

China's near-total control over global antibiotic supply leaves NHS and British military dangerously exposed

- **A new report reveals the UK and its allies have sleepwalked into an acute strategic vulnerability, relying on a supply chain where up to 90% of core antibiotic ingredients are controlled by the People's Republic of China (PRC).**
- **Cross-party MPs warn that lowest price procurement has hollowed out domestic resilience, leaving the NHS and British Armed Forces at risk of a catastrophic 'health blockade'.**
- **The report calls for urgent Tariff-Rate Quotas (TRQs), integrated NATO supply planning, and transatlantic investment to rebuild sovereign manufacturing.**

The Council on Geostrategy, in collaboration with the Coalition for a Prosperous America, is today publishing a new Report entitled, 'Foreign control of the antibiotic supply: American and European import reliance and systemic vulnerabilities'. Written by Andrew Rechenberg, an economist specialising in pharmaceutical supply chains, the analysis warns that while Western capitals focus on securing components for microchips and munitions, they are ignoring a critical strategic vulnerability: Modern militaries and health systems cannot function without antibiotics, and the People's Republic of China (PRC) controls the supply.

The report reveals a dangerous two-country pipeline that creates a false sense of diversity. While the West relies heavily on India for finished antibiotics, India imports 91.5% of its active pharmaceutical ingredients (APIs) from the PRC – with over half coming from just two Chinese companies. Furthermore, five of the world's seven manufacturing sites for 6-APA (the essential intermediate for modern penicillins) are located in China, creating a single point of failure for Western healthcare and national security.

Andrew Rechenberg, author of the Report, writes:

'When so much of the world depends on so few upstream producers, a single failure becomes a systemic shock, with no redundancy to absorb the impact.'

'Antibiotics are essential infrastructure. A military alliance cannot project strength if its medical backbone depends on adversaries' industrial decisions.'

The collapse of Western antibiotic manufacturing was not due to a lack of technical capability, the Report argues, but the result of decades of predatory price suppression.

Subsidised Chinese fermentation platforms have driven global import prices down by roughly 80% for APIs since 1992, crushing the margins of Western producers. Today, Sandoz's Kundl facility in Austria remains the only fully integrated penicillin production base operating at scale in the West. As the report highlights, without upstream API production and vertically integrated capacity, the US and Europe do not have true supply chain security.

This extreme concentration exposes the US and European nations to the geopolitical calculations of the Chinese Communist Party (CCP). In the event of a military conflict, Beijing could instantly sever the medical lifeline to Western forces and hospitals. But even short of war, the report warns that Beijing could quietly apply a 'health blockade' by squeezing India's upstream supply, which would instantly starve European and American consumers of finished drugs. Recent Indian allegations that Chinese firms are dumping active antibiotic ingredients at artificially low prices highlight Beijing's ongoing desire to bankrupt emerging competitors and maintain its dominant market position.

To address these vulnerabilities, the report outlines a comprehensive framework to rebuild allied manufacturing capacity, urging governments to abandon 'lowest-cost' procurement models that inadvertently reward subsidised foreign suppliers. Key policy recommendations include deploying targeted Tariff-Rate Quotas (TRQs) to shield Western manufacturers from price suppression, establishing joint US-European Union (EU) investments in chemical synthesis, and formally integrating antibiotic supply security into North Atlantic Treaty Organisation (NATO) readiness planning.

Writing in the report's foreword, Luke Akehurst MP, Member of Parliament for North Durham, notes:

'Britain, alongside our Euro-Atlantic allies, has sleepwalked into an acute strategic vulnerability. What initially appears as a diversified global market is, in truth, a single, potentially catastrophic, chokepoint. Rebuilding our sovereign and allied manufacturing base is a non-negotiable imperative.'

Alicia Kearns MP, Shadow Minister for Home Affairs, adds:

'A nation that cannot deliver the healthcare they need – especially in a crisis – has already surrendered a part of its independence without a shot being fired. For too long, a 'lowest price' procurement model has hollowed out our domestic industrial base. We now face a reality where a single contamination event or geopolitical decision in a foreign and potentially hostile state could trigger catastrophic shortages.'

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Representatives of the Council on Geostrategy are available for interview.

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Notes to editors:

1. The Council on Geostrategy was launched on 2nd March 2021. More information can be found on our [website](#), including our [mission statement](#).
2. The Council on Geostrategy has an [Advisory Board](#) of 16 individuals with experience in politics, the military, diplomacy and academia.

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