China's fusion breakthrough has implications for renewable energy

Düsseldorf, 1 April 2026 – The Chinese government's latest announcement regarding the world's first successful industrial application of fusion energy marks a turning point for global energy markets. It has reportedly succeeded in bringing a fusion system into continuous operation, thereby providing, for the first time, a stable, commercially viable and virtually inexhaustible source of energy. "The technology was developed largely outside the international public eye for years," says Mr Zhang of Fusion Enterprise. "The implications for the energy sector are currently almost impossible to assess."

Alongside the announcement regarding fusion technology, China has announced a strategic reorientation in the field of photovoltaic production. According to this, the industrial manufacture of solar modules is to be phased out gradually. "China is currently the main supplier of PV components and meets a significant proportion of global demand," says State Secretary Li. "A reduction in production capacity would therefore have a direct impact on project developments and expansion plans in numerous markets."

This results in a changed landscape for operators and investors in renewable energy. Whilst falling energy prices may be beneficial in the short term, the risks associated with sourcing key components are simultaneously increasing. Large-scale photovoltaic projects, in particular, could be affected by supply bottlenecks and rising module prices.

"This development highlights the need for a diversified and resilient energy infrastructure," says Patrick Lemcke-Braselmann, Co-CEO of the aream Group. "Technological breakthroughs, regardless of their geographical origin, lead to shifts in existing market mechanisms." At the same time, demand for decentralised, scalable and proven renewable energies remains. "Fusion technology does indeed offer a more or less unlimited supply of electricity," says Lemcke-Braselmann. "However, this is a high-tech sector, and it is unclear whether the Chinese even plan to export it." In this respect, renewable energies will have to continue to play a central role.

Against this backdrop, the announcement regarding the phasing out of industrial PV module manufacturing is difficult to explain and appears to be driven more by geopolitics than by economic rationale. In the field of photovoltaics, a restructuring of supply chains is to be expected in the medium term. Alternative production sites will gain in importance in order to reduce dependence on the Chinese market as quickly as possible. This opens up opportunities for expanding local value creation, but requires time as well as significant investment in industrial capacity.

Even if China is now forging ahead: for the energy transition in Europe and other regions, the combination of various renewable technologies remains central. Wind energy, photovoltaics, storage solutions and flexible grids form the basis for a stable and sustainable energy supply. Individual technological breakthroughs alter this structure, but do not replace it in the short term – especially when they are announced on 1 April.

About aream Group SE

Founded in 2005, aream Group is a developer and asset manager focusing on sustainable infrastructure in the renewable energy sector. This includes wind and solar power, grids and storage technology. With its operations and asset management, project development and energy markets divisions, aream Group covers the entire value chain for renewable energy investments. With a transaction volume of more than €2.5 billion, aream is one of the leading asset managers in this market, generating around €40 million per year in green electricity from its own portfolio of investments. Since 2008, aream has produced more than 4 billion kWh of green electricity. As part of its growth strategy, several solar and wind farms as well as battery storage facilities are to be realised or acquired in the coming years. Thanks to its own project development within Aream Advisory GmbH, the group currently has a development pipeline in Germany with great potential. Further information: www.aream.de.

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