

# Methodology for the application of the DNSH principle at national level in Czechia

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**Deliverable 8: Final report**

### Contract details

*REFORM/SC2022/112 - Methodology for the application of the DNSH principle at the national level in Czechia*

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### Date

Rotterdam, 26/04/2024

Rotterdam, 26/04/2024

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Czechia

In association with:



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# 1. Summary of the activities carried out during the implementation of the project

This Final Report (Deliverable 8) presents an overview of the progress achieved with the implementation of the project entitled “*Methodology for the application of the DNSH principle at the national level in Czechia*” (REFORM/SC2022/112) that was officially launched by the Kick-off-Meeting on the 13 September 2022.

The structure of the report is as follows:

- **Chapter 1** (chapter at hand) continues with a brief presentation of the status of the project, the extent of the progress achieved per deliverable.
- **Chapter 2** describes the challenges encountered while implementing the tasks.
- **Chapter 3** presents an assessment of the project implementation, results, and observable impacts using the key milestones reached.
- **Chapter 4** describes lessons learned and recommendations for future projects.
- The chapters are then followed by **annexes**, which include communication materials and all other deliverables prepared under this project.

## 1.1. Overall project status

The project consists of a sequence of 8 key deliverables, as is shown in the table below, ranging from more procedural deliverables (1 and 8) and content-related deliverables (2-7). The content deliverables addressed the current situation of DNSH application in Czechia at the start of the project (D2), reviewed some existing practices in other Member States (D3), provided recommendations to the existing guidance (D4), developed new national guidelines (D5), prepared some capacity building activities and materials in relation to the new guidelines (D6) and piloted the new guidelines (D7).

Table 1 Overview of the project status as a whole

DLV	% of completed work	Output	Current status / remarks
1	100%	Final Inception Report	D1 was approved by DG REFORM and the beneficiary on 23 January 2023.
2	100%	Report on the as-is situation on the application of the DNSH principle in Czechia in EU funds and programmes	D2 was approved by DG REFORM and the beneficiary on 29 June 2023.
3	100%	Existing practices report on application of DNSH principle by other EU Member States	D3 was approved by DG REFORM and the beneficiary on 29 June 2023.
4	100%	Report on recommendations for revising and supplementing existing guidance on the application of the DNSH principle	D4 was approved by DG REFORM and the beneficiary on 14 August 2023.
5	100%	National guidelines on the application of the DNSH principle - for authorities managing the public investments and project implementers/grant beneficiaries	D5 was approved by DG REFORM and the beneficiary on 22 April 2024.
6	100%	Capacity building and communication on the national guidelines on the application of the DNSH principle	D6 was submitted to DG REFORM and the beneficiary on 26 April 2024.
7	100%	Pilot implementation of the national DNSH guidelines	D7 was submitted to DG REFORM and the beneficiary on 26 April 2024.

8	100%	Final report	The final report (at hand) was submitted to DG REFORM and the beneficiary on 26 April 2024.
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## 1.2. Deliverable 1

Overview of the status on Deliverable 1 is provided in the table below:

Task	% of work completed	Status update
1.1 Kick-off Meeting	100%	<b>COMPLETED</b> The KoM took place on 13 September 2022 with DG REFORM and the beneficiary. During the KoM the project team presented the proposed approach (as per the technical offer) and gathered first round of feedback on the approach both from DG REFORM and the beneficiary.
1.2 Technical meetings with OPs leads	100%	<b>COMPLETED</b> Four technical meetings with leads of the Programmes (Ps) and RRP components were held on 29 and 30 September 2022 based on their specific focus area.
1.3 Inception report	100%	<b>COMPLETED</b> Inception report was prepared and approved by the client and beneficiary.

## 1.3. Deliverable 2

Overview of the status on Deliverable 2 is provided in the table below:

Task	% of work completed	Status update
2.1 Assess the current state of the application of the DNSH principle and the CP in Czechia	100%	<b>COMPLETED:</b> The current state assessment of the DNSH application evaluated programmes funded by both the cohesion policy funds and the Czech NRP via the RRF. The analysis revealed significant inconsistencies in how DNSH and CP requirements are managed, particularly whether they are integrated by the Managing Authorities and Component Owners into call documentation or transferred onto project proponents. The analysis was based on comprehensive desk research, review of existing programme/component and call documentation, and input from the select stakeholders, as per task 2.3.
2.2 Review existing guidance available at national level	100%	<b>COMPLETED</b> The review focused on the overarching methodology and technical guidance used at the point of the review. These were the methodological guidance for the application of the DNSH principle for the NRP developed by the Ministry of Industry and Trade during the ex-ante phase of setting up the components, and the Framework guidance for the implementation of the DNSH principle and CP for the EU funds in Czechia developed by the Ministry of the Environment at the end of 2022. The review specifically focused on the purpose, structure, format, and content of the document.
2.3 Collect feedback through stakeholder interviews	100%	<b>COMPLETED</b> Semi-structured stakeholder consultations were conducted to obtain more detailed insight into the DNSH application and challenges faced by both internal and external stakeholders involved in the funding application process. The selection of relevant stakeholders was based on the recommendations of the OoG and the core team, as well as the

		professional network of the local partner in the project consortium (ISFC). In total, 14 interviews were conducted. In each interview, a set of 4-5 questions were presented followed by an open discussion. The feedback from the interviews fed directly into and informed other tasks and outputs of the DLV2 such as the current state assessment and the existing methodology assessment.
<b>2.4 Analyse relevant national and EU legislation in the context of DNSH</b>	100%	<b>COMPLETED</b> The analysis was structured around the six environmental objectives of the EU taxonomy regulation and provided a review/reconciliation of the Czech legislation against the main generic and sector specific DNSH criteria under all six environmental objectives. It further summarised the legislative framework relevant for the DNSH assessment and identified national legislation and regulatory requirements with potential links to DNSH criteria, that could be relevant for the DNSH assessment. It also identified gaps where no national legislation or regulation addresses one or more DNSH requirements.
<b>2.5 Analyse the interconnection between the current DNSH requirements and other environmental methodologies</b>	100%	<b>COMPLETED</b> This section presented the project team’s interpretation of the integration of DNSH-related applicable environmental methodologies, specifically highlighting their relationship and integration. These included: 1) Climate tagging and environmental tagging, 2) Sustainability and climate proofing, and 3) Strategic environmental assessment (SEA) and environmental impact assessment (EIA). The analysis of the interconnection included the Cohesion policy funds, the RRF, and InvestEU. The section further provided visual decision trees for the application of the DNSH principle for all three above-mentioned funds.
<b>2.6 Identify gaps in the existing DNSH guidance (at EU and national level)</b>	100%	<b>COMPLETED</b> Analysis of the gaps identified in all tasks of the DLV2 was conducted predominantly focusing on the gaps in the DNSH and CP methodological guidance at the national level, interpretation of the EU level guidance, and gaps in the national legislation. The analysis was structured around the following criteria: 1) procedural and guidelines-related gaps, 2) environmental integrity-related gaps, 3) other environmental methodologies-related gaps. In addition, horizontal (i.e., overarching gaps) were identified, such as consistency, communication, and coordination-related issues.
<b>2.7 Ad-hoc support</b>	100%	<b>COMPLETED</b> A total of 28 requests regarding CP and 5 requests regarding RRF for ad-hoc support were received. The manner to address these was agreed as part of D2. The final output of the ad-hoc support was responses to individual ad-hoc requests received.

## 1.4. Deliverable 3

Overview of the status on Deliverable 3 is provided in the table below:

Task	% of work completed	Status update
<b>3.1 Identification of EU MSs for the analysis of good practices and lessons</b>	100%	<b>COMPLETED</b> A desk-based review was carried out to obtain a horizon-scanning analysis and to develop selection criteria for MSs. Focus cases were identified in Belgium, Slovakia, Spain, Finland and Austria.

<b>3.2 Analysis of good practices and lessons learnt from other EU MSs</b>	100%	<b>COMPLETED</b> Three types of good practices and lessons learnt were analysed: governance processes of the application of the DNSH principle, implementation of simplified and detailed DNSH assessments, and application of the DNSH principle to R&D and green innovation projects. Their replicability to the Czech context was also explored.
<b>3.3 Organisation of online seminars with selected EU MSs</b>	100%	<b>COMPLETED</b> Three webinars were conducted with Czech representatives, JRC representatives, representatives of the MSs implementing the focus cases, and with EC representatives. Each webinar focused on a type of good practice and lesson learnt, including a presentation of the challenge at hand, a presentation of the Czech practice, and of the focus cases. They respectively gathered 132, 102, and 79 participants. The report DLV3 - Report on the existing practices; application of DNSH principle by EU peer Member States summarizes all three sub-tasks.

## 1.5. Deliverable 4

Overview of the status on Deliverable 4 is provided in the table below:

Task	% of work completed	Status update
<b>4.1 Identification of key types of investments</b>	100%	<b>COMPLETED</b> In total, 44 investment types were identified across the priorities and specific objectives of the programmes and funds in scope. Out of the investment types, 16 investment categories were created based on the shared characteristics. They were presented (incl. methodology) as part of the report DLV4 - Report on recommendations for revising and supplementing existing guidance on the application of the DNSH principle.
<b>4.2 Recommendations for revising and supplementing existing DNSH guidance</b>	100%	<b>COMPLETED</b> A set of fit-for-purpose recommendations were drafted and included in the DLV4 report on (i) potential revisions, amendments or additions to supplement the existing guidance on the application of the DNSH principle and CP assessment in Czechia, and (ii) the approach to and structure of the methodological guidance to be developed as part of the DLV5.

## 1.6. Deliverable 5

Overview of the status on Deliverable 5 is provided in the table below:

Task	% of work completed	Status update
<b>5.1 Draft methodological guidelines for managing authorities</b>	100%	<b>COMPLETED</b> Methodological guidelines for managing authorities were drafted within initial project timeline focusing on ex ante assessment of DNSH and CP. Following the feedback from the EC Services there was change in the focus of the guidelines from both ex-ante and ex-post DNSH assessment to only ex-post aspects.



5.2 Draft methodological guidelines for project implementers	100%	<b>COMPLETED</b> Methodological guidelines for project implementers were drafted within initial project timeline focusing on ex ante assessment of DNSH and CP. Following the feedback from the EC Services there was change in the focus of the guidelines from both ex-ante and ex-post DNSH assessment to only ex-post aspects.
5.3 Recommendations for roles and responsibilities in DNSH implementation and data management	100%	<b>COMPLETED</b> Recommendations for roles and responsibilities in DNSH implementation and data management were prepared in a form of a separate document and presented as a part of the guidelines package. The recommendations provide recommendations and best practices on how DNSH aspects, including data management and governance in project management cycle.

## 1.7. Deliverable 6

Overview of the status on Deliverable 6 is provided in the table below:

Task	% of work completed	Status update
6.1 Identification and engagement of participants for seminars	100%	<b>COMPLETED</b> Based on the relevant stakeholder groups already identified at the inception phase and further refined over DLV3 and DLV4, seminars participants were identified and approached in cooperation with the Czech OoG. They were identified from groups either involved in public funding processes or on the side of project proponents, with the understanding that the seminars would follow the “train the trainer” approach.
6.2 Preparation of online training materials	100%	<b>COMPLETED</b> An interactive online e-learning module was prepared for both Managing Authorities/Component Owners and Project Proponents. These modules are delivered in a PowerPoint presentation format that can be embedded into various types of websites, ensuring accessibility for all stakeholders. The content is tailored to enhance interactivity, simplify concepts, and ensure ease of comprehension. Moreover, the format allows easy modification by managing authorities. Additionally, it can be utilised both online (by embedding it on a website) and offline (by saving it in a shared folder).
6.3 Organization and facilitation of seminars	100%	<b>COMPLETED</b> Two one-day seminars were organized and facilitated on March 25 <sup>th</sup> and 26 <sup>th</sup> , 2024, each with approximately 30-40 in-person participants and additional participants were included through a hybrid format, e.g., those from the EC, JRC, other EU MS’. One seminar was aimed at the authorities managing public investments, the other was aimed at project proponents. Among others, new methodological guidelines, incl. a related case study, were presented. Communication materials were developed for the seminars and shared with the participants together with the methodological guidelines.
6.4 Reports and communication strategy	100%	<b>COMPLETED</b> A strategy document outlining the main steps for communicating the newly developed guidelines has been created. The document delineates the aims and purpose, lists relevant stakeholders, analyzes the communication needs of different stakeholder types, and

		provides recommendations on the main channels and approaches for distributing the document and resources to stakeholders.
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## 1.8. Deliverable 7

Deliverable 7 Pilots were deployed throughout the project's execution, providing customized assistance to Czech authorities in assessing DNSH also serving as a test to evaluate the effectiveness of the developed DNSH and CP guidelines. This piloting included ex ante and ex post support to over 25 pilot investments and activities/interventions. Two seminars were held with stakeholders to pilot guidelines at different stages of development.

Overview of the status on Deliverable 7 is provided in the table below:

Task	% of work completed	Status update
7.1 Testing of the DNSH guideline templates	100%	<p><b>COMPLETED</b></p> <p>Both ex-ante (first version) and ex-post (second version) guidelines were tested via piloting in different stages of the project. The approach to piloting consisted of applying the newly developed guidelines document to a specific call from one of the programmes or components under the RRF.</p> <p>Templates, such as the self-assessment checklist, preliminary and contractual evidence lists, were used and tested as part of the piloting in tasks 7.2 and/or 7.3.</p>
7.2 Piloting ex-ante assessment of activities & 7.3 Pilot the guidelines re. data verification and reporting	100%	<p><b>COMPLETED</b></p> <p>Piloting was carried out throughout the project duration. Customized assistance was provided to Czech authorities in assessing DNSH also serving as a test to evaluate the effectiveness of the developed DNSH and CP guidelines.</p> <p>The focus of piloting has reflected the change in the scope of the guidelines from the initial aim to provide ex-ante guidelines to the revised objective to support implementation of the RRF and CPF projects via ex-post monitoring and implementation guidelines.</p> <p>Different pilots were therefore conducted during the project's execution, reflecting the objectives of both tasks 7.2 and 7.3. The initial objective of the guidelines and piloting was to provide feedback and insights via the preparation of the ex-ante pilots under task 7.2. This process enabled the project team and BAs gain extensive insights. After extensive discussions with the MAs, BA, EC Services, the revised objective was to focus on ex-post guidelines. The remainder of piloting was therefore focused on the ex-post phase and included methodological guidance on the verification, monitoring, and reporting phases.</p> <p>In total ex ante and ex post support to over 25 pilot investments and activities/interventions in both the RRF and cohesion policy funds. Two seminars were held with stakeholders to pilot guidelines at different stages of development.</p>

7.4 A seminar aimed at awareness raising	100%	<p><b>COMPLETED</b></p> <p>Two virtual/hybrid seminars focused on knowledge-sharing and awareness-raising were held in May 2023. These seminars included a section dedicated to presenting an approach to conducting a pilot, followed by an interactive discussion focused on sharing experiences and knowledge regarding the application of the DNSH principle. The discussions included representatives from Managing Authorities (MAs) and Component Owners (COs), EU institutions, and other relevant national-level stakeholders.</p>
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## 1.9. Deliverable 8

Task	% of work completed	Status update
8.1 Final report	100%	<p><b>COMPLETED</b></p> <p>The final report was submitted on 26 April 2024.</p>
8.2 Communication materials	100%	<p><b>COMPLETED</b></p> <p>The communication materials were prepared and submitted alongside the final report.</p>

## 2. Challenges encountered and how they were tackled

A full list of challenges met by the Consortium while implementing this project is provided below, along with its mitigation measures taken. These include late responses and/or approvals, additional feedback sessions, and substantial changes made to deliverables late in the project.

Table 2 Overview of key challenges and how these were tackled

Deliverable	Challenge	Significance (L/M/H)	Mitigation measures
1			<i>No challenges occurred in relation to Deliverable 1.</i>
2	Complex matter and evolving approaches and interpretations.	High	The format of the report focused on practical elements and a concrete analysis of the DNSH principle to provide useful input to the project.
3	Limited willingness of certain Czech representatives to present their work in English	Low	The fluency of representatives was considered to select activities and innovative work to be presented.
3	Few good best practices to showcase due to complexity and novelty of subject for MSs	Medium	Careful selection on case studies and clarification about their limitations during the workshop
4	Some of the identified investment types would fall into more than one investment category, given the shared characteristics (e.g. One investment type can fall into both	Low	The draft report in the DLV4 highlighted this challenge and the table with the final list clearly showed which investment types were included in more than one category with further explanation why.

	infrastructure and energy category)		
5	Evolving expectations and guidelines, changing approach for the DNSH principle	High	Discussions with Czech representatives were intensified to attempt to maintain the project's usefulness for Czechia. The guidelines focused on the key components of the DNSH principle to ensure that useful deliverables could be delivered in time despite critical changes in the EC's approach in August and November.
5	Difficulty in connecting project guidelines with MoE Czech guidelines on DNSH due to different approaches and interpretations of legislation	Medium	Integration of the Czech MoE guidelines into the DNSH guidelines developed for the project is limited.
6	Repeated postponement of the seminar dates due to the substantial changes to the underlying guidelines.	Low	Fixing dates and venues for seminars with shorter but still sufficient notice.
7	Limited interest in piloting of the guidelines given that the programmes / calls are already at a late stage (under both the CPF and RRF).	Low	
8	<i>No challenges occurred in relation to Deliverable 8.</i>		
<b>Project management</b>	The conditions of and procedures related to the acceptance of deliverables were not always clear.	Low	Further clarification was sought during project implementation, but the criteria and procedures should be discussed and agreed on early on, as part of the inception phase.

## 3. Results achieved, key milestones and Key Performance Indicators

### 3.1. Results

Broadly speaking, the key result of this project has been a new streamlined guidance for Managing Authorities for CPF and Component Owners for RRF as well as guidelines for Project Proponents. Alongside this key output, also other deliverables have been prepared (for example piloting the new guidelines on existing Operational Programmes in Czechia, capacity building activities and materials or sharing of existing practices with other Member States) throughout the project.

What appears to be an additional, unwritten, output is the fact that the project has resulted in opening of communication across different public authorities in Czechia regarding the DNSH topic, something that was not strongly present prior to the project.

## 3.2. Key milestones and events

Over the course of the implementation of the project, the following key milestones were reached (as provided in the table below).

Table 3 Overview of key milestones and when these have been achieved

DLV	Milestone	When
n/a	Contract start	31 August 2022
1	Kick-off Meeting	13 September 2022
1	Inception Report	19 December 2022
2	As-is Report	29 June 2023
2	Ad-hoc support	29 June 2023
3	Three webinars with Member States	January - February 2023
3	Report on existing practices in other EU Member States	29 June 2023
4	Report on recommendations for revisions to existing DNSH guidance in Czechia	14 August 2023
5	National guidelines on application of DNSH	22 April 2024
6	Seminars on the newly prepared guidance (for MAs and PPs)	25 - 26 March 2024
6	Online training materials	26 April 2024
6	Report and communication strategy	26 April 2024
7	Piloting of the newly prepared guidelines	26 April 2024
8	Final report	26 April 2024
n/a	Contract end	30/04/2024

## 3.3. KPIs

As part of the inception report, the project team has developed several KPIs to ensure progress and results of the project can be monitored. In the table below we present these, together with an update on whether these have been met.

Table 4 Update of KPIs to monitor the project outcomes

KPI	Description	KPI met	Update on whether the KPI has been achieved
<b>The outputs of the project are delivered in a timely manner</b>	All deliverables are conducted on time within 18 months, including the reception and integration of feedback, and the approval by the Steering Committee.	Partially	Strictly speaking, the project has closed within the originally agreed timeline of 18 months. An extension was foreseen, following the extensive revisions to D5 but this did not take place as the FWC under which the project is launched has closed and hence an extension cannot be granted. Practically speaking, all deliverables have been submitted within the timeline of the project and formally approved, with some integration still ongoing past the end of the contract.
<b>Difficulties and unforeseen challenges are communicated in due time</b>	In case an unforeseen difficulty or challenge emerges and has the potential to jeopardise the timeliness and/or quality of the project, the project manager notifies DG REFORM within a week and discusses a solution.	Yes	Regular meetings (on bi-weekly or even weekly basis, if required) were held between the project team and the client and beneficiary, where any issues, challenges or other topics were raised and discussed in a timely manner.

<b>The project is tailored to the final beneficiaries' needs</b>	Within the legal boundaries of the contract and proposal, the project team strives to consult final beneficiaries and/or to integrate the needs that they raise in the deliverables.	Yes	Throughout the entire project there have been close communications between the project team and the beneficiary (their representatives as well as individual Managing Authorities and Component Owners) to understand their needs. These have been, to the extent possible, carefully considered and taken onboard throughout all outputs.
<b>Continuity of services is assured</b>	In case a member of the team is incapacitated and cannot provide the necessary inputs for the deliverables, he/she is replaced within a week by a colleague with an equivalent profile.	Yes	No such issue has taken place throughout the project (the core team has remained the same). Where required, colleagues were replaced as needed.

## 4. Lessons learned

The lessons learned can be summarised around several key areas, namely:

- Time and resource management;
- Stakeholder engagement; and
- Cooperation with the client and beneficiary.

More details for each area, together with a recommendation on how these can be tackled in the future is outlined in the table below.

Table 5 Overview of lessons learned

Are of recommendation	Lesson learned	Recommendation for follow-up actions
<b>Time and resource management</b>	The time allocated to receiving and consolidating feedback on deliverables from the beneficiary and relevant stakeholders was also insufficient.	Allocate more time for the revision and acceptance of deliverables, especially when several stakeholders are consulted in different stages of the policy development.
	Differences in understanding of the scope, approach and aim of a deliverable lead to considerable delays and are resource costly.	Templates with proposed contents for reports / outputs should be presented and discussed with the beneficiary and client before major efforts are dedicated to an output. Client's and beneficiary's agreement should be provided in writing.
<b>Stakeholder engagement</b>	Lack of active engagement from stakeholders, especially at the early stages of the project.	Involvement of the beneficiary is key, in order to encourage and invite wider national stakeholders to participate in the consultation processes.

<p><b>Cooperation with the client and beneficiary</b></p>	<p>Delays in receiving feedback on deliverables and/or answers to questions from the client / beneficiary, delaying further work</p>	<p>Transmission of all information either from beneficiary and/or client should be centralized and within an agreed timeframe.</p> <p>Feedback received beyond this timeframe should be dealt within the limit(ations) of resources.</p>
<p><b>Project management and coordination</b></p>	<p>Unclear expectations or tasks on the part of the Beneficiary lead to additional requirements during the course of the project, impacting on agreed deadlines.</p>	<p>In the KoM and at the beginning of each stage (for example during Steering Committee meetings), the PM should formally outline the purpose, duration, assigned tasks and responsibilities of each stage participant, as well as how to resolve any uncertainties during the stages. In the progress meetings, the PM should ensure that the work stays within the boundaries set by the ToR.</p> <p>These agreements should be clearly communicated to other involved colleagues (from wider Ministries and/or Commission Services) by the client / beneficiary.</p>
	<p>Documents with multiple changes and track-changes become very cumbersome in interpretation and progress control.</p>	<p>It is recommended to use versioned documents for milestones, limiting the use of documents with multiple track-changes. A document must have a clean, validated new version for each major milestone of its development.</p>
	<p>Multiple tasks with the same deadline, monitored simultaneously, can create confusion and consume the time available for addressing the tasks.</p>	<p>A Project Management tool could improve the communication flow between all parties, would provide a clear distribution of assignments, strict deadlines follow-up, facilitate the standardization of feedback, provide automatic reminders, and, most importantly, record the history of the entire project even if there are changes to the project team.</p>

# Annexes

Due to the size and format, the **other deliverables** prepared (1-7) and the **communication material** (PowerPoint) have been submitted in a separate file.

The **project summary fiche** can be found below.

METHODOLOGY FOR THE APPLICATION OF THE DNSH PRINCIPLE AT THE NATIONAL LEVEL IN CZECHIA	
Short project title	‘Integrating the “Do No Significant Harm” (DNSH) principle in Czechia to guide the green transition’
Summary	<p>The Commission supported the Czech authorities (with the Office of Government as the main beneficiary, in close cooperation with Ministry of Environment, Ministry of Regional Development and the Ministry of Industry and Trade) in implementing the DNSH criteria in funding decisions with the view to advance green transition.</p> <p>As a result of this project, the Czech authorities have got a set of guidelines/methodology on the application of the DNSH principle for the Recovery and Resilience Facility (RRF) and the EU Cohesion Policy Funds. The Managing Authorities and the Component Owners can make reliable funding decisions that do not cause harm for the environment and are able to fast track green transition and the Project Proponents are able to rely on a simplified methodology on how to apply for funding from these funds and understand which projects are (and are not) eligible when this principle is applied.</p> <p>The project was supported by the European Union’s Technical Support Instrument.</p>
Context	<p>The European Green Deal aims to make Europe climate neutral by 2050. To reach this goal, support from various EU funds and programmes are instrumental. Application of the ‘Do No Significant Harm’ (DNSH) principle is now a requirement for accessing various EU public funding resources, such as the RRF and the EU Cohesion Policy Funds according to the Common Provisions Regulation (CPR). This requirement is defined by Art. 17 of the Taxonomy Regulation, stating that EU-funded projects should not hinder the six environmental objectives - climate change mitigation and adaptation, sustainable use of water and protection of marine resources, control and prevention of pollution, protection and restoration of biodiversity and ecosystems and transition to circular economy.</p> <p>Czechia has allocated 42% of RRF funds to support the domestic green transition. When preparing its national Recovery and Resilience Plan under the RRF, Czechia has confirmed its compliance with the DNSH principle, which is</p>



	<p>defined by Article 17 of the Taxonomy Regulation. This principle can also be recognised in other established EU funded programmes such as the Just Transition, InvestEU, Horizon Europe and the European Regional and Development Fund. Czechia intends to increase its administrative capabilities and knowledge on the application of the DNSH principle to ensure that reforms and investments planned in the country are in line with EU and national climate and environmental targets.</p>
<p>Support delivered</p>	<p>The support provided to the Czech authorities took place in three interlinked phases, between 2022 and 2024:</p> <ol style="list-style-type: none"> <li>1. Identifying and understanding of existing mechanisms and guidelines for the application of DNSH in the Czech context as well as in other EU Member States;</li> <li>2. Creating DNSH guidelines draft for Czech funding authorities and funding beneficiaries and delivering capacity building and communication material on the national guidelines to the Czech authorities who provide funding; and</li> <li>3. Providing accompanying support for implementation of the national DNSH guidelines, including organisation of seminars to raise awareness and share experiences nationally and at EU-level.</li> </ol>
<p>Results achieved</p>	<p>The project provides guidance to Czech authorities in implementing the “Do No Significant Harm” (DNSH) criteria and ‘climate proofing’ (CP) in funding decisions. As a result, Czech authorities have a good and common understanding of how public funds are currently directed to help achieve climate and energy objectives. They have the capability to quickly and reliably make funding decisions that accelerate the green transition and do not cause harm to the environment.</p>



This project is funded by the European Union via the Technical Support Instrument and implemented by the European Commission.



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