CENTRE FOR ECONOMIC STRATEGY

A Strategic Economic Dialogue: Austria-Ukraine Fact Sheet

Despite severe wartime disruptions, the Ukraine–Austria bilateral relationship remains highly resilient, characterised by stable trade, with Ukraine primarily supplying ores and poultry, while Austria exports medicines, gold, and electrical appliances. Austria has become home to a more than 87,000 Ukrainian refugees, who face ongoing integration and language challenges. Supported by over 1,000 Austria-linked companies operating in Ukraine, both nations are well-positioned for deep future cooperation in post-war reconstruction, pharmaceuticals, automotive industries, and defense technology.

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EXECUTIVE SUMMARY

The Ukraine–Austria bilateral relationship has proved resilient despite severe wartime disruptions. Driven by the DCFTA, bilateral trade has grown steadily since 2017. In 2025, Austrian exports to Ukraine reached €779 million, while imports from Ukraine totalled €738 million, leaving a small surplus of €41 million for Austria. This follows a historical peak in 2022, when supply-chain shocks amid the full-scale war and trade liberalisation under EU–Ukraine solidarity lines pushed Austria's imports from Ukraine to a record €1.2 billion. Today, Ukraine remains an important supplier, accounting for a quarter of Austria’s imports of raw ores, slag, and poultry cuts, while Austria primarily exports medicines, gold for non-monetary purposes, and electrical appliances to Ukraine.

The war has caused a major statistical shift in the services sector. Due to the accounting treatment of Ukrainian refugees, whose consumption is counted as tourism, travel services have become Austria’s main export category to Ukraine. This pushed Austria’s bilateral services balance into surplus, with €353 million in exports and €297 million in imports in 2024, even though Ukraine accounted for less than 1% of Austria's global services trade.

In demographic terms, the Ukrainian population in Austria surged from 11,600 in 2020 to over 87,000 temporary protection holders by April 2026, making Ukrainians the ninth-largest immigrant group in the country. However, this number is much lower than in Germany or Poland, where there are close to 1 million Ukrainian refugees in each country. Adult women make up 49% of this population, and children account for 24%. Integration remains a challenge, as a 2025 survey shows that Ukrainians report the lowest German language skills and the lowest perceived affiliation with Austria among all immigrant groups.

Bilateral capital and investment flows have remained remarkably stable. Austrian FDI stocks in Ukraine reached $2.2 billion by the end of 2025, after hovering around $2 billion in recent years. Currently, more than 1,000 Austria-linked companies operate in Ukraine, representing 6% of all foreign-owned businesses, with nearly half based in the capital, Kyiv. These businesses generated significant revenue in 2025, led by wholesale trade at €2.7 billion and agriculture at €1.5 billion. Austria-linked companies maintain a strong position in the Ukrainian financial sector, including Raiffeisen Bank and Vienna Insurance Group.

Looking ahead, the strategic implications point to substantial opportunities to deepen economic and industrial cooperation. Despite the ongoing war, Ukraine remains a resilient trade partner for Austria, offering significant opportunities for deeper bilateral cooperation and investment. Key growth areas include the pharmaceutical sector, where Austrian expertise can complement Ukrainian infrastructure, and the automotive industry, which strengthens Austria's export capabilities. Additionally, Austria’s eco-friendly construction materials can play a vital role in Ukraine’s post-war "Build Back Better" reconstruction efforts. Strengthened support from Austrian financial institutions, alongside collaboration in defence technology and miltech, will further accelerate economic recovery, modernise local industries, and ensure compliance with European green and quality standards.

MOVEMENT OF GOODS

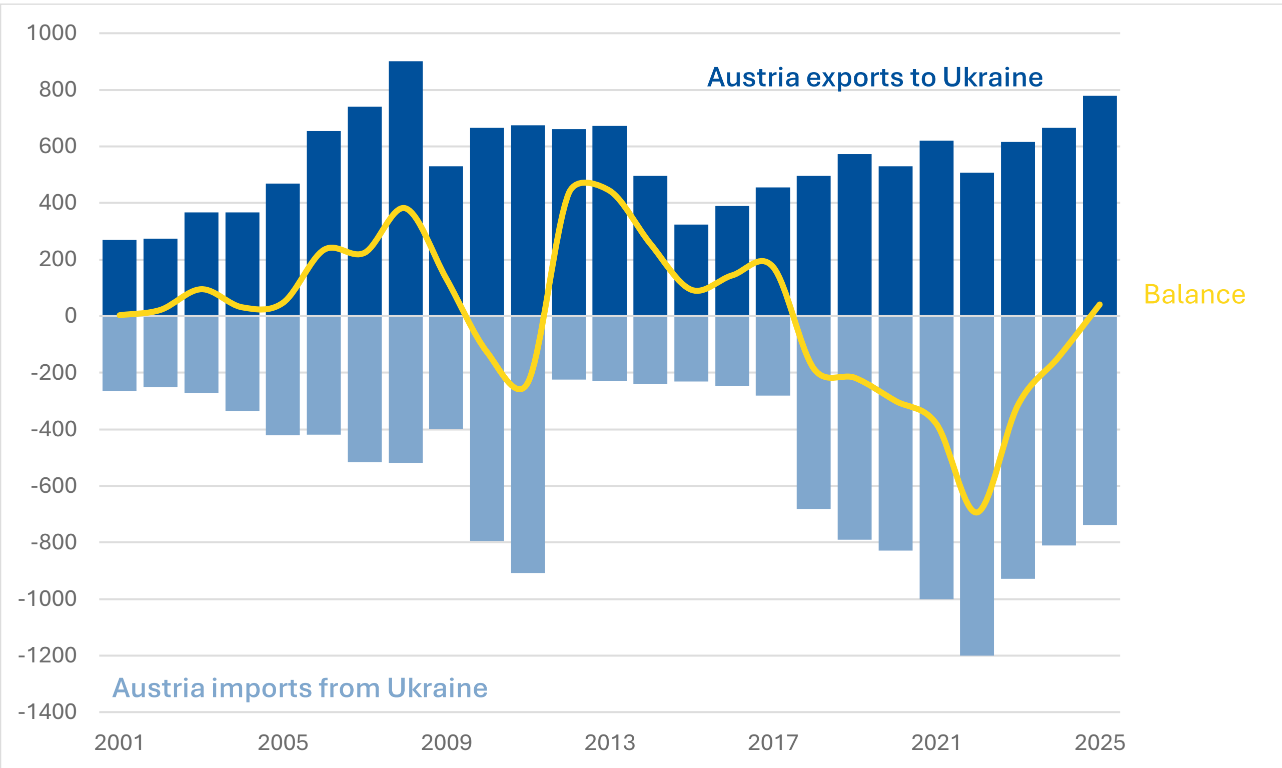
Austria relies on Ukraine as a trade partner for the supply of raw materials, grain and other food products. Ukraine, meanwhile, imports medicines and electrical appliances from Austria, consistent with Austria's global trade patterns. While trade in these areas is significant for both countries, the overall volume remains low.

While trade between Ukraine and Austria is limited compared with that with neighbouring EU countries, bilateral trade has been steadily increasing since 2017 and exceeded €1,5 billion in 2025, leaving a small positive balance in Austria's favour (€41 million). This follows the general EU pattern, in which member states expanded trade with Ukraine following the DCFTA.

Trade volumes increased in 2021 and 2022, driven largely by the post-COVID rebound and an expansion of Ukraine's exports to Austria, mainly iron ore, wood, and maize. As industries resumed operations, demand for raw materials, particularly iron ore, rose. Consequently, global prices surged, boosting the value of iron ore exports that year. Ukraine's corn exports, on the other hand, grew following the EU's regulatory approval.

In 2022, supply chain disruptions once again pushed up the prices of raw materials exported by Ukraine, increasing the value of Austria's imports from Ukraine. At the same time, trade liberalisation between Ukraine and the EU under the DCFTA reduced export restrictions. Together, these factors pushed Austria's imports from Ukraine to a record high of €1,2 billion.

Figure 1. Trade balance between Austria and Ukraine, € mln



Source: Eurostat. CES calculations

Since 2022, however, the situation has reversed. Austria still depends heavily on Ukraine (a quarter of all such imports in 2025) for ores, slag and ash. But when the full-scale war damaged Ukraine's export capacity, Austria's imports of ores, slag and ash declined substantially: the 2025 figures were only half those in 2021. Austria has adapted by shifting some imports to South Africa and other seaborne ore via ports in the Netherlands. However, supplies from major Ukrainian companies (Metinvest, ArcelorMittal Kryvyi Rih, Ferrexpo) continue.

Additionally, Ukraine accounted for a quarter of Austria's imports of fresh or chilled poultry cuts and edible offal in 2025, following a sharp increase from virtually none of this product being traded from Ukraine to Austria in 2020–2022. This coincided with a rise in Austria's global imports of meat and edible offal and with Ukraine's poultry producers entering EU markets after the 2022 trade liberalisation. Even after the reinstatement of quotas under the updated DCFTA, Ukrainian exports remain important to the Austrian market (for example, between 2023 and 2024, average chicken imports totalled €20.6 million, compared with €90 million in 2025).

Austria's more modest export increase in 2025 was driven by gold, medicines, and electrical appliances. Medicaments for therapeutic and prophylactic purposes are among Austria's main exports, mostly to EU countries, with only a small share going to Ukraine.

Figure 2. Top-5 goods in Austria-Ukraine bilateral trade in 2021, € mln.

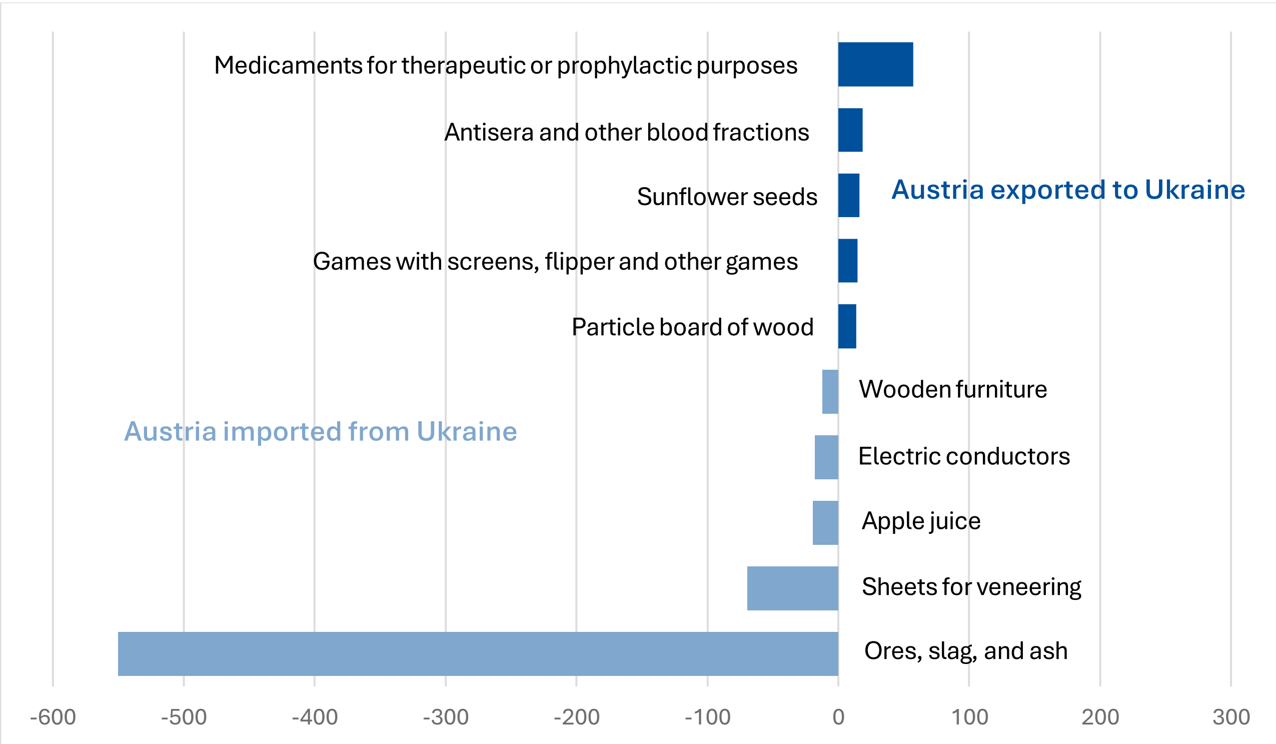
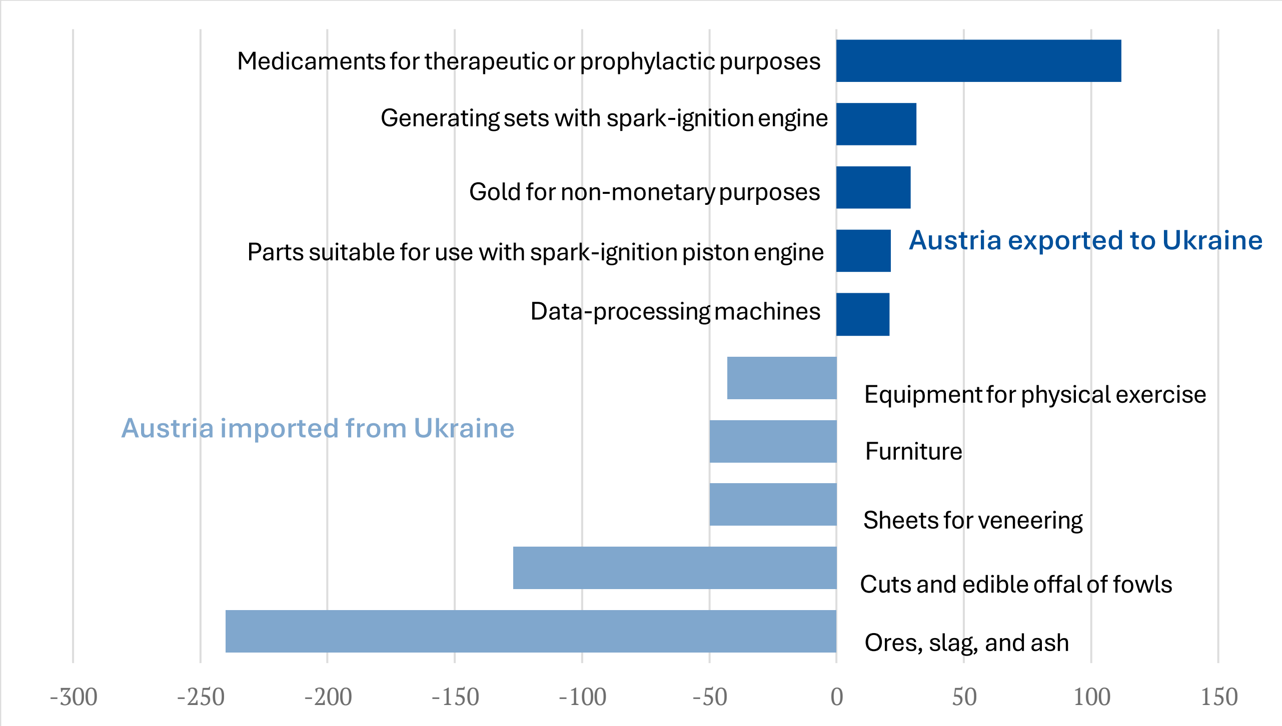


Figure 3. Top-5 goods in Austria-Ukraine bilateral trade in 2025, € mln.



Source: International Trade Centre, CES visualisation.

Note: a considerable share of Austrian export to Ukraine in 2025 consisted of the category "commodities not elsewhere specified", which, alongside other special transactions, may include military equipment.

MOVEMENT OF SERVICES

The volume of trade in services between Austria and Ukraine remains low. Prior to the full-scale invasion, Austria recorded a deficit, but a sharp rise in travel services exports, driven by the flow of refugees, pushed the balance of trade into surplus, at €56 mln in 2024.

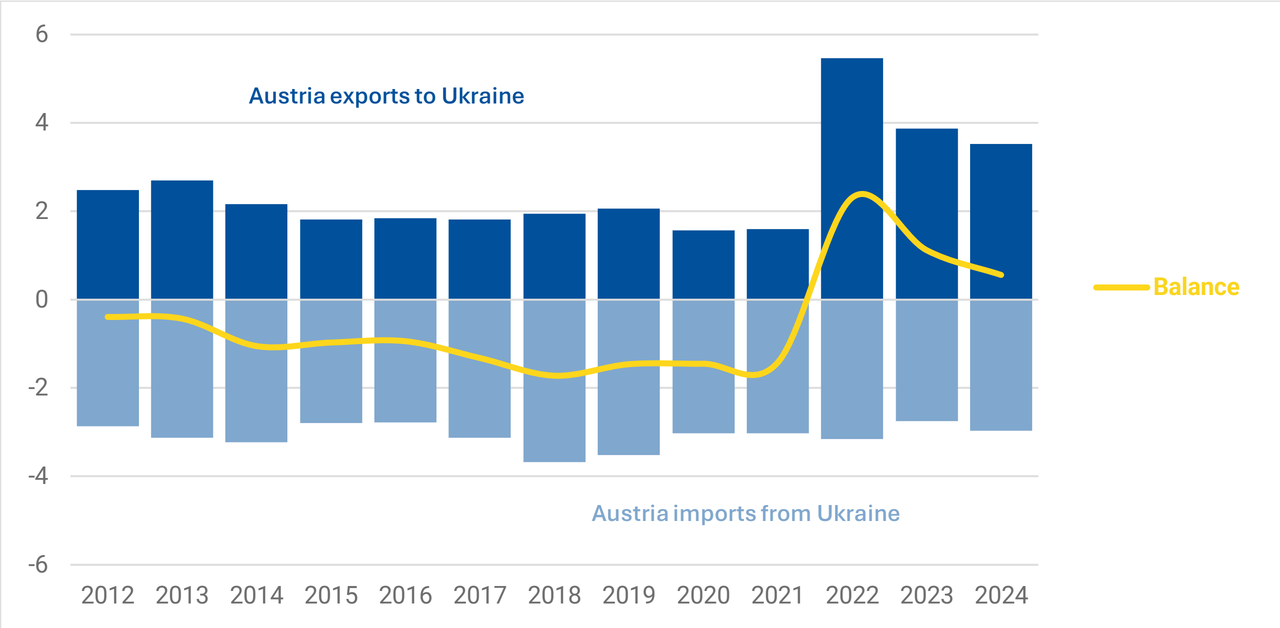
The volume of trade in services between Austria and Ukraine remains low. Austria's overall services trade is highly concentrated within the EU; in 2024, 75.6% of its services exports and 74.1% of its imports were with other EU states, primarily Germany. Consequently, Ukraine accounted for less than 1% of Austria's global trade in services in both categories that year.

While Ukraine is traditionally marginal to Austria's services trade, the full-scale invasion created a massive statistical shock. War-related migration triggered a significant jump in Austria's services exports from 2021 to 2022. This increase was driven by a near-doubling of travel-related services exports, due to the accounting treatment of displaced Ukrainians. Under these rules, the consumption of Ukrainian refugees living in Austria is officially counted as a tourism export from Austria to Ukraine.

Globally, Austria's exports of travel-related services total €24 billion, accounting for 28% of its total services exports. Driven by the refugee flow, travel services have now unexpectedly become Austria's primary export category to Ukraine.

Prior to the invasion, Austria recorded a bilateral services trade deficit with Ukraine. However, displacement-driven consumption pushed Austria's balance of trade in services into positive territory in 2022 for the first time in over a decade, and it has remained positive ever since. According to Eurostat, this trend culminated in 2024, with Austria's services exports to Ukraine totalling €353 million against imports of €297 million, resulting in a €56 million trade surplus.

Figure 4. Trade in services between Austria and Ukraine, € mln.



Source: Eurostat, CES visualisation

MOVEMENT OF PERSONS

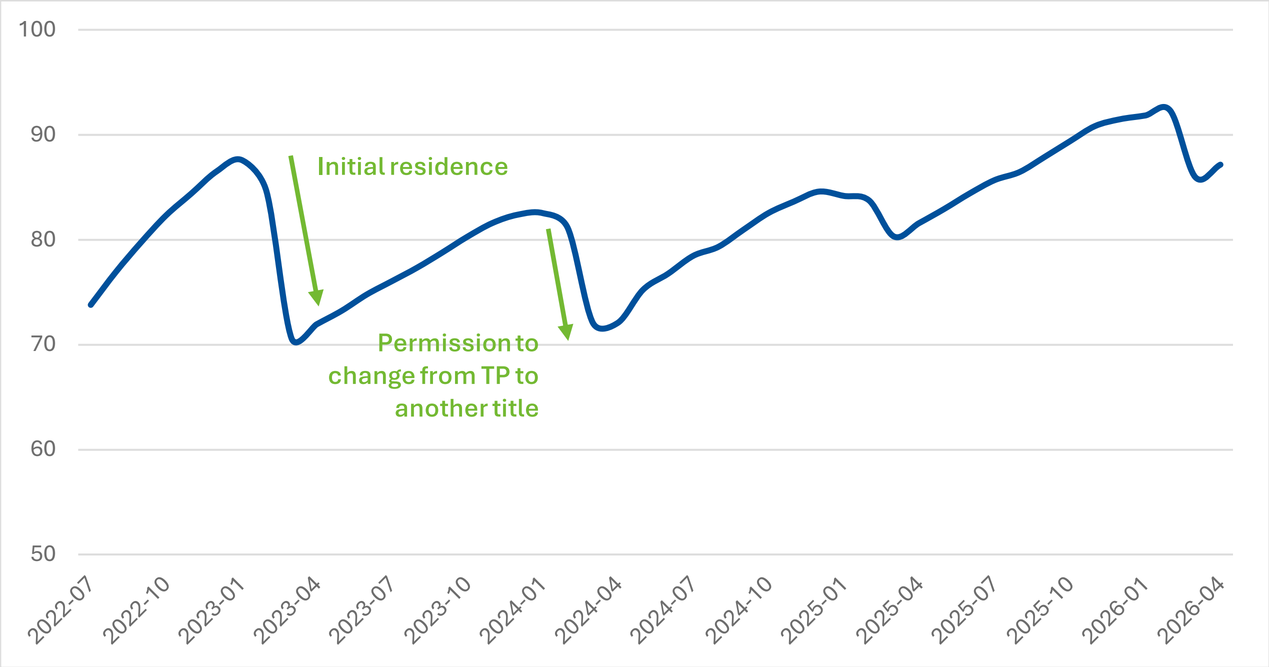
Before Russia's full-scale invasion, the number of Ukrainians in Austria grew gradually: from 8,500 in January 2015 to 11,600 in January 2020. This number increased rapidly as more people began relocating following the full-scale invasion of Ukraine. By April 2026, over 87,000 people had been registered as holders of temporary protection status. Austria does not have the highest number of Ukrainian refugees in the EU, compared with the leaders, Germany and Poland (each with nearly 1 million Ukrainian refugees). However, Ukrainians are the 9th-largest immigrant group in Austria and the 5th-largest among non-EU nationals (after Turkey, Serbia, Syria, and Bosnia and Herzegovina)[1].

The noticeable reductions in the number of Ukrainian refugees in Austria in mid-2023 and mid-2024 can be explained by the expiration of the original temporary protection status on 3rd March 2023, followed in spring 2024 by the option for Ukrainians to switch to a regular title of stay. The conditions for the switch were quite restrictive: at least 12 months of work within the past 2 years, a realistic and sufficient income prospect, and A1 German language skills.[2]

[1] As of January 2025, according to Statistics Austria.

[2] European Council on Refugees and Exiles. AIDA Country Report on Austria – 2023 Update.

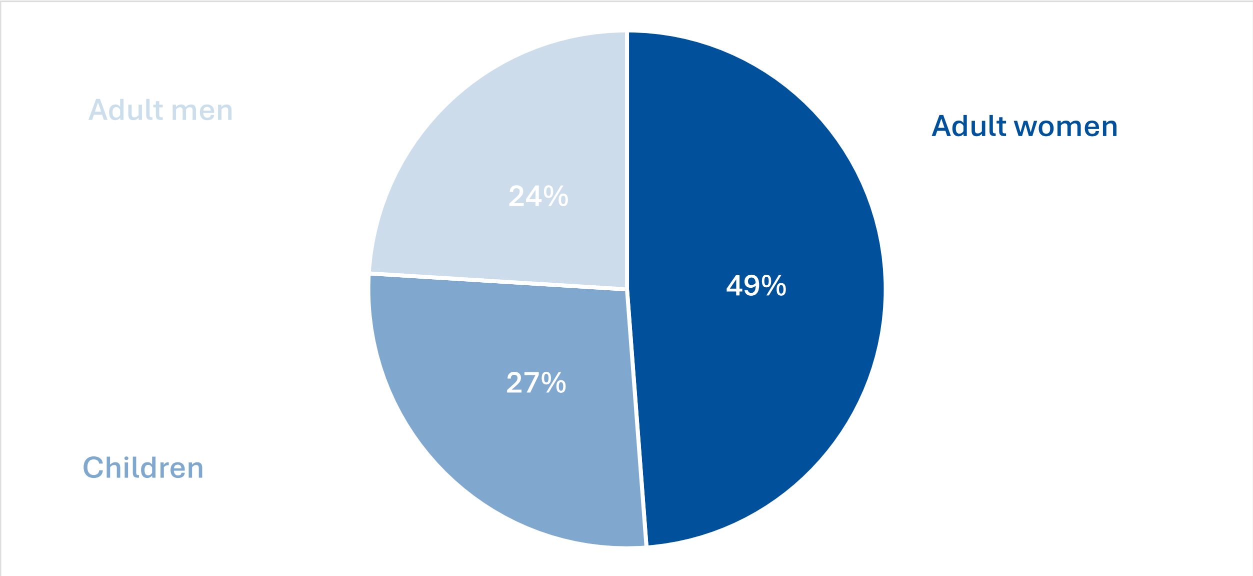
Figure 5. Number of Ukrainian citizens-holders of temporary protection status in Austria, thousands of persons



Source: Eurostat. CES visualisation.

As of April 2026, almost half of all Ukrainian refugees in Austria are adult women, and three-quarters are women and children. Most of the children are under 14.

Figure 6. Sex and age composition of Ukrainian temporary protection holders in Austria.



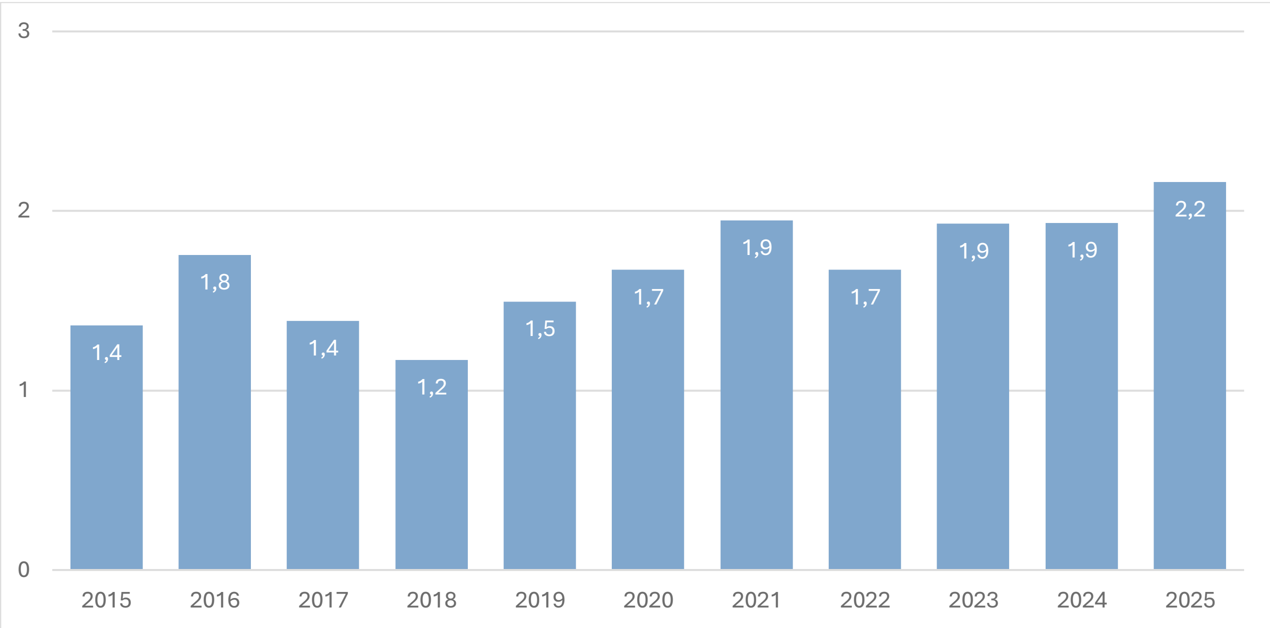
Source: Eurostat. CES calculations.

In a 2025 survey of perceptions of the integration process for immigrants, Ukrainians reported the lowest level of perceived affiliation with Austria among national groups, at 64.7%, 11 percentage points below the sample average. Self-reported German language skills are also the lowest among Ukrainian nationals, with just over a third rating their knowledge as at least "good".[3]

MOVEMENT OF CAPITAL

Austria's FDI stocks in Ukraine have increased by 60% between 2015 and 2025, reaching $2.2 bn by the end of 2025, but have been broadly stable at around $2 bn since 2021. In addition, gradual wartime FDI growth is linked to capital restrictions imposed by the National Bank of Ukraine since the full-scale war began.

Figure 7. Austria's FDI stock in Ukraine, $ bn.



Source: . CES visualisation.

According to YouControl Market, 1 146 companies registered in Ukraine are linked to Austria, either through ownership or by holding controlling shares. Almost a third of these companies are small enterprises, with the remainder classified as large or medium (22%), micro (1%), or unknown (33%). As of March 2026, Austrian citizens owned 6% of all foreign-owned companies in Ukraine.[4]

Austrian investment in Ukraine is heavily concentrated in Kyiv City, with almost half registered there, likely due to the administrative benefits of the capital. The most investment outside Kyiv is directed to the Lviv (12%) and Dnipropetrovsk (6%) regions.

Among the Austria-linked companies in Ukraine, the majority are concentrated in the top 10 industries, specifically wholesale trade, agriculture, and logistics, with a significant share in finance and insurance.

[3] Statistics Austria. Austria's population only grows because of immigration.

[4] Opendatabot. Almost half of the companies with foreign ownership are registered in Kyiv.

Table 1. Industries of Austria-linked businesses in Ukraine in 2025*.

Industries of Austria-linked companies in Ukraine, 2025	Revenue, € bn	*% of total*	Number of companies	*% of total*	Number of employees	*% total*
Unspecialised wholesale trade	1.1	*14*	47	*4*	563	*1*
Wholesale trade of grain, tobacco, seeds, and animal feed	1.0	*12*	27	*2*	620	*1*
Wholesale of computers and software	0.5	*6*	4	*0*	1 201	*2*
Wholesale of chemical products	0.5	*6*	15	*1*	194	*0*
Automobile trade	0.4	*5*	2	*0*	201	*0*
Growing of cereals, legumes, and oil seeds	0.4	*5*	61	*5*	2 403	*4*
Road and highway construction	0.3	*4*	4	*0*	4 748	*8*
Manufacture of equipment for motor vehicles	0.3	*4*	3	*0*	12 200	*20*
Wholesale fuels and related products	0.3	*3*	10	*1*	1 878	*3*
Supply of steam, hot water, and air conditioning	0.3	*3*	3	*0*	862	*1*
Total of top 10 industries	**5.1**	***62***	**176**	***15***	**24 875**	***41***
Total Austria-linked companies	**8.2**	***100***	**1 146**	***100***	**60 351**	***100***

*Raiffeisen Bank is not included.

Source: YouControl Market. CES visualisation.

Some of the largest Austrian-owned companies in Ukraine include:

- Raiffeisen Bank, which entered Ukraine in 2005 after acquiring the Ukrainian-owned bank Aval, consistently ranks 4th or 5th by total assets among all banks in Ukraine. Since 2022, Raiffeisen Bank has invested UAH 5.9 bn to develop the banking system in Ukraine, as dividend withdrawals have been restricted by war-related capital control measures. In addition, the bank plays an important role in financing Ukrainian businesses and has recently begun offering debt write-offs for businesses affected by the war in partnership with the EBRD.
- Porsche Ukraine, a direct subsidiary of Porsche Holding Salzburg, imports and distributes Volkswagen, Audi, SEAT, and CURPA. In 2020, Forbes named it the fifth-largest operator in the Ukrainian automotive market.
- Amic Ukraine, a subsidiary of Amic Energy, was formed in 2015 following the acquisition of Lukoil's assets in Ukraine. It is one of the country's largest fuel retail networks by station count, with approximately 200 stations nationwide in 2022.
- ERC Ukraine is part of a global Austrian distributor of electronics and appliances. It is the oldest division of the international ERC Holding.
- Vienna Insurance Group manages 3 insurance companies in Ukraine: USG, KNIAZHA, and the life insurer KNIAZHA LIFE.
- Kronospan, an Austrian wood products manufacturer, operates in 123 countries, including Ukraine. The company produces wood panels from local timber and supplies them to Ukrainian customers for construction and furniture manufacturing.
- LEONI Ukraine is part of a network of wiring systems and cable harness producers, owned by the Austrian KTM Motohall. Its production operates under a tolling arrangement, with materials and finished products owned by the Austrian corporate group, while assembly labour is carried out in Ukraine. Due to war-related risks, the company has unfortunately reduced its operations in Ukraine, transferring some of its production to factories in other countries.
- Fischer Ukraine is a subsidiary of the Austrian skiing equipment manufacturer, one of the largest in Europe. It also has a tolling arrangement, using labour in Ukraine for its production.

IMPLICATIONS FOR THE INTEGRATION POLICY AND THE STRATEGIC BILATERAL DIALOGUE

Despite the war and significant destruction, Ukraine remains a reliable supplier of goods to Austria. Expanding cooperation within existing supply chains and further strengthening ties between producers in both countries will help boost trade. Such expansion of ties could also be facilitated by Austrian investments in the Ukrainian manufacturing industry and/or the modernisation of existing facilities, including compliance with all European requirements regarding product standards, quality, and the green transition.

Such cooperation could take place in several areas. First, as a major pharmaceutical exporter, Austria may be interested in collaborating with the Ukrainian pharmaceutical and biotechnology sectors. This would help bring products closer to Ukrainian consumers – who have a high demand for quality medicines given the country's large population and the consequences of the war – while also leveraging Ukraine's existing pharmaceutical cluster infrastructure, trained specialists, and educational resources.

Second, further development of cooperation within the automotive cluster holds great promise, as Ukraine has been a manufacturer and supplier of automotive components for leading European automakers for nearly a decade. In fact, the large presence of Austria-linked companies producing automotive components already contributes to this cooperation. For instance, Leoni Ukraine and Kromberg & Schubert are among the largest employers among Austria-linked companies in Ukraine. Further industry cooperation will help strengthen Austria's position as a leading European automotive exporter.

Third, postwar reconstruction will increase Ukraine's demand for construction materials, which may also contribute to the expansion of bilateral trade and investment. Austria is already a major supplier of a range of construction materials, including mixtures, adhesives, other construction chemicals, paints, thermal insulation, roof tiles, and more. It would be advisable to further develop cooperation in woodworking and furniture manufacturing. Austria could also expand trade in construction-related goods it already supplies mainly to Germany and other EU countries, such as wood, steel, and electronic conductors and sets. Austrian construction materials are known for their energy efficiency, reliability, and environmental friendliness, which could play a leading role in Ukraine's reconstruction in line with the Build Back Better principle.

The role of Austrian financial institutions in the Ukrainian economy could be strengthened by Raiffeisenbank's potential withdrawal from Russia and by their broader involvement in lending to and insuring Ukrainian businesses, including through the participation of IFs and DFs. This will help to revitalise business activity and accelerate the growth of the Ukrainian economy, which has demonstrated resilience despite the war.

Meanwhile, the EU's reliance on its own capabilities to ensure defence offers an opportunity to draw on Ukraine's successful experience in developing military and defence technology.

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.
