

# Environmental Monitoring Report

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Semi-annual Report  
December 2016

## KAZ: Small and Medium Enterprise Investment Program - Tranche 2

Prepared by JSC Entrepreneurship Development Fund “Damu” for the Asian Development Bank.

This environmental monitoring report is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature.

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Asian Development Bank

# Semi – annual Safeguards Monitoring Report

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Loan Number

3093 - KAZ

## Kazakhstan: Small and Medium Enterprise Investment Program – Tranche 2

Produced by JSC "Entrepreneurship Development Fund "Damu" for the Asian Development Bank

The Framework Agreement on financing (hereinafter – the Agreement) was concluded on May 12<sup>th</sup>, 2011 between the Government of the Republic of Kazakhstan, Asian Development Bank (hereinafter – ADB) and JSC Entrepreneurship Development Fund “Damu” (hereinafter - the Fund), under which ADB has opened a credit line to the Fund in the form of multi-tranche financing mechanism in the amount of 500 mln. US dollars in order to implement the Small and Medium Enterprise Investment Program.

The agreement was signed for the development of SMEs in the framework of Business Road Map 2020 program through the supporting programs of the Fund, the diversification of economy, creating new jobs and the possibility of obtaining the resources from the third party.

During the attraction of the 2<sup>nd</sup> tranche the international consultants hired by ADB together with the employees of the Fund's carried out preliminary verification of financial condition of Participating Financial Institutes (hereinafter – PFI) and examined environmental and social management systems of PFIs (Due Diligence), as a result of which ADB determined the following PFIs:

1. JSC “Bank CenterCredit” – 11.1 billion tenge;
2. JSC “Tsesnabank” – 11.1 billion tenge.

From July 1 to December 31, 2016 the PFIs financed **545** subprojects in the various economic sectors in the amount of **9 197 835 351** tenge under 2<sup>nd</sup> tranche of ADB.

1. JSC “Bank CenterCredit” funded **483** SME subprojects in the amount of **8 239 039 657** tenge, including the following environmental categories of the projects:

Category «C» - 274 subprojects in the amount of 4 944 874 900 tenge.

Category «B» - 209 subprojects in the amount of 3 294 164 757 tenge.

2. JSC “Tsesnabank” funded **62** SME subprojects in the amount of **958 795 694** tenge, including the following environmental categories of the projects:

Category «C» - 58 subprojects in the amount of 920 295 694 tenge.

Category «B» - 4 subprojects in the amount of 38 500 000 tenge.

In 2016, an internal distance training of staff of JSC “Tsesnabank” branches was held by employees of Department on state programs.

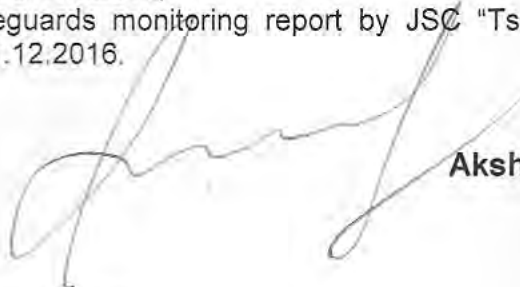
In 2016 there was a training held on assessment of environmental and social risks of enterprises for Head office employees and Almaty branch employees of JSC “Bank CenterCredit”.

Selected subprojects under the process of screening and evaluation were classified in accordance with the ADB's Safeguard Policy Statement and the laws of the Republic of Kazakhstan for the environment. Financing was allowed to the subprojects that do not have or have a minimum, or site-specific environmental impacts (categories B or C). The subprojects involving involuntary resettlement were excluded from financing. The above-mentioned projects satisfy all national laws and regulations of Kazakhstan and do not involve activities prohibited by ADB. In order to identify and categorize a subproject and check its suitability for financing the check-list was applied.

**Annex:**

1. Outline of semi-annual safeguards monitoring report by JSC “Bank CenterCredit” for the period from 01.07.2016 to 31.12.2016;
2. Outline of semi-annual safeguards monitoring report by JSC “Tsesnabank” for the period from 01.07.2016 to 31.12.2016.

**Deputy Chairman of the Board**



**Akshanov Nurlan**

Executed by: Kabiyeva A., Tel.: +7 (727) 244-55-66 (ext. 2212)

### Report on safeguard measures monitoring

Name of Organization	JSC Bank CenterCredit		
Completed by (name):	S.A.Tsoy		
Position in organization:	Principal specialist	Date:	17.01.2017
Reporting period	From: 01.07.2016		To: 31.12.2016

#### A. Environmental and Social Management System (ESMS)

Policies & Processes	Yes/No	
If there is an ESMS already in place, have there been any updates to the ESMS or policy and procedures adopted by your organization during the reporting period?	No	<i>Procedure of observance of the Environmental and Social Management System (ESMS) by employees JSC Bank CenterCredit was approved by Decision of Management Board No. 210 dd. 27.05.2013.</i>
Has your organization developed and implemented an ESMS?	No	<i>No changes made.</i>
Has your organization appointed staff tasked to implement the ESMS?	Yes	<i>Dastan Baisalbayev – Head of Small Business Division of Corporate Finance Department</i>
Please give details of any transactions rejected due to environmental and/or social concerns.	No	<i>Applications being received were not rejected due to environmental and/or social aspects.</i>
Please state any difficulties and/or constraints related to the implementation of the ESMS.	Yes	<i>Environmental and Social Management System operates in the Bank, but there is a need for advanced training of employees of State Programmes Unit on the issues of ESMS.</i>
Please describe how you ensure that your subproject companies and their subprojects are operated in compliance with the national laws and regulations and applicable ADB's requirements.	Yes	<i>The work is conducted with clients; consultations are held by request of ADB; all necessary documents are requested.</i>
Please give details of any material social and environmental issues associated with clients during the reporting period in particular.	No	<i>Clients and projects are standard; important environmental and social issues have not been received.</i>
In case the existing ESMS is not fully functional, what is the action plan being implemented by your organization?	Yes	<i>The analysis will be conducted for detecting weaknesses of the existing ESMS; then changes will be made thereto in consideration of the applicable legislation of Kazakhstan.</i>
Capacity	Yes/No	
Please provide the name and contact information of the Environmental/Social Officer or Coordinator who has the overall responsibility for the implementation of ESMS.	Yes	<i>Dastan Baisalbayev – Head of Small Business Division of Corporate Finance Department</i>
Please, describe actions taken in the sphere of trainings and studies attended by Environmental/Social Officer during the year.	Yes	<i>Training for assessment of enterprises' (Bank borrowers) social and ecological risks was held in 2016 for RMs and credit analysts of Almaty City Branch and HO employees.</i>
Please provide current staffing or other	Yes	<i>Head Office: employees of Credit Analysis</i>

core ESMS persons in the organization involved with ESMS implementation.		<i>Division, Small Business Division, Mid-size and Large Business Division, State Programmes Unit. Branches: RMs and Credit Analysts. RM and Credit analysts at branches.</i>
What was the budget allocated to the ESMS and its implementation during the year?	No	<i>No specific budget provided for ESMS. Department Directors should be accountable for issues relating to ESMS.</i>
<b>Monitoring</b>	Yes/No	
Do you receive environmental and social monitoring reports from subproject companies that you finance?	No	<i>Clients fill in check lists upon submitting loan applications. We develop our work with clients according to the data presented in check lists. During the whole period of the financing instrument validity the branch staff monitors the client's activity. There is no need to request reports.</i>
Do you check for ongoing compliance of your subproject companies with national regulation and any other requirements?	Yes	<i>During the whole period of the financing instrument validity the branch staff monitors the client's activity. Documentary monitoring and on-site monitoring of the activity under the project is performed. During actions mentioned above compliance with the current legislation of Kazakhstan and requirements of ADB is checked.</i>
Please describe how you monitor the subproject company and their subproject's social and environmental performance.	Yes	<i>Visit to the place of the project implementation is performed by RMs and Credit Analysts of the branch in terms of all applications. The visit results are reflected in the Expert's opinion of the project.</i>
Please provide details of any accidents/litigation/complaints/regulatory notices and fines: Any incidents of non-compliance with the applicable Environmental and Social Requirements Covenants/conditionalities imposed by the Bank to the subproject company as a result of any non-compliance	No	<i>There have been no precedents.</i>
<b>Reporting</b>	Yes/No	
Is there an internal process to report on social and environmental issues to senior management?	No	
Do you prepare any social and environmental reports: For other multilateral agencies Other stakeholders E&S reporting in the Annual Report Sustainability reports	Yes	<i>The bank prepares environmental and social management reports for IFC; environmental management reports for FMO.</i>

#### Activities on ADB's Prohibited Investment Activities List

If any, please indicate the dollar percentage of loans or investments out of your total outstanding exposure provided to clients who are substantially	0%
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involved in ADB's Prohibited Investment Activities List (See Annex 1).	
If the percentage is not zero, please explain these exposures and any steps having been taken to reduce such exposure.	

## B. Subprojects Using ADB Funds

Financed projects economy sector	Projects number	Total amount of loans	Categories (C/B)
1- Plant growing and animal breeding, hunting and services in these spheres	18	484 769 447.4	B
10- Production of food products	24	294 113 944.3	C
18- Printing and reproduction of recorded materials	1	14357138	C
20- Production of chemical industry products	1	9 000 000	B
21- Production of main pharmaceutical goods	1	19 588 547.1	B
22- Production of rubber and plastic products	3	18 068 532.18	C
23- Production of other non-metallic mineral products	4	52 569 126.28	B
25- Production of ready metallic articles except for the machines and equipment	3	49 250 000	B
28- Production of machines and equipment not included into other categories	1	1 325 402	B
31- Furniture production	1	14 059 934	B
33- Maintenance and installation of machines and equipment	5	20 975 455.38	B
41- Construction of buildings and constructions	22	318 269 976.4	B
42- Civil construction	4	286 116 664	B
45- Wholesale and retail trade of cars and motorcycles, their repair	9	94 512 372.58	B
46- Wholesale trade except for cars and motorcycles	103	1 078 295 254	B
47- Wholesale trade except for cars and motorcycles	64	1 634 175 826	C
49- Overland transport and pipelines transportation	16	440 190 298	B
52- Overland transport and pipelines transportation	3	66 173 344	C
55- Overland transport and pipelines transportation	14	342 254 133	B
56- Services of provision of food and drinks	6	79 988 146.48	B
62- Computer programming, consultations and other associated services	1	3 000 000	B
64- Financial services, except for the services of insurance and pension funds	55	483 869 216	C
68- Operations with real estate	20	530 254 760.3	C
69- Activity in the sphere of rights and accounting	4	8 836 160.86	C
71- Activity in the sphere of architecture, engineering surveys, technical tests and analysis	1	20 83 326	C

73- Advertising and market research	2	20 743 694.34	C
74- Other professional, scientific and technical activity	1	1 293 104	C
75- Veterinary	1	4 275 303.24	C
77- Rent, hiring, leasing	9	234 117 627	C
82- Activities in the sphere of administration and management, domestic and other support services	2	28 757 142	C
85- Education	3	50 690 780	C
86- Public health activity	26	613 468 548.1	C
93- Activity in the sphere of sport and leisure	2	40 654 576	C
96- Provision of other individual services	53	898 941 878.1	C
<b>Total</b>	<b>483</b>	<b>8 239 039 657.61</b>	

### Summary reconciliation list of sub-projects

ISSUES	Yes	No	NOTE
A. Compliance with the laws and/or by-laws (for current small and medium-sized enterprises) Have the projects breached any of the applicable environmental, security and health protection laws and by-laws and social laws of the Republic of Kazakhstan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
B. ADB list of the activity types prohibited for financing. Are types of activities within the project included into the ADB list of the activity types prohibited for financing specified in Annex 1-2 of the Loan Contract concluded with JSC Damu Entrepreneurship Development Fund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
C. Projects with negative environmental and social affect of high level (Category A) Did the projects proposed for financing have potentially considerable environmental and/or social affect or did they have environmental and/or social risk of high level?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
D. Potential social influences			
Projects:			
- Did they use the land which was purchased for public needs?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
- Were they a reason of migration / transition of leaseholders / tenants or unofficial land users (persons without legal rights in land use / those who illegally occupied the land)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
- Were they a reason why people lost or would have restricted access to natural resources, constant locality or communal infrastructure?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
- Did they directly or indirectly influence ethnic minorities in the project zone, who (i) live collectively in order to clearly determine the place of habitation or inherited territories, (ii) speak their own language or dialect, and (iii) were historically, socially and economically forced off or discriminated.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Were the loans used for:			
• Purchase of the lands, constructions (commercial or residential real estate)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
– Purchase of assets / or business expansion, which will result in eviction / movement of leaseholders, tenants or formal and informal assets users.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
• Purchase of assets which will become the reason why people or certain communities / groups of ethnic minorities or poor people would lose access to: 1. Natural resources; 2. Constant locality; 3. Ordinary activity; 4. Communal infrastructure.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
• Purchase of assets / or business expansion, which will result in risk facilitation and increase: 1. Breach of labour code standards, including use of child labor; 2. Deterioration of situation of the ethnic minorities groups in the area of the project (connected with their personalities, status, subsistence, cultural uniqueness); 3. Human trafficking.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

**C. Sustainable Finance (subprojects with environmental and social benefits) by fund of ADB Programme**

Sustainable finance		
Have you made any investments in subprojects that have social and environmental benefits such as investing in management systems, energy efficiency, renewable energy, cleaner production, carbon finance, pollution abatement and control, sustainable supply chain, corporate social responsibility, community development, etc.? Please list these in the format provided below:		
Subproject Name	Value financed by the Financial Institution (KZT million)	Type of social and environmental benefit
-	-	-

Director of Corporate Finance Department

M.M. Nurgazin

Prepared by:  
S.A. Tsoy  
Tel: 8-727-2-598-598  
Ext. 10888

*Depeboqnick* *Pravopisnyy A. Ue*  
*Pravopisnyy*



**PROTECTIVE MEASURES MONITORING REPORT  
WITHIN THE ADB PROGRAM - TRANCHE II**

Name of Organization	Tsesnabank JSC		
Completed by (name):	R. Uzhakhova		
Position in organization:	Chief Specialist of AWSP DSP	Date:	January 13, 2017
Reporting period	From: July 1, 2016	To: December 31, 2016	

**A. Environmental and Social Management System (ESMS)**

<b>Policies &amp; Processes</b>	<b>Yes/No</b>	<b>The Banks' Comments</b>
Have there been any updates to the ESMS or to the policy and procedures adopted by your organization during the reporting period?	No	
Has senior management signed off on the updated policy/procedure?	No	
Has your organization appointed staff tasked to implement the ESMS?	Yes	I. As ESMS Supervisors in the Bank – responsible for implementation of the Environmental and Social Responsibility Policy of Tsesnabank JSC and ESMS coordination by the Order of the Management Board Chairman: 1) Director of the Department on state programs; 2) Director of the Department of credit risks of business projects are appointed. II. As Responsible Employees for environmental and social issues by the Orders of the Management Board Chairman employees and heads of risk management subdivisions and employees and heads of credit subdivisions of the Head Office/the Bank's Affiliates are appointed.
Please give details of any transactions rejected due to environmental and/or social concerns.	No	
Please state any difficulties and/or constraints related to the implementation of the ESMS.	No	
Please describe how you ensure that your subproject companies and their subprojects are operated in compliance with the national laws and regulations and applicable ADB's requirements.	See the Bank's comment	I. The Bank requests from the client – the initiator – copies of activity authorization documents (if applicable in accordance with normative and legal requirements of RK). II. The potential borrower completes the screening checklist for above subprojects (Environmental and Social Impact Evaluation Criteria) in accordance with the Annex to the Credit Agreement concluded between the Bank

		<p>and "Damu" Entrepreneurship Development Fund" JSC, as well as completes an additional questionnaire for Category B Projects which results form for the employees of the Bank conclusions about:</p> <ul style="list-style-type: none"> <li>- acceptability for financing;</li> <li>- necessity to refuse financing;</li> <li>- necessity to receive additional information/documentation for the project;</li> <li>- detected inconsistencies;</li> <li>- necessary actions for elimination of inconsistencies;</li> <li>- recommendations for environmental and social issues obligatory for inclusion into the Environmental Management Plan (EMP).</li> </ul> <p>III. The Bank realizes the Monitoring for fulfillment of environmental and social requirements for all financed Category B Projects not less than once in half a year, including the monitoring of the Plan for elimination of violations.</p>
Please give details of any material social and environmental issues associated with clients during the reporting period in particular.	No	
In case the existing ESMS is not fully functional, what is the action plan being implemented by your organization?	See the Bank's comment	In case if the existing ESMS does not operate to the full extent, the Bank will modify it.
<b>Capacity</b>	<b>Yes/No</b>	<b>The Bank's Comments</b>
Please provide the name and contact information of the Environmental/Social Officer or Coordinator who has the overall responsibility for the implementation of ESMS.	See the Bank's comment	<p>As ESMS Supervisors in the Bank – responsible for implementation of the Environmental and Social Responsibility Policy of Tsesnabank JSC and ESMS coordination by the Order of the Management Board Chairman:</p> <p>1) Director of the Department on state programs – Tursunkhanov Murat Nauryzbayevich, e-mail address: M.Tursunhanov@TSB.KZ;</p> <p>2) Director of the Department of credit risks of business projects – Rakishev Rustem Maratovich, e-mail address: Rakishev_PM@TSB.KZ. are appointed.</p>
Please describe the training or learning activities the Environmental/Social Officer or Coordinator attended during the year.	Yes	Internal distance training of staff of bank branches was held by employees of Department on state programs.

Please provide information about current staff or other key persons of ESMS in the organization involved in ESMS implementation.	Yes	<p>I. As ESMS Supervisors in the Bank – responsible for implementation of the Environmental and Social Responsibility Policy of Tsesnabank JSC and ESMS coordination by the Order of the Management Board Chairman:</p> <p>1) Director of the Department on state programs;</p> <p>2) Director of the Department of credit risks of business projects</p> <p>are appointed.</p> <p>II. As Responsible Employees for environmental and social issues by the Orders of the Chairman of the Management Board the employees and heads of risk management subdivisions and employees and heads of credit subdivisions of the Head Office/the Bank's Affiliates (171 persons) are appointed.</p>
What was the budget allocated to the ESMS and its implementation during the year?	See the Bank's comment	There are no traveling expenses connected with carrying out corporate training for employees of Head Office and branches on a topic "An order of ecological and social management system observance within the Investing program of Asian Development Bank on development of small and medium-sized business - Tranche II in Tsesnabank JSC in connection with carrying out of on-site training by ADB's consultant and remote training of other staff of branches of Tsesnabank JSC.
<b>Monitoring</b>	<b>Yes/No</b>	<b>The Bank's Comments</b>
Do you receive environmental and social monitoring reports from subproject companies that you finance?	Yes	The realization by the Bank of the Monitoring for environmental and social requirements for all financed Category B Projects not less than once in half a year, including the monitoring of the Plan for elimination of violations.
Do you check for ongoing compliance of your subproject companies with national regulation and any other requirements on a continuous basis?	See the Bank's comment	In accordance with internal documents of the Bank for all projects, not less than once a year, the advanced monitoring with visiting the business site for review of aspects including social and environmental issues is realized. By the decision of the Authorized body of the Bank the period of the Monitoring may be reduced.
Please describe how you monitor the subproject company and their subproject's social and environmental performance.	See the Bank's comment	The Bank controls the social and environmental performance of the subproject on the basis of semi-annual Monitoring reports on fulfillment of environmental and social requirements

		<p>for all financed projects of category B created on the basis of monitoring or on the basis of the inspections which are carried out by supervisory authorities.</p> <p>As well as on the basis of the borrower's notifications in accordance with the obligations stipulated in the Contracts concluded between the Bank and the Borrower:</p> <p>1) To notify the Bank about any violations of environmental requirements, about emergencies and accidents which have significantly affected or may affect performance indices in the environmental and social areas, as well as in the area of health protection and labor safety with-in 3 (three) working days;</p> <p>2) In case of detection of any unforeseen environmental and/or social risks and consequences during realization of any project, within 3 (three) working days from the date of establishment of this fact, to notify the Bank about the occurrence of these risks or consequences, with detailed description of the event and with the proposed Plan of corrective actions.</p>
<p>Please provide details of any accidents/litigation/complaints/regulatory notices and fines:</p> <ul style="list-style-type: none"> <li>- Any incidents of non-compliance with the applicable Environmental and Social Requirements</li> <li>- Covenants/conditionality imposed by the Bank to the subproject company as a result of any non-compliance</li> </ul>	No	Such incidents were not observed.
<b>Reporting</b>	<b>Yes/No</b>	<b>The Bank's Comments</b>
Is there an internal process to report on social and environmental issues to senior management?	See the Bank's comment	<p>The Responsible Employee of the Managements of transactions structuring of the Department on state programs (AWSP DSP) maintains reporting on issued credits, concluded contracts and considered projects within the ADB Program with indication of the borrower's name, the project's economic sector and category which is provided on a weekly basis to the ESMS Supervisor (Director of DSP).</p> <p>The Responsible Employee of AWSP DSP also tracks the availability of EMP for Category B Projects.</p>
Do you prepare any social and environmental reports:	No	



- For other multilateral agencies		
- Other stakeholders		
- E&S reporting in the Annual Report		
- Sustainability reports		

Activities on ADB's Prohibited Investment Activities List	
If any, please indicate the dollar percentage of loans or investments out of your total outstanding exposure provided to clients who are substantially involved in ADB's Prohibited Investment Activities List (Refer to Attachment 1).	0%
If the percentage is not zero, please explain these exposures and any steps having been taken to reduce such exposure.	

**B. Subprojects Using ADB Funds**

Economy sectors of financed projects	Number of projects	Total amount of credits, tenge	Categories (C/B)
52213- Terminals services	1	1 500 000	C
46909- Wholesale trade by a broad range of goods without any specification	1	2 000 000	C
47641- Retail trade by the sports equipment in specialized shops	2	2 340 000	C
55102- Provision of services by hotels without restaurants	1	17 000 000	C
46909- Wholesale trade by a broad range of goods without any specification	6	12 958 000	C
47111- Retail trade mainly food, including drinks and tobacco products in un-specialized shops	3	28 300 000	C
71120- Activities in the field of engineering researches and provision of technical consultations in this area	1	20 000 000	C
18120- Other types of printing production	1	4 286 007	C
49390 - The other types of surface passenger traffic which aren't referred to other categories	1	27 500 000	C



46431- Wholesale trade by the household equipment	2	19 500 000	C
47789- Other retail trade in specialized shops	1	30 000 000	C
47789- Other retail trade in specialized shops	3	100 000 000	C
47785- Other retail trade in the specialized shops which are shopping facilities with the floor space more than 2000 sq.m (2000 sq.m and above)	4	285 714 286	C
49390- The other types of land passenger traffic which aren't referred to other categories	1	25 000 000	C
18120- Other types of printing production	5	16 027 830	C
46431- Wholesale trade by the household equipment	7	46 700 000	C
46909- Wholesale trade by a broad range of goods without any specification	2	3 941 000	C
47111- Retail trade mainly food, including drinks and tobacco products in unspecialized shops	11	70 400 000	C
47785- Other retail trade in the specialized shops which are shopping facilities with the floor space more than 2000 sq.m (2000 sq.m and above)	1	71 428 571	C
47789- Other retail trade in specialized shops	4	135 700 000	C
<b>Total for Category C</b>	<b>58</b>	<b>920 295 694</b>	
41202- Construction of non-residential buildings	3	15 500 000	B
41201- Construction of residential buildings	1	23 000 000	B
<b>Total for Category B</b>	<b>4</b>	<b>38 500 000</b>	
<b>Total:</b>	<b>62</b>	<b>958 795 694</b>	

**Screening Checklist for Abovementioned Subprojects**  
**Environmental and Social Impact Evaluation Criteria**

QUESTIONS	Yes	No	NOTE
A. Observation of the requirements of laws and/or bylaws (for operating small and medium entrepreneurship)		✓	

Did you violate any of applicable laws and bylaws of the Republic of Kazakhstan about environment protection, security, healthcare and social laws			
B. The ADB's Prohibited Investment Activities List Were the types of activity of subprojects indicated above included into the ADB's Prohibited Investment Activities List specified in Annex 1-2 of the Credit Agreement concluded with "Damu" Entrepreneurship Development Fund" JSC?		✓	
C. Projects with unfavorable environmental and social impact of high level (Category A) Did the projects proposed for financing have a potentially significant environmental and/or social impact or impact presenting high degree environmental and/or social risk?		✓	
D. Potential social impacts			
Projects:			
- Was the land purchased for public needs used for projects		✓	
- Were the projects the reason of moving / relocating the tenants / renters or non-formal land users (people without legal rights for land use / people who have seized the land illegally)?		✓	
- Were the projects the reason of the effect that people will lose or will have a limited access to natural resources, permanent place of residence or municipal infrastructure?		✓	
- Did the projects have impact on ethnic minorities in the project area which (i) support collective organization for precise determination of their place of residence or inherited territories, (ii) speak in their language or dialect, and (iii) were historically, socially and economically separated or discriminated.		✓	
Were credits used for:			
• Purchase of land, structures (commercial or residential real estate)	✓		
- Purchase of assets and/or expansion of business that will lead to departure / relocation of tenants, renters or formal and non-formal users of assets.		✓	
• Purchase of assets that will become a reason of the effect that people or certain communities / groups of ethnic minorities or poor people will lose access to: 1. natural resources; 2. permanent places of residence; 3. regular activity; 4. municipal infrastructure		✓	
• Purchase of assets and/or business expansion that will lead to promotion and increase of the risk of 1. violation of standards of labor code, including child labor use; 2. lag of the groups of ethnic minorities in the area of project implementation (connected with their personality, title, nutrition system, cultural singularity); 3. trafficking in people.		✓	

**C. Sustainable Finance (subprojects with environmental and social benefits) at the expenses of ADB Program funds**

Sustainable finance		
Have you made any investments in subprojects that have social and environmental benefits such as investing in management systems, energy efficiency, renewable energy, cleaner production, carbon finance, pollution abatement and control, sustainable supply chain, corporate social responsibility, community development, etc.? Please list these in the format provided below:		
Subproject Name	Value financed by the Financial Institution (tenge)	Type of social and environmental benefit
-	-	-

Deputy Chairman of the Management Board



A. Djailaubekova