EDFI European Development Finance Institutions

# Harmonised EDFI Fossil Fuel Exclusion List

*The following investment exclusions are considered as a minimum common requirement by all EDFI members for all new Direct Financing (Debt or Equity), for Indirect Equity through new commitments to investment funds, and new dedicated lending[1] via financial institutions:*

- Coal prospection, exploration, mining or processing
- Oil exploration or production
- Standalone fossil gas exploration and/or production[2]
- Transport and related infrastructure primarily[3] used for coal for power generation
- Crude Oil Pipelines
- Oil Refineries
- Construction of new or refurbishment of any existing coal-fired power plant (including dual)
- Construction of new or refurbishment of any existing HFO-only or diesel-only power plant[4] producing energy for the public grid and leading to an increase of absolute $CO_2$ emissions[5]
- Any business with planned expansion of captive coal used for power and/or heat generation[6]

[1] "Dedicated lending" is defined for these purposes as loans conditioned by a use of funds clause specifying that such financing will be used for one or more of the purposes described.
[2] Gas extraction from limnically active lakes is excepted from this exclusion.
[3] "Primarily" means more than 50% of the infrastructure's handled tonnage.
[4] For indirect equity through investment funds, investments (up to a maximum of 20% of the fund) in new or existing HFO-only or diesel-only power plants are allowed in countries that face challenges in terms of access to energy and under the condition that there is no economically and technically viable gas or renewable energy alternative.
[5] I.e. where energy efficiency measures do not compensate any capacity or load factor increase.
[6] This does not apply to coal used to initiate chemical reactions (e.g. metallurgical coal mixed with iron ore to produce iron and steel) or as an ingredient mixed with other materials, given the lack of feasible and commercially viable alternatives.

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