with continuous casting;
- 4.2. Installations for the processing of ferrous metals (projects not included in Annex I);
- 4.3. Ferrous metal foundries (projects not included in Annex I);
- 4.4. Installations for the smelting, including the alloyage, of non-ferrous metals, including reclaimed products (refining, foundry casting etc.), (projects not included in Annex I);
- 4.5. Installations for surface treatment of metals and plastic materials (projects not included in Annex I);
- 4.6. Manufacture and assembly of motor vehicles and manufacture of motor-vehicle engines;
- 4.7. Installations for the roasting and sintering of metallic ores;
- 4.8. Installations for building and repairing airplanes;
- 4.9. Production of railway equipment;
- 4.10. Disintegration with explosive

5. Mineral industry

- 5.1. Coke ovens (dry coal distillation);
- 5.2. Installations for the manufacture of cement (projects not included in Annex I);
- 5.3. Installations for the production of asbestos and the manufacture of asbestos- products (projects not included in Annex I);
- 5.4. Installations for production of glass including glass fibre (projects not included in Annex I);
- 5.5. Installation for smelting mineral substances including production of mineral fibres (projects not included in Annex I);
- 5.6. Manufacture of ceramic products by firing, in particular roofing tiles, bricks, refractory bricks, tiles, stoneware or porcelain (projects not included in Annex I);
- 5.7. Factories for asphalt production;
- 5.8. Factories for beton production.

6. Chemical industry

- 6.1. Treatment of intermediate products and production of chemicals;
- 6.2. Production of pesticides and pharmaceutical products, paint and varnishes, elastomers and peroxides (projects not included in Annex I);
- 6.3. Storage facilities for petroleum, petrochemical and chemical products.

7. Food industry

- 7.1. Manufacture of vegetable and animal oils and fats (projects not included in Annex1);
- 7.2. Packing and canning of animal and vegetables products;
- 7.3. Manufacture of dairy products (projects not included in Annex I);
- 7.4. Brewing of beer (projects not included in Annex I);
- 7.5. Confectionery and syrup manufacture (projects not included in Annex I);
- 7.6. Installations for the slaughter of animals;
- 7.7. Industrial installations for production of farina;
- 7.8. Sugar factories (projects not included in Annex I).

8. Textile, leather, wood and paper industry

- 8.1. Factories for the production of paper and board (projects not included in Annex I);
- 8.2. Plants for pre-treatment (washing, bleaching, mercerization) or dyeing of fibres or textiles (projects not included in Annex I);
- 8.3. Plants for the tanning of hides and skins.
- 8.4. Cellulose-processing and production installations.

9. Rubber Industry

- 9.1. Manufacture and treatment of elastomer-based products.

10. Infrastructure projects

- 10.1. industrial estate development projects;
- 10.2. urban development projects, including the construction of shopping centres and car parks;
- 10.3. construction of railways and intermodal transshipment facilities, and of intermodal terminals (projects not included in Annex I);
- 10.4. constructions for airports and Airfields (projects not included in Annex I);
- 10.5. construction of roads (projects not included in Annex I);
- 10.6. inland waterway construction or modification;
- 10.7. flood prevention projects including modifications to river channels (projects not included in Annex I);
- 10.8. dams or other installations designed to hold water or store it on long-term basis (projects not included in Annex I);
- 10.9. Construction or modification of tramways, elevated or underground railways, suspended lines or similar lines of a particular type, used exclusively or mainly for passenger transport;

- 10.10. Oil and gas pipeline installations and pipelines for the transport of CO₂ streams for the purposes of geological storage (projects not included in Annex I).
- 10.11. Groundwater abstractions and artificial groundwater recharge schemes (projects not included in Annex I);
- 10.12. Works for the transfer of water resources between river basins (projects not included in Annex I).

11. Tourism and leisure

- 11.1. Ski-runs, ski-lifts, and cable cars and associated activities;
- 11.2. Holiday villages and hotel complexes outside urban areas and associated developments;
- 11.3. Permanent camp and caravan sites;
- 11.4. Theme parks;
- 11.5. Infrastructure installations in protected zones, not included in spatial plans.

12. Other projects

- 12.1. Permanent racing and test tracks for motorized vehicles;
- 12.2. Installations for the disposal of waste (projects not included in Annex I);
- 12.3. Waste- water treatment plants (projects not included in Annex I);
- 12.4. Sludge deposition sites (projects not included in Annex I);
- 12.5. Storage of scrap iron and other metals, including scrap vehicles;
- 12.6. Installations for the manufacture of artificial mineral fibres (projects not included in Annex I);
- 12.7. Installations for the recovery or destruction of explosive substances;
- 12.8. Sites for disposal of industrial non-hazardous waste;
- 12.9. Sites for storage and processing of dead and unwanted animals (projects not included in Annex I);
- 12.10. Food industries (projects not included in Annex I or under section 7 above).
- 12.11. Any change or extension of projects given in Annex I or Annex II already authorized, executed or in the process of being executed, which may have significant adverse effects on the environment (change or extension not included in Annex I);
- 12.12. Projects in Annex I, undertaken exclusively or mainly for development and testing of new methods or products and not used for more than two (2) years.

Annex VII

List of activities that subjugate to the Municipal Environmental Permit

1. Auto-services,
2. Car-washes;
3. Auto services up to 20 vehicles;
4. Outlets of gas (LNG) to 5 m³;
5. Petrol station with capacity up to 50 m³;
6. Saw for wood material;
7. Factory for wood processing, joinery, etc. up to 1000 m³/year;
8. Furnace for production of bread and other flour products;
9. Sewage wastewater network and their rehabilitation with the length to 5 km;
10. Construction and rehabilitation of water supply, in lengths up to 5 km;
11. Reconstruction of existing roads and construction of new road axes (length up to 5 km);
12. Butcheries;
13. Production of lime;
14. Production of concrete and prefabricated elements, tiles etc. capacity designed to 2 m³;
15. Storage of construction and demolition waste for the Municipalities that have less than 60,000 inhabitants;
16. Growth of fish in artificial ponds, surface up to 300 m²;
17. Swimming pools, without hotel facilities and auxiliary buildings;
18. Marble processing workshops;
19. Construction of collective housing buildings and services (catering, trade, commercial, business etc.) with the surface based on 450 m² or total area over 1500 m²;
20. The activity of compost, with total amount, up to 100 m³ or 40 tons/year;
21. Warehouse for fertilizers and pesticides;
22. Food service facilities (kebab, confectionery, popular kitchen, restaurants etc.)
23. Places or centres for the collection and accumulation of waste, which is stored as solid waste (plastic, paper and glass) in quantities up to 30 tons;
24. Installations for intensive rearing of poultry, swine, cattle and large flocks that have less than: 5000 birds; 250 pigs; 50 cattle; 500 small livestock;
25. Installations for harnessing of wind power for energy production, up to 100 kW/h;
26. Solar power systems and Photovoltaic systems of energy/steam production, up to 100 kW/h;
27. Charging stations for mobile telephone;

28. Places of livestock in open and closed places;
29. Storage and trading points of building materials;
30. Craft centres;
31. Services (servicing of technical and electronic equipment);
32. Photographic studios;
33. Manufacture of plastic doors and windows.