

Estonia at a glance



Credible Defence, Trusted Ally

- an active member and contributor to NATO, the European Union and the Eurozone
- a strong economy with an unprecedented level of transparency in governance
- Estonian GDP contribution to national defence in 2026 is over 5%
- the NATO Cooperative Cyber Defence Centre of Excellence and the eu-LISA is headquartered in Tallinn
- **#1** in cybersecurity in the EU



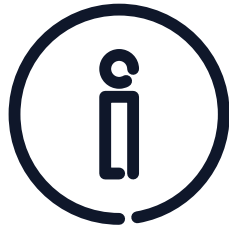
Incentive for large-scale investments

- 2025-2028, the state will allocate 160M euros for large-scale investments
- first subsidies will be paid out in 2026
- targeted investments of at least €100 million, with a focus on export-oriented projects
- self-financing at least 85%
- 30+ new jobs should be created per project
- maximum support is up to 15% of the project volume or up to 20M euros

Political and economic stability



Low red tape and
corruption



The lowest
government debt in
Europe



A balanced and future
oriented state budget

Credit ratings

AA-

Standard & Poor's

A+

Fitch IBCA

A1

Moody's

Estonia means business

#1

International Tax
Competitiveness Index
Tax Foundation 2025

#1

Digital Health Index
Bertelsmann Foundation
2024

#2

Internet Freedom
Freedom House 2025

#2

Liberal Democracy Index
2025

#8

Index of Economic
Freedom
The Heritage Foundation
2025

#16

Global Innovation Index
2025

Your fastest track to the smartest investments

#1

“The most advanced digital society in the world” by Wired

0%

corporate income tax on retained and reinvested profits

#1

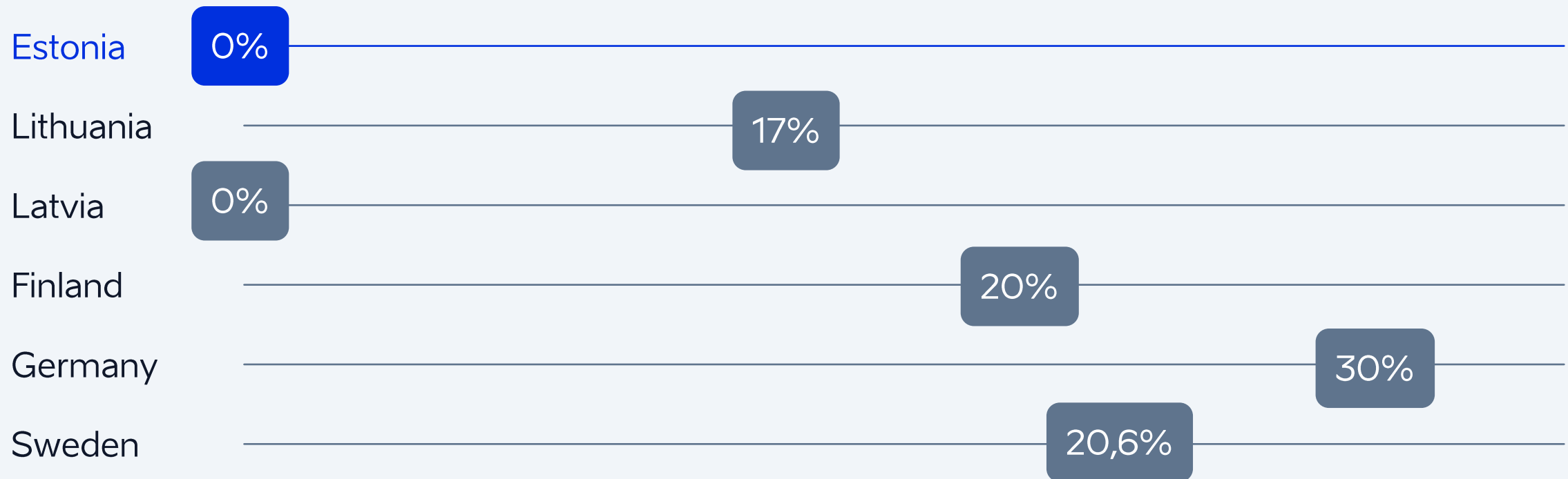
one of the world’s most open and competitive business environments

#1

Attractive environment for research and development

Corporate income tax on retained and reinvested profit

Source: OECD



Ease of doing business

The simplest and fastest business environment

- 15 minutes to start a company
- hassle-free e-taxation
- full automatisisation in tax reporting
- e-Residency — Estonian e-services to every world citizen



Estonian startup ecosystem

- 1,600+ startups
- 10 unicorns - #1 per capita in the European Union
- €4,5B revenue generated in 2024
- €5,2B funding raised
- Estonian Startup & Scale-Up Visa
- Nordic DeepTech Valley





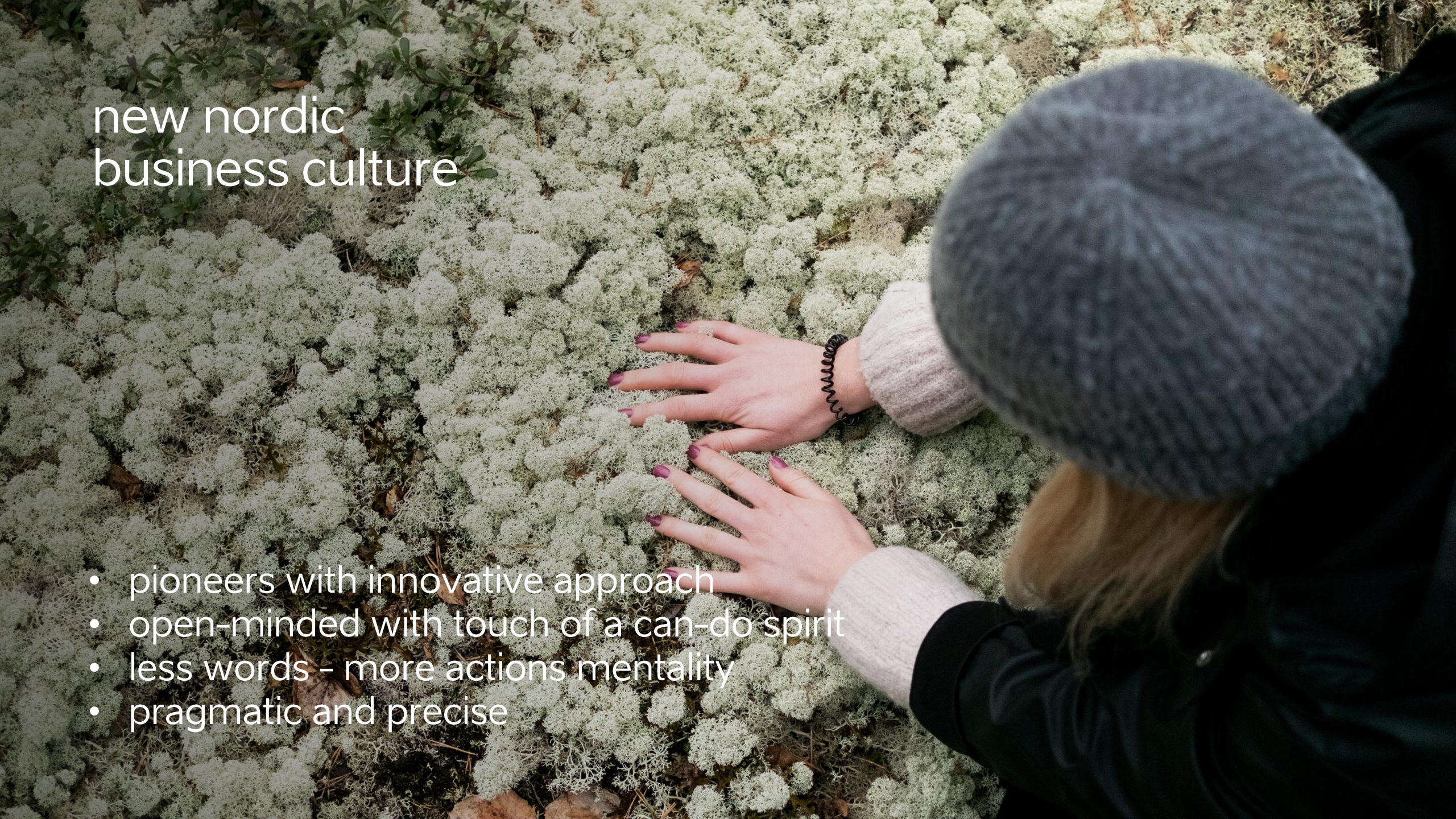
e-residency

e-resident.gov.ee

- 1st in the world
- 175+ countries
- 137,000+ e-residents to date
- 40,000+ Estonian companies established by e-residents

Sustainable development

- 17th globally in Sustainable Development Report 2025
- plan to reach carbon neutrality by 2050
- Estonia's air is some of the cleanest air in the world
- Tallinn crowned the European Green Capital 2023
- Green Tiger to create a basis for a green economy

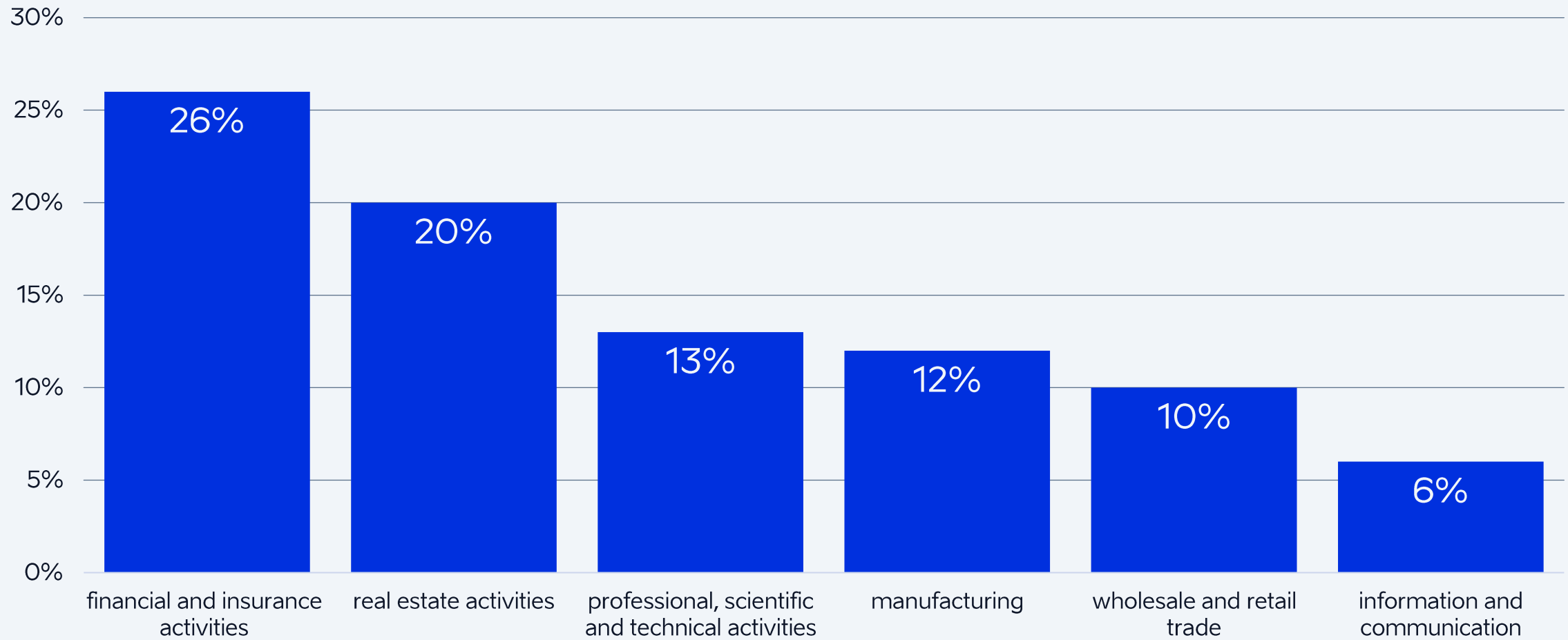


new nordic business culture

- pioneers with innovative approach
- open-minded with touch of a can-do spirit
- less words – more actions mentality
- pragmatic and precise

Foreign direct investment by field of activity

Source: Bank of Estonia, 2025



ESTONIA'S DEEP-TECH STARTUP ECOSYSTEM REPORT 2024

Authors of the summary:

Inga Kõue, Mariann Proos – Startup Estonia, Estonian Business and Innovation Agency

This summary provides an overview of the 2024 progress and the key actions planned for 2025 of the objectives of the [Action Plan for the Development of the Deep-Tech Startup Ecosystem](#) published in 2023 and updated in 2025.

The aim of the activities is still to create a favourable environment for deep technology entrepreneurship and support the global impact growth of Estonia's knowledge-intensive startups. The goal for 2030 – 500 deep technology startups (i.e. deep tech startups) being founded in Estonia – remains a major target. Every year, Startup Estonia prepares an interim report to monitor this goal, covering the developments and needs of the ecosystem, among other things.

Sector overview

According to Estonia's startup ecosystem platform [Dealroom](#), as of 31 December 2024, there were 165 deep tech startups operating in Estonia, including 12 scaleups or mature companies.

Table 1. Overview of the deep technology startup sector indicators

Metric	2022	2023	2024	2030 objective
Number of deep tech startups (% of total startup sector)	114 (8%)	134 (8,5%)	166 (10%)	500
Number of investments in deep tech startups per year	20	29	20	100
Investments from the startup sector (million euros), incl. scaleups	226 (19%)	254 (64%)	206,2 (63%) (-19% vs 2023)	30%
Turnover (million euros) Turnover growth is not measured as a performance indicator	248	273	325,3 (+19% vs 2023)	Target level has not been set.
Intellectual Property (% of deep tech startups that report registered IP)	25%	25%	34%	60%
Research and development expenditure reporting Share of total business sector R&D expenditure. <i>*R&D expenditure data is based on annual reports</i>	15%	12%, incl. deep tech startups 7%	12%, incl. deep tech start- ups 7%	Target level has not been set.

Deep tech startups' **state and labour tax payments** amounted to **112.1 million euros** in 2024 (27% more than in 2023), including 54.1 million euros in state taxes and 58 million euros in labour taxes. **As of the end of the year, the companies employed 3395 people**, 71% of whom were men and 29% were women. The turnover of deep tech companies accounted for 8% of that of the entire startup sector, whereas the share of state and labour taxes reached 16%. This demonstrates the high cost of product development for deep technology companies and the higher-than-average proportion of high-value-added workforce.

20 investments were made in the deep technology sector in 2024. **The total volume of transactions was 206.2 million euros**, accounting for 63% of investments in the startup sector. Compared to 2023, the volume of investments decreased by 19%, but it proportionally still maintained a share of 63%, which indicates investors' stable risk appetite when investing in deep tech startups.

Today, **34% of deep tech startups registered in Estonia report ownership of intellectual property and 7% of all companies reporting research and development (R&D) expenses are deep tech startups**. For both the long-term growth of companies and the raising of necessary capital, R&D spending is critical.

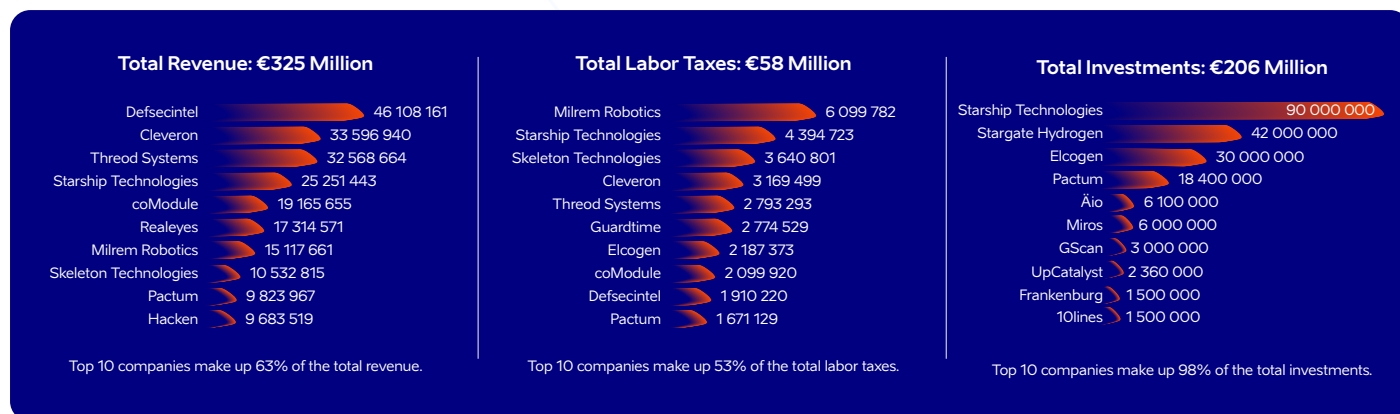


Figure 1. Top 10 deep tech startups in 2024

As of 2024, health technology startups (23%) made up the biggest percentage in the deep tech sector in terms of **fields of activity**. **Of the technologies used**, the most reported is artificial intelligence development (18%). In the figure below, the presented data is based on the profiles of companies on Estonia's startup ecosystem platform.

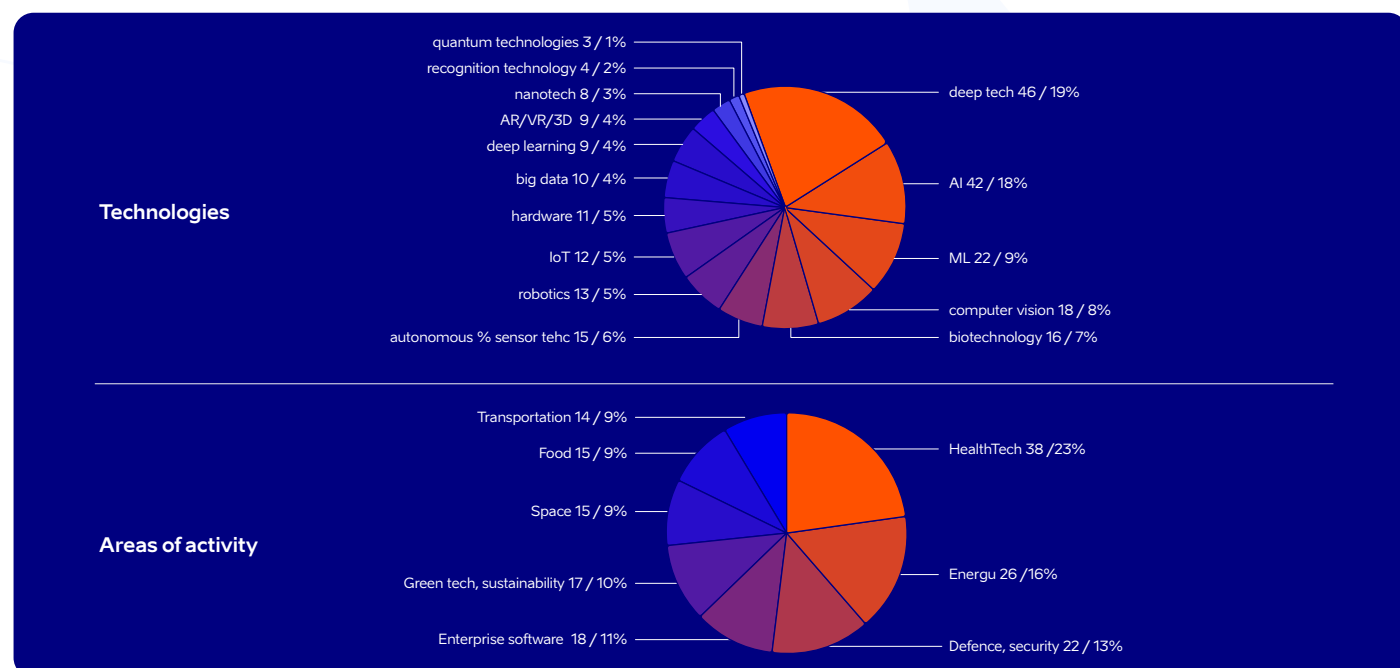


Figure 2. Distribution of deep tech startups by sectors and technologies (number and share of companies).

The Estonian Research and Development, Innovation and Entrepreneurship (RDIE) [Strategy 2035](#) has set health technology as one of the main priority areas. Although health technology companies constitute most knowledge-intensive companies today, this is not sufficient, considering the demand for fast and high-quality healthcare and the objective of the [National Health Plan](#) to increase the number of years left to live in good health by every person. As of 2024, there are a total of 111 solutions supporting health and a healthy lifestyle (38 science-based health-related deep tech startups), which accounts for only 7% of the entire startup sector (at the end of 2024, there were 1592 startups and scaleups in Estonia) and their turnover accounted for only 1% of that of the entire sector. Due to regulatory complexity in the healthcare industry, companies in this sector are slow to reach the market, although there is a great need for new innovative healthcare solutions. Therefore, the Estonian Business and Innovation Agency decided to make the promotion of the health technology sector one of its focus areas in 2023, led by Startup Estonia, and in 2024 carried out a large-scale public procurement on “Health technology and health services’ value-based operating model development and implementation” worth 2.36 million euros (excluding taxes). At the end of 2024, the consortium Health Founders Estonia <https://hfe.ee/> won the public procurement with the obligation to develop an Estonia-wide operating model based on cooperation during the period 2025–2028; its aim was to generate success stories in the sector and create a business environment that promotes the sector’s development.

Although deep technology in general has the largest share of technologies being developed (46 startups have not specified their technology), the majority of companies (42, or 18%) indicate solutions based on artificial intelligence as the technology they use. This is not surprising, considering the significant growth in the adoption of artificial intelligence in the last few years; rather, we can expect that solutions using artificial intelligence are going to be a part of conventional technologies in the coming years. Since the health sector is being promoted, bio and biomedical technologies are expected to have the greatest growth potential. Various engineering solutions related to robotics and autonomous vehicles are also trending upward, influenced by the rapidly growing defence sector due to difficult geopolitical situations in the world.

Overall, Estonia’s deep technology startup sector is in an early growth phase and 70% of the operating companies have been founded in the last six years. The years 2018–2021 saw the establishment of the largest number of deep tech startups (a total of 81 companies). In 2021, there were 22 new companies founded. In the following years, however, the pace of establishing companies slowed down, especially in 2024, when Startup Estonia knows the registration of only one enterprise: a new defence company [Frankenburg Technologies](#), which has already gained recognition. The low number of new knowledge-intensive startups is influenced by several factors, including the cooling of the economy, the difficulty of raising funds in early stages, but above all, scientists’ low readiness to take risks to move from experimental product (discovery) development to business development and the establishment of spin-off companies; this is in turn amplified by obstacles to transferring intellectual property to companies that have emerged from universities.

The deep tech ecosystem in Estonia and elsewhere

As of early 2025, we can say that the global focus on deep technology remains strong. In fact, the importance of science-based and deep technology companies has been increasing. There is intense competition between countries to establish and grow knowledge-intensive companies, especially between the United States and the largest European countries (Great Britain, France, Germany and others). The focus is on rapidly developing artificial intelligence, quantum technologies, space and energy solutions, health and biotechnologies, novel materials and food solutions, as well as the defence industry.

- According to a [McKinsey & Company report](#) published in July 2024 on the European market, the largest share of the market (20–30%) is made up of solutions related to the development of artificial intelligence, which includes various autonomous systems. The same report also reveals the untrue misconceptions that a) deep tech startups grow more slowly, b) deep tech startups are more difficult to grow and c) deep tech startups take significantly longer to reach unicorn or exit status, or sale, than other startups. According to the McKinsey report, it takes an average of 5.5 years for a regular startup to reach unicorn status, and 6 years for a deep tech startup. However, the investment efficiency of deep tech startups tends to be higher, especially at Series A investment volumes — the efficiency of a regular startup is 2.5–3 times greater than the investment amount, while the efficiency of a deep tech startup is 4–4.5 times greater.
- According to [Future Market Insights](#), which analysed deep tech trends up to 2034 in February 2024, the global deep tech market is expected to grow by 18.7% annually, reaching 3,857 million US dollars by 2034 (up from 695 million US dollars in 2024). The autonomous vehicle sector, artificial intelligence-based navigation systems and Internet of Things technologies are considered to be its biggest drivers. Quantum and neurotechnology are also developing rapidly and solutions based on blockchain technology are not fading away by any means. Quite the opposite — blockchain technology is entering the field of medicine.
- According to [“The 2025 European Deep Tech Report”](#) presented at the Hello Tomorrow Global Summit in March 2025, Europe has the potential to become a global hub for deep technology.
 - Europe is home to 6 of the world’s top 20 universities and 9 of the world’s top 25 research institutions.
 - In 2024, 15 billion euros were invested in the European deep tech sector. This is 28% less than in 2021, but the decline is smaller than in the general tech sectors, where investments decreased by 60% compared to 2021.
 - According to the Hello Tomorrow report, the largest areas include, among others, artificial intelligence, as well as quantum technologies and quantum computers. Space technology plays a significant role, particularly in the development of small launch vehicles and satellite networks, which also extends to the defence industry sector, in which European governments are heavily investing. To ensure the functionality of the technology, there is also a strong focus on new energy sources (hydrogen technology, new battery chemistry solutions and nuclear energy).
- Estonia’s capability to contribute to the aforementioned deep tech areas was also demonstrated by a large-scale study conducted in 2023, [“Alternative Development Trajectories of Deep Technology and Their Significance for Estonia”](#), which focused on identifying development opportunities in five key areas — artificial intelligence and machine learning, embedded systems and chip technologies, wood biorefining, digitalised development of cell strains, alternative meat production and hydrogen technology. The Applied Research Center, established under AS Metrosert in 2023, provides targeted support to companies operating in these fields.

Keeping up with rapid changes requires great effort while simultaneously resolving existing bottlenecks. In 2023, entrepreneurs in the sector cited lack of funding as the biggest obstacle to growth, followed by a lack of talent with the “right profile” and regulatory restrictions (source: ecosystem report of 2023); the situation has not improved much in 2024 or early 2025.

In the first half of 2025, under the coordination of Tallinn Science Park Tehnopol and SPARKUP Tartu Science Park, focus group interviews were conducted with deep tech startups in the early stage and near the growth stage that emerged from universities. The interviews aimed to determine to what extent today's obstacles overlap with those noted in the survey with entrepreneurs that was conducted at the end of 2023 and what the greatest challenges are in the formation of university spin-offs and the factors affecting the companies' growth, including technology and resources, business knowledge and team, raising funding, and service support and environment.

In conclusion, the obstacles to the emergence of deep tech startups are very complex, where the "production" of globally competitive companies that become success stories lacks supporting infrastructure, business knowledge, mentors, finances and regulations that encourage knowledge-intensive entrepreneurship. Aggregated, the following barriers characterise the establishment of a spin-off and finding its first customer:

Factors influencing development	The biggest obstacles in the early stage
Technology and resources	• Lack of availability of suitable laboratories outside universities • Lack of understanding of which technology is most suitable for a prototype, including lack of consulting support • Low awareness of the possible uses of artificial intelligence
Business knowledge and team	• Lack of understanding about commercialisation • Unclear key roles, including lack of a business leader • Working part-time and the conflict between research and business careers • Lack of recruitment and management competencies
Fundraising	• Limitations in research funding: traditional research funding is not suitable for business development • Lack of interest from an early investor (e.g. a business angel) • Lack of a clear strategy for raising capital in the next stages of development • The local sector-specific investor ecosystem is weak
Service support and environment	• Lack of sector-specific and international mentors and advisors • There are few business and accelerator programmes or there is no programme to support the next life cycle • IP negotiations are complicated; leaders of research groups lack interest in entrepreneurship • The complexity of both sector-specific and data-use regulations • Limited opportunities to make new contacts, joining an existing community is passive

Table 2. Obstacles to the establishment of a spin-off

To improve the situation and overcome obstacles, it is necessary to continue to support a mindset shift in management in universities, research institutions and science parks, the scientific community and government level policymakers, in order to empower innovation with additional resources. Strong proactive action is also needed from both the Estonian Business and Innovation Agency and its partners to ensure that information about various opportunities reaches both researchers and entrepreneurs.

In 2024, due to these bottlenecks and needs, the provision of activities promoting the emergence of new deep tech startups at universities continued, as well as the provision of services supporting the growth of existing deep tech startups via the Estonian Business and Innovation Agency, science parks, accelerators and investors.

Activities and programmes implemented in 2024

The following chapter presents a comprehensive overview of the most significant developments, initiatives, reports and influential events in the deep technology sector coordinated by Startup Estonia in 2024.

FUNDING AND SUPPORT PROGRAMMES

- **Business development support measure “Ärgas”.** The objective of the measure is to support the expansion of deep technology companies into foreign markets and the growth of business competencies. In the spring of 2024, the second round of applications was opened with a total amount of €242,438.50. 11 applications were received and 5 companies secured funding (RAIKU, UP Catalyst, GaltTec, Gearbox Biosciences and WasteLocker). In summer, the success of the application rounds was analysed and the application evaluation criteria were improved. The third round of applications is planned to be announced in the early spring of 2025.
- **Entrepreneur-in-Residence programme.** The objective is to increase the researchers’ business development capability and investor readiness. From spring to autumn, the University of Tartu conducted an Entrepreneur-in-Residence programme for four research teams in the field of life sciences, where each team was advised by 4 business experts for 6 months. The summary of the programme in Estonian is available at <https://ut.ee/et/sisu/tu-hargettevote-programmi-blogi>. In 2025, the programme is planned to be expanded to other universities or research institutions.
- **Public procurement of new services for the startup ecosystem with a total amount of 200,000 euros.** The procurement consisted of four parts, one of which focused on a deep technology ecosystem development. For this part, 3 bids were received and the University of Tartu programme “Tiivik” was declared the winner. The programme’s activities are aimed at students at Estonian universities interested in deep technology startups. The programme will run until autumn 2025 and its funding is 50,000 euros. The programme can be viewed at <https://majandus.ut.ee/en/content/tiivik>.
- **Public procurement on a health technology and health services value-based ecosystem operating model with a total amount of 2.36 million euros (plus taxes).** The aim of the procurement is to kick-start the foundation of a nation-wide health innovation and cooperation platform and to create a favourable environment for the emergence of new companies in the sector. The procurement announced at the end of 2023 received four consortium bids, of which two consortia were assessed as suitable for the next round of negotiations. At the end of 2024, Health Founders Estonia was announced as the winner of the procurement, with whom a four-year (until 2028) framework agreement was concluded to implement the activities presented in the bid. The activities include three focus areas — contributing to the emergence of new Health and BioTech startups, contributing to the growth and globalisation of companies operating in the sector, and creating an Estonia-wide cooperation platform for all stakeholders in the health sector. The Health Founders Estonia programme can be viewed at <https://hfe.ee/>.

INTERNATIONAL COOPERATION AND VISIBILITY

- **Hello Tomorrow Global Summit, 20–22 March, Paris.** The conference was attended by 10 deep tech startup representatives, who focus on green technologies, health technologies and industrial technologies. Antegenes, Gelatex Technologies, Nanordica Medical, Efenco, GScan, Paul-Tech, Myceen, RAIKU Packaging, GaltTec and UP Catalyst presented their solutions. The goal of the companies was to find opportunities for introducing their products to new corporate partners in different countries, to expand the distribution network and the circle of potential buyers and to make contacts for attracting seed and series A round investments (see: <https://startupestonia.ee/estonian-startups-europes-interest-in-estonian-innovation-is-substantial/>).

- **Science in Business DeepTech Conference, 24 April, Brussels.** Estonia took part in the high-profile event together with representatives of other EU countries. The participants included Estonian entrepreneurs and policymakers. There were discussions on deep technology future trends and cooperation formats.
- **DeepTech Atelier, 16–17 May, Riga.** This is the largest deep tech conference in the Baltics, where both the local and international networks of the sector's ecosystem shapers are well represented. Vaido Mikheim from Startup Estonia gave an overview of the developments in Estonia (see: https://deeptechatelier.com/wp-content/uploads/2024/06/DTA_2024_Infografika_horiz_2.png).
- **Tech Tour DeepTech & Defence, 3–4 October, Tallinn.** EEstonia hosted this high-level event for international leading investors interested in deep tech and defence technologies and looking for seed stage to series A investment round opportunities. Using a collaborative evaluation approach, a jury of over 50 active investors selected 43 companies to participate in the programme. The event featured over 80 one-on-one meetings, providing a great opportunity for networking, strategic partnerships and investment. Investors selected the 8 most promising companies out of all the participants, including three Estonian startups — Salv, Lendurai and Spacedrip, who pitched in front of a high-profile jury aiming to increase their company's visibility for potential investors (see: <https://techtour.com/news-tech-tour-deeptech-defence-2024-award-winners/>).
- **Startup Community Study Tour, 5–7 November, Sweden.** The purpose of the study tour was to learn about good practices from organisations operating in the Gothenburg and Stockholm area, including Chalmers University, AI Sweden, Astra Zeneca BioVentures Hub, Vinniva, KTH Innovation Center, Saab and others. Representatives of 14 support organisations participated in the study tour, including representatives of Estonia's universities and science parks and partners from organisations offering startup accelerators. The study tour resulted in various follow-up activities and potential collaboration opportunities. Participant satisfaction was 89% (see: <https://estonia.ee/startup-ecosystem-leaders-visit-sweden/>).

ESTONIAN COMMUNITY AND NETWORKING

- **DeepTech community events.** In 2024, four meetups for deep tech sector members were organised, with the purpose of bringing together the sector's entrepreneurs and representatives of organisations providing support to companies. The first meeting of the year took place at the sTARTUp Day event in Tartu on 24 January and was organised by UniTartu Ventures. At the second meeting on 17 April, participants shared their impressions and new insights from the Hello Tomorrow Global Summit. The summer meeting took place in Tartu on 27 August, with a focus on health. The event took place in collaboration with Tartu Biotechnology Park and EstBAN as part of HealthTech Week. The year ended with a gathering at the F-hoone in Tallinn on 11 December, focusing on cooperation with the industrial sector. An average of 80 people attended the meetings, nearly half of whom were entrepreneurs.
- **sTARTUp Day, 24–26 January.** The annual major event in the university city of Tartu brought together nearly 3000 participants interested in startups. Since the purpose of the festival was also to work closely with the university, the event's major focus was on deep technologies. To introduce the topics, the Estonian Business and Innovation Agency had an area called DeepTech Lounge for meetings and deep discussions on the development of research-based businesses were held there. In addition to the festival itself, various seminars and side events took place, aimed at supporting knowledge-intensive startup entrepreneurship and including topics related to intellectual property and marketing methodologies developed at MIT.
- **HealthTech Week, 26–30 August.** The last week of August was dedicated to the health industry in both Tallinn and Tartu, with various seminars and visits. Also, a health tech conference, DTx, was organised, focusing on digital therapeutics and related companies. As part of Health Week, Startup Estonia helped co-finance the DeepTech community event held on 27 August, which brought together nearly 100 entrepreneurs, investors and service providers from health and research institutions operating in the sector.
- **Impact Day, 10–11 October.** The sustainability-focused conference involved all entrepreneurs and different stakeholders in the ecosystem and highlighted green topics and effective solutions. The event brought together nearly 2700 participants and offered over 90 sessions for gaining new knowledge.
- **Collaboration days of researchers and entrepreneurs.** In collaboration with ETAG, half-day seminars were organised, bringing together entrepreneurs and researchers in fields relevant to them to support the adoption of research-based innovation by more traditional manufacturing and industrial sectors. The 10 October meeting, with the participation of Startup Estonia, focused on cooperation between the deep tech sector and the machine industry. Nearly 60 participants attended the event.

BUSINESS ENVIRONMENT

- **Cooperation with universities and science parks.** To promote spin-off entrepreneurship, there were several collaborative meetings and discussions with the University of Tartu, TalTech, and Estonian University of Life Sciences, as well as with Tallinn Science Park Tehnopol and SPARKUP Tartu Science Park. The purpose of the meetings was to keep up with the constant developments in the support of spin-off entrepreneurship, including addressing bottlenecks, finding solutions and mapping collaboration opportunities between universities. The meetings also provided input for creating a comprehensive value proposition, from promoting spin-off entrepreneurship to accelerating the growth of existing companies. As a result of these meetings, the Ministry of Economic Affairs and Communications gave all stakeholders the task of presenting a joint programme for promoting the sector
- **Report summarising the DeepTech ecosystem activities in 2023.** The report on Estonia's deep technology sector was completed in the first half of 2024, providing an overview of the current state of companies operating in the sector in 2023 (including economic indicators), their expectations and existing and needed services. In addition, the report summarised developments and trends in the ecosystem and presented the sector's development focuses for 2024. The report is available at <https://startupestonia.ee/about-us/focus-areas/deeptech/>.
- **Baltic DeepTech Report 2024.** In collaboration with Dealroom and Iron Wolf Capital, an overview of the Baltic deep technology investment landscape for 2023 was presented at the Latitude59 conference, in which Estonia positioned itself as a regional leader. The report is available at <https://startupestonia.ee/baltic-deep-tech-report-2024/>.
- **Sector data monitoring and statistical overviews.** STo monitor the deep technology sector, at first, an interactive data-based view on the big data platform Tableau was created within the institution. The view includes charts based on Estonian Tax and Customs Board data (turnover, state and labour taxes and number of employees) and summaries of venture capital investments involved. The solution is available at <https://public.tableau.com/app/profile/enterprise.estonia/viz/Startupsector/Startupsector>.
- **Media coverage.** In 2024 Startup Estonia's media coverage, deep technology was the most reported topic, with 254 news stories published in Estonian media, which constituted 56% of all coverage on startups. Overall, the number of articles on deep technology has increased significantly since 2023, when promotion and raising awareness of the sector began. In 2022 and 2023, 77 and 220 news articles, respectively, were published in media. Besides the articles, the ETV programme "[Mis värvi on majandus?](#)" ("What colour is the economy?"), aired on 11 November, gave a deeper insight into the deep technology sector. Discussions were also held on radio channels, such as Äripäev Radio, where topics included [the lack of funding and talent in deep technology, as well as the Anti-Corruption Act](#). Across all media platforms, all deep tech media coverage got a total of 8.9 million clicks!

Taking into account the activities in 2024 and the results of interviews with deep tech startups conducted by science parks, we assess the state of the ecosystem as a traffic light, where green means "good", yellow means "satisfactory" and red means "needs much more support". We evaluate action stream successes through three roles, including Startup Estonia as a guide and financier, the company founder as a direct beneficiary, and the ecosystem partner as a service provider.

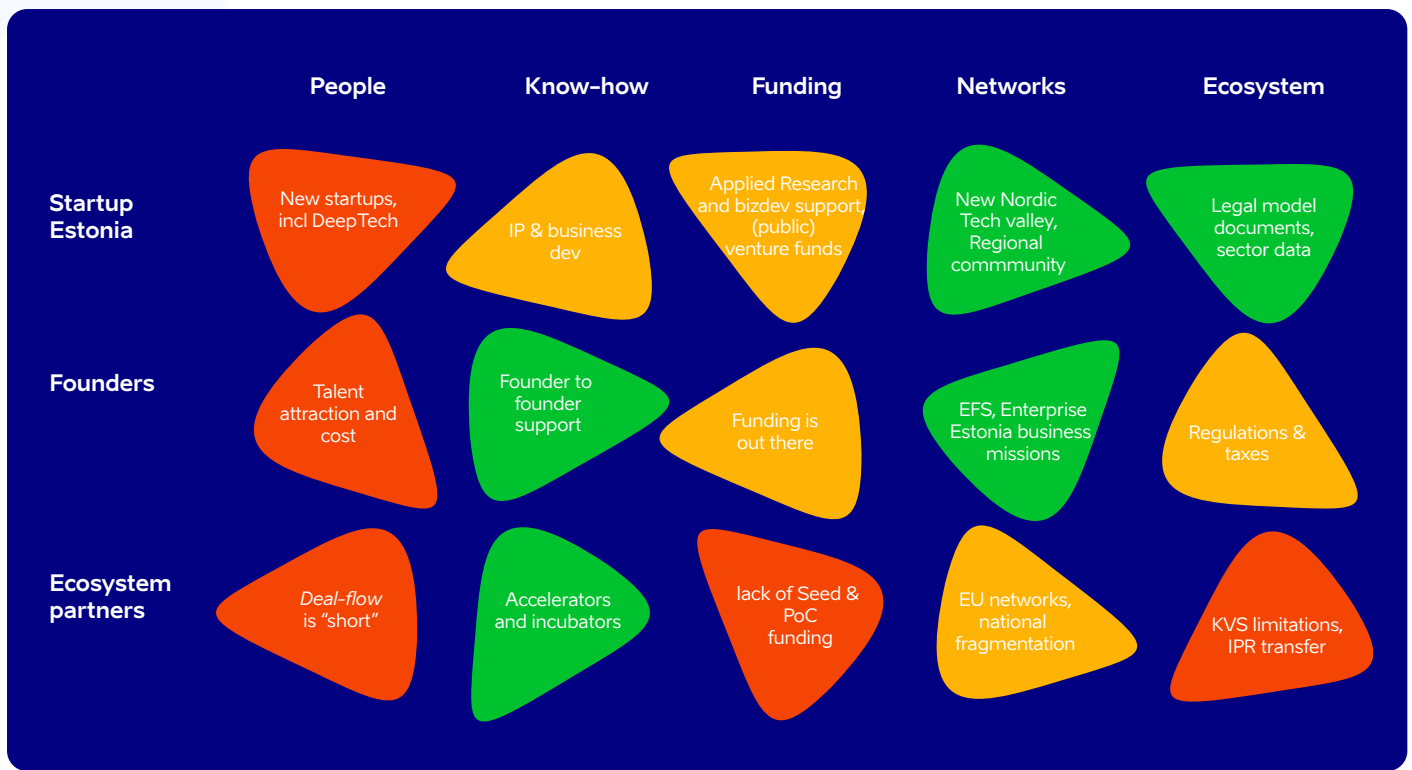


Figure 3. Where we are now — a traffic light assessment

Creating a common value proposition among all partners becomes important in the further development of the ecosystem, where it is necessary to establish a comprehensive service offering that supports every stage of the deep tech startup's life cycle. To achieve the 2030 goal that Estonia will have 500 deep technology companies offering effective solutions to society, strong government intervention is needed through the allocation of additional resources so that the seeds that have been planted can sprout in earnest.

Key activities in 2025

In 2025, we continue to raise awareness of the sector and provide activities promoting development through the procurement of new services, community events, organising business missions abroad for entrepreneurs and working closely with universities and science parks.

Workforce and the emergence of new startups

Topic, activity

Implementers

The request by the Ministry of Economic Affairs and Communications to universities and science parks for a programme to promote the emergence and growth of spin-off companies.

The Estonian Research and Development, Innovation and Entrepreneurship Strategy (RDIE) expects that applying research and development results in new technologies promotes innovation and benefits the economy through the emergence of new spin-offs. It is important to act as a common platform that provides a value-based service and a clear understanding on the spin-off entrepreneurship journey.

University of Tartu, Tallinn University of Technology TalTech, Estonian University of Life Sciences, Tallinn Science Park Tehnopol and SPARKUP Tartu Science Park

Creation of business agent positions in various institutes of the university.

The goal is to find the commercialisation potential of research results and advise the leaders of the research group on both the implementation of the technology and the development of the business model for the creation of a spin-off company.

University of Tartu

Entrepreneur-in-Residence programme.

The Entrepreneur-in-Residence programme is being expanded to other universities. The goal is to implement the service piloted with the University of Tartu at other universities, expecting at least two research teams at each participating university to involve a mentor with strong business competence in activities lasting up to 6 months.

University of Tartu, TalTech, Estonian University of Life Sciences

MIMIR Fellows programme for students.

For the first time in Estonia, there are plans to conduct the programme developed in Finland for students interested in knowledge-intensive startup entrepreneurship. This is a 2-week intensive programme with a strong focus on spin-offs.

TalTech and University of Tartu

Research-intensive business ideas development programme TIIVIK.

The provision of the deep technology-related development programme, as part of the new services procurement announced in 2024, continues. TIIVIK is designed for researchers and students who want to develop research-intensive business ideas, create strong business teams and promote innovation, research-based entrepreneurship and the practical application of research results in society.

University of Tartu

Intellectual capital

Topic, activity

Implementers

Raising awareness about intellectual property.

It is important to continually raise awareness among both starting and operating businesses by offering materials and training on intellectual property management, protection and usefulness in order to promote their competitiveness internationally.

Estonian Business and Innovation Agency, the technology transfer team and the technology transfer managers in universities

An intensive business development programme for knowledge-intensive entrepreneurship.

A new service will be procured for innovation-based companies, including an intensive course in business development methodology adapted to the growth needs of deep tech startups, based on *Disciplined Entrepreneurship* or an equivalent methodology.

Estonian Business and Innovation Agency, Innovation Department

Capital market development

Topic, activity	Implementers
Business development support measure “Ärgas”. The third round of applications will be opened to support the expansion of deep technology companies into foreign markets and to support the growth of business competencies.	Estonian Business and Innovation Agency, Startup Estonia and the grants department
Expanding the UniTartu Ventures model to other universities, i.e. implementing the intellectual property transfer process at other universities besides the University of Tartu. The goal is to create a common system that is clear to researchers, which would significantly simplify the creation of spin-offs and would be motivating for both stakeholders (the university and the researcher who made the scientific discovery).	Universities

Networking

Topic, activity	Implementers
Business missions for companies to participate in major international events in order to find new clients and partners or attract investments and establish collaborative partnerships with service providers in other countries. In 2025, we participate in at least two international events supporting the growth of deep tech startups, including Hello Tomorrow Global Summit and Viva Technologies.	Estonian Business and Innovation Agency, Startup Estonia in cooperation with the export department
Deep technology community gatherings. Networking events DeepTech Pub continue to happen at least once per quarter. The goal is to bring together both entrepreneurs and people from organisations that support them and provide them with services. The main focus of the events is on exchanging information and previous experiences.	Estonian Business and Innovation Agency, Startup Estonia in cooperation with partners
Study tour. In 2025, we will continue with organising an annual study tour for members of service-providing support organisations (average group size 20 people). The study tour is intended to increase the knowledge of ecosystem members and for international networking. The location is selected based on Startup Estonia's focus topics, including cooperation with Nordic countries.	Estonian Business and Innovation Agency, Startup Estonia
Participation in sectoral events. To increase the knowledge of Startup Estonia members and create new collaborative partnerships, we actively participate in major sectoral events both in Estonia and abroad, such as sTARTUp Day, Latitude 59, DeepTech Atelier, Tech BBQ, SWITCH Singapore, SLUSH and others. For the first time, we plan to learn more about the strong research and development community in the UK at Cambridge Tech Week.	Estonian Business and Innovation Agency, Startup Estonia

Business environment

Topic, activity	Implementers
Lowering regulatory barriers. Deep technology companies often operate in sectors where regulatory requirements are complex and change frequently (including biotechnology, healthcare, energy and advanced materials). To bring products to market, these sectors often require lengthy testing and regulatory approval. The plan is to develop and approve a regulation that will allow testing of new deep technology solutions in a complex regulatory environment without fear of consequences, i.e. to implement the concept of a regulatory sandbox.	The Ministry of Economic Affairs and Communications, Accelerate Estonia
ASTRA+ measure for universities and research institutions 2025–2028. The measure aims to increase the entrepreneurial capacity of employees of universities and research institutions, promote innovation and finance experimental development projects of research groups. In 2025, application rounds are announced in four different action streams. The ASTRA+ measure's initial impact on the growth of spin-off entrepreneurship can be assessed in 2027.	Ministry of Education and Research, Ministry of Economic Affairs and Communications, universities and science parks
A study of deep tech startups' obstacles to development. Funded by the Ministry of Economic Affairs and Communications, a study led by PhD Heli Valtna investigates the growth difficulties of operating deep tech startups in their different stages, including their relations to access to capital. It also aims to find out what services and support the state/ecosystem should offer to overcome these difficulties (project record in the Estonian Research Information System).	University of Tartu
A study of research groups' mindsets related to spin-off entrepreneurship. To promote the emergence of spin-offs, an evidence-based study is planned among the research community to identify mindsets, obstacles and favourable or non-favourable factors that influence the establishment of spin-offs.	Estonian Business and Innovation Agency, Startup Estonia

All interventions, events, programmes and meetings support us in creating a clear set of actions that not only directs resources and attention to the deep tech sector's development, but also creates a more stable and transparent environment that is favourable to both established and starting companies. Undoubtedly, a strong partnership and the sharing of time and relevant information with all stakeholders who play a significant role are essential in ensuring a comprehensive approach. This is important in order to develop a business environment conducive to deep technology startups in cooperation with ministries and research institutions.

All readers are allowed to refer to and cite the information presented in the report, keeping in mind that the 2025 action plan will be adapted throughout the year. This is based on a flexible approach to providing activities and services and the actual expectations of entrepreneurs and society.

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