

# Environmental Monitoring Report

---

Semi-annual Report  
December 2017

## 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.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

**Asian Development Bank**

# Semi – annual Safeguards Monitoring Report

---

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, 2017 the PFIs financed **594 subprojects** in the various economic sectors in the amount of **11 440 707 463,51 tenge** under 2<sup>nd</sup> tranche of ADB.

1. **JSC “Bank CenterCredit”** funded **199 SME subprojects** in the amount of **4 892 943 030,00 tenge**, including the following environmental categories of the projects:

Category «C» - 176 subprojects in the amount of 4 086 980 520 tenge.

Category «B» - 23 subprojects in the amount of 805 962 510 tenge.

2. **JSC “Tsesnabank”** funded **395 SME subprojects** in the amount of **6 547 764 433,51 tenge**, including the following environmental categories of the projects:

Category «C» - 369 subprojects in the amount of 6 111 331 585,41 tenge.

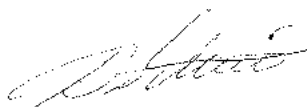
Category «B» - 26 subprojects in the amount of 436 432 848,10 tenge.

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 01.07.2017 to 31.12.2017;
2. Outline of semi-annual safeguards monitoring report by JSC “Tsesnabank” for the period from 01.07.2017 to 31.12.2017.

**Deputy Chairman of the Board**



**Daulet Abilkairov**



**SAFEGUARDS MONITORING REPORT**

Organization's Name	JSC Bank CenterCredit		
Prepared by (full name):	M.M.Tokanbayeva		
Title in organization:	Principal specialist	Date:	15.01.2018
Reporting period	from: 01.07.2017		until 31.12.2017

A.

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

<b>Policies and processes</b>	<b>Yes / No</b>	
Were there any updates of ESMS or policies and procedures adopted by your organization during the reporting period?	No	Procedure on compliance with "Environmental and Social Management System (ESMS)" by JSC Bank CenterCredit employees was approved by Resolution of the Management Board No. 210 dated 27.05.2013.
Did management approve updated policy/procedure?	No	No amendments were introduced
Did your organization appoint a personnel responsible for implementation of ESMS?	Yes	Dastan Sabitovich Baisulbayev- Head of Small Business Division of Corporate Finance Department
Please, provide detailed information of any transactions rejected due to environmental and/or social aspects.	No	Applications received were not rejected due to environmental and/or social aspects.
Please, specify difficulties and/or restrictions related to implementation of ESMS.	Yes	Environmental and Social Management System is operating in the Bank, but there is a need in compliance development of employees of State Programs Unit in terms of ESMS issues.
Please, describe how you ensure that your sub project companies and their subprojects are managed in accordance with national laws and regulations, and applicable requirements of ADB.	Yes	Customer service, consultation at the request of ADB is conducted, all necessary documents are required.
Please, provide detailed information of any important social and environmental issues related to customers during the reporting period.	No	Customers and projects are standard, no environmental and social issues were received.
If current ESMS does not operate to the full, what will be action plan of your organization?	Yes	Analysis for detection of weak spots of current ESMS will be conducted, then amendments will be introduced taking into account applicable laws of the Republic of Kazakhstan.
<b>Productivity</b>	<b>Yes/No</b>	
Please, inform name and contact information of Worker or Coordinator on environmental/social issues who bears general responsibility for implementation of ESMS.	Yes	Dastan Sabitovich Baisulbayev- Head of Small Business Division of Corporate Finance Department
Please, describe activities related to education and study, which Worker or Coordinator in charge of environmental/social issues visited within the year.	Yes	In the first half of 2017, a training on assessment of environmental and social risks of entities-borrowers of the Bank for employees of credit subdivisions of the Bank was conducted. In the second half of 2017, a training on assessment of environmental and social risks of entities-borrowers of the Bank for heads of business units of branches
Please, provide information of current personnel and other key persons of ESMS in organization related to implementation of ESMS.	Yes	In Head Office - employees of Credit Analysis Division, Small Business Division, Medium and Large Business Division, State Programs Division. In branches - RM and credit analysts.
What budget was given for ESMS and its implementation in the year?	No	Special budget for ESMS was not envisaged. Heads of Departments are liable for issues related to ESMS.
<b>Monitoring</b>	<b>Yes / No</b>	
Do you receive environmental and social reports on monitoring from subproject companies you are financing?	No	Customers fill in check lists when submit applications for financing, according to date of which we organize work with customers on financing. Branch employees carry out monitoring of customer's activity during the whole period of instrument of financing. There is no need to request reports.
Do you check the compliance with national regulations and any other requirements by your subproject companies on an ongoing basis?	Yes	Branch employees carry out monitoring of customer's activity during the whole period of instrument of financing. Documentary monitoring and monitoring with visit to the place of business of project is carried out. In the course of above activities, verification of compliance with applicable laws of RK and requirements of ADB are carried out.
Please, describe how you control subproject company and social and environmental efficiency of their	Yes	Visit to project implementation place is made by RM and credit analyst of a Branch for all applications. Visit results are

subproject		reflected in Expert opinion on project.
Please, provide detailed information of any incidents/litigation/claims/negative notifications and penalties: - Any incidents of non-compliance with applicable environmental and social requirements - Specific obligations/conditionality imposed by the Bank to subproject company as a result of any non-compliance	No	There were no penalties for non-compliance with applicable environmental and social requirements.
<b>Reporting</b>	Yes/No	
Is there an internal process of reporting on social and environmental issues to management?	No	
Do you prepare any social and environmental reports: - for other multilateral agencies - for other interested parties - report on environmental and social aspects in annual report - reports on sustainability	Yes	The Bank prepares reports on social-environmental management for IFC. Environmental management reports for FMO.

Activities according to ADB prohibited investment activities list	
If there are, please, specify USD percent of loans or investments out of your total amount of indebtedness payable that were granted to customers which are significantly involved into ADB prohibited investment Activities List. (Refer to Annex 1).	0%
If percent does not equal to zero, please, explain the occurrence of amounts of indebtedness and measures taken to decrease such amounts of indebtedness.	

**B. Subprojects using ADB funds**

Economy sector related to financed projects	Number of projects	Total amount of loans (KZT)	Categories (C/B)
1-Crop production and livestock production, hunting and rendering related services	15	549 000 000,00	B
10- Manufacture of food products	2	59 000 000,00	B
18- Printing and Playback of Recorded Materials	2	87 000 000,00	C
23- Manufacture of other non-metallic mineral products	1	25 000 000,00	B
25-Manufacturing of finished metal products, except for cars and equipment	1	24 600 000,00	B
41- Building	2	42 550 000,00	B
45-Wholesale and retail sale of cars and motorcycles, and repair of them	3	537 500 000,00	C
46-Wholesale, except for cars and motorcycles	73	313 173 000,00	C
47-Retail sale, except for sale of cars and motorcycles	6	183 500 000,00	C
49-Land transport and transportation via pipelines	3	93 812 510,00	B
56- Food and Beverage Services	1	12 000 000,00	B
54-Financial services, except for insurance and pension funds	65	619 604 000,00	C
68- Operations with real estate	4	136 666 000,00	C
72-Computing technique and related activity	4	10 200 000,00	C
81- Activity in the field of maintenance of buildings and territories	1	100 000 000,00	C
82- Activities in the field of administrative, managerial, economic and other support services	1	15 000 000,00	C
85-Education	10	399 350 000,00	C
86-Health care activity	7	684 987 520,00	C
<b>Total</b>	<b>199</b>	<b>4 892 943 030,00</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 commercial 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. Commercial 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 financing (subprojects with environmental and social advantages) using funds under ADB program

Sustainable financing		
Have you ever invested in subprojects having social and environmental advantages such as investment in management systems, energy efficiency, renewable energy, environmentally-clean production, carbon finance, decrease and control of pollution rate, sustainable delivery system, corporate social responsibility, development of local infrastructure, etc. using funds of ADB program? Please, list them in the format given below:		
Subproject name	Amount of financing given by financial organization (in million KZT)	Type of social and environmental advantages

Director of Corporate Finance Department

M.M.Nurgazin

Prepared by: M.M. Tolimbajev  
Tel. 8-727-2-598-598  
ext. 19865



**SAFEGUARD MEASURES MONITORING REPORT  
AS PART OF THE ADB PROGRAM, TRANCHE II**

Name:	Tsesnabank JSC		
Prepared by:	R. O. Uzhakhova		
Position:	Senior Specialist GPID TSA	Date:	15.01.2018
Reporting period	from: 01.07.2017	to: 01.01.2018	

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

<b>Policy and processes</b>	<b>Yes/No</b>	<b>Bank's comments</b>
Have there been any updates to the ESMS or policies and procedures adopted by your organization during the reporting period?	No	
Has the management approved the updated policy/procedure?	No	
Has your organization assigned a person responsible for the ESMS implementing?	Yes	<p>I. As per the decision of the Chairman of the Management Board, the following persons have been assigned as supervisors of Bank's ESMS and will be responsible for implementing Tsesnabank's Environmental and Social Responsibility Policy and overseeing the ESMS:</p> <ol style="list-style-type: none"> <li>1) Executive Director - Director of the Sales Coordination Department for SMEs;</li> <li>2) Director of the Credit Risk Department for Business Projects.</li> </ol> <p>II. As per the decision of the Chairman of the Management Board, employees and heads of risk management subdivisions and employees and heads of credit subdivisions of the Bank's Head Office branches have been assigned responsible for environmental and social issues.</p>
Please provide detailed information on any transactions that have been rejected due to environmental and / or social issues.	No	
Please indicate the difficulties and / or restrictions associated with the implementing ESMS.	No	
Please, describe how you ensure that your subproject companies and their sub-projects are managed in accordance with the national laws and regulations, and the applicable ADB requirements.	See the Bank's comments	<p>I. The Bank requests copies of the permits from the customer for implementing the activity (if applicable, as per the regulatory and legal requirements of the Republic of Kazakhstan).</p> <p>II. The potential borrower shall fill in the</p>



		<p>verification list for the selection of the above subprojects (criteria for assessing the environmental and social impact) as per the Annex to the Loan Agreement entered into between the Bank and Damu Entrepreneurship Development Fund JSC, and also complete an additional form on Category B projects, with further conclusions from the Bank on:</p> <ul style="list-style-type: none"> <li>- eligibility for financing;</li> <li>- necessity to refuse financing;</li> <li>- need for additional information / project documentation;</li> <li>- inconsistencies detected;</li> <li>- any necessary actions to eliminate inconsistencies.</li> <li>- recommendations on environmental and social issues mandatory for inclusion in the Environmental Management Plan (EMP).</li> </ul> <p>III. The Bank monitors compliance with environmental and social requirements for all funded category-B projects at least once every six months, including monitoring the Corrective Actions Plan.</p>
Please provide detailed information on any important social and environmental issues related to customers during the reporting period, in particular.	No	
In the event that the existing ESMS does not function fully, what will be the Action plan of your organization?	See the Bank's comments	In the event that the existing ESMS does not function fully, the Bank will make the necessary amendments.
<b>Efficiency</b>	<b>Yes/No</b>	<b>Bank's comments</b>
Please indicate the name and contact information of the Employee or Coordinator for environmental / social issues, who has overall responsibility for the ESMS implementation.	See the Bank's comments	<p>As per the decision of the Chairman of the Management Board, the following persons have been assigned as the Bank's ESMS supervisors and will be responsible for implementing and overseeing Tsesnabank's Environmental and Social Responsibility Policy and the ESMS:</p> <ol style="list-style-type: none"> <li>1) Director of Sales Coordination Department for SMEs - Kakimzhanov Akhat Mukhametkharovich, e-address: a.kakimzhanov2@TSB.KZ;</li> <li>2) Director of the Business Projects Credit Risk Department - Rakishev Rustem Maratovich, (Rakishev_PM@TSB.KZ).</li> </ol>
Please describe the training or study activities that the Employee or the Coordinator for	Yes	I. Internal remote learning and subsequent testing the Bank branches and divisions employees by the

environmental / social issues has completed during the year.		<p>GPID employees.</p> <p>II. Director of the GPID - Tursunkhanov M. N. attended an ADB seminar on strengthening and using the Safeguard Measures Country Systems.</p>
Please provide information on current personnel or other key ESMS members in the organization related to the ESMS implementation.	Yes	<p>I. As per the decision of the Chairman of the Management Board, the following persons have been assigned as the ESMS supervisors in the Bank and will be responsible for implementing and overseeing Tsesnabank's Environmental and Social Responsibility Policy and the ESMS:</p> <p>1) Executive Director - Director of Sales Coordination Department for SMEs;</p> <p>2) Director of the Business Projects Credit Risk Department.</p> <p>II. As per the decision of the Chairman of the Management Board, the employees and heads of risk management subdivisions and employees and heads of credit subdivisions of the Bank's Head Office / branches, which completed corporate training, have been assigned responsible for environmental and social issues as part of the ESMS.</p>
The budget amount allocated to the ESMS and its implementation during the year?	See the Bank's comments	No travel expenses were allocated for of Tsesnabank's branches or head office employees as they had taken the remote corporate training.
<b>Monitoring</b>	<b>Yes/No</b>	<b>Bank's comments</b>
Do you receive the environmental and social monitoring reports from the subproject companies funded by your organization?	Yes	The Bank monitors the implementation of environmental and social requirements for all financed category-B projects at least once every six months, including overseeing the Corrective Measures Plan.
Do you check the compliance of your subproject companies with the national regulations and any other requirements on an ongoing basis?	See the Bank's comments	The Bank reviews semi-annual monitoring reports on the implementation of environmental and social requirements for all funded category-B projects as part of monitoring the sub-project's social and environmental efficiency, taking into account monitoring or inspections conducted by supervising authorities, and for category B and C projects based on the borrower notifications in accordance with the obligations in the Agreements concluded between the bank and the borrower:
Please, describe how do you control a subproject company and its subproject social and environmental effectiveness?	See the Bank's comments	<p>1) The Borrower shall notify the Bank within 3 (three) business days of any environmental violations, emergencies and accidents that significantly affect or may affect environmental and social performance, as well as health and occupational safety performance;</p> <p>2) In the event of any unforeseen environmental and / or social risks and</p>

		consequences in implementing a project, the Borrower shall notify the Bank within 3 (three) business days of the occurrence of these risks or consequences, with a detailed description of the event and the proposed corrective action plan.
Please, provide detailed information on any incidents / lawsuits / claims / regulatory notices and penalties: - Any non-compliance incidents with applicable environmental and social requirements - Specific obligations / conditionality imposed by the Bank in respect of a subproject company as a result of any non-compliance.	No	No incidents of this kind have been observed.
<b>Reporting</b>	<b>Yes/No</b>	<b>Bank's comments</b>
Is there an internal process for reporting on the social and environmental issues for the management?	See the Bank's comments	An employee from the Transactions Structuring Subdivision, the Department for Government Programs Implementation is responsible for requesting for information based on the environmental and social assessment forms for projects as part of ADB's Program, developed by the borrower and credit subdivisions, for analyzing and submitting the report to the management and ADB.
Do you prepare any social and environmental reports: - For other multilateral agencies - Other stakeholders - Report on the environmental and social aspects in the Annual Report - Sustainability Reports	No	

<b>Investment Activities under ADB Sanction List</b>	
If any, please, indicate the dollar percentage of loans or investments from your total outstanding debt that were provided to customers and that are significantly involved in the List of Investment Activities under ADB Sanction List (See Appendix 1).	0%
If the percentage is not zero, please, explain the occurrence of debt and the steps taken to reduce such amounts of debt.	

**B. Subprojects using the ADB funds**

Funded projects economy sector	Number of project	Total loans amount, KZT	Categories (C/B)
10850- Manufacturing cooked food products and semi-finished products	1	5 367 078,53	B
21100- Manufacturing basic pharmaceutical products	1	60 000 000,00	B
22210- Manufacturing plastic sheets, chambers for tires and profiles	3	61 772 863,57	B
22220- Manufacturing plastic packaging for goods	1	60 000 000,00	B
22231- Manufacturing constructing plastic products	2	18 750 000,00	B
23200- Manufacturing fire resistant products	2	20 000 000,00	B
25931- Manufacturing wire products	3	15 992 906,00	B
33125- Repairing and maintaining other special purpose machinery and equipment	1	10 000 000,00	B
41202- Constructing non-residential buildings	10	128 300 000,00	B
42110- Constructing roads and highways	2	56 250 000,00	B
<b>Total B:</b>	<b>26</b>	<b>436 432 848,10</b>	
01111- Growing cereals and leguminous crops, including seed farming	12	63 134 232,00	C
01191- Growing fodder crops and their seeds	1	10 000 000,00	C
01420- Breeding other cattle for meat production	1	35 000 000,00	C
10710- Producing bread; producing fresh flour confectionery, cakes and pastries	1	10 000 000,00	C
31090- Manufacturing other furniture	1	5 300 000,00	C
43398- Other Constructing and installation work	1	20 000 000,00	C
45200- Maintaining and repairing motor vehicles	7	150 911 000,00	C
45310- Wholesale trade in motor vehicle parts and accessories	29	531 697 694,70	C
46120- Agents' activities in trade of fuels, ores, metals and chemicals	2	13 293 560,00	C
46140- Agents' activities in trade of machinery, equipment, industrial equipment, ships and aircrafts	6	174 000 000,00	C
46160- Agents' activities in the trade of textiles, clothing, footwear, leather and fur products	2	11 600 000,00	C
46211- Wholesale of grain, seeds and animal feeds	4	19 782 000,00	C
46330- Wholesale of dairy products, eggs and edible oils and fats	3	55 901 714,00	C
46341- Wholesale of beverages	1	12 000 000,00	C

46360- Wholesale of sugar and chocolate and sugar confectionery	10	209 972 823,36	C
46431- Wholesale of electrical household appliances	2	186 115 000,00	C
46460- Wholesale of consumer pharmaceutical goods	6	20 946 160,00	C
46499- Wholesale of other consumer nonfoods	1	100 000 000,00	C
46510- Wholesale of computers, computer peripheral equipment and software	6	122 709 976,53	C
46690- Wholesale of other machinery and equipment	2	173 000 000,00	C
46716- Wholesale trade in motor gasoline	1	100 000 000,00	C
46717- Wholesale trade in diesel fuel	7	53 224 333,00	C
46734- Wholesale of paintwork, wallpaper and floor coverings	1	9 400 000,00	C
46751- Wholesale of chemical substances and chemical products	3	23 000 000,00	C
46900- Wholesale of a wide range of goods without any specification	113	803 883 985,99	C
47111- Retail sale of food, beverages and tobacco in non-specialized stores	9	111 000 000,00	C
47191- Retail sale of other goods in non-specialized stores	7	214 200 000,00	C
47229- Other retail sale of meat and meat products in specialized stores	1	2 500 000,00	C
47291- Other retail sale of food in specialized stores	2	7 611 200,00	C
47300- Retail sale of automotive fuel in specialized stores	5	58 066 666,03	C
47520- Retail sale of hardware, paints and glass in specialized stores	3	107 000 000,00	C
47531- Retail sale of carpets, carpet products, as well as wall and floor coverings in specialized stores	1	10 000 000,00	C
47591- Retail sale of furniture in specialized stores	1	10 000 000,00	C
47731- Retail sale of pharmaceutical goods in specialized stores	1	5 000 000,00	C
47751- Retail sale of cosmetic and toilet articles in specialized stores	3	13 960 000,00	C
47763- Retail sale of pets and products for pets in specialized stores	1	3 000 000,00	C
47789- Other retail sale in specialized stores	14	274 523 750,00	C
47891- Retail sale of other goods in stalls and kiosks	2	73 000 000,00	C
49311- Bus transportation services	1	50 000 000,00	C

49320-Taxi services	1	21 000 000,00	C
49390- Other types of land passenger transport, not elsewhere classified	8	48 869 120,00	C
49410- Freight transport by road	26	371 260 031,88	C
49420-Transportation services	1	10 000 000,00	C
52103- Warehousing and storing food products	4	98 745 000,00	C
52211-Operating rail roads	2	350 000 000,00	C
52291- Forwarding services	7	49 340 000,00	C
56290-Other catering services	5	205 815 000,00	C
61200- Wireless telecommunications	1	24 672 979,08	C
62090- Other activities in the field of information technology and computer systems	1	2 000 000,00	C
64221-Lombards' activities	4	42 700 000,00	C
68200- Renting and operating owned and rented property	17	412 092 358,84	C
71121-Activities in the field of engineering researches and provision of technical consultations in this area	1	6 300 000,00	C
77321- Renting constructing machinery and equipment for civil objects Constructing	2	4 000 000,00	C
77391-Renting other machinery, equipment and tangible goods not included in other categories	3	400 000 000,00	C
82990-Other types of support services for business activities not included in other categories.	1	1 500 000,00	C
85510- Basic and secondary education	1	1 000 000,00	C
85599- Other types of education not included in other categories	3	11 600 000,00	C
86230-Dentists' services	1	3 800 000,00	C
86900-Other health care activities	2	84 500 000,00	C
90030-Art related activities	1	27 500 000,00	C
93130-Fitness centers activities	1	55 903 000,00	C
43130- Exploration drilling activities	1	14 000 000,00	C
25120- Manufacturing metal doors and windows	1	10 000 000,00	C
<b>Total C:</b>	<b>369</b>	<b>6 111 331 585,41</b>	
<b>Total C, B :</b>		<b>6 547 764 433,51</b>	

The selection list of the above subprojects  
Criteria for assessing environmental and social impact

QUESTIONS	Yes	No	NOTES
A. Compliance with the requirements of laws and / or by-laws (for existing SMEs) Have the projects violated any of the applicable laws and by-laws of the Republic of Kazakhstan on environmental protection, safety, health and social laws		✓	
B. Investment Activities under ADB Sanction List Are the activities of the above-mentioned subprojects under ADB Sanction List of Investment Activities specified in Annex 1-2 of the Loan Agreement concluded with Damu Entrepreneur Development Fund JSC?		✓	
C. Projects with high level adverse environmental and social impacts (Category A) Did the projects proposed for financing have potentially significant environmental and / or social impact or represent a high degree environmental and / or social risk?		✓	
D. Potentially Social Impacts			
Project:			
- Has the land purchased for the state needs been used for the project?		✓	
- Was the project the reason of resettlement / tenants' resettlement / leasers or unofficial users of the land (people without legal rights to use the land / those who illegally seized the land)?		✓	
- Was the project the reason that people would lose or would have limited access to natural resources, permanent habitats or communal infrastructure?		✓	
- Did the project directly or indirectly affect ethnic minorities in the project area that (i) maintain a collective structure to clearly identify their habitat or hereditary territories, (ii) speak their own language or dialect, and (iii) historically, socially and economically repressed or discriminated?		✓	
Have the loans been used for:			
• Purchase of land, facilities (commercial or residential real estate)	✓		
- Acquisition of assets / or expansion of business which will result in the eviction / resettlement of tenants, leasers or formal and informal asset users.		✓	
• Acquisition of assets which will cause people or certain communities / ethnic minority groups or the poor to lose access to: 1. natural resources; 2. permanent habitats; 3. habitual activity; 4. communal infrastructure		✓	
- Acquisition of assets / or expansion of business which will contribute to and increase the risk of:		✓	

1. Violations of the labor code standards, including the use of child labor;			
2. Lack of ethnic minority groups in the project area (related to their personality, title, food system, unique cultural character);			
3. Human trafficking.			

**C. Sustainable financing (subprojects with environmental and social benefits) from the resources of the ADB Program**

<b>Sustainable financing</b>		
Have you ever invested in subprojects that have social and environmental benefits, such as investing in management systems, energy efficiency, renewable energy, environmentally friendly production, carbon financing, pollution reduction and control, sustainable supply chain, corporate social responsibility, development of local infrastructure, etc. from the resources of the ADB Program? Please, list them in the format provided below:		
<b>Subproject name</b>	<b>The amount of financing provided by a financial institution (tenge)</b>	<b>Type of social and environmental benefits</b>

Director of the Department  
for the Government Programs Implementation



M. Tursunkhanov