

A Strategic Economic Dialogue: Germany–Ukraine Fact Sheet

For Germany, Ukraine is one of the main suppliers of rape seeds, corn and soya beans, as well as seamless tubes, pipes and hollow profiles of iron and steel. Ukraine is also among the key buyers of German agricultural machinery and, since 2022, of radars and remote-control apparatus.

With more than 1.3 million Ukrainians currently living in Germany, the country hosts the largest Ukrainian refugee communities in Europe – a group that continues to shape not only Germany’s domestic economy, but also bilateral ties and the longer-term trajectory of post-war relations between the two countries.

Authors:

Nataliia Kolesnichenko, Andrii Akymenko

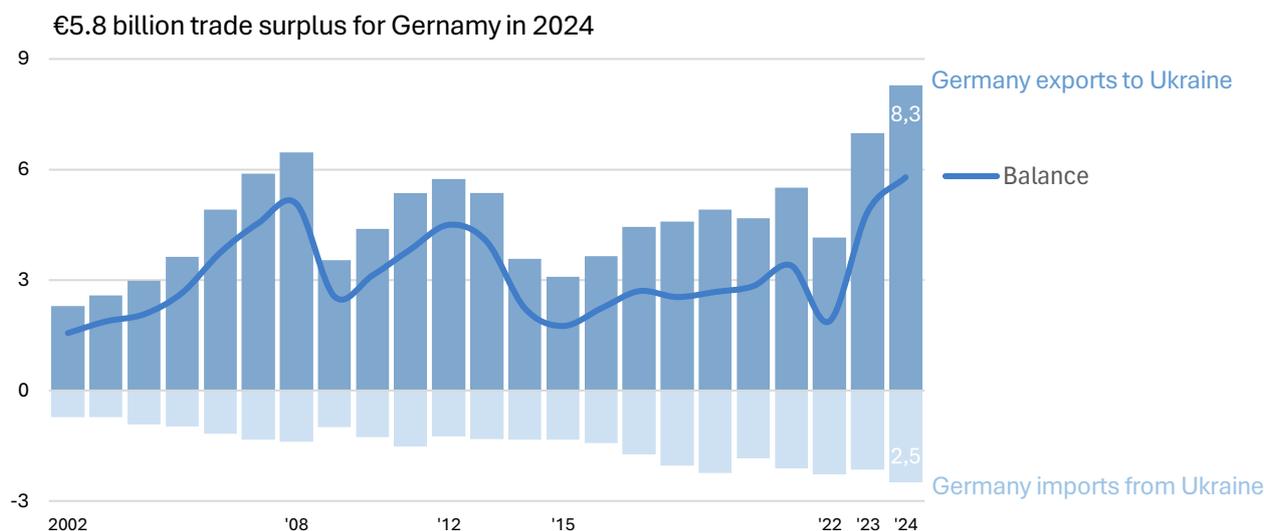
Date:

18 December 2025

MOVEMENT OF GOODS

Germany and Ukraine have a longstanding and close economic relationship, with total bilateral trade exceeding €10 billion in 2024. Over the past two decades, Germany has consistently been a net exporter of goods to Ukraine (Figure 1).

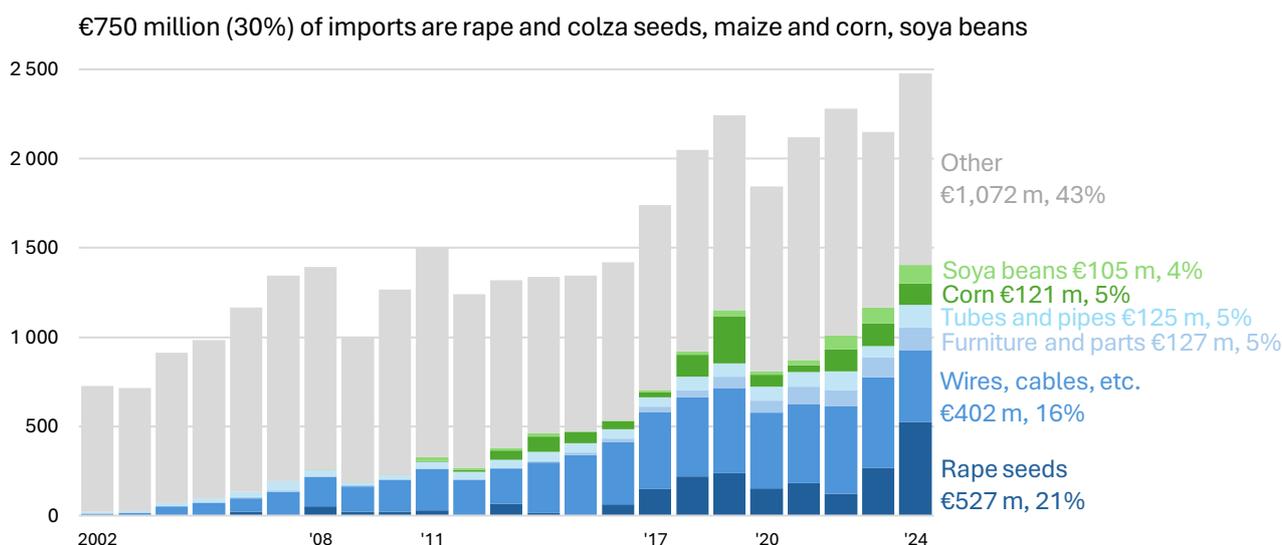
Figure 1. Trade in goods between Germany and Ukraine, EUR billion



Source: Eurostat, CES calculations

Insulated wires and cables remain a large and central component of Germany’s imports from Ukraine, reflecting western Ukraine’s integral role in the EU automotive supply chain, while Ukrainian agricultural goods have become increasingly prominent in recent years (Figure 2).

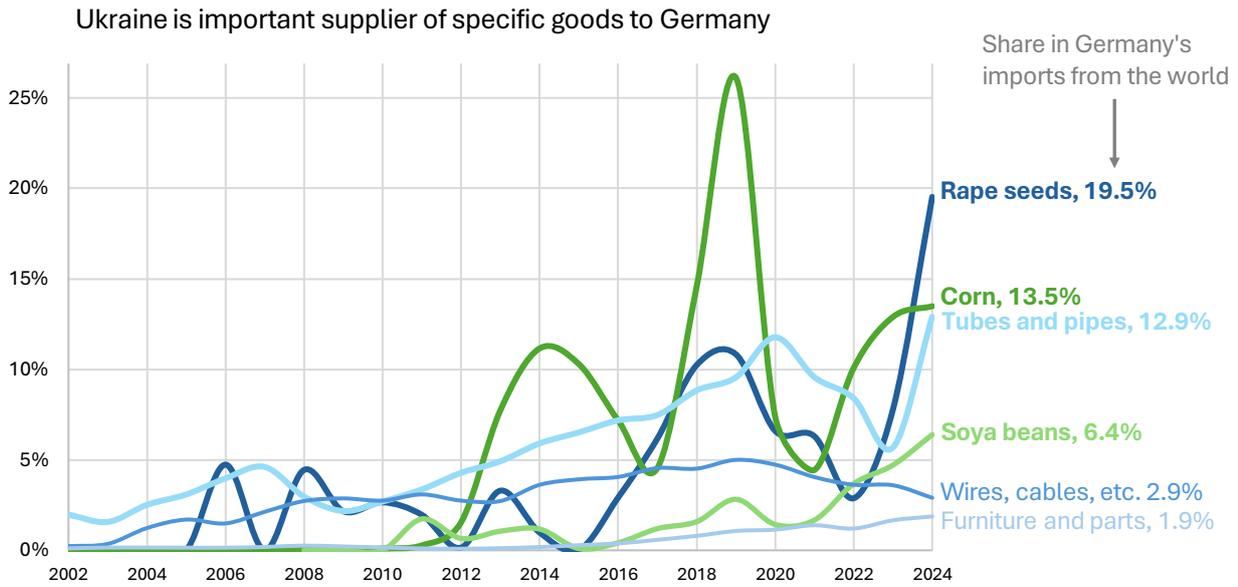
Figure 2. Germany imports goods from Ukraine, EUR million



Source: Eurostat, CES calculations

In 2024, almost 20% of Germany’s rapeseed imports came from Ukraine, which is also an important supplier of corn, seamless tubes, pipes and hollow profiles of iron and steel, and soybeans. The share of wires and cables from Ukraine in Germany’s imports has declined since 2019—from a peak of about 5% to roughly 3%—but remains significant (Figure 3).

Figure 3. Share in Germany's total imports of specific goods that are supplied from Ukraine

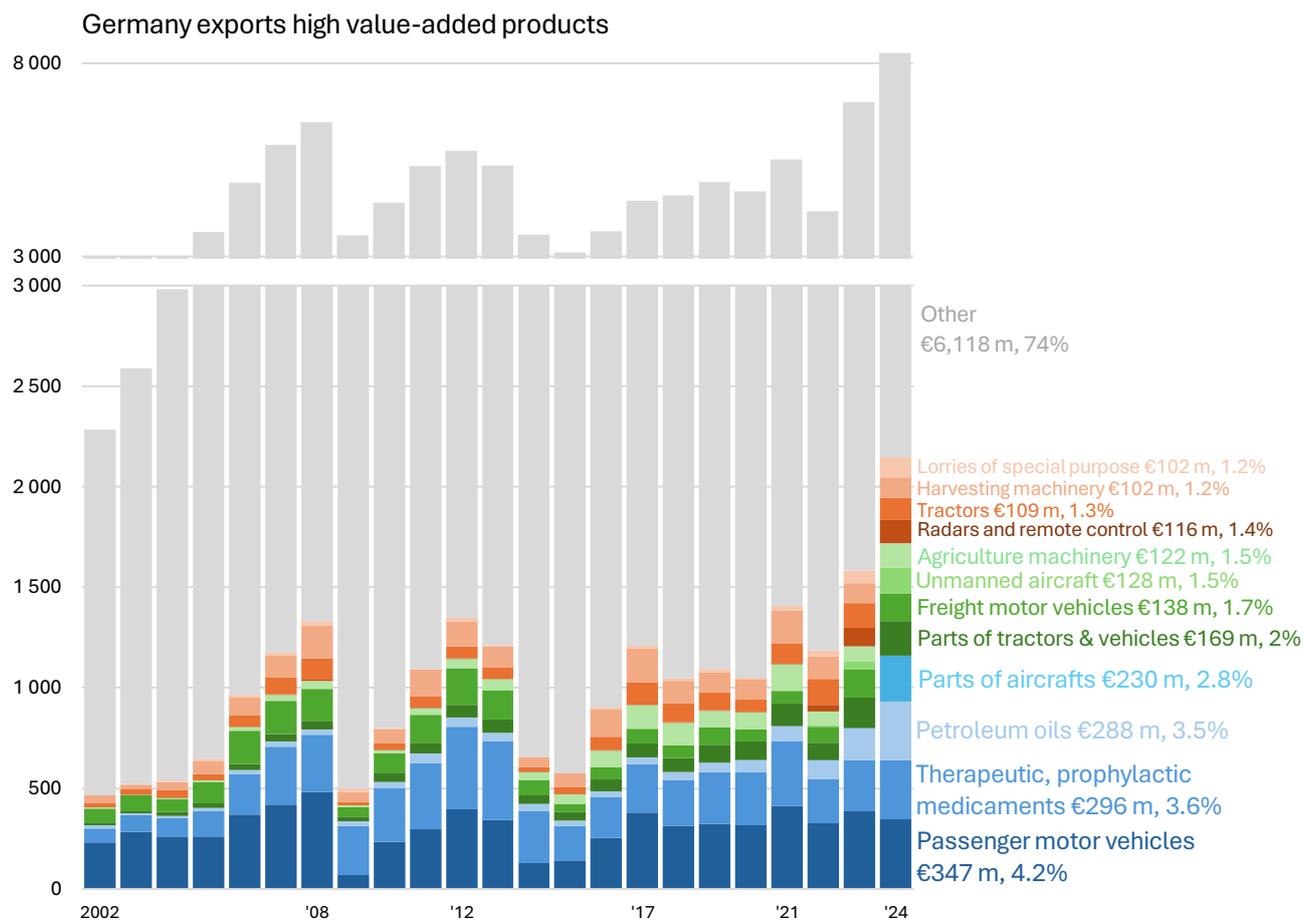


Source: Eurostat, CES calculations

Note: the figures show by how much Ukraine is important for Germany as supplier whose replacement will be tangible. Read it as follows: out of all rape and colza seeds imports to Germany, 19.5% are supplied by Ukraine.

Germany's exports to Ukraine are more diversified, complex, and technologically advanced. For many years, passenger motor vehicles and medicaments have been the dominant categories, followed by freight motor vehicles, tractors and harvesting machinery, as well as other industrial machinery and equipment (Figure 4).

Figure 4. Germany exports goods to Ukraine, EUR million



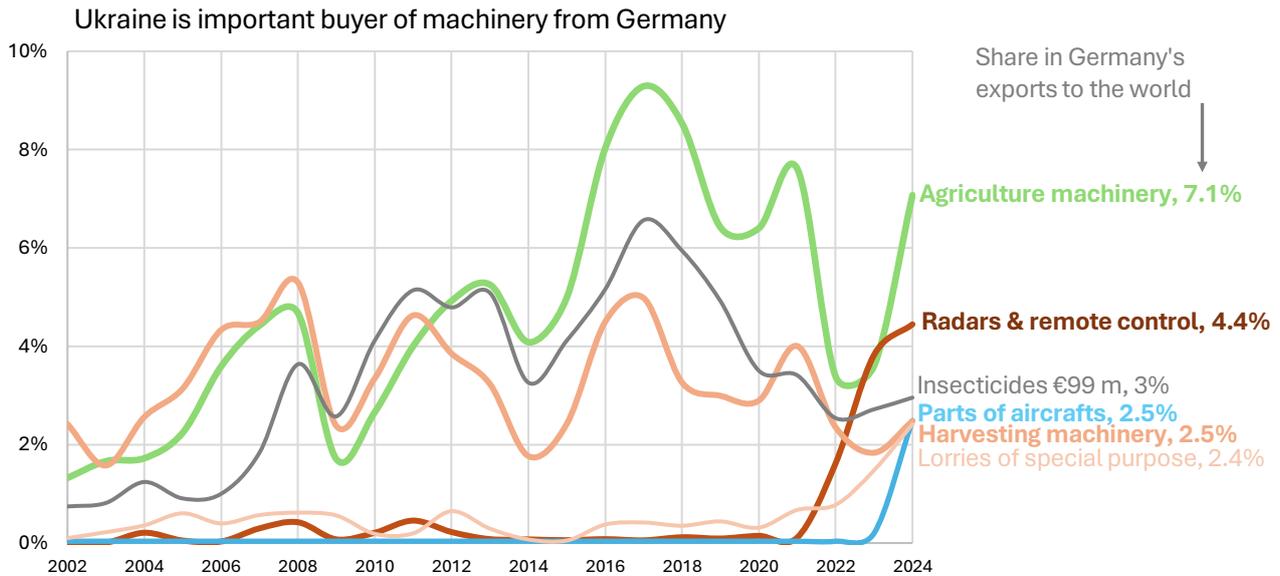
Source: Eurostat, CES calculations

As of 2024, twelve product groups accounted for a quarter of all German exports to Ukraine. Motor vehicles for passenger and freight transport totalled about €485 million (5.9%). Ukraine is also a stable buyer of prophylactic medicaments from Germany, with imports averaging around €270 million over the last five years. However, neither motor vehicles nor medicaments destined for Ukraine represent a significant share of Germany's global exports in these categories.

In the last two years, Germany has sharply increased its petroleum exports to Ukraine. More importantly, in 2024 Germany exported parts of aircraft and unmanned aircraft to Ukraine worth around €360 million—up from virtually zero before the Russian full-scale invasion. In 2024, 61% of Germany's unmanned aircraft exports went to Ukraine, which is also an important market for German agricultural machinery, radars and remote-control apparatus, insecticides, harvesting machinery and special-purpose lorries¹ (Figure 5).

¹ Breakdown lorries, crane lorries, fire fighting vehicles, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops and mobile radiological units.

Figure 5. Share of Germany's total exports of specific goods that goes to Ukraine

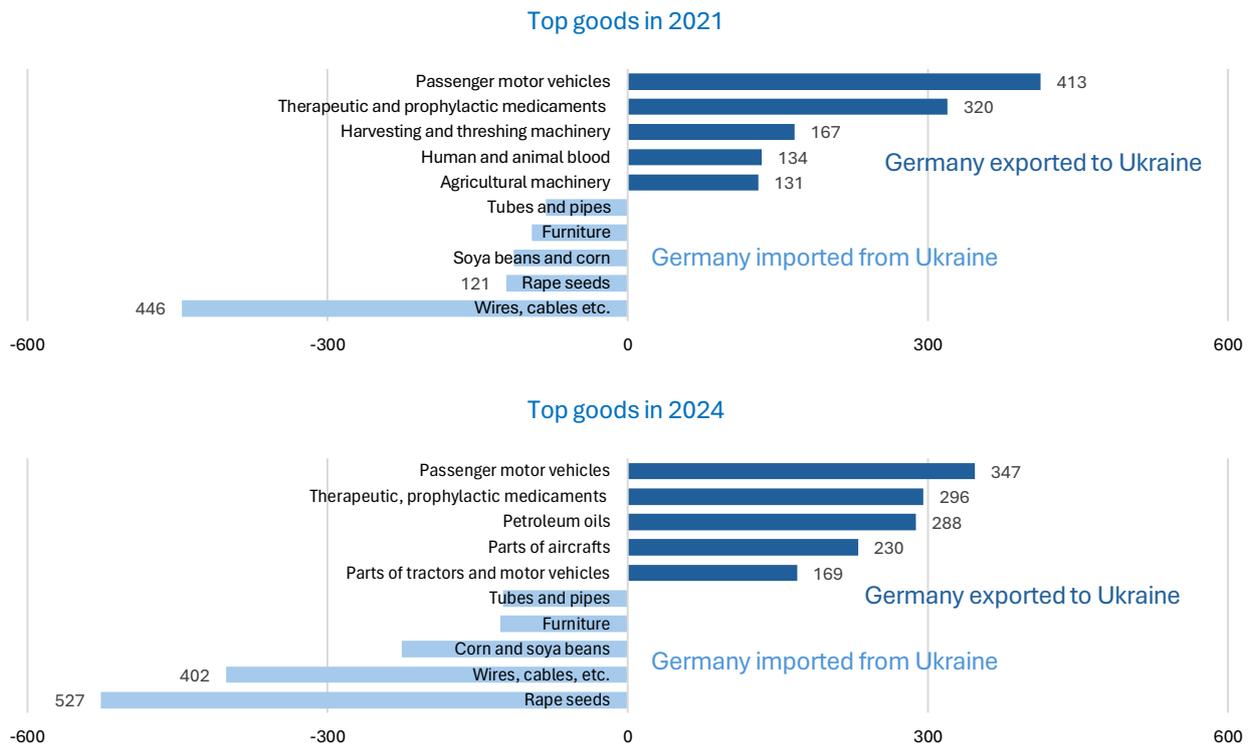


Source: Eurostat, CES calculations

Note: the figures show by how much Ukraine is important for Germany as buyer whose replacement will be tangible. Read it as follows: out of all agriculture machinery exports from Germany, 7.1% go to Ukraine.

Other major Germany–Ukraine trade goods are shown in Figure 6.

Figure 6. Top 5 goods in Germany–Ukraine bilateral trade in 2021 and 2024, EUR million



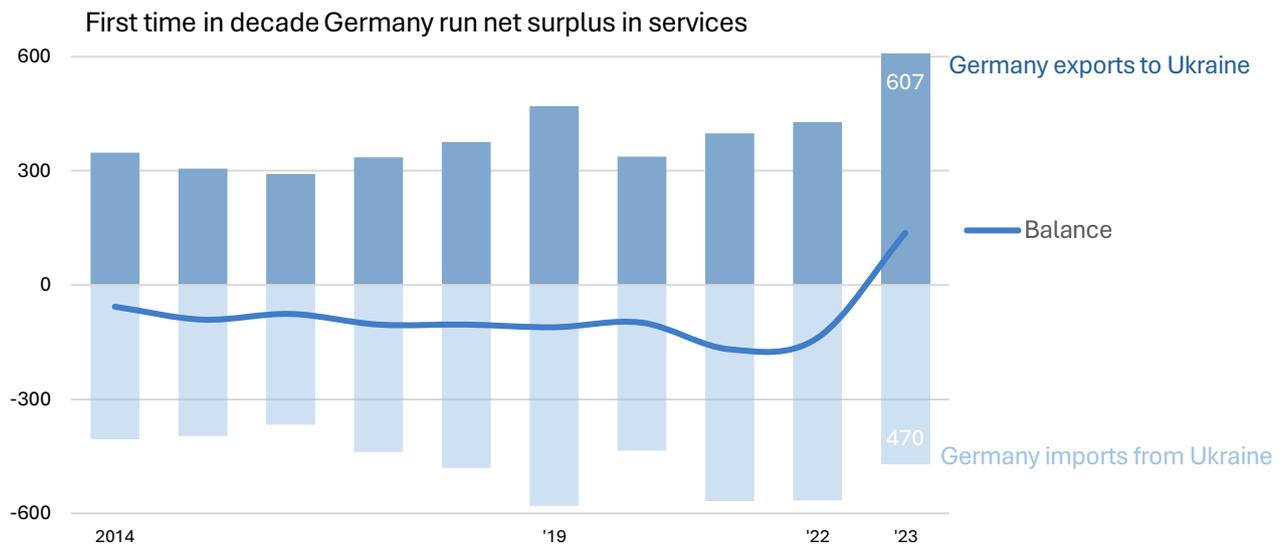
Source: Eurostat, CES calculations

As already noted, the most significant changes since 2021 have been the surge in Germany's imports of rape seeds from Ukraine and, on the export side, the sharp increase in petroleum oils and aircraft parts supplied to Ukraine as dual-use items in the war context.

MOVEMENT OF SERVICES

Over 2016–2020, Germany recorded on average nearly €100 million in net service imports from Ukraine. In 2021–2022, the balance in Ukraine’s favour increased further to about €150 million on average. However, in 2023 Germany ran a €137 million net surplus in services trade – the first time in at least a decade (Figure 7).

Figure 7. Trade in services between Germany and Ukraine, EUR million



Source: Eurostat, CES calculations

Germany mainly imports information and telecommunication technology services from Ukraine, followed by transport, processing of material resources and business services, while exporting primarily transport services, followed by computer and information services, services related to intellectual property and business.

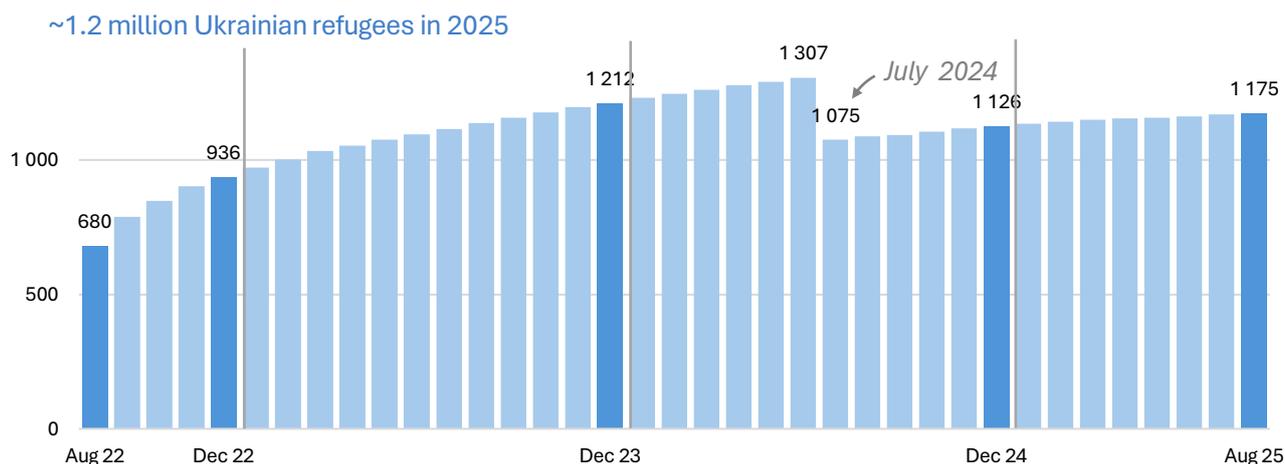
The recent shift in the services trade balance in Germany’s favour may partly reflect the activity of Ukrainian refugees – when a Ukrainian resident spends money in Germany, this is recorded as Germany exporting travel services to Ukraine.

Ukraine accounts for only 0.2% of Germany’s extra-EU imports and 0.3% of its extra-EU exports of services, pointing to a moderate one-sided link, although Germany is undoubtedly an important trade partner for Ukraine. Given the geographical distance, the greatest room for further growth likely lies in IT and digital solutions.

MOVEMENT OF PERSONS

In 2021, about 155,000 Ukrainians were legally residing in Germany. After the Russian full-scale invasion, Germany hosted a significant share of Ukrainian refugees, initially second only to Poland and later taking the absolute lead, with almost 1.2 million refugees – 27% of the European total – as of August 2025 (Figure 8). Overall, slightly more than 1.3 million Ukrainians were living in Germany at the end of 2024.

Figure 8. Ukrainians-beneficiaries of temporary protection in Germany, thousand people

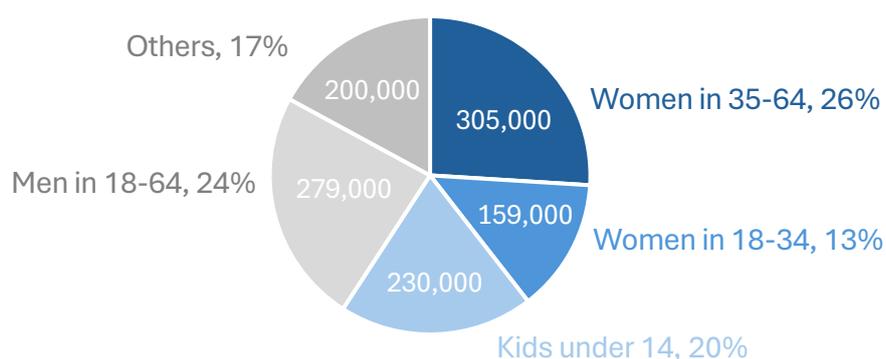


Source: Eurostat, CES calculations

About a quarter of Ukrainians with refugee status in Germany are women aged 35 to 64. Overall, women over 18 and children under 14 account for roughly two thirds of all Ukrainian refugees in Germany (Figure 9).

Figure 9. Gender and age groups of Ukrainian refugees in Germany

~66% of Ukrainian refugees are women and kids



Source: Eurostat, CES calculations

There are almost 280,000 men and women (24% of all refugees) in the core working age of 18 to 34, who not only contribute to Germany’s economy through personal consumption – like other groups – but also have the greatest potential for labour-market integration, bringing additional long-term value to the country.

Due to its distinctive integration policy emphasizing higher-quality preparation over rapid employment, Germany consistently ranked near the bottom among countries hosting Ukrainian

refugees, notably lagging Poland with a 78% employment rate for displaced Ukrainians in 2024. However, this long-term approach by the German government has begun to yield results, with a noticeable increase in Ukrainians' participation in Germany's labour market over the past year.

According to the [Federal Institute for Population Research](#) (BiB), the employment rate among adult Ukrainian refugees in early summer 2025 reached 51%, up from 16% three years earlier. [Over the same period](#), the share of those without an immediate intention to return to Ukraine rose from 37% to 59%.

[Research](#) by economists at the National Bank of Ukraine in early 2023 suggested that Ukrainian migrants could raise Germany's GDP in 2026 by 0.6–0.65 percentage points compared with a baseline scenario without migration. [Other authors](#) also suggest that the German government is interested in using Ukrainian migrants to plug gaps in the country's labour market and will seek to retain, over the longer term, those Ukrainians who have successfully integrated into various spheres of German society.

MOVEMENT OF CAPITAL

As of 2024, approximately 1,300 businesses in Ukraine were linked to Germany, either through the residency of their ultimate beneficial owners or through establishment by German companies retaining controlling shareholdings. Of these, about 610 (45%) were registered in Kyiv city, approximately 120 (9%) in Lviv oblast, and 100 (7%) in Kyiv oblast, followed by Dnipropetrovsk, Odesa, and Zakarpattia oblasts with about 60 businesses in each.

More than half of total turnover in 2024 came from wholesale trade (€1.1 billion, 43%) and the production of components, parts and accessories for motor vehicles (€290 million, 11%). The manufacture of motor-vehicle's components segment is the most labour-intensive, employing almost 19,000 people, or 41% of those considered. Other main industries in which Germany-linked companies operate in Ukraine are shown in Table 1.

The ten largest Germany companies in Ukraine by 2024 revenue were: [Bosch](#) (€98 million) and its official distributor [BSH Home Appliances Ukraine](#) (€70 million), [Knauf](#) (€81 million), [Kromberg & Schubert](#) (€69 million), [KWS Ukraine](#) (€62 million), [Kostal Ukraine](#) (€55 million), [Adidas Ukraine](#) (€53 million), [Sumitomo Electric Bordnetze Ukraine](#) (€50 million), [Andreas Stihl](#) (€47 million), and [Karcher](#) (€47 million).

Table 1. Overview of industries of operation of Germany-linked businesses in Ukraine in 2024

Industries of Germany-related companies in Ukraine, 2024	Revenue, EUR m	% of total	Number of companies	% of total	Number of employees	% of total
Wholesale trade	1,149	43%	299	22%	5,035	11%
Production of components, parts and accessories for motor vehicles	291	11%	13	1%	18,853	41%
Manufacture of non-metallic mineral products	148	6%	14	1%	1,150	2%
Agriculture, hunting	125	5%	78	6%	1,506	3.3%
Computer programming, consultancy and related activities	112	4%	100	7%	1,693	4%
Retail trade	105	4%	27	2%	1,207	3%
Food production	55	2%	11	1%	747	2%
Electricity, gas, steam and air conditioning supply	48	2%	59	4%	1,247	3%
Machinery and equipment repair and installation	39	1%	19	1%	194	0%
Rent, rental and leasing	39	1%	18	1%	108	0%
Total Top 10 industries	2,110	80%	638	47%	31,740	69%
Total Germany-related companies	2,650	100%	1,350	100%	46,247	100%

Source: [YouControl Market](#), CES calculations. Note: In 2024, annual UAH/EUR exchange rate was 43.45

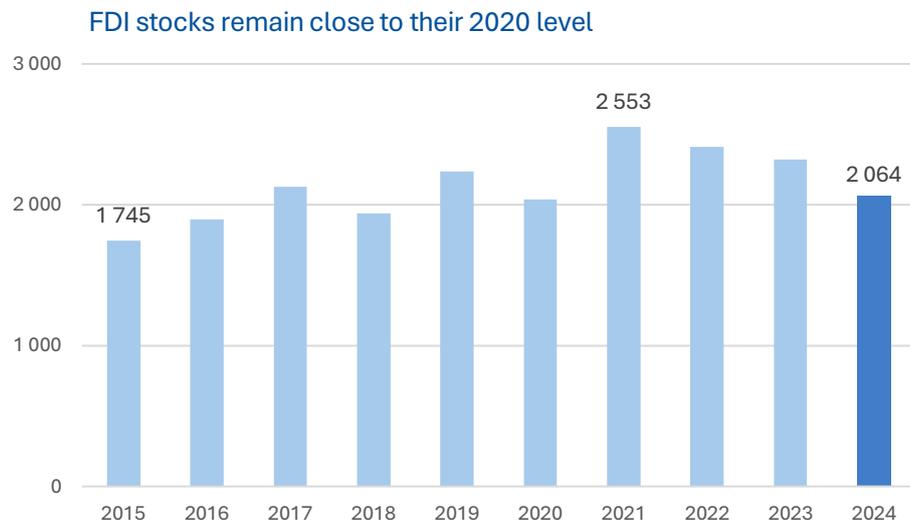
Some Ukrainian-linked businesses operating in Germany include [Nova Post](#), [Quantum Frontline Industries](#), [Visarsoft](#), [Intellias](#), [Tietoevry](#), [Grammarly](#), [SoftServe](#), [ELEKS](#), [Ajax Systems](#). In the restaurant and café segment, examples include [Die mit den Kirschen](#), [Guzulka](#), [Slava Berlin](#), [Jomo](#), [Black Hat Coffee](#), [Spezzagrano](#).

In early 2025, German building materials manufacturer Knauf began [constructing its second factory in Ukraine](#), in western Ternopil oblast, with an investment of €150 million. The first phase of the project was already completed in summer 2025, with full completion planned by the end of the year. Other notable private investments in recent years include [Bayer's €60 million upgrade](#) of its seed production facilities (new machinery, equipment, storage facilities and bomb shelters), Kreisel's nearly €14 million [plant for dry construction mixes in Lviv](#) oblast, and Berlin-based Boreal Light's [solar-powered water desalination and disinfection systems](#), including training and employment of local skilled workers and water-quality monitoring, backed by around €3 million in Germany's public funding.

German companies will play a significant and important role in Ukraine's reconstruction, particularly through cooperation in the building materials sector and the provision of machinery and engineering expertise.

Among EU countries, as of 2024, Germany held approximately €2 billion (5.3%) of total EU direct investment stocks in Ukraine, ranking 3-rd out of 27 member states (Figure 10).

Figure 10. Germany’s FDI stocks in Ukraine, EUR million



Source: [National Bank of Ukraine](#), CES calculations

The total volume of Germany’s foreign direct investment stock in Ukraine fell by almost €500 million over three years and is now back at its 2020 level. The biggest shift was a reduction of stocks in Dnipropetrovsk oblast, part of which was likely reallocated to Kyiv city (Figure 11).

Figure 11. Germany’s main FDI stocks in Ukraine by regions, EUR million



Source: [National Bank of Ukraine](#), CES calculations

As of 2024, 39% of all Germany’s FDI stock in Ukraine was concentrated in Kyiv city and oblast.

IMPLICATION FOR INTEGRATION POLICY AND STRATEGIC BILATERAL DIALOG

As one of Europe's largest economies, Germany is a longstanding trade and investment partner for Ukraine. Since 2022, Germany has increased both its goods and services exports to Ukraine to around €8.9 billion in total, remaining a key supplier of technologically advanced and complex products – especially motor vehicles, agricultural and harvesting machinery, tractors and lorries. As high-quality seed is critical for Ukrainian farmers, demand from Ukraine for these German products will remain strong. In recent years, and in the war context, Germany has increased its exports of dual-use items to Ukraine—aircraft parts, radars, and remote-control apparatus—while notably expanding imports of Ukrainian agricultural products.

This mutually beneficial cooperation allows Ukraine to access high-quality German products and remain one of the main buyers of German agricultural machinery, while Germany strengthens its food security by relying on stable trade relations with Ukraine as a key supplier of certain foodstuffs and maintains supply-chain linkages with Ukraine for wire-and-cable components of the German and EU automotive industry.

In this context, particularly promising are deeper Germany-Ukraine links in manufacturing – for example, via [Ukrainian industrial clusters](#) – with a focus on wires, cables, and other potential components of the EU automotive value chain; further expansion and consolidation of partnerships across the agrifood production network; closer cooperation in food-processing industries; and, critically, the tight involvement of German companies in Ukraine's reconstruction projects, including the supply of building materials, machinery, engineering expertise, and advanced construction solutions.

As one of Ukraine's main partners and host to one of the largest Ukrainian refugee communities, Germany has not only tied itself even more closely to Ukraine's fate and economic links during the war, but will also continue to shape the future of the Ukrainian community in Europe – either by supporting the gradual return and reintegration of Ukrainians back home, or by fostering their deeper integration into Germany's labour market, society and broader cultural and economic context.

The Centre for Economic Strategy (CES) is an independent centre for state policy research. CES is tasked with supporting reforms in Ukraine to achieve sustainable economic growth in the country. The Centre contributes to the development of Ukraine's economic growth strategy, analyses the most important aspects of public policies, and works to strengthen public support for reforms. It was founded in May 2015.

For more information about CES, please contact our Director of Communications, Viacheslav Nozdrin - viacheslav.nozdrin@ces.org.ua. We also invite you to visit our website.
