

BALTIC DEFENCE WEEKLY

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QUOTE OF THE WEEK

“The Baltic states... It's a tough neighborhood too. But we're committed. We're going to be very committed. And we're committed to NATO”

US President Donald Trump on Feb 28.

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A meeting between US President Donald Trump, Vice President J. D. Vance and Ukrainian President Volodymyr Zelensky in the Oval Office of the White House in Washington, DC, 28 February 2025. Photo: CNP/AdMedia/SIPA

Time to act and rearm!

The US President Donald Trump made it abundantly clear this week that it's now every man for himself and that only those who are strong are safe.

What does this message tell us in the Baltics? It says that we can no more rely solely on our allies and on foreign armaments. Instead of telling everybody how small we are and waiting for support, we must act now and take care of our own security. If we don't, we could be sacrificed in potential deals made by superpowers. To do that we must create the conditions for investments in the defence sector, reduce bureaucracy, use our resources widely, strengthen our economy and ensure that strategic supply chains are in our own hands.

ALSO IN THE NEWS



European Investment Bank.

Image: EIB

EIB to co-finance Lithuania's military base construction project

The European Investment Bank (EIB) will co-finance the construction of the Rūdninkai military base for the German brigade that is estimated to cost around EUR 1.5 billion.

Lithuanian Prime Minister Gintautas Paluckas has said that the EIB could lend Lithuania 2–3 billion euros for all infrastructure projects, including military ones.

Berlin plans to deploy a 5,000-strong brigade to Lithuania by the end of 2027.

BALTIC SECURITY

EDITORIAL

The week when the masks came off

Friday's heated exchange of words in the White House between US president **Donald Trump** and Ukraine president **Volodymyr Zelenskyy** in front of television cameras has come as a cold shower for Europe that has come accustomed to regard US as its main ally in deterring Russia and defence umbrella.

What happened in the White House cleared the air like a thunderstorm after a heatwave. Until that moment, it was not entirely clear what to expect from Trump and what his policy on Ukraine would be.

We now know that Trump does not understand the nature of this war: it is a fight for survival for Ukrainians.

For Baltic states, it is important that small European countries do not become pawns in the division of spheres of influence between the great powers.

Let's forget the debate whether Trump is better than Biden as Trump has essentially accepted that changing borders by force is conceivable in the world and that an aggressor should be appeased.

Unfortunately, Trump does not know Russia as well as Baltic states, especially Estonia whose historical experience date back to the Great Northern War.

We know Russia well, for whom



Leaders of selected EU countries and Canada posing at the London meeting.

borders are where its troops are, and for whom negotiations and peace agreements are only necessary to buy time in a difficult situation.

As for Baltic states, it would be in our interest for a peace to be agreed in Ukraine that includes collective security guarantees for Ukraine.

Trump, however, wants peace at any cost – which undoubtedly suits Putin well, as he desperately needs a temporary respite. One of Trump's motives is likely to send strong messages to the domestic audience: everything Biden did was bad, the war would not have broken out under Trump's presidency, and now he can quickly bring peace. However, Zelenskyy's person prevents him from fulfilling this promise, which is infuriating.

Unfortunately, the passionate press conference in the Oval Office also showed that Trump does not understand the nature of this war for Ukrainians: it is a fight for survival for a nation threatened by genocide.

At least when answering journalists' questions at the meeting, Trump replied to a question about whether US support for Poland would

also extend to the Baltic states: "The Baltic states... It's a tough neighborhood too. But we're committed. We're going to be very committed. And we're committed to NATO."

Populists picking up Trump's messages

Trump's strongarm and hostile tactics against Ukraine also have its followers in Estonia, writes Postimees daily.

For instance, **Martin Helme**, leader of the far-right populist party EKRE, wrote on Facebook on Saturday: "...the insolent Slav went to Trump to brag and demand things, he got what he wanted", meaning that Zelenskyy with his arrogance deserved to be humiliated by Trump.

So Trump's claims that Ukraine is somehow to blame for what happened, that the war started because Ukraine wanted to join NATO, and that Ukraine will collapse immediately if the peace agreement offered by Trump is not accepted right away is also spreading in Estonia.

Let's put things in perspective. While the aggressor state, Russia, assumed that the war would be over in three days, it has now lasted for over 1,100 days.

Thus, only 316 days less than the Great Patriotic War, Russia's heroic self-myth. While the Soviet Union was also to blame for the outbreak of that war, Ukraine is not to blame for anything now. When it comes to Ukraine, this war is as moral as any war can be. Standing up to the attacker was necessary, inevitable, and, as we now see, possible. What

would have been the alternative? Silent surrender, like Estonia in 1939, which would have been followed by looting, deportations, and killings.

EU needs to offer security guarantees to Ukraine

It is not Zelenskyy's stubbornness that threatens us with World War III, but Donald Trump's appeasement policy. Let us remember how Neville Chamberlain's appeasement policy in 1938, when Czechoslovakia was pressured into a "sensible peace", led to World War II.

Peace to be agreed in Ukraine must include collective security guarantees for Ukraine.

Fortunately, statements of support for Ukraine from all other democratic countries came in on Friday evening and Saturday morning. If the US does not wish to provide security guarantees, European countries must do so.

Golden moment for EU to step up

This may be the last wake-up call for the EU to abandon budgetary restrictions and begin to rapidly arm itself.

The moment has now arrived for the European Union to abandon budgetary rules and begin to rapidly arm itself – while continuing to support Ukraine. The financial gap left by the US can be filled. Whether the same applies to (intelligence) technology is a more complex question, but in that case, the necessary actions should be started immediately. If Europe can pull together, we have every chance to emerge successfully from this difficult situation. Ukraine is not alone. Unlike in 1939, Baltics are not alone either.

EUROPE

Free world needs a new leader

"Today, it became clear that the free world needs a new leader. It's up to us, Europeans, to take this challenge."

This battle-cry from **Kaja Kallas**, High Representative of the European Union for Foreign Affairs and Security Policy, made after the heated exchange in the White House between U.S. President **Donald Trump** and Ukrainian President **Volodymyr Zelenskyy**, sums up the current sentiment in Ukraine, Baltic states and rest of Europe.

Europeans learned from Trump's meeting with Zelenskyy that Europe cannot rely on US any more in assisting Ukraine and must rapidly start re-arming itself to deter Russia.

Ms Kallas is right, Europe needs a strong leader, but who?

The first to try (and fail) was French President **Emmanuel Macron** who on February 17 called a number of European heads of state (notably not from Baltic states who were represented by Denmark at the meeting) to Elysee.

Then stepped up British Prime Minister **Keir Starmer** who invited 18 European leaders including President Zelenskyy and European Commission President Ursula von der Leyen to London on March 2.

Starmer managed to anger Baltic leaders since Estonia, Latvia and Lithuania were again not invited and Starmer only called them before the meeting.

Some would also suggest European Commission president **Ursula von der Leyen**, boss of Kaja Kallas, for the post of the new leader of the West, but US leaders don't have much respect for her.

Which leaves us with the fourth – and arguable – the most likely candidate, **Friedrich Merz**.

Merz is set to become the next German chancellor and some experts say that if the free world is looking for a new leader, Merz is the only viable candidate.

Let's hope that Europe is up to the challenge. Also, perhaps not all is lost for the Baltics – take, for instance, Trump's response to the press about US continued support to Baltics, where Trump said: "The Baltics, they got a lot, it's a tough neighbourhood, too. But we're committed. We're going to be."

Baltic leaders "not amused" for being excluded from Ukraine summit in London

Leaders of Baltic states made it clear that they are most unhappy about the fact that the Baltic states were not invited to the meeting hosted in London by British Prime Minister **Keir Starmer** that discussed the security of Ukraine. On Sunday, Starmer apologized to Baltic leaders in his phone call with Estonian president **Alar Karis**, Latvian PM **Evika Silina** and Lithuanian President **Gitanas Nauseda**.



Baltic leaders were not amused about being excluded from the London meeting hosted by British PM Keir Starmer. Photo: ERR

"We are truly very unhappy with a refusal to invite the Baltic leaders," the source said, adding: "All decisions directly impact our security. Like another pact to divide Europe or take us for granted. Shameful."

An advisor to Lithuania's president **Gitanas Nauseda** said UK Prime Minister Keir Starmer apologised to the Baltics for not inviting them to a summit about Ukraine over the weekend.

On Sunday, leaders from across Europe and Canada gathered in London to discuss support for Ukraine and how to move forward. Ukrainian President Volodymyr Zelenskyy also attended.

"Prime Minister Starmer began the conversation with an apology, promising that such a situation would not happen again," **Asta Skaisgiryte**, Nauseda's advisor, told Lithuanian public broadcaster LRT following the discussion.

"Mr Nauseda expressed significant dissatisfaction over the lack of an invitation to London," she added.

Are we being sold out?

Some experts are already saying that Moscow has surely noticed it with interest that Latvia, Lithuania and Estonia have been excluded again from the table, as did France president **Emmanuel Macron** on February 18 when he invited a number of European leaders to the Elyse Palace.

"Russia will clearly assess this that we are sold out by the US, but also by [the] UK and France," said one Baltic source, who spoke on the condition of anonymity.

It is truly unsettling that neither Estonia nor the other Baltic States were invited to the Ukraine summit in London.

This moment calls for reflection on what went wrong. Perhaps there is a need for the Baltic States to reassess their diplomatic weight. However, the issue may not lie in what Estonia, Latvia, and Lithuania have or haven't done to enhance their standing.

The true concern lies in how the Baltic States' adversaries and rivals interpret this exclusion from high-level discussions. Both Russia and China will take careful note of the lines London—perhaps inadvertently—has drawn on the geopolitical map. At another time, this might have been dismissed as a routine gathering, but in an era where America drifts further from Europe while edging closer to Russia, such deliberate diplomatic fissures risk deepening into a far greater challenge for the entire continent.

Just as Washington seems unaware of the consequences of its actions, it is surprising that London doesn't seem to grasp them either.

BALTIC DRONE WALL**Estonian defence tech companies revive idea of a Baltic Drone Wall**

This week the **Defence Estonia Cluster** announced that it is proposing the Baltic Drone Wall concept.

According to Defense Estonia Cluster manager **Rene Ehasalu**, the Baltic drone wall concept is an opportunity for defense and security companies to contribute with innovative products that can be quickly produced and deployed in the Baltic region.

Currently, six Estonian defence industry companies **DefSecIntel Solutions, Rantelon, Marduk, Lendurai, Hevi Optronics, Frankenburg Technologies and Telekonta** are involved in developing the Baltic drone wall concept.

Ensuring the security of and protecting borders no longer means just repelling conventional threats, but also proactively preventing new threats, such as hostile drones.

The cluster added that the drone wall is a collaborative initiative at the level of discussions between Poland, Finland, Estonia, Latvia and Lithuania, aimed at strengthening the eastern border of the European Union and NATO.

By integrating cutting-edge technology, common defense measures and rapid innovation, it is possible to create an effective multi-layered solution that will help ensure Europe's resilience against external threats and aggressors.

The war in Ukraine has shown that

drones, both defensive and civilian, have become a central weapon in attacks and the destruction of critical infrastructure, with devastating consequences. The Baltic states' eastern border with Russia is more than 1,100 kilometers long, running through lakes, swamps, dense forests and complex terrain, making it particularly vulnerable to GPS jamming, smuggling, the use of refugees in hybrid warfare and possible unconventional warfare tactics. The growing use of drones as offensive weapons has become a significant security concern and requires intervention.

We are in a new situation

Jaanus Tamm, CEO of DefSecIntel Solutions and member of the supervisory board of the Defense Estonia Cluster, noted that air defense and anti-drone capabilities have never been more important in both the defense and civilian sectors, as the ongoing war in Ukraine clearly shows.

"Therefore, based on the experience of Ukraine, we have developed a multi-layered drone countermeasure system (C-UAS/ ultra-short-range-air defense system) **EIRSHIELD**, into which we have integrated innovative solutions from both Estonian and international partners. We initiated the Baltic drone wall by DefSecIntel Solutions, within the framework of which we propose a concept to combine innovative solutions from Estonia and international partners for the protection of the eastern border," Mr Tamm added.

Defense Estonia Cluster manager

Rene Ehasalu said that the security situation in the region has changed and the need to counter new types of attacks has emerged.

"The Baltic drone wall initiative will help to significantly strengthen the eastern border of the European Union and counter the threats of the new era. The concept has been launched to demonstrate the ability of local industry to contribute to ensuring the security of both Estonia and the surrounding region. It will also create a framework for closer cooperation between the countries of the region to share knowledge and best practices in ensuring security. In addition, it will promote the development and implementation of innovative solutions that help ensure long-term stability and security. The flexibility and rapid adaptability of Estonian companies allow them to develop solutions that respond to the rapidly changing security landscape. The Baltic drone wall will help ensure that the entire region is better able to protect its borders and ensure peace on the eastern border of the European Union," Ehasalu added.



EIRSHIELD is ultra short range mobile all-terrain AI-assisted turnkey air defence system against different aerial targets. Photo: DefSecIntel

Combination of solutions

Ensuring the security of eastern Europe with the Baltic drone wall requires a combination of several solutions. Autonomous surveillance systems enriched with artificial intelligence (AI) are needed for continuous monitoring; integrated counter-drone systems (C-UAS) are necessary for neutralizing drone threats; multilayer sensor networks are needed for detecting and monitoring threats in the air, land, and water; automated interceptor drones deployed along the border are necessary for rapid response and countering hostile drones; mobile counter-drone systems and platforms are needed for flexible and rapid countermeasures in a changing environment.

All sensor and mobile unit data will be aggregated into a central C2 command and control system that provides a real-time operational overview of the entire border. As this border runs through multiple countries, the system will be designed to be able to integrate third-party sensors, communication networks and defense systems, ensuring seamless interoperability between different countries.

About Defence Estonia Cluster

Estonian Defence and Security Industry Innovation Cluster was first established in 2012. It has currently 21 members.

The aim of the Defence Estonia Cluster is to promote innovation in the defence and security industry and to develop new and highly competitive products and services for export. The Clusters' target is to increase the export volume of Estonian defence and security industry tenfold by the year 2030.

INSIGHT

General Herem: situation is extremely dire, Estonia is now a bargaining chip

In an interview to Postimees, former commander of the **Estonian Defence Forces** and current adviser of the tech defence company **Frankenburg Technologies**, General **Martin Herem** does not hide that he is most concerned about recent geopolitical developments and Estonia's future.

Baltic Defence Weekly publishes extracts from the interview with the permission of the news desk of Postimees.

► **The world hasn't been the same since 12 February when Vladimir Putin and Donald Trump spoke on the phone. What does it mean for Estonia's security?**

Let me try to describe it. When Trump was elected US president, it seemed that this was his tactic, bluffing, but now the picture is much clearer and darker. Trump's statements are hardcore populism, he is in a strong position both because he is rich, and as a US president, so he can dominate everything. The values of the past have all gone down the toilet. And we have to defend Ukraine, because if we don't, our way of life will soon disappear.

We are now becoming just small change, a bargaining chip.

By this I mean that things are being agreed over our heads.

We are like a bargaining chip,

because the Americans may agree to Russia's demands. I am not saying that this will happen, but Trump's rhetoric is not a tactic, because his voters are already saying exactly the same thing: give Russia the occupied territories in Ukraine, because Russia was threatened anyway.

► **So when should one pack one's bags and sell his property to leave Estonia?**

I suggest to visit Israel or maybe South Korea instead. Israel has been living under threat all along, but people live there and don't emigrate.

In South Korea, the threat has been closer than it has been to us, but it doesn't look like anybody is living in fear of war there.

If you can't live in fear, you have to stand up for your rights. After all, if we all run away and if we pack our bags at the first sign of danger, we should stop talking about our commitment to preserve Estonia's independence and what the mother tongue means to us.

But if Trump now thinks that he is a tough guy who can gamble on us and our interest, we don't have to put up with it. It's up to us to do our part - all the things we counted on America to do.

► **Is that even possible?**

It is still possible, we have the technology, we have the resources, we have everything. We haven't done it for decades, now we have to hurry.

It is difficult for me to say whether we could replace everything, but we have to do it because we have no alternative.

► **Q: When the Russian aggression in Ukraine started three years ago, Russia moved its troops away from our borders so the threat of a military attack against us was low. What is the situation now?**

Today the situation is similar. At the time, there was perhaps hope that Russia would be weakened by the war, but now I would say that if the military action in Ukraine freezes, we will be in great danger. Russia does not need any recovery time.

If Russia stops fighting in Ukraine for six months, all that will build up. Russia can produce more than 10,000 Shahed drones in six months. In recent days, Russia has been setting new records for the use of drones in Ukraine.

So what do we do? We start to shiver and the Russian doesn't even have to come across the border. Russia is likely to have produced three million projectiles in 2024. Bringing this quantity to the 600-kilometre stretch of the Estonian-Latvian border, it would fire 80 projectiles a day per kilometre for a month.

Russia is capable of producing a huge firepower in a few months, but we are talking about three years. Even if we are talking about the possibility of Russia attacking in three years' time, we should be preparing immediately now, but we are still discussing.

The commander of the defence forces, Andrus Merilo, made a chilling speech at the Independence Day parade, but we are merely shaking our shoulders.



Martin Herem is now strategic adviser in defence tech company Frankenburg Technologies. Photo: ERR

NATO Secretary-General Mark Rutte says there could be a war in four or five years' time, but we are not getting ready for that. Rutte said that six months ago, but what have we done? Very little.

When the defence leadership said we needed ammunition, the government decided we would defer the purchase until 2031. Four years from now is indeed 2030, but will we be ready then? We live in a completely paradoxical world where we say Russia is a threat, but we do very little to prepare for it.

► **There is a subtle word - crisis communication. How do you talk about war in a way that does not panic people but gets the message across?**

How do you talk to people about an illness, like cancer? You have to talk about how to prevent the disease. When the disease is there, you have to talk about the cure, not about the horror of dying from it. It is exactly the same now. We should not be talking about how the Americans left us behind, but about what we ourselves should do.

DRONE TECH

Latvia's defence industries are flexing their muscles

Latvian companies are developing drones and other defence technologies, writes **FDI Intelligence**, a Financial Times publication.

Somewhere above eastern Ukraine, a drone skims over the frontlines. It delivers a live video feed to an operator several kilometres away, who spots a Russian armoured vehicle moving into position to attack Ukrainian troops. Seconds later, with deadly accuracy, the drone — a relatively cheap piece of equipment — descends, delivering a payload that wipes out the much more expensive enemy target.

Modern warfare has rapidly evolved with the advent of drones. The perhaps surprising part of the story is that Latvia is one of the leaders in developing cutting-edge drone technology.

“Latvia, per capita, is probably the capital of drones in Europe,” says **Agris Kipurs**, CEO of Latvian drone company **Origin Robotics**. At its facility near Riga, teams of engineers are perfecting its latest systems, which offer precision strike capabilities against targets on the ground or in the air. “We deliver payloads with great accuracy, and we make sure that the damages which are done to the adversaries are very asymmetric — meaning that you spend a tonne less than the value of the targets that you go after.”

Mr Kipurs reports that hitting a target with the type of drone developed by Origin Robotics is 20 times cheaper than using the US-made Javelin anti-tank missile, which was used extensively by Ukrainian forces early in the war.

Origin Robotics is one of four major Latvian drone companies. Many other companies are developing military technologies, or technologies that have dual military-civilian uses. For this small country on the edge of Europe, defence is big business.



BEAK, a man-portable drone-launched precision-guided weapon system, developed by Origin Robotics. Photo: Origin Robotics

Skill-to-cost ratio

Latvia's proactiveness in developing drones clearly reflects its vulnerability. The apparent sabotage of an undersea data cable running between Latvia and Sweden in January — closely following a similar incident affecting an Estonia-Finland power cable — is the latest evidence that the Baltic republics are facing a very real threat.

For Latvia, cheap but effective drones can be an ideal way to counter a much larger enemy. “We

just have that sense of urgency,” says Mr Kipurs. “We don’t have to ask ourselves why we are investing in defence, or why this is something worth doing.”

Latvia took the initiative in creating the ‘Drone Coalition’ to supply drones to Ukraine. Formed in February 2024 and now jointly co-ordinated by Latvia and the UK, the coalition includes more than a dozen countries that are committed to supplying Ukraine and boosting their own drone manufacturing capabilities. Riga is set to host an international summit on the issue later this year.

Meanwhile, Latvia's capabilities in drone technology have started to attract the attention of foreign investors. **UAV Factory**, a Latvian drone company, was acquired by Florida-based private equity firm **AE Industrial Partners** in 2021 and was subsequently merged with a US company to create a new entity known as **Edge Autonomy**.

The company benefits from a “very, very skilled workforce” in Latvia and access to a strong supply of engineering talent through local universities, says **Josh Stinson**, Edge Autonomy's chief growth officer. A presence in the country also provides a “strategic advantage”, he says, through “greater insight and greater communication with our Nato partners” in the region.

Edge Autonomy's drones are used by militaries for long-range reconnaissance. These systems also have civilian uses; such as in Fukushima, Japan, to monitor radiation levels.

As demand grows, the company is preparing to move to a larger facility in Latvia, where it will produce drones itself, along with the gimbals that enable stable imaging. A previous facility was badly damaged in a fire in 2023, which authorities found to have been started accidentally.

Allen Gardner, Edge Autonomy's chief technology officer, says that integrating a Latvian and US company has been helped by some surprising cultural similarities. “Culturally, the way that they work in Latvia — the thinking processes, the way they approach engineering problems — I would say, is very similar to the US way of working.” Both cultures, for differing reasons, tend to have an impatience with bureaucracy and a “let’s get this done” mindset, he adds.

Latvia appears to boast a crucial competitive advantage as warfare enters a new era, in which being able to manufacture high-tech equipment cheaply will be crucial to success. “There are few places in the world that have a skill-to-cost ratio that is comparable to Latvia,” says Mr Gardner. “It is near the top of the charts in terms of the kind of labour skillset you can get for the cost required to get it.”

Beyond drones

Latvia's focus on defence technology goes well beyond the drone industry. LMT, the country's largest telecommunications company, is paying close attention to how telecommunications technology can be applied to the military sphere — something that is rare among its counterparts elsewhere in Europe.

"We are one of the few telcos that are actively taking part in military research," says **Ingmars Pūķis**, a vice-president at the company. In particular, he says, LMT is researching how 5G technology can be applied to defence.

It is becoming clear that 5G can play a vital role in providing dedicated networks for the military to use to communicate securely and monitor sources of information. "You can integrate the soldiers with all the sensors in real time," he says. Rapid technological evolution is taking warfare closer to a "gamer's dream", he adds, in which commanders have real-time knowledge of the status and position of their troops, as well as enemy forces.

Latvia, in collaboration with NATO, has established a testbed for military technologies at Ādaži, just east of Riga. Here, LMT is working with NATO militaries and defence companies to experiment with applying 5G-facilitated technologies. Latvia has even been able to remove some of the bureaucratic obstacles to testing military technologies which typically slow-down similar projects in the US. "We can pull off tests and experiments really very fast and do it really in-depth research," says Mr Pūķis.

Unfortunately, there seems little chance that the impetus behind innovation in defence technologies will diminish anytime soon. "Whatever happens

in Ukraine, Russia will not stop," Mr Pūķis warns. "They are on the warpath." For Latvia, and for Europe, security will depend on staying one step ahead.



Mark I, a lightweight and cost-effective guided missile specifically designed to defend against low-cost UAVs is being tested by Frankenburg Technologies.

Photo: Frankenburg Technologies

Latvia to co-develop C-UAV solutions with Latvian, Estonian def tech companies

The Ministry of Defence of Latvia has signed three research and development (R&D) contracts to develop counter-unmanned aerial vehicle (C-UAV) solutions.

R&D contracts for the development of drone defence solutions have been signed with two Latvian defence industry companies **Origin Robotics** and **SAF Tehnika** and one Estonian defence industry company **Frankenburg Technologies**.

"The main objectives of the signed contracts are to develop short-range air defence capabilities to meet modern threats, to expand the range of competitive and third-party independent drone defence

solutions both in Estonia and in the European Union, and to increase strategic investments in military R&D," Latvian Defence Minister **Andris Sprūds** said in a national press release.

The first three drone defence projects will focus on the development of an automatic drone interceptor, an electronic warfare solution and guided missiles.

These will be followed shortly by at least one project to adapt weapon systems already in use in the defence forces for automatic drone defence.

Negotiations on this contract are in the final stages with Latvian mechanical engineering company **WeMPS**.

WeMPS has several extensive experience in developing military-purpose products.

Frankenburg to deliver guided missile systems

Frankenburg Technologies said in comment that under the R&D contract signed with the Ministry of Defence of Latvia it will develop and deliver guided missile systems to support Latvia's endeavour in countering UAV threats.

The company said rapid use and advancement of UAV technology on the battlefield highlight the need for fast, adaptable, and innovative defence solutions.

As part of the agreement Frankenburg Technologies will produce considerable amount of Mark I C-UAV missiles, which will be delivered to the Latvian National Armed Forces for testing.

The Mark I is a lightweight and cost-effective guided missile specifically designed to defend against low-cost UAV-s, the number of which has grown exponentially within the past two years.

The mission of Frankenburg Technologies is to counter this proliferating threat with mass manufactured air defence missiles that cost less than the target. This collaboration also supports the Latvia-Ukraine Long-Term Support and Security Agreement, reinforcing efforts to provide advanced counter-UAV technology to Ukraine.

Funding and risk sharing

The projects will be co-funded, with both the Ministry of Defence and the participating companies contributing jointly to the development.

On average, the investment split is 65/35, with 65% contributed by the defence industry and 35% by the initial partners. As the circle of partners expands, this proportion may change, reducing the State's share of the total investment.

It is expected that the total investment in projects could reach up to EUR 10 million, including both funding from the state and from private companies.

Fact

€10m

is the total investment by the Latvian state and defence companies