

Cleantech *for* Baltics



Q1 2025 Briefing

INTRODUCTION

Baltic cleantech has entered 2025 with strong momentum. An intense beginning to the year shows that long-term investments and sustained efforts in clean technology are now delivering results. The launch of the Clean Industrial Deal has provided fresh strategic direction, strengthening cleantech's role in Europe's industrial transformation. The powerful link between cleantech and defence is gaining international recognition and offering new opportunities for the sector in the Baltic countries. The second quarter of the year is turning out to be packed with insightful events and chances to connect with others. Be sure to look at the upcoming events listed at the end of the briefing.

Kädi Ristkok, CEO of Cleantech for Baltics

HIGHLIGHTS



Roundtable highlights how clean technologies can boost European defence and security

A high-level roundtable on 25 March in Brussels convened European Parliament members, leading industry and NATO representatives, investors, and subject-matter experts to discuss the benefits of deploying clean technologies to enhance European defence and security. A shared understanding emerged that Europe needs a framework for stronger dialogue and collaboration between the clean technology, defence, and security actors. This roundtable was held as a follow-up to the recently published Cleantech for Baltics white paper, titled "Cleantech for Defence, Security and Resilience."

[Learn more >>>](#)



Cleantech Friendship Group launched with 32 MEPs and President Ursula Von der Leyen

The Cleantech Friendship Group (CFG) relaunched on 6 March in the European Parliament with support from 32 Members of the European Parliament (MEPs) and European Commission President Ursula von der Leyen. The CFG brings together MEPs from across the political spectrum, representing 14 EU Member States. The Group advocates for policies that create strong demand for clean technologies.

[Learn more >>>](#)



Prince of Wales met with Estonian cleantech representatives

In March, the Estonian Cleantech Association had the honour of welcoming the Prince of Wales for a high-level visit with Estonian cleantech leaders. The Estonian Cleantech Association were proud to have three of its members (Sunly, UP Catalyst, and SKYCORN Technologies) in the room, representing just how much talent and vision the ecosystem holds. Together, the Estonian cleantech innovation was discussed and how collaboration with the UK is picking up real momentum.



Lithuania launches its first hydrogen-powered ship

In January, Lithuania marked a major milestone in green maritime innovation with the launch of its first hydrogen and electricity-powered ship, commissioned by the Klaipėda State Seaport Authority. The €12 million vessel will begin operations later this year, collecting waste and cleaning ships entering the port without leaving a trace on the environment. Featuring hydrogen fuel cell technology, modern water treatment systems, and a fully electric propulsion system, the ship highlights the growing strength of Lithuania's green maritime ecosystem and positions Klaipėda as a regional leader in clean port operations.

[Learn more >>>](#)



Vilnius crowned European Green Capital 2025

Vilnius was named European Green Capital 2025 for its strong commitment to sustainability and realistic approach to becoming a greener city. Dedicated to achieving climate neutrality by 2030, the city has already significantly reduced emissions by expanding renewable energy and renovating heating infrastructure. Vilnius integrates sustainability with residents' well-being through initiatives promoting clean air, water conservation, biodiversity, and green spaces. This recognition highlights Vilnius as a green pioneer, inspiring cities across the Baltics and beyond toward a sustainable future.

[Learn more >>>](#)



Lithuania reports record renewable electricity generation

In February, Lithuania announced record-breaking electricity generation for the previous year, reaching nearly 8 TWh—up 37% from 2023—of which 70% came from renewable sources. Major growth came from solar power, which doubled, and wind generation, which rose by 38%. Local production covered 63% of national consumption, the highest since 2009. Electricity usage also grew by 5%, driven by expanding electrification in industry, services, agriculture, and households, while imports decreased by 13%, underscoring Lithuania's ongoing transition towards sustainability and energy independence.

[Learn more >>>](#)



In March 2025, Latvia officially launched its National Artificial Intelligence Centre, tasked with overseeing the country's AI development and governance.

The Centre will coordinate AI initiatives across government, academia, and industry, aiming to foster responsible and sustainable use of the technology. It will also represent Latvia in global AI governance discussions, ensuring alignment with international standards and practices.

[Learn more >>>](#)



**Cleantech
for Baltics**

COALITION NEWS

CfB first Coalition Meeting in 2025 put the focus on the Clean Industrial Deal

On 5 March, Cleantech for Baltics organized its first Coalition Meeting open to the public. This event featured an overview and initial insights into the CID, along with a presentation of forthcoming cleantech funding opportunities available through Horizon Europe. [>>>](#)

Estonian-based cleantech venture capital firm 2C Ventures joins the CfB coalition

We are thrilled to announce the addition of a new member to our Coalition: 2C Ventures. 2C Ventures specializes in investing in early-stage companies that are creating innovative technologies aimed at achieving environmental goals in Northern Europe. [>>>](#)

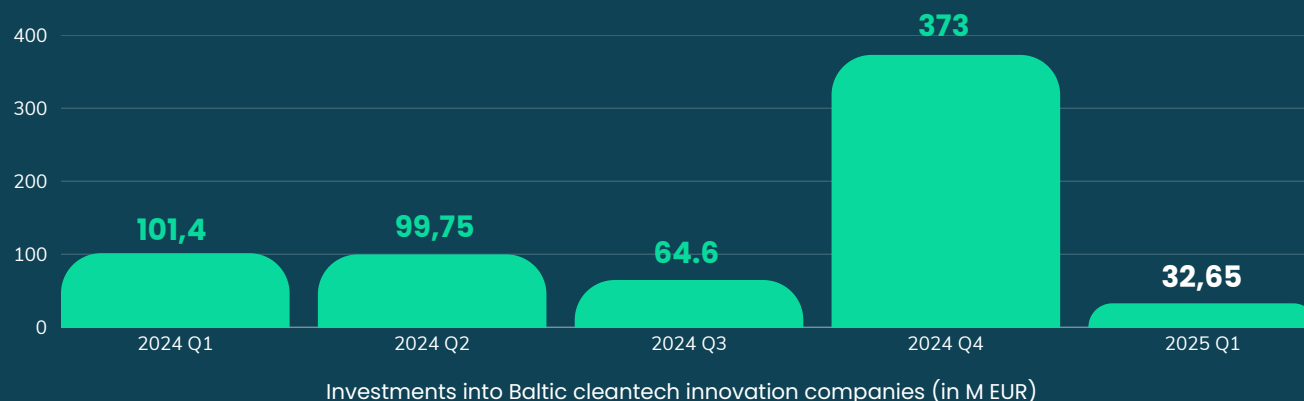
CfB Coalition member Sunly got a €62M loan from EIB, SEB and Luminor to expand solar power production in Estonia

The European Investment Bank (EIB), together with local commercial banks SEB and Luminor, is lending the Estonian renewable energy company Sunly €62 million to build and operate a solar park in the country, accelerating the Baltic region's green transition and electricity independence. The project marks the EIB's first fully merchant renewable energy financing operation in the Baltic market, the revenues will rely solely on sales in the electricity market. [>>>](#)

Naco Technologies secures €2.5M to scale hydrogen nanocoating solutions

In January 2025, Riga-based Naco Technologies closed a €2.5 million pre-Series A funding round led by Radix Ventures, with participation from Impact Ventures and The Untitled Ventures. The company specializes in advanced nanocoatings that reduce reliance on costly materials like platinum in hydrogen systems, enhancing efficiency and durability. The investment will support the establishment of a large-scale production facility in Poland, expansion into international markets, and further R&D to refine their nano-coating technologies. [>>>](#)

CLEANTECH INVESTMENTS AND PUBLIC SUPPORT



The Baltic cleantech industry secured €32.65 million in investments during the first quarter of 2025. While this figure is modest compared to the €101 million raised in the same quarter last year, the 10 deals provide an optimistic outlook for the year, particularly in Seed funding. A significant 80% of the investments were directed towards the Energy & Power sub-sector, with one deal in both the Transportation & Logistics and Resources & Materials sectors.

Estonian UP Catalyst Selected as a Strategic Project under the EU's Critical Raw Materials Act

The European Commission has selected UP Catalyst's CO₂ Graphite project as one of 47 Strategic Projects under the Critical Raw Materials Act (CRMA), marking a major milestone in Europe's efforts to secure a sustainable and independent supply of raw materials. UP Catalyst is the only project selected from the Baltic region and one of just eleven chosen for graphite.

Stargate Hydrogen raises 11 million Euro Series A for scaling up precious metal free electrolyzers

Stargate Hydrogen, a manufacturer of innovative electrolyser stacks and systems, announces the successful completion of its series A funding round, raising 11 million Euros in equity investments from strategic customers and financial investors. >>>

Elcogen secures €5 million investment from SmartCap to accelerate growth

Elcogen, a leading European manufacturer of technology that enables the delivery of efficient, affordable green hydrogen and emission-free electricity, has secured a €5 million investment from SmartCap. >>>

Cleantech for Baltics

Tallinn-based Gridraven raises €4M to fuel its international expansion

Tallinn-based startup Gridraven, which develops AI-powered grid technology, has raised €4 million to expand to the US and grow its team. [>>>](#)

Fusebox secures €2.6M to strengthen European energy market

Fusebox, an Estonian startup and the leading flexibility provider in the Baltic states, has secured €2.6 million in funding to accelerate its expansion across Europe. The investment will enable the company to enhance its SaaS offering, hire new talent, and scale its presence in the EU energy market. [>>>](#)

Estonian startup Soldera raises €2.5M to streamline green energy certificate trading

Soldera, a startup that streamlines the way certificates that verify and monetize renewable electricity production are traded in Europe, has raised a €2.5M funding round. [>>>](#)

Gridio secures €2.4M to simplify and accelerate smart charging

Gridio, a software platform for smart charging of electric vehicles and distributed energy devices, has raised €2.4 million in a seed funding round to enable Gridio to scale its smart energy platform across Europe. [>>>](#)

Estonian deep-tech startup GaltTec secures €1M to power drones and IoT devices with next-generation fuel cells

GaltTec, an Estonian deep-tech startup developing micro-tubular solid oxide fuel cells (mSOFCs) for portable and off-grid energy solutions, has successfully closed its pre-seed funding round, raising a total of €1 million from private investors and grants. [>>>](#)

Nord Steel signs €1.4M contract to supply hydrogen storage tanks for Baltic's first green hydrogen station

Nord Steel has signed a €1.4 million contract with MT Group to design, manufacture, and supply three green hydrogen storage tanks for the first-ever green hydrogen production and refueling station in the Baltic States, to be built at the Port of Klaipėda. The delivery will include a 40-bar buffer tank and two high-pressure storage tanks rated at 550 and 1000 bar. This milestone project positions Nord Steel at the forefront of sustainable energy infrastructure development in the region. [>>>](#)

ILTE financing now open to renewable energy park developers in Lithuania

As of January, ILTE has expanded its renewable energy financing instrument, making up to €100 million in loans available not only to self-generating legal entities but also to solar and wind park developers. The maximum loan term for solar projects has been extended to 20 years, with interest rates capped at 3%. This support aims to accelerate the shift to clean energy and stabilize energy costs for Lithuanian businesses and institutions. [>>>](#)

Over €100M in support for large-scale energy storage systems for legal entities

In February Lithuania launched a €102 million call for legal entities (excluding financial and credit institutions) to install large-scale energy storage systems aimed at providing grid balancing services. The measure, initiated by the Ministry of Energy and administered by APVA, is part of a broader €180 million state aid scheme approved by the European Commission. The goal is to deploy at least 800 MWh of storage capacity by the end of 2028, strengthening the integration of renewables into the national grid. [>>>](#)

€35M in support available for Lithuanian residents installing solar panels

Residents in Lithuania can apply for funding to install or expand solar power systems on their homes, with over €35 million allocated for the measure. For the first time, a single-step application process is introduced – no prior reservation is needed, and support will be paid within 30 calendar days after eligible documents are submitted. Residents who installed solar panels after February 1, 2022, but previously couldn't access support, are also eligible. The subsidy remains unchanged: €255 per kW of new installed capacity and €191 per kW for added capacity, up to 10 kW per energy consumption site. [>>>](#)

€18M support scheme for public entities, businesses and farmers installing energy storage systems

The Lithuanian Energy Agency launched an €18 million support call for public legal entities, businesses, and farmers to install energy storage systems. The updated scheme expands eligibility, extends the eligible cost period, and allows applicants to install storage systems with double the previous capacity. Support will be available to those who already operate renewable energy installations. Applicants can receive up to 30% funding, with fixed rates of €698/kWh (LFP) and €576/kWh (Li-ion), excluding VAT, for systems up to 1 MWh. The scheme aims to create 93.8 MWh of storage capacity by 2026. [>>>](#)

ENGYcell raises €450K to boost AI energy solutions across Europe

In March 2025, Riga-based startup ENGYcell secured €450,000 in funding, combining a €250,000 pre-seed investment from Change Ventures with a European Union grant. Founded by the team behind OX Drive, ENGYcell offers AI-driven energy storage solutions that help commercial and industrial clients optimize electricity use, lower costs, and participate in grid-balancing markets. The fresh capital will accelerate software development, enhance integration with Nord Pool and transmission system operators (TSOs), and fuel expansion into Poland and key European regions. >>>

AJ Power and Apply Launch TRON to revolutionize large-scale energy management

In March 2025, Latvian companies AJ Power and Apply introduced TRON, an advanced energy management system designed to optimize operations of large-scale solar parks, battery energy storage systems (BESS), and heat pumps. Initially developed for AJ Power's internal use, TRON enables real-time monitoring and control, enhancing energy efficiency and supporting grid stability. The system is now available to external clients, aiming to improve energy management across various sectors. TRON also helps users participate in electricity markets more effectively, increasing revenue potential from flexibility services. Its modular architecture allows seamless scaling and integration with future energy infrastructure. >>>

Riga invests €170K to strengthen startup accelerator and incubator ecosystem

In early 2025, Riga City Municipality announced a €170,000 investment in the Riga Startup Accelerator and Incubator Support Programme. The initiative aims to bolster the local startup ecosystem by providing financial support to accelerators and incubators that assist early-stage companies. Applications for the programme are open until March 16, with selected organizations receiving funding to enhance their services and infrastructure. This effort underscores Riga's commitment to fostering innovation and entrepreneurship within the city. >>>



POLICY AND REGULATIONS

The Clean Industrial Deal, a strong pillar for a clean and competitive EU economy, was published by the Commission on 26 February

- Commission presents the Clean Industrial Deal (CID), a bold business plan to support the competitiveness and resilience of our industry. The Deal aims to accelerate decarbonisation while securing the future of manufacturing in Europe. The CID addresses key barriers to clean economic growth by prioritising clean and affordable energy, clean industry demand, and efficient financing. Concrete legislative acts are scheduled for adoption in 2025 and 2026. Prior to the CID's publication, Cleantech For Baltics, together with over 100 European partners, submitted an **open letter** to the Commission. We are happy to see that many of the proposals in the letter are reflected in the published CID.
- As part of the Clean Industrial Deal, the Commission presented on 26 February an **Affordable Energy Action Plan** and the first **Omnibus package**, which aims to reduce the administrative burden placed on companies and enhance EU competitiveness.

The Latvian Defence Industry and Innovation Strategy can help with recognising local dual-use technologies

- In March 2025, the Latvian government approved the Defence Industry and Innovation Strategy for 2025–2036, aiming to double the share of domestically produced equipment to 20% by 2028 and increase it to 30% by 2036. The strategy also plans to raise innovation funding to 1.5% of defence spending by 2028 and 3% by 2036, with the defence industry's contribution to GDP targeted at 3% by 2028 and 5% by 2036 .



UPCOMING EVENTS

MAY

- **Cities Mission Conference 2025**

May 6-7th | Lithuania

[Learn more >>>](#)

- **Baltic Miltech Summit**

May 7th | Lithuania

[Learn more >>>](#)

- **Waste: Practical conference**

May 8th | Lithuania

[Learn more >>>](#)

- **BALTTECHNIKA 2025**

May 14-16th | Lithuania

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- **Marine and Coastal Research Conference 2025**

May 14-16th | Lithuania

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- **Deep Tech Atelier 2025**

May 15-16th | Latvia

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- **Cleantech Capital Day**

May 19-20th | Estonia

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- **Latitude59**

May 20-21st | Estonia

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- **Africa Business Forum**

May 27th | Estonia

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- **Drone Summit 2025**

May 28th | Latvia

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- **Startup World Cup Baltic Finals**

May 29th | Lithuania

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JUNE

- **DigiGreen**

June 5th | Lithuania

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