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Southeast Asia Climate Tech

Policy, Capital and the Race to Decarbonise across SEA

Southeast Asia Climate Tech Moment: From Policy Momentum to Concentrated Capital Formation:

Southeast Asia is emerging as an important climate-transition region, driven by rising energy demand, rapid urbanisation, growing EV adoption, and stronger government focus on decarbonisation. In recent years, Southeast Asian economies have accelerated climate-policy efforts through initiatives such as Indonesia's $21.6B Just Energy Transition Partnership (JETP), Vietnam's $15.5B JETP, the expansion of the SEA Taxonomy for Sustainable Finance, and Singapore's phased carbon-tax increases, strengthening the region's long-term climate investment outlook. As a result, Climate Tech companies across Southeast Asia attracted approximately $1.4B in equity funding as of May 13, 2026. However, funding remains highly concentrated, with Singapore accounting for nearly 80% of total regional funding, supported by its mature venture ecosystem, sustainable-finance infrastructure, and the presence of companies such as RWDC Industries and Beam.

~$1.4B
Total Climate Tech Funding
(As of May 13, 2026)

269
Total Climate Tech Funding Rounds

Southeast Asia combines rising electricity demand, expanding EV adoption, growing climate-policy initiatives, and increasing investment in energy-transition infrastructure. Singapore anchors the region's Climate Tech ecosystem, while Indonesia and Vietnam are seeing growing momentum in electrification, EV manufacturing, and clean-energy deployment.

Key Policies Shaping Southeast Asia's Climate Tech Ecosystem

Country	Policy / Programme	Year	Key Implication for Climate Tech
Singapore	Carbon Tax Revision & International Carbon Credit (ICC) Framework	2024-26	Carbon tax increases to S$25/tCO$_2$e in 2024 and S$45/tCO$_2$e from 2026, with companies allowed to offset up to 5% through international carbon credits. This strengthens demand for carbon accounting, MRV, CCUS, and carbon market infrastructure solutions.
Indonesia	JETP & RUPTL 2025–2034	2023–25	More than $20B in climate financing and renewable-focused power expansion plans support solar, battery storage, grid modernization, and EV infrastructure startups, although evolving renewable policies may continue to create execution risks.
Vietnam	Direct Power Purchase Agreement (DPPA) & PDP8 Implementation Plan	2024–25	DPPA implementation and revised PDP8 targets are driving opportunities in renewable procurement, offshore wind, energy storage, and energy-management solutions.

The evolving policy landscape is gradually shifting Southeast Asia from being primarily a climate-tech adoption market toward becoming a regional manufacturing, innovation, and deployment hub for clean technologies. This transition is expected to improve capital formation, attract global strategic investors, and support the emergence of larger climate-tech platforms in the coming years.

Funding Trends: How Climate Capital has Evolved

Climate Tech funding in Southeast Asia peaked at $288M in 2023, while funding reached $152M in 2024 and $166M in 2025. Early-stage funding increased from $108M in 2024 to $147M in 2025, supported by larger rounds from companies including Amperesand (Series A, $80M), Dat Bike (Series B, $22M), and VFlow Tech (Series A, $20.5M), reflecting investor focus on scalable energy-transition infrastructure across the region. Capital deployment is concentrated around electrification, energy storage, grid modernisation, and industrial decarbonisation, highlighting the region's growing focus on infrastructure-led Climate Tech development.

Year	Total Funding Amount (USD)	Total Funding Rounds	Seed Stage Funding	Early Stage Funding	Late Stage Funding
2020	199M	22	8M	191M	-
2021	154M	31	23M	131M	-
2022	233M	33	27M	205M	-
2023	288M	44	72M	217M	$13K
2024	152M	38	44M	108M	-
2025	166M	27	20M	147M	-
2026 YTD	17M	4	4M	13M	-

Last 7 Years funding trends and Stage wise funding
Data prepared on May 13, 2026
Source: Tracxn

Climate Tech ecosystem in Southeast Asia is transitioning from a high-volume experimentation phase to a more selective investment environment: Investors are increasingly prioritising startups with clearer commercial traction and stronger execution capabilities, alongside infrastructure-led climate solutions. This shift is expected to favour companies operating in areas such as grid modernisation, battery storage, industrial decarbonisation, and climate-fintech solutions..

Geography: Where Climate Capital Is Concentrated Across Southeast Asia

Southeast Asia's Climate Tech ecosystem is evolving across distinct market segments. Singapore remains the region's primary funding hub, attracting approximately $1.1B in total funding, supported by a mature venture ecosystem and institutional capital base, with major activity from companies such as RWDC Industries, Beam, and Amperesand. Indonesia attracted $162M, driven by EV manufacturing, charging infrastructure, and battery supply-chain expansion linked to its nickel-led electrification strategy. Vietnam attracted $53M, supported by electric two-wheeler adoption, renewable-energy deployment, and expanding EV infrastructure, while Thailand ($20M) and Cambodia ($16M) saw comparatively smaller funding activity focused on clean mobility, energy access, and sustainability-led infrastructure development.

Geography	Total Funding Amount (USD)	Notable Startups (Company Stage & Total Funding USD)
Singapore	1.1B	RWDC Industries (Series B, 263M), Beam (Series B, 15M), Amperesand (Series A, 93M)
Indonesia	162M	ALVA (Series B, 50M), Charged (Series B, 48M), MAKA (Seed, 38M)
Vietnam	53M	Dat Bike (Series B, 51M), Selex (Seed, 5M)
Thailand	20M	SLEEK (Series A, 9M), SCOOTA (Seed, 6M)
Cambodia	16M	Oyiska (Series B, 11M), HUSK (Series A, 5M)

Top 5 Funded Countries across the SEA Climate Tech Ecosystem
All-time equity funding data considered till May 13, 2026
Data prepared on May 13, 2026
Source: Tracxn

Why Southeast Asia's climate-tech ecosystem remains Singapore-led with emerging secondary growth markets: The region is still highly concentrated in Singapore, which accounts for the majority of Climate Tech funding and serves as the primary hub for venture capital, scale-up activity, and regional headquarters. Indonesia and Vietnam are emerging as secondary growth markets, supported by growing activity in EV manufacturing, electrification, and mobility solutions, while Thailand and Cambodia remain early-stage ecosystems focused on initial clean mobility and energy access opportunities.

Sectors: Which Climate-Tech Areas are Attracting Capital in Southeast Asia?

Funding activity has concentrated around infrastructure-led climate technologies capable of supporting Southeast Asia's long-term energy-transition, industrial decarbonisation, and grid modernisation requirements. The table below ranks sectors by total funding raised.

Top Funded Sector	Total Funding Amount (USD)	Funding Rounds	Notable Funding Rounds [Round Name, Round Amount (USD)]
Solid Waste Management Tech	105M	34	Blue Planet (Series B, 35M), Green Li-ion (Series A, 21M)
Smart Grid	97M	9	Amperesand (Series A, 80M), Amperesand (Seed, 13M)
Energy Efficiency Tech	77M	33	BBP (Series B, 33M), SensorFlow (Series A, 8M)
Air Pollution Management Tech	71M	24	Climate Impact X (Series B, 22M), ACX (Series A, 15M)
Renewable Energy Tech	62M	22	VFlow Tech (Series A, 21M), VFlow Tech (Series A, 10M)

Top 5 Funded Sectors across the SEA Climate Tech Ecosystem
All-time equity funding data considered till May 13, 2026
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Solid Waste Management Tech ($105M, 34 rounds): Strong investor focus on recycling, battery recovery, and circular-economy infrastructure. Blue Planet's $35M Series B is being deployed to expand sustainable waste-processing capacity, while Green Li-ion secured $21M to scale battery-recycling for EV and energy-storage markets.

Smart Grid ($97M, 9 rounds): Almost entirely driven by Amperesand's $80M Series A (plus $13M Seed) to strengthen grid modernisation, energy-storage integration, and power-management infrastructure amid rising renewable adoption. A single-company concentration that highlights how thin the rest of the smart-grid pipeline still is.

Energy Efficiency Tech ($77M, 33 rounds): This sector reflects sustained demand for industrial and commercial efficiency solutions. Capital is directed toward operational optimisation and energy reduction technologies, led by BBP ($33M Series B) and SensorFlow ($8M Series A).

Air Pollution Management & Renewable Energy Tech ($133M, 46 rounds): Air pollution management is driven by platforms such as Climate Impact X ($22M Series B) and ACX ($15M Series A), aligned with emerging carbon pricing frameworks, while renewable energy investment is focused on generation, storage, and grid integration technologies, including VFlow Tech's battery energy storage solutions.

Key Insights & Market Outlook

- **Singapore is the disproportionate centre of gravity.** Around $1.1B of the region's $1.4B (~80%) sits in Singapore, with RWDC Industries ($263M), Beam ($135M), and Amperesand ($93M) alone accounting for nearly $500M. The country's mature venture ecosystem, sustainable-finance infrastructure, and the carbon-tax escalation to S$45/t$CO_2$e from 2026 have made it the de facto regional headquarters for climate capital. No other SEA market has the institutional depth to challenge this position in the near term.
- **The EV manufacturing thesis is reorganising the geographical map**. The EV manufacturing thesis is reshaping the regional map, with Indonesia ($162M) and Vietnam ($53M) emerging as mobility-led markets. Companies such as ALVA, Charged, MAKA, and Dat Bike anchor this shift, driven by Indonesia's nickel supply chain and Vietnam's strong two-wheeler demand. Both markets are building a parallel EV ecosystem beyond Singapore's services-led model, with early OEM and strategic interest—such as Hyundai's EV investments in Indonesia and VinFast's manufacturing expansion in Vietnam—signaling rising industrial participation from 2026 onward.
- **Infrastructure-led climate tech dominates sector funding.** Solid Waste Management ($105M, 34 rounds), Smart Grid ($97M, 9 rounds), Energy Efficiency ($77M, 33 rounds), Air Pollution Management ($71M, 24 rounds), and Renewable Energy Tech ($62M, 22 rounds) are all infrastructure plays. Notably, Amperesand alone ($80M Series A + $13M Seed) drove most of the Smart Grid concentration — a single-company effect that reflects how thin the late-stage pipeline still is.

VERDICT: *Southeast Asia's climate-tech market is real, but it is not yet a single market. It is one mature hub (Singapore), two manufacturing-and-mobility plays (Indonesia, Vietnam), and a long tail of smaller ecosystems still gated by policy frameworks under construction. Policy momentum — the Indonesian and Vietnamese JETPs, Vietnam's DPPA, and Singapore's carbon-tax escalation — is creating demand certainty. Private capital has so far responded with concentration rather than breadth. The funding is moving. It is not yet moving evenly.*

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ABBREVIATIONS

Abbreviation	Full Form
CCUS	Carbon Capture, Utilisation and Storage
DPPA	Direct Power Purchase Agreement
ICC	International Carbon Credit
JETP	Just Energy Transition Partnership
MRV	Measurement, Reporting and Verification
NCCS	National Climate Change Secretariat (Singapore)
OEM	Original Equipment Manufacturer
PDP8	Power Development Plan 8 (Vietnam)
RUPTL	Rencana Usaha Penyediaan Tenaga Listrik (Indonesia Electricity Supply Business Plan)
S$	Singapore Dollar
tCO_2e	Tonnes of Carbon Dioxide Equivalent
USD	United States Dollar
YTD	Year to Date

