The Bundestag's China Commission: First half-yearly report submitted

The Commission for the Review of Security-Relevant Economic Relations between Germany and China has presented its first half-yearly report to the Committee on Economic Affairs and Energy.

Its central finding: Germany's economic security vis-à-vis China has declined since the establishment of the Commission. Supply chain dependencies have intensified, China's potential influence on critical infrastructure remains high, technological ties continue to be close even in sensitive and security-policy-related areas. The Commission sees little tangible progress in the development of the German economic security strategy, nor in the reduction of critical dependencies. Pressure on the European industrial base from China's overcapacities and unfair competition also has security policy implications.

The Commission warns that Germany must be prepared, with instruments ready to be deployed, for an escalating trade dispute and security policy conflicts with China. Without effective countermeasures, the macroeconomic, societal and security policy costs of not taking action will rise.

Among other measures, the Commission recommends developing interdepartmental situation reports, along with a geoeconomic net assessment in the National Security Council, also using foreign trade data already gathered.

The China Commission will submit its first annual report to the Bundestag towards the end of the first quarter of 2027.