



ECONOMIC IMPACT

of iron & steel
industry of Ukraine

2025

WHY IS THE IRON & STEEL SECTOR OF UKRAINE SO IMPORTANT

1. The basic sector for the Ukrainian economy, providing exports, investments and taxes.

The iron & steel sector contributed 5.5% to the GDP of Ukraine in 2025, incl. supply chains.

Ukrainian iron & steel exports reached \$6.2 bln in 2025. It is 15.2% of total export of goods from Ukraine.

Despite the war, iron & steel companies invested \$705 mln in 2025. According to preliminary estimates, the largest companies contributed \$870 mln taxes in budgets of different levels.

2. The responsible employer that creates qualified jobs with high salaries.

The iron and steel industry in Ukraine combines economic and social functions through formal employment, workforce training, and support for workers and local communities.

The sector offers comparatively well-paid jobs. Wages in the steel industry are 20% higher than the average in Ukraine (December 2025). In 2025 average wage in the Ukrainian steel industry also increased by 7% y-o-y.

3. The base for post-war reconstruction and strengthening of defense capabilities.

Local steel industry ensures the domestic availability of steel for rebuilding critical infrastructure and supports strategic manufacturing chains, in particular in defense field.

Reconstruction will create demand for 3-5 mln of tons of steel. Investment in more energy-efficient and lower-emission steel production can make reconstruction economically sustainable, while increasing Ukraine's industrial competitiveness.

4. The key supplier enabling the development of a low carbon economy.

Ukrainian iron & steel industry can support "green" transition in European and global steel industry.

Ukraine has one of the largest global reserves of magnetite ores - 5 bln tons, which are suitable for beneficiation and production of DR-grade feed. Ukraine could supply up to 20 mln tons of DR-grade feed to global market.

Also, Ukraine has the biggest in Europe reserves of manganese ore - 2.1 bln tonnes, which could be integrated in the European supply chains.






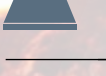



THE MOST SUFFERED FROM THE WAR

	PRE-WAR	ANNEXATION OF CRIMEA AND OCCUPATION OF DONETSK AND LUHANSK REGIONS	FULL-SCALE INVASION
	2013	2018*	2025
Number of steelmaking plants	12	9	6
Nominal crude steelmaking capacities, mln tons	42.0	25.3	8.0
Crude steel output, mln tons	32.7	21.1	7.4

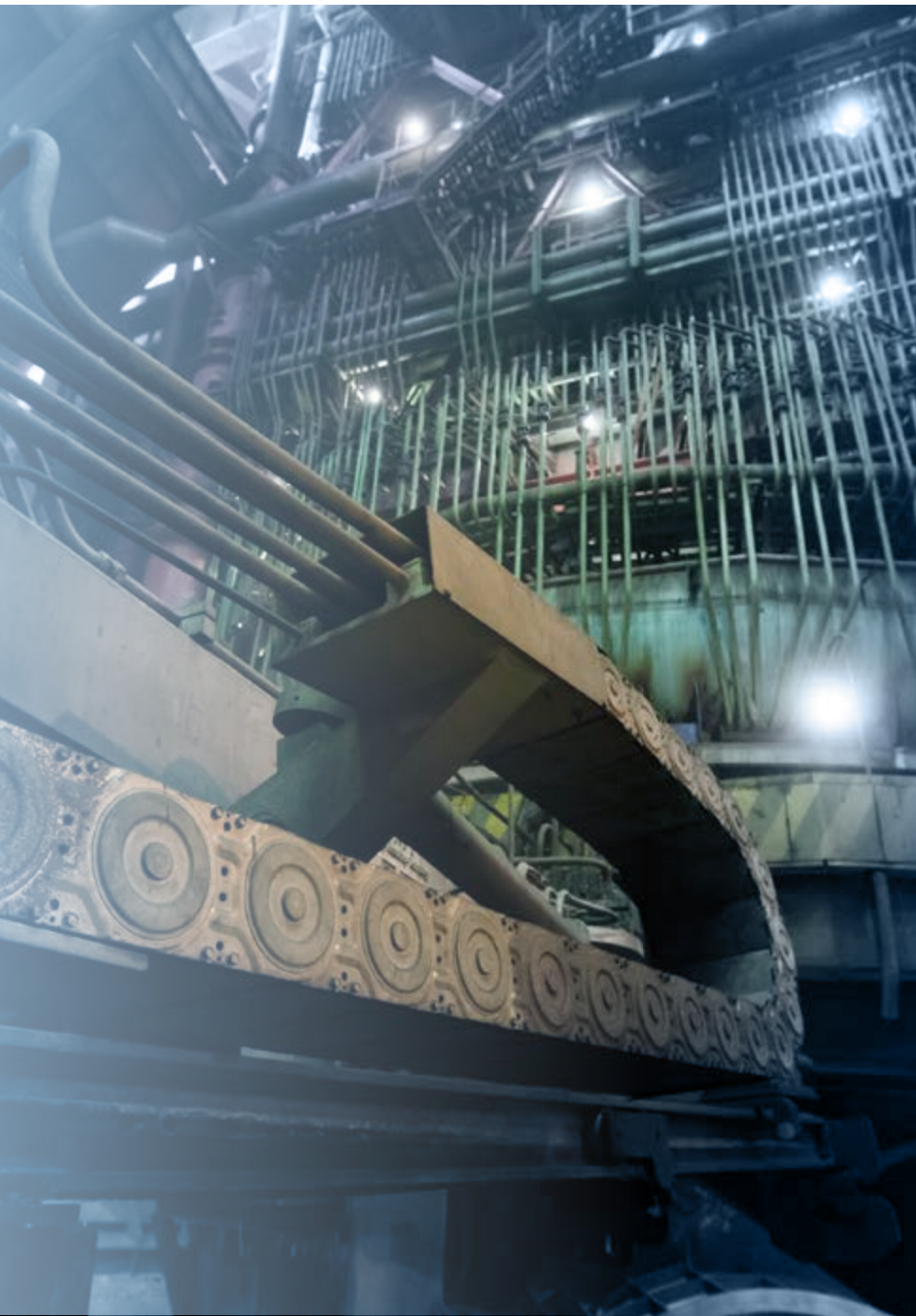
* after the loss of control over steelmaking assets in Donetsk and Luhansk regions

RESILIENT INDUSTRY

Iron & steel output in Ukraine, ths tons

	2021	2022	2023	2024	2025
 Iron ore	84,431	31,411	28,823	44,690	43,214
 Merchant pig iron	3,236	1,325	1,249	1,290	1,981
 Crude steel	21,366	6,263	6,228	7,575	7,410
 Merchant steel semi-finished products	6,800	1,900	1,203	1,886	1,388
 Longs	3,800	1,350	1,764	2,028 ¹	2,033 ¹
 Flats	7,980	2,179	2,055	2,430	2,795
 Tubes	1,123	632	695	880 ¹	824 ¹
 Ferroalloys	859	540	230	108	127
 Scrap collection	4,100	997	1,277	1,749	2,111

¹ GMK Center assessment



ECONOMY BASE

5.5%

Contributed by iron & steel industry and supply chain to GDP of Ukraine in 2025

Ukraine's iron & steel sector has been among the hardest hit by the war. Nevertheless, it remains a cornerstone of the national economy, contributing 5.5% to GDP in 2025 (7.2% in 2024).

The sector's share declined in 2025 due to reduced output of steel (-2.2%) and iron ore (-3.3%), as well as the shutdown of coking coal operations in Pokrovsk. The Pokrovske mine was Ukraine's primary source of coking coal, accounting for 66% of domestic supply in 2024.

Losses in Ukrainian iron & steel industry continue to grow due to the ongoing war, but the sector remains resilient, adapting to changing conditions and maintaining production operations.

THE PART OF EUROPEAN SUPPLY CHAIN

15.2%

Contributed by iron & steel industry and supply chain to export of goods from Ukraine in 2025

Ukraine's iron and steel sector accounted for roughly one in every six dollars of the country's goods exports. Last year, it contributed 15.2% of total exports (15.4% in 2024).

Traditionally Ukraine remains one of the largest global exporters of pig iron and iron ore. Also, Ukraine's iron and steel sector is increasingly integrated into the European steel industry, with this role strengthening last year. The EU's share of Ukrainian steel exports rose from 66% in 2024 to 79% in 2025. In long products, the EU accounted for 93% of Ukraine's exports, while in flat products the share reached 86%.





LARGE INVESTOR

\$705 mln

Capital expenditures of
the iron & steel sector
in Ukraine in 2025

The iron & steel sector provided 17.3% of total capital investments (CAPEX) in Ukrainian industrial (manufacturing) sectors in 2025 (18.3% in 2024). The sector's CAPEX decreased 5.5% y-o-y.

Ukrainian companies continue investing despite the war. They try to maintain operating capacities and lay the foundation for post-war recovery. Iron & steel companies have many frozen projects which could be resumed as soon as the war is over.

KEY EMPLOYER

+20%

Salaries in iron & steel sector are higher than average in Ukraine in December 2025

The iron & steel sector provides higher labor incomes than many other industries in traditional industrial regions, which strengthens household welfare and local demand. In 2025 average wage in the Ukrainian steel industry increased by 7% y-o-y. For example, Metinvest raised salaries by up to 20% starting April 1, 2025. ArcelorMittal Kryvyi Rih increased salaries in average by 15% since May 1, 2025.

Iron and steel enterprises usually provide broader social guarantees than many other employers, including training, safety systems, and additional employee support. The sector promotes workforce development and plays a critical social role in sustaining industrial regions and their communities.



RESPONSIBLE TAXPAYER

Despite the war the iron & steel industry continues ensuring significant and regular tax payments that support the financing of national and local public needs. Because the sector typically relies on formal, large-scale employment, it creates stable payroll-based fiscal flows and broadens the contribution to social insurance systems.

In 2025, largest steel companies of the sector (Metinvest, ArcelorMittal Kryvyi Rih, Interpipe, DCH Steel, Ferrexpo) contributed 1.4% of total tax revenue in Ukraine. According to preliminary estimates, total taxes paid reached \$0.9 bln, matching the level recorded in 2024.

Large steel and mining enterprises often serve as anchor taxpayers in industrial municipalities, where their payments materially affect the financing of schools, hospitals, transport, public infrastructure.



\$0.9 bln

taxes paid by
five largest steel
companies of
Ukraine in 2025

BASE FOR POST-WAR RECONSTRUCTION

3-5 mln t

Steel demand for
reconstruction
purposes

Post-war reconstruction requires significant volumes of steel for bridges, railways, power facilities, housing, industrial buildings, pipelines, port infrastructure, and social infrastructure. Additional steel demand during the recovery period is expected to range from 3 to 5 mln tonnes, depending on the economic development scenario and availability of public funds for reconstruction.

Also, Ukraine will need investment to restore capacities for steel products that are not produced domestically following the loss of the Mariupol steel plants, for example rails, hot-rolled flat products, and coated sheet.



KEY SUPPLIER OF DR-GRADE FEED IN THE FUTURE

Ukraine holds one of the world's largest reserves of magnetite ore, estimated at 5 bln tonnes, which can be beneficiated to an iron content of 68-70%. These high-grade materials are expected to be in strong demand as key inputs for low-carbon steel production via the DRI-EAF route.

In this context, Ukraine is well positioned to support the global steel industry's green transition by supplying necessary raw materials. The country has the potential to deliver up to 20 mln tons of merchant DR-grade feed, covering a significant share of future market demand.

Potential of DR-grade feed capacities in Ukraine, mln tons

COMPANY	PRODUCT	CAPACITY	STATUS
Metinvest (Central GOK)	Pellets	1.0 ¹	Operating
Ferrexpo	Pellets	3.0-5.0 ¹	Operating
Metinvest (Northern GOK)	Pellets	6.0	Project
Metinvest	Concentrate Fe68-70%	19.0	Project
ArcelorMittal Kryvyi Rih	Pellets	5.0	Project
Black Iron	Concentrate Fe68%	4.0-8.0	Project
Southern GOK	Pellets	3.0 ¹	Announcement

¹ GMK Center assessment

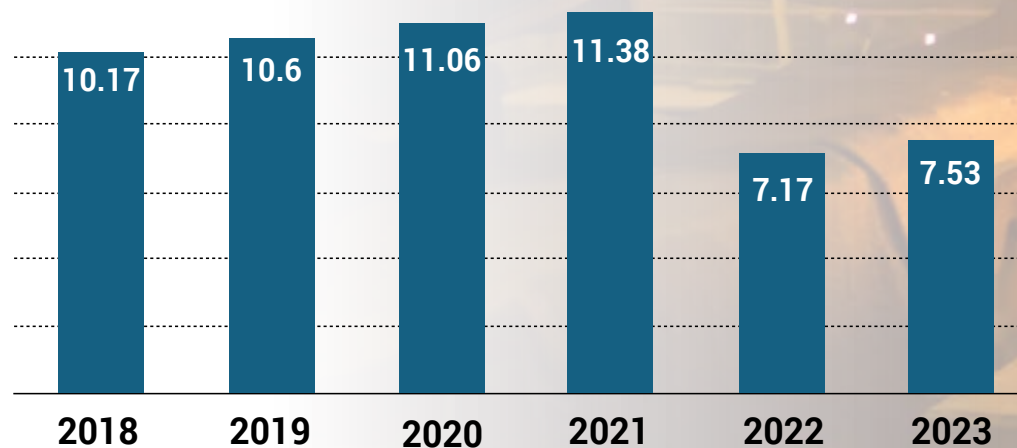
Data source: companies data, GMK Center assessments

DECREASING CARBON EMISSIONS

CO₂ emissions from iron and steel production declined by 33.8% compared to 2021, due to lower output levels.

At the same time, the sector has significant potential to adopt low-carbon technologies that could reduce the carbon intensity of steel production and enhance the competitiveness of Ukrainian steel in the European market.

Carbon emissions in iron & steel production in Ukraine (Scope 1), mln t of CO₂e



Data source: Ukraine's greenhouse gas inventory



ESSENTIAL PART OF NEW LOW CARBON ECONOMY



Potential decarbonization projects in iron & steel sector of Ukraine

COMPANY	PROJECTS
Metinvest	2 DRI modules × 2.5 mln tons
Zaporizhstal	EAF complex of 3.3-3.8 mln tons
Metinvest (Kamet Steel)	EAF + slab casting + bloom casting
ArcelorMittal Kryvyi Rih	2 DRI modules ¹ × 2.5 mln tons ¹
Interpipe	EAF ¹ + slab casting + flat rolling mills
Dnipro Metallurgical Plant (DCH Steel)	EAF
Ferrexpo	DRI module + HBI press

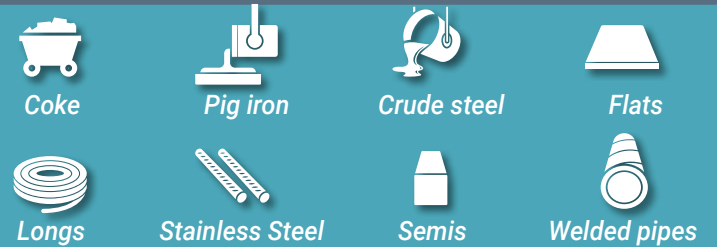
¹ - GMK Center assessment
Data source: companies data, GMK Center vision

The future of Ukraine's steel industry is low-carbon. As a candidate for European Union membership, Ukraine prepares to integrate into the EU Emissions Trading System, so local steelmakers will need to follow the same decarbonization path as their European peers.

Ukrainian companies have already announced decarbonization projects. With the right support, Ukraine could become an important player in the low-carbon economy, supplying HBI and green steel to global markets. This potential could turn reality in a short time if Ukraine gets access to the European infrastructure for financing decarbonization.

WHAT DOES THE IRON & STEEL SECTOR OF UKRAINE LOOK LIKE TODAY

IRON & STEEL



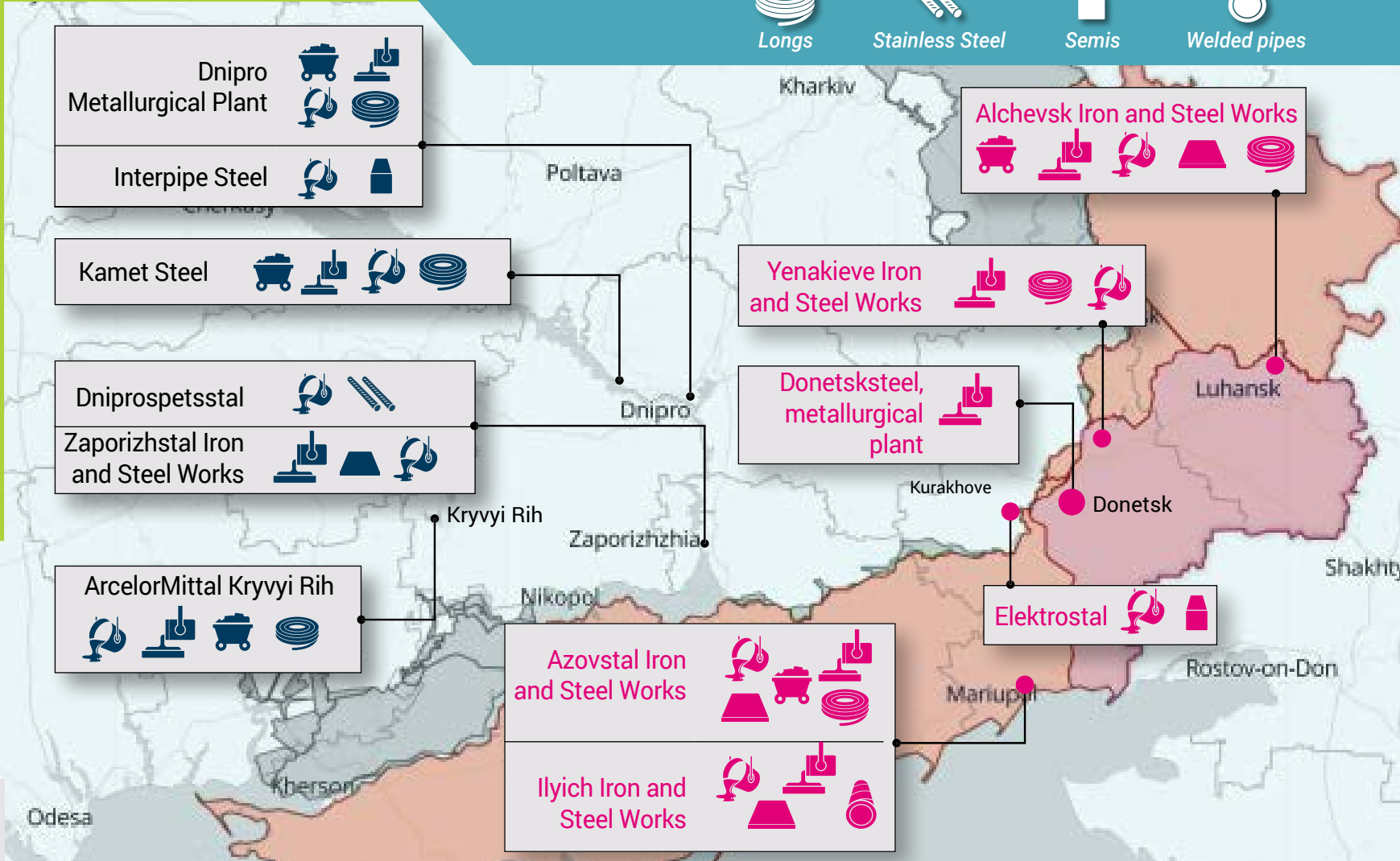
Zhytomyr

6 Steelmaking plants

Vinnytsia

8.0 mln tons

Nominal steelmaking capacities as of Dec 2025



WHAT DOES THE IRON & STEEL SECTOR OF UKRAINE LOOK LIKE TODAY

ROLLING MILLS & TUBES



Flats



Longs



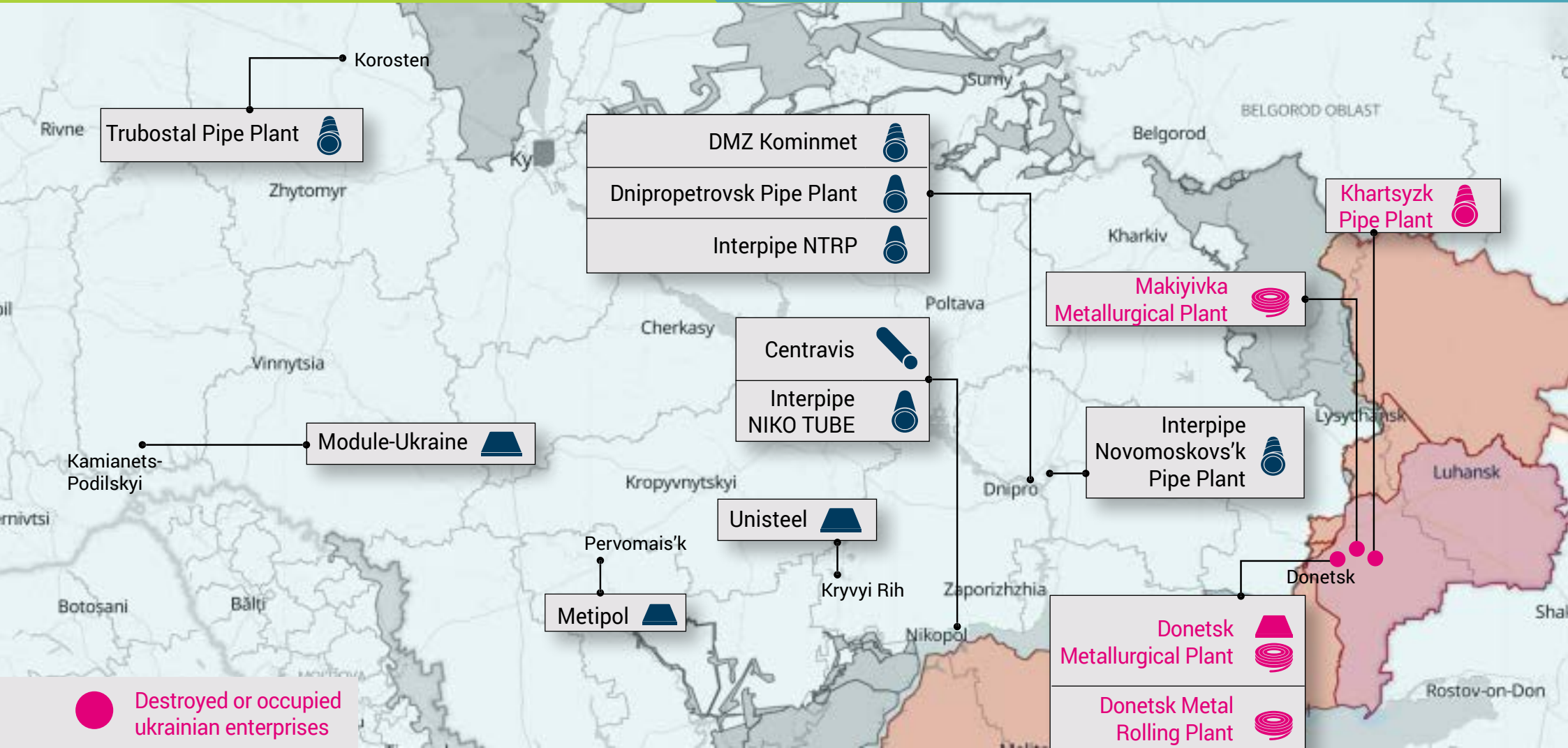
Welded pipes



Seamless pipes



Seamless stainless pipes



WHAT DOES THE IRON & STEEL SECTOR OF UKRAINE LOOK LIKE TODAY













IRON ORE




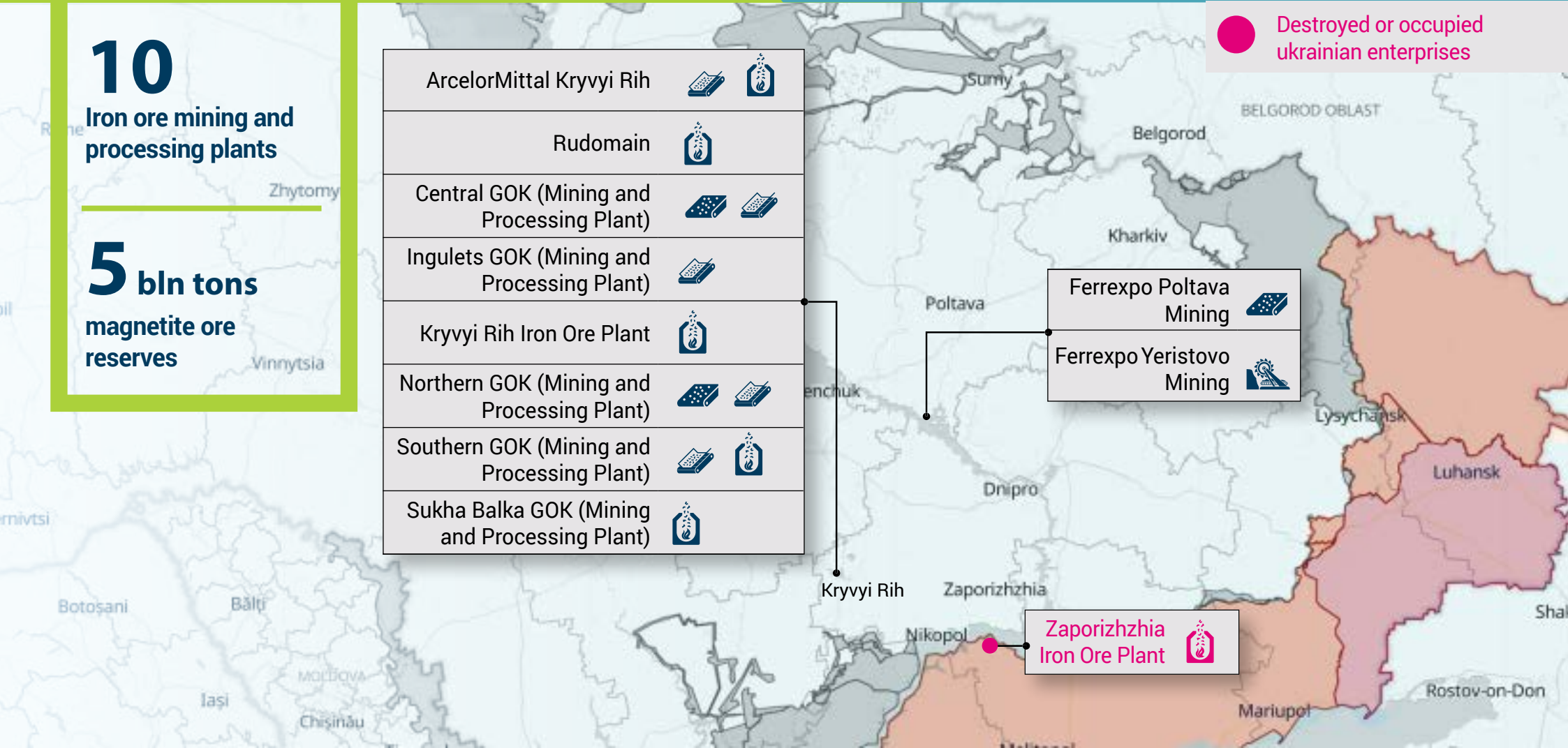
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Iron ore mining and processing plants

5 bln tons
magnetite ore reserves

ArcelorMittal Kryvyi Rih	 
Rudomain	
Central GOK (Mining and Processing Plant)	 
Ingulets GOK (Mining and Processing Plant)	
Kryvyi Rih Iron Ore Plant	
Northern GOK (Mining and Processing Plant)	 
Southern GOK (Mining and Processing Plant)	 
Sukha Balka GOK (Mining and Processing Plant)	

 Destroyed or occupied ukrainian enterprises



WHAT DOES THE IRON & STEEL SECTOR OF UKRAINE LOOK LIKE TODAY

FERROALLOYS



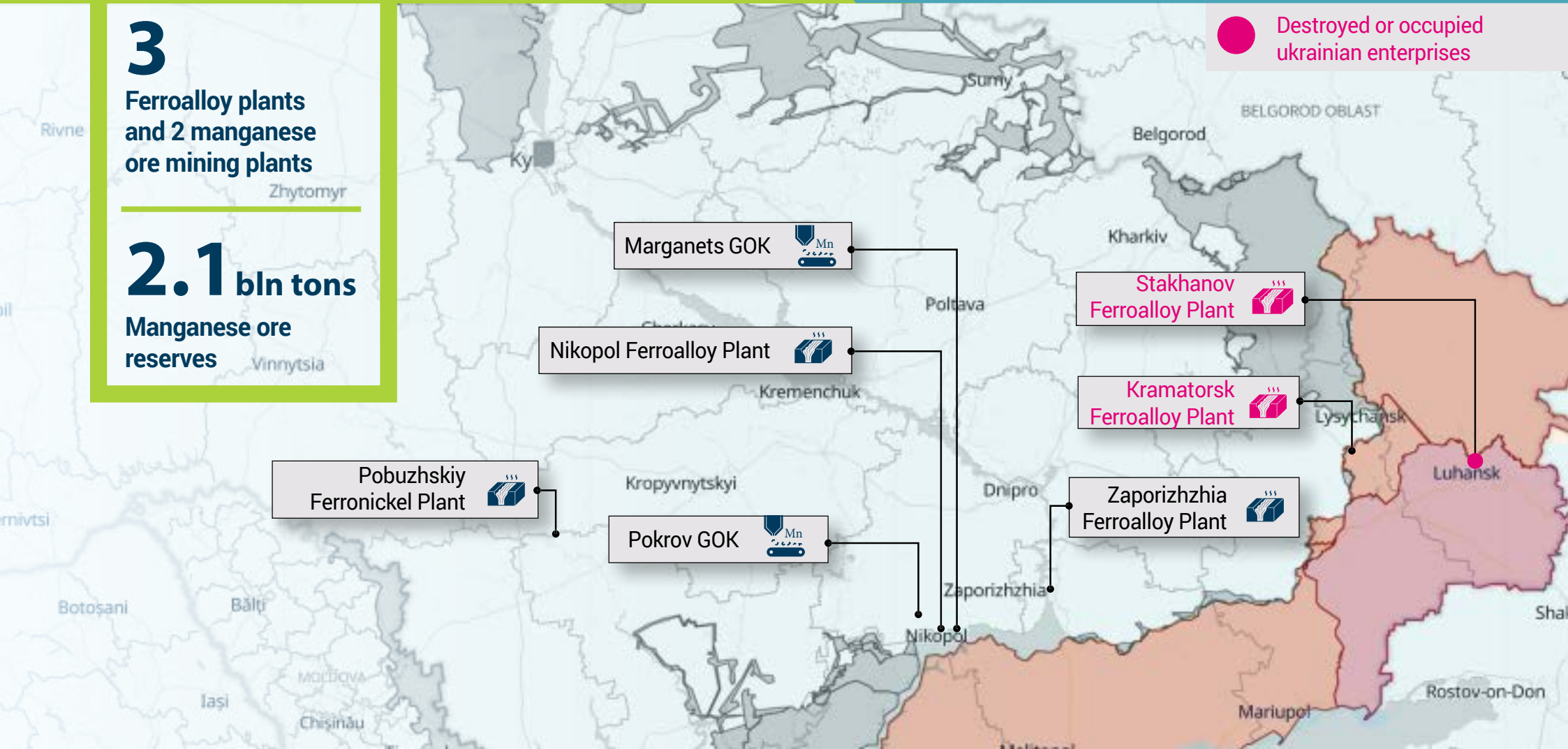
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Ferroalloy plants and 2 manganese ore mining plants

2.1 bln tons

Manganese ore reserves

Destroyed or occupied ukrainian enterprises



WHAT DOES THE IRON & STEEL SECTOR OF UKRAINE LOOK LIKE TODAY

COKING COAL AND COKE

Annual coke and coking coal production capacity* in Ukraine, mln tons



5.3 mln t
Coke production capacities in Ukraine in 2025

2.6 mln t
(0% y-o-y)
Coke production in Ukraine in 2025

0.7 mln t
(+5.8% y-o-y)
Coke imports in 2025

2.3 mln t
(+91.6% y-o-y)
Coking coal imports in 2025

\$ 1.1 bln
(+102.0% y-o-y)
Spent on Ukraine's imports of coking coal and coke in 2025

* – based on normal production volumes before the war/occupation

Data sources: Ukrmetallurgprom, Ukrkoks, State Customs Service, Ministry of Energy, GMK Center assessments.

METHODOLOGY

The share of the iron & steel sector in GDP, including supply chains, includes direct, indirect and induced contributions from the following sectors: metallurgical production, iron ore mining, coke production, coking coal mining, metal products manufacturing.

Indirect contribution is the portion of the total contribution created in other sectors through the consumption of iron & steel sector. The induced contribution is created through consumer spending by workers of the iron & steel sector. The source of data for indirect and induced input is the input-output table, which is published by the State Statistics Service of Ukraine.

The contribution to GDP in 2025 is calculated based on the dynamics of real output of the iron & steel sector subsectors in 2021-2025, the dynamics of real GDP in 2021-2025 and the share in GDP of the iron & steel sector in 2021, since the input-output table was not published in Ukraine in 2022-2025.

Capital investment share is calculated as CAPEX of iron & steel industry divided to capital investments of activities belonging to NACE codes B (Mining and Quarrying) and C (Manufacturing). Data source for capital investment statistics is State Statistics Service of Ukraine.

Tax payments are calculated using press data from the five largest Ukrainian iron & steel companies: Metinvest, ArcelorMittal Kryvyi Rih, Interpipe, DCH Steel, Ferrexpo.

Employees number and average salaries data was provided by Federation of metallurgists of Ukraine. Average salary is data of Pension Fund of Ukraine.

All information in this report is based on publicly available data.



Our expertise:

- Market studies and global trends
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