

COUNTRY MARKET INTELLIGENCE

Germany Market Intelligence

Market structure, procurement and commercial entry

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Reading this report

The data retains its stated period, currency and measurement scope. ExpandOcean Views interpret the commercial implications of each analytical module. Sources are linked beside factual claims. Data cutoff: 16 October 2026.

1 Market structure and commercial context

Germany's market combines a domestic customer base with a European supply and distribution network. Goods trade turnover with China reached €251.8 billion in 2025, making China Germany's leading trading partner by combined exports and imports; Germany's total goods imports in that year were €1.362 trillion.[1] Manufacturers buy through procurement teams and technical qualification processes; wholesalers and specialist distributors aggregate demand; retailers and marketplaces serve end customers. Release for free circulation in an EU member state gives goods Union customs status and permits circulation across the Union, subject to applicable product rules.[2]

For buyer discovery, distinguish the legal importer from the purchasing decision-maker and the channel that sells or incorporates the goods. Target identifiable German importers, distributors and manufacturers by their role in the chain; then qualify who controls vendor onboarding, specification and delivery. Trade fairs, chambers of commerce and EU-supported matchmaking are recognized routes for business contacts.[2] German-language documentation and a local importer capable of handling market obligations are practical advantages, not proof of guaranteed conversion.

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Prioritize the buying role, not the country label

Germany's €1.362 trillion in goods imports and its €251.8 billion in bilateral goods turnover with China describe broad trade flows, not addressable demand for any one supplier. Treat each prospect as a distinct procurement route: confirm whether it imports directly, buys through a wholesaler, or specifies components through a manufacturer. That qualification prevents country-level trade scale from being mistaken for a lead list or sales opportunity.

2 Macro purchasing power and finance

The economy returned to slight real growth in 2025: price-adjusted GDP rose 0.2% after two years of recession, while household final consumption expenditure increased 1.4% in real terms.[3] These figures point to ongoing consumer-market activity but a cautious business investment climate. Gross fixed capital formation fell 0.5%; machinery and equipment investment declined 2.3%, and construction investment fell 0.9%.[3] Manufacturing value added dropped 1.3%, whereas trade, transport, accommodation and food services grew 1.2%.[3] A sourcing conversation tied to cost reduction, dependable replenishment or operational continuity is more consistent with these conditions than one premised on broad capital expansion.

Germany recorded 46.0 million people in employment on average in 2025.[3] September 2026 consumer-price inflation was 3.3% year on year, with energy prices a major driver.[4] These measures are not direct indicators of corporate credit or buyer budgets. Germany uses the euro; a China-to-Germany transaction should state currency, Incoterm, payment milestones and responsibility for bank, freight and duty charges in a written quotation and contract.

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Make the business case resilient to weak investment

Real household consumption expanded in 2025 while equipment and construction investment contracted, so the demand signal differs by customer type. Separate replacement and operating purchases from discretionary capacity projects, and ask what budget cycle and approval threshold govern each. The 3.3% September inflation reading is a year-on-year consumer measure, not a forecast or a business input-cost index. Quote validity, currency clauses and landed-cost scenarios should therefore be explicit rather than inferred from one headline macro indicator.

3 China supply and procurement competition

China's position is already structurally important: bilateral German goods trade totaled €251.8 billion in 2025, up 2.1% year on year.[1] In the first half of 2026, China remained Germany's largest trading partner by turnover, at €125.5 billion, ahead of the United States (€123.7 billion) and the Netherlands (€109.3 billion).[5] For reference, Destatis reports seasonally and calendar-adjusted German goods imports from China of €124.1 billion from January to August 2026, 10.1% above the same period of 2025.[6] It is a partial-year indicator and must not be compared as though it were a full year. Buyers compare existing Chinese sources, EU suppliers, other international suppliers and distributors. Their evaluation can include landed cost, product documentation, quality consistency, traceability, lead time, warranty handling and communication. Chinese export statistics are a separate mirror measure and should not be substituted for Germany's import-country customs record. The practical opportunity is to identify procurement gaps—such as supplier diversification, a need for coordinated vendor communication or documented shipment execution—without assuming a buyer will switch on price alone.

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Compete on buying friction, not a China headline

Germany's trade statistics confirm substantial China-linked trade, but they cannot identify which individual firms want a new supplier or which product specifications are open to change. They do show that China-origin sourcing is familiar to the market, which raises the importance of differentiation beyond origin and quoted unit price. Frame discovery around a buyer's current supplier structure, reliability requirements, landed-cost visibility and qualification steps. This approach tests a concrete switching reason rather than treating bilateral trade volume as evidence of an unserved demand pocket.

4 Digital channels and payment

Digital discovery should support, not replace, account qualification. A useful sequence is to map importers and distributors by sector and role, review their public product portfolios and supplier requirements, then approach relevant procurement or category contacts with a concise, German-market-ready capability and compliance package. Trade fairs and chamber-supported contacts can complement direct outreach and provide a setting for technical and commercial follow-up.[2] For consumer-facing channels, online presence and marketplace access are distinct from wholesale procurement: the latter may involve vendor registration, product data, local-language support, returns and service arrangements.

Payment behavior is mixed. In the Bundesbank's 2025 study, 55% of recorded everyday purchases were cashless and 45% used cash; debit cards accounted for 26% of payment counts, mobile payments 10%, and e-payment methods 6%.[7] Those are point-of-sale consumer purchase shares, not business-to-business settlement statistics. The study also reports that PayPal accounted for about 86% of e-payment methods in its measurement, underscoring consumer familiarity with that channel but not establishing B2B usage. For commercial conversion, agree bank-transfer terms, credit risk, deposits, documentary requirements and invoice currency with the counterparty; never infer an acceptable B2B method from consumer checkout trends.

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Use digital reach to earn a qualified conversation

The Bundesbank's consumer payment mix is relevant to the experience expected in retail, but it does not tell a sourcing team how German companies settle supplier invoices. Use digital channels to make trust and follow-through legible: clear company identity, German-language commercial information, responsive contact routes, traceable quotations and the ability to exchange technical files. Then move a qualified buyer into a documented B2B payment discussion. This distinction avoids copying consumer-payment preferences into wholesale terms and directs digital effort toward the details that reduce buyer-side diligence.

5 Industrial and sector demand mechanisms

Germany's industrial buyer base is large but its 2025 performance was uneven. Manufacturing value added declined 1.3%, with automotive and machinery output facing losses and energy-intensive sectors remaining weak.[3] Conversely, goods imports increased 5.1% in real terms in 2025; Destatis cited higher imports of machinery, electrical equipment, pharmaceuticals and food.[3] They suggest that demand must be read through the buyer's own production plan, inventory, supplier qualification and import history rather than inferred from a sector label.

Construction value added fell 3.6% in 2025, while civil engineering activity performed better, with new construction and repair of roads, rail lines and energy grids improving slightly on the prior year.[3] This contrast matters when approaching contractors, project supply chains and industrial distributors: project-specific procurement may follow public investment schedules, technical tender requirements and delivery milestones rather than consumer demand. Trade, transport, accommodation and food services grew 1.2% and retail contributed to the increase.[3] For any sector, initial discovery should establish the decision unit, applicable quality and safety standard, delivery cadence, incumbent channel and evidence required for onboarding.

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Translate sector statistics into a buying trigger

The 2025 sector split cautions against broad claims such as “German industry is growing” or “construction is recovering.” The evidence instead shows contraction in manufacturing and construction alongside growth in trade-related services and a relative improvement in civil engineering. Use these aggregates to choose whom to interview, then test the buyer-level trigger: replacement sourcing, project tender, stock replenishment or production continuity. Sector data narrows the search; procurement calendars, specifications and onboarding requirements determine whether a conversation can convert.

6 Import tariffs, taxes and customs

Germany applies the EU common customs tariff to imports from outside the Union; the exact customs duty depends on tariff classification, origin and product-specific measures. Obtain a precise HS/CN code and check the EU TARIC or Access2Markets tool for the product, Chinese origin, duty, restrictions and any trade-defence measures before quoting.[2][8] China-origin goods do not receive a preferential tariff merely because they are sourced through a Chinese supplier; preferential treatment, where applicable, is tied to eligible origin and the relevant measure and proof. Do not apply a generic duty percentage to a shipment without classification.

German import VAT is generally 19%, with a reduced 7% rate for selected goods, as specified by German Customs.[9] For commercial imports, import VAT is calculated on the customs value plus customs duty and, for excise goods, applicable excise duty; the customs value includes the full freight cost to the domestic destination under the German Customs guidance.[9] All commercial consignments are subject to import tax under the cited postal-consignment guidance, which is not a commercial tariff schedule. Importer and exporter should agree who acts as importer of record and bears clearance, tax, brokerage and delivery charges.

EU importers generally need an EORI number, a customs declaration and, depending on goods, invoices, transport documents, origin evidence, licences, test results or inspection certificates.[2] A non-EU supplier should not assume it can act as the German importer by default; import eligibility, establishment and representation need to be checked against the transaction structure and national authority advice.[2]

ExpandOcean View**Price the classified, documented landed cost**

For Germany, a defensible quote starts with classification and the importer's chosen transaction structure, not a blanket "duty included" statement. The EU tariff is common across member states, while VAT is a German national tax and eligibility for a reduced VAT category is product-specific. Make tariff code, declared origin, freight assumptions, customs representation and tax responsibility explicit in the quotation workflow. This gives a buyer a comparable landed-cost basis and reduces the risk that a low ex-works price conceals a clearance or tax surprise.

7 Technical and consumer compliance

EU rules govern many product safety and market-access requirements in Germany, with national authorities enforcing them. CE marking is mandatory only for products covered by specific harmonised EU legislation that requires it; it must not be applied to other products. The manufacturer—including a company that has a product made and sells it under its own name or brand—is responsible for applicable conformity, technical evidence and the declaration of conformity. Importers and other economic operators also have role-specific obligations.[10] Determine the applicable legislation and conformity assessment before production or shipment; a supplier's generic certificate is not a substitute for the required evidence.

Where a notified body is required by the applicable legislation, it must be authorised for that assessment; where self-assessment is permitted, the correct technical documentation and declaration remain essential.[10] The EU guidance says supporting declaration and technical documentation must be retained for at least 10 years after the product is placed on the market.[10] Consumer products not subject to CE marking still fall under applicable general product safety rules. Depending on product type, additional rules may govern chemicals, electrical equipment, machinery, toys, food contact, batteries, labels or restricted substances.

Germany's packaging obligations also require attention. The Central Agency Packaging Register (ZSVR) describes registration and system participation duties for producers of packaging subject to the German Packaging Act; importers can fall within the responsible-producer definition depending on the contractual and delivery arrangement.^[11] Confirm the current LUCID registration, packaging type and system-participation position with the German importer or qualified compliance adviser before placing packaged goods on the market. Product and packaging compliance are separate workstreams.

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Treat compliance evidence as a conversion asset

In Germany, compliance is not simply a post-order document request: an importer's willingness to onboard a supplier can depend on whether applicable technical files, product roles and packaging duties are clear before shipment. Strengthen buyer discovery by asking which party is legally manufacturer, importer and packaging-responsible operator, then match each obligation to named evidence and an owner. The precise CE boundary matters: it applies only to covered product categories, while other safety rules remain relevant. A disciplined evidence handoff is more credible than a blanket compliance promise.

8 Logistics and commercial entry

Germany's central position in the EU makes it a potential distribution and customs entry point for regional supply chains, but route selection should follow destination, shipment size, service level and buyer requirements. Hamburg, Germany's major seaport, is one relevant gateway; inland delivery, rail or road connections and clearance arrangements determine the total transit chain. The contract should set the Incoterm version and named place precisely, assign cargo insurance, export and import clearance, demurrage and destination charges, and specify who supplies customs data. Under FOB, the buyer takes transport and insurance responsibility after the port of shipment; under CIF, the seller pays freight and insurance to the destination port, while risk transfer is governed by the Incoterm rules.^[2]

For sustained conversion, use a staged commercial path: identify a decision-maker; verify the firm's channel and import role; exchange specifications and compliance files; agree samples or evaluation if appropriate; quote using a documented landed-cost basis; and define service, reorder, defect and change-control processes. Lead times, stock buffers and payment terms should be buyer-specific, with no implied promise of market acceptance.

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Design entry around repeatability

Germany can function as a single destination and as a node in a broader EU distribution chain, but the logistics and commercial model changes with the named buyer, importer and delivery point. Qualify whether a prospect wants port delivery, a German warehouse, direct-to-factory supply or onward distribution before comparing freight offers. Accurate Incoterm naming, document ownership and a plan for exceptions help convert a first order into a repeatable process. The evidence supports a structured entry route, not a forecast of sales or a claim that one gateway is optimal for every shipment.

9 References

Measurement note. Destatis customs statistics report German goods imports; bilateral turnover adds exports and imports. 2026 figures are partial-year or monthly actuals as stated and are not full-year totals. Real GDP and sector growth rates are price-adjusted. Consumer payment shares describe observed consumer purchases, not business settlement. Product duties and compliance depend on classification, origin, product and the responsible economic operator.

For a procurement discussion focused on Germany, [contact ExpandOcean](#).

[1] [China is Germany's most important trading partner once again in 2025](#)

[2] [Guide to import goods into the EU](#)

[3] [Gross domestic product up 0.2% in 2025](#)

[4] [Consumer price index - German Federal Statistical Office](#)

[5] [German exports in first half of 2026](#)

[6] [Exports in August 2026](#)

[7] [Payment behaviour in Germany in 2025](#)

[8] [Access2Markets - European Commission](#)

[9] [Assessment of taxes and other charges levied on postal consignments](#)

[10] [CE marking](#)

[11] [Packaging register LUCID - ZSVR](#)