

Germany's Cannabis Market Grows as Elections Approach

Germany's Federal Elections on February 23 Could Shape the Future of the Country's Cannabis Industry

Germany is set to hold federal elections on February 23, a pivotal moment that will determine whether the left-leaning Social Democratic Party (SDU) will maintain its leadership or if the right-leaning Christian Democratic Union (CDU) will assume control. While various sectors are closely monitoring the political landscape, the country's emerging cannabis industry stands out as one of the most affected by the election outcome.

Over the past few years, cannabis reform in Germany has made significant strides under the SDU-led coalition, introducing major changes in both medical and recreational marijuana laws. These reforms have drawn attention from international investors, particularly from North America, who are eyeing the German market for expansion. However, a shift in political power toward the CDU could slow or even reverse these advancements, raising concerns about the industry's future.

Germany's Expanding Cannabis Market: Growth, Prices, and Prescription Trends

The German cannabis market has seen robust growth, with prices hitting an all-time low in the fourth quarter of 2024 despite increasing demand. A recent report by Frankfurt-based Bloomwell GmbH highlights that some medical cannabis strains were selling for as low as 3.99 euros (\$4.12) per gram in October and November.

According to the report, "The Cannabis Barometer – 2024 Medical Cannabis Market Trends in Germany," the average price per gram dropped to 8.35 euros in November, down from 9.27 euros in January 2024.

This price decline has occurred even as the number of cannabis prescriptions skyrocketed by 1,000% compared to March 2024. This surge indicates an increasing number of self-paying patients, who cover the full cost of their treatment without relying on health insurance.

Niklas Kouparanis, CEO of Bloomwell Group, admitted the unexpected nature of this trend.

Looking ahead, Kouparanis predicts that the German cannabis market could face oversupply in 2025 as cultivators continue to expand their operations.

International Investment in Germany's Cannabis Market: U.S. and Canadian Companies Leading the Charge

Germany's medical cannabis industry is projected to surpass an annual supply run rate of 100 metric tonnes (roughly 110 U.S. tons), positioning it as one of the largest global cannabis markets.

Deepak Anand, principal of ASDA Consultancy Services, emphasized that Canada remains a dominant force in Germany's cannabis imports.

Among the companies investing heavily in Germany is New York-based Curaleaf Holdings. In 2022, the company acquired a 55% stake in Four 20 Pharma, a licensed German producer and distributor of medical cannabis. This move strengthened Curaleaf's foothold in the European market.

In April 2024, Curaleaf further expanded by acquiring Northern Green Canada, reinforcing its strategic advantage in Germany.

Juan Martinez, head of Curaleaf International, reiterated the company's commitment to the German market.

He also warned against rolling back cannabis reforms, stating that restrictive measures in the past have proven ineffective.

Germany's Path to Cannabis Legalization: A Look at Key Reforms

Germany first legalized medical cannabis in 2017, but its restrictive framework initially limited patient numbers. However, on April 1, 2024, a landmark law removed cannabis from the country's narcotics list, making it easier for patients to obtain prescriptions.

Under the new system, patients can consult a doctor via telehealth and receive a prescription, which can then be filled at licensed pharmacies. This has significantly increased access to medical marijuana, leading to a sharp rise in registered patients.

Anand emphasized that Germany's new model is one of the easiest ways for consumers to legally access cannabis.

Benedikt Sons, CEO of Cansativa Group, a major German cannabis distributor, said his company is ramping up its supply chain to meet the growing demand.

Germany's Recreational Cannabis Reforms: What's Changed?

Germany's Cannabis Act, passed in 2024, introduced limited recreational cannabis reforms, allowing for the establishment of non-commercial cannabis cultivation social clubs. These clubs enable members to grow cannabis collectively, but sales are not permitted.

Each club is capped at 500 members, who can receive up to 50 grams of cannabis per month. However, consumption is prohibited on-site. Additionally, the law decriminalized possession of up to 25 grams of cannabis in public and 50 grams at home for adults aged 18 and older.

The new legislation also allows individuals to grow up to three cannabis plants per household for personal use.

The Future of Adult-Use Cannabis in Germany: Will a Commercial Market Emerge?

Following the February 23 elections, Germany is expected to implement a new adult-use cannabis pilot program. This initiative could pave the way for a regulated commercial market, similar to North American dispensaries.

Jamie Pearson, president of Montana-based cannabis consultancy New Holland Group, believes this transition will be a game-changer.

Germany's government could also benefit financially, as the adult-use market would be subject to taxation—unlike the country's tax-free medical marijuana system.

However, one of the biggest challenges remains competition from illicit markets. Unregulated sellers avoid taxes and quality testing requirements, making them a strong rival to legal cannabis businesses.

Pearson predicts that once adult-use sales are legalized, major cannabis corporations like Curaleaf, Aurora Cannabis, and Tilray Brands will expand their retail presence.

Germany's Cannabis Industry at a Crossroads: What's Next?

With federal elections looming, the fate of Germany's cannabis industry hangs in the balance. While the SPD and its coalition partners have driven significant reform, a CDU-led government could slow or reverse these changes.

Despite political uncertainties, industry experts remain optimistic about Germany's long-term cannabis market potential. As global players continue to invest and infrastructure expands, Germany is poised to become one of the largest cannabis markets in the world.

The outcome of the February 23 election will be a decisive factor in shaping the industry's future—either continuing the current trajectory of reform or steering the market in a more restrictive direction.

Email: info@cannabisriskmanager.com | Phone: +415-226-4060

© Copyright 2025 Cannabis Risk Manager. All Rights Reserved