

overview of government measures: defence

overview last updated: April 2025

2-3 Raising Capital

4-6 Technology Development

7-9 Testing

10 Production Environment

11 Export Support

NATO innovation fund (NIF)

Venture capital fund backed by all NATO members, which exceeds €1 billion. The fund focuses on deep technology companies looking for solutions to defence and security challenges.

The NIF has unique access to nearly 90 NATO-related test centres and more than 6,000 scientists of the Allied countries. Estonian companies can also approach the NIF to attract investment.

Type: equity

Institution: SmartCap

[Link to website](#)

loan guarantee

Loan guarantee helps companies that want to take out a bank loan, lease or bank guarantee (including a letter of credit) but whose business history or collateral does not satisfy the bank.

Type: guarantee

Institution: Enterprise Estonia (EIS)

[Link to website](#)

defence fund

The Defence Fund invests directly in innovative technology companies and growth companies in the traditional economy developing a technology or product relevant to defence or security. The state acquires a minority holding of up to 49% in the company; investment from €0.5 million to €10 million per company; the investment is made with a private investor on market terms (minimum private investor funding is 30% of the project).

Type: equity offer

Institution: SmartCap

[Link to website](#)

industrial loan

Industrial loan is a subordinated loan designed to help increase the self-financing rate of a project in the eyes of a credit institution.

Companies can use industrial loans to co-finance investments in plant, property and equipment and intangible assets with a bank or a leasing company.

Type: loan

Institution: Enterprise Estonia (EIS)

[Link to website](#)

export loan

Loan guarantee helps companies that want to take out a bank loan, lease or bank guarantee (including a letter of credit) but whose business history or collateral does not satisfy the bank.

Type: loan

Institution: Enterprise Estonia (EIS)

[Link to website](#)

large-scale investment grant

The grant is meant for investment in the establishment of a new production unit, which increases the company's competitiveness, export capacity and added value.

The amount of the grant is up to €20 million. The self-financing must be at least 85%. A company registered in the Estonian Commercial Register may apply for the grant if it plans to: invest at least €100 million in fixed assets and create at least 30 new jobs as a result of the investment.

The state cannot own more than 49% of the applicant or a company belonging to the same group as the applicant.

Type: grant

Institution: Enterprise Estonia (EIS)

[Link to website](#)

support for investments

The grant is meant for making a new that contributes to the creation of higher added value and increasing the international competitiveness of the company. The amount of the grant is €1–3 million. Self-financing must be at least 85%.

Type: grant

Institution: Enterprise Estonia (EIS)

[Link to website](#)

NATO DIANA accelerator

The goal of the NATO DIANA Accelerator Programme is to support deep technology start-ups that contribute to national security and the defence sector. The accelerator offers a high-quality training programme, an international mentoring network, test centres, and grants (€100,000 for development and an additional €300,000 for the best). Dual-use technologies are developed in the accelerator, which brings together innovators and end-users of new technologies.

Type: accelerator

Institution: NATO DIANA regional office, Tehnopol, Tartu Science Park, Ministry of Economic Affairs and Communications, Ministry of Defence

[Link to website](#)

european defence fund

The European Defence Fund allows companies to develop products within pan-European consortia. The Ministry of Defence offers co-financing for EDF projects and supports Estonian companies in joining pan-European consortia.

Type: grant

Institution: Ministry of Defence

[Link to website](#) (in Estonian)

product development grant

The grant allows a company to develop an internationally competitive new or substantially modified product or service. The maximum grant is €500,000 and the grant rate is 25–45% (depending on the company size).

Type: grant

Institution: Enterprise Estonia (EIS)

[Link to website](#)

development grant

Within the scope of the business development programme of the Ministry of Defence, the Defence Forces will test products from the Estonian defence industry to provide feedback about prototypes and expertise for product development. The amount of the grants per year is €1.2 million. Companies registered in Estonia can participate and the maximum grant per project is €200,000. The duration of a development project is up to 3 years. The share of the aid will be 25–45% of the project's cost, depending on the company's size.

Type: grant

Institution: Ministry of Defence

[Link to website](#) (in Estonian)

applied research programme

Additional thematic application round for grants for applied research aimed at defence companies, with the possibility to test prototypes with the Defence Forces.

Type: grant

Institution: Enterprise Estonia (EIS)

[Link to website](#)

development programme

The company development programme supports the implementation of the company's long-term strategic development plan and increasing its international competitiveness.

The grant is meant for the development of the company's organisation and processes, the development of a product or service, the development of sales and marketing activities, the development people or the purchase of equipment. The amount of the grant per company is €500,000. The amount of self-financing depends on the size of the company.

Type: grant

Institution: Enterprise Estonia (EIS)

[Link to website](#) (in Estonian)

pre-accelerator defence business lab

The pre-accelerator prepares companies for the next stage of development to apply for business accelerator programmes focusing on dual-use technologies (e.g. NATO DIANA Accelerator Programme).

The amount of the grant is €5,000 for prototype development and mentoring.

Type: accelerator pilot

Institution: Tehnopol, Tartu Science Park, Ministry of Defence, Ministry of Economy and Communications

[Link to website](#)

estHUB

ESTHub is a remote sensing cluster in Estonia that provides a single national platform for searching, downloading and processing satellite data. A new ESTHub value proposition is being created to offer new services to companies.

Type: data

Institution: Ministry of Economy and Communications

[Link to website](#)

innovation procurement

2% of all public procurements (and 5% of the total monetary value of the procurements) must be innovation procurements. This means that instead of procuring finished products available on the market, the procurements involve developing new innovative solutions to the problem described by the contracting authority. The contracting authority becomes the first reference customer for the developed solution and the tenderer retains the intellectual property rights, allowing further marketing of the product. The innovation procurement policy covers all areas, including defence.

Type: N/A

Institution: Ministry of Economy and Communications

[Link to website](#) (in Estonian)

estonian space and CERN office

The Estonian Space and CERN Office mediates business opportunities and invitations to tender offered by the European Space Agency (ESA) and the European Centre for Nuclear Research (CERN) to Estonian companies. It also organises information days and seminars, study tours and matchmaking events.

Type: N/A

Institution: Enterprise Estonia (EIS)

[Link to website](#)

intellectual property protection and strategy consultancy service with a grant

Companies are supported in protecting and commercialising the intellectual property generated by their development activities through high-level strategic intellectual property advisory services, training, support materials, etc. Measures supporting the activity.

Type: N/A

Institution: Enterprise Estonia (EIS)

[Link to website](#)

experimentation framework

In the regulatory sandbox, the state allows for the temporary testing of unregulated or inconsistent solutions, such as new technologies or business models, under specified conditions and supervision.

Type: testing and regulations

Institution: Accelerate Estonia, Ministry of Economy and Communications

[Link to website](#)

the experimentation programme

The Experimentation Programme is aimed at the structural units of the Defence Forces and the Defence League that can submit applications to the programme to find solutions to capability gaps using new technologies. Existing solutions ('off-the-shelf products') are tested through experimentation and their integration into military units will be tested in order to find practical outputs to address sectoral problems in the military. The budget of the programme is €500,000 per year. The programme is not narrowly targeted at Estonian companies, as the goal is to increase the wider uptake of new technologies and solutions in the Defence Forces and the Defence League.

Type: testing

Institution: Ministry of Defence

remote sensing research and development centre of the estonian military academy

The Centre offers cross-agency applied research and know-how to integrate the potential of remote sensing technologies in the area of internal security. In particular, the Centre tests unmanned aerial vehicles and surveillance and counter-measures for unmanned aircraft. A training area can also be used for testing. Testing can be carried out by or with officials from the agencies of the Ministry of the Interior. The Ministry of the Interior cannot offer companies the opportunity of independent testing.

Type: testing

Institution: Ministry of the Interior/Estonian Military Academy

nurmsi training area

The Unmanned Aerial Vehicle Training Centre makes it possible to test and develop products in this field in cooperation with the defence industry and provide the industry with product testing opportunities.

Type: testing

Institution: area of government of the Ministry of Defence

centre for applied research

One of the directions of the Centre is the development of drone technologies, which also directly meets the needs of the Estonian defence industry. The Centre will provide companies with applied research as well as various laboratory services to help improve the quality of defence procurements, enhance combat equipment lifecycle management and support product development.

Type: development and testing assistance

Institution: Centre for Applied Research

[Link to website](#)

estonian defence forces

Estonian Defence Forces provide product development support and testing opportunities for Estonian companies contributing to the development of defence and dual-use products or services related to national defence needs. Also, in cooperation with the Defence Forces, it is possible to consider sending products for testing both in the subunits of the Ministry of Interior as well as in the allied units and training areas operating in Estonia.

Type: testing

Institution: area of government of the Ministry of Defence

CR14

The objective of the CR14 Foundation is research and development, and supporting defence cyber security, and to promote international cooperation on cyber security, organise cyber security training and provide cyber security services and advice in the relevant issues.

Type: cyber range

Institution: Ministry of Defence

[Link to website](#)

defence league

Provide product development support and testing opportunities for Estonian companies contributing to the development of defence and dual-use products or services related to national defence needs.

Type: testing

Institution: area of government of the Ministry of Defence

center of excellence for electronic warfare of the estonian military academy

Provide product development support and testing opportunities for Estonian companies contributing to the development of defence and dual-use products or services related to national defence needs.

Type: testing

Institution: area of government of the Ministry of Defence

defence industry park

The objective of the Defence Industry Park is to create a modern manufacturing environment that supports the capacity of Estonia to produce ammunition, munitions, explosives, weapons and drones, and to make it possible to launch production quickly. Another objective of the Defence Industry Park is to create an attractive business and production environment for the defence industry companies and to provide them with the services they need. The Defence Industry Park aims to reach industrial production in 2027.

Type: industrial park

Institution: Ministry of Defence

military and disaster medicine centre

The Military and Disaster Medicine Centre (SKMK) is a subunit of the Estonian Military Academy, whose task is to organise military and disaster medicine training for members of the Defence Forces, reserve medics, medical students and other partners. In relation to this, the SKMK is also involved in research and development in the field of military and disaster medicine in Estonia.

Type: development

Institution: Estonian Military Academy

[Link to website](#) (in Estonian)

ämarî mini defence industry park

The Estonian Centre for Defence Investments offers a defence industry company the opportunity to set up its own production facility in Ämar, where the production of ammunition could start by early 2025 at the latest.

There is 6,200 square metre site for this purpose in Ämar, which is equipped with protective walls, where security and safety requirements are guaranteed and where the company can build the necessary production buildings at its own expense.

Nitrotol OÜ will start producing ammunition at the Ämar military base as a result of the selective tender organised by the Estonian Centre for Defence Investments. Production will start in spring 2025 (the start of production may be delayed depending on the results of the dispute by the other tenderer).

Type: industrial park

Institution: Ministry of Defence / Estonian Centre for Defence Investments

joint stands and trade missions

National joint stands are organised at international trade fairs to help Estonian companies succeed in foreign markets. The company has to have previous export experience and entering or growing in the market of the target country is part of the company's export strategy.

Type: service

Institution: Enterprise Estonia (EIS)

[Link to website](#)

ukraine support measure

The new support measure allows Estonian companies to contribute to Ukraine's victory. The Estonian Centre for Defence Investments opened a measure for the purchase of products or services to the extent of up to 0.25% of GDP, which are suitable for use by the Ukrainian Defence Forces in times of crisis and war. All Estonian companies can offer their products or services.

Type: grant

Institution: Estonian Centre for Defence Investments

[Link to website](#)

export programmes

Designed as the first step in exporting technology or relaunching exports to the target country, it provides help in getting to know the target market, understanding one's business potential, and putting in place a systematic entry plan. The main elements of the programme are individual online consultations with consultants, individual market visits to the target country, and individual online follow-up.

Type: consultation

Institution: Enterprise Estonia (EIS)

[Link to website](#) (in Estonian)

client-specific export consultation service

In the course of the service, defence entrepreneurs are offered the support of a foreign mission both in the development of their business as well as in introducing the target market.

Type: consultation

Institution: Enterprise Estonia (EIS)

[Link to website](#) (in Estonian)