

FEATURE

What Europe's air conditioner boom says about China-EU trade

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<https://news.cgtn.com/news/2026-06-27/What-Europe-s-air-conditioner-boom-says-about-China-EU-trade-1OjL05anrt6/p.html>

Opinion 17:03, 27-Jun-2026



Air-conditioning units are installed on the exterior of an apartment building in Madrid, Spain, May 23, 2026. /CFP

Editor's note: Liu Mengling is an opinion editor with CGTN. The article reflects the author's opinions and not necessarily the views of CGTN.

As Europe is sweltering through the worst heat wave ever recorded in the region, a different kind of temperature is rising: the political debate over the block's trade deficit with China.

This parallel is revealing. While policymakers in Brussels continue to frame its trade deficit with China as evidence of

"victimhood," millions of European households are turning to Chinese-made air conditioners to weather through increasingly unbearable summers.

Consumers vote by demand, not by politics

The surge in demand is no coincidence. Since 2020, extreme heatwaves have become

markedly more frequent across Europe. In 2025 alone, temperatures in parts of Western Europe exceeded 46 degrees Celsius during the summer's most intense heatwave. As scorching summers become the new normal, so too has Europe's demand for cooling equipment.

During the 2025 cooling season – a term used in the air-conditioning industry referring to August 2024 to July 2025 – European imports of Chinese air conditioners jumped by roughly 40%, making Europe one of the fastest-growing destinations for China's air-conditioning exports. Midea, one of China's leading manufacturers, lately reported that shipments to Spain and France have sprinted ahead, surging 108% from a year earlier.

Behind every trade figure are millions of decisions made by consumers and businesses responding to real-world needs. Ultimately, China-EU trade is driven less by political narratives than by market forces.

For an ordinary family in Paris, Berlin or Madrid, purchasing decisions are rarely shaped by geopolitics. Consumers care about whether a product is affordable, energy-efficient, and dependable. When temperatures climb above 40 degrees Celsius, concerns about trade balances naturally give way to the more immediate need to stay cool.

Europe's soaring appetite for air conditioners illustrates this reality. China did not create Europe's demand for air conditioners; climate change did. What Chinese manufacturers have done is – providing products that meet that demand efficiently and at competitive prices.

Beyond trade deficit

In recent years, some voices in the European political circle have attributed trade imbalances to concepts such as "China shock" or "overcapacity." Such arguments often overlook a basic principle of market economics: Trade is the outcome of choices made by both producers and consumers.

Air conditioners are merely one example. From household appliances and consumer electronics to electric vehicles (EV), solar equipment and energy-storage systems, Chinese exports excel in meeting European consumers' evolving needs.

For example, driven by a combination of affordability, advanced technology and an increasingly mature electric mobility ecosystem that aligns with the needs of modern European drivers, Chinese EVs in Europe have become one of the fastest-growing segments of the market. According to the latest statistics, combined sales for the five largest Chinese-owned groups – SAIC, BYD, Geely, Chery and Leapmotor – were up 61% in the first five months of 2026, taking 10.6% of the wider European market.

Whether in cooling equipment or electric vehicles, the pattern is similar: Evolving demand creates new markets, and firms that can best satisfy that demand gain market share.

After all, trade deficits are not simply the result of pricing differences; they often reflect broader underlying factors such as industrial specialization, supply-chain efficiency, technological competitiveness and consumer preferences.



Employees conduct quality inspections on air conditioners using an automated testing system at an air-conditioner manufacturing facility in Fuyang, Anhui Province, China, June 4, 2026. /CFP

Deeper structural challenge behind the boom

Furthermore, the recent surge in China's air-conditioner sales highlights a deeper challenge facing Europe.

For decades, European urban development was built around a relatively mild climate. Many residential buildings were not designed with air conditioning in mind, while installation services, supply chains and supporting infrastructure remained underdeveloped. As extreme weather becomes a recurring reality, these structural weaknesses are becoming increasingly visible.

In this context, what Europe needs is not simply additional air conditioners, but greater preparedness for a warming climate, such as stronger industrial capacity, more resilient infrastructure and forward-looking public policies.

Neither trade barriers nor political slogans can address these challenges. When demand exists and domestic supply falls short, consumers will inevitably seek products that solve their problems. Markets, in turn, tend to reward the most efficient producers.

Indeed, every economy has a legitimate interest in safeguarding critical industries and strengthening supply-chain resilience. The real risk lies not in discussing trade deficits, but in reducing every deficit to a story of foreign competition while overlooking the domestic adjustments that may be required.

One air conditioner cannot explain the entirety of China-EU trade. Yet it illustrates a reality often lost in political debates in Europe: While trade imbalances deserve attention, they should be understood in the broader context of changing consumer demand, industrial competitiveness and the economic transformations underway on both sides.

A stable and sustainable economic relationship between China and Europe should therefore be built not on mutual suspicion, but on a shared commitment to meeting real-world needs, strengthening competitiveness and tackling common challenges together.

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