ITEM: Air cooler, comprised of an independent closed circuit in which a propylene glycol water solution circulates as a working medium. There is no refrigeration equipment in this circuit, but the article can generate heat. The air cooler is an element of an intercooling system. Depending on the model, it maintains the following temperature ranges in storage rooms, corridors or machine rooms: 1 to 3 °C, 2 to 7 °C or 15 to 20 °C. The air cooler essentially consists of the following components : - metal body (casing); - metal heat-exchanger block; - fans with electric motors; - collector systems for the inlet and outlet of the working medium; - condensate drainage systems; and - block electric heating systems. It cools the internal space when the air flow generated by the fans passes through the heat-exchanger block, which absorbs the heat from the air. The air cooler can use the collected condensate to humidify the air. It does not include a compressor and is intended to be fixed to the ceiling or walls in the internal space.

Suggested Tariff Classification

Phase 1

Top 3 Candidate Chapters

Chapter	Justification
84	By GRI 1, the text of heading 84.15 specifically covers air-conditioning machines comprising a motor-driven fan and devices to modify temperature and humidity; it also covers separate elements (e.g., fan-coil units). NESA adds that units reaching ≤ 0 °C fall under 84.18; here the ranges are above 0 °C, so 84.15 prevails over 84.18. Heading 84.14 is excluded since fans presented with other organs classify with the component giving essential character (not as mere fans). GRI 3(a) favors this specific description over residual options.

Phase 2

TARIFF CLASSIFICATION OPINION

I. Applicable Legal Framework

- General Rule of Interpretation (GRI) 1: “The titles of Sections, Chapters, and Subchapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any

relative Section or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions."

- GRI 3(a) and 3(b): "The heading which provides the most specific description shall be preferred to headings providing a more general description [...]" and, if unresolved, classification shall be effected "as if they consisted of the material or component which gives them their essential character."
- GRI 6: "For legal purposes, the classification of goods in the subheadings of a heading shall be determined according to the terms of those subheadings and any related Subheading Notes and, mutatis mutandis, to the above Rules, on the understanding that only subheadings at the same level are comparable."
- Heading 84.15: "Air conditioning machines comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated."
- National Note for 84.15 (NESA): "For the purposes of heading 84.15, air-conditioning apparatus are covered whether in a single unit or as separate elements [...] However, apparatus that reach temperatures equal to or below 0 °C are classified in heading 84.18."
- Relevant subheadings of 84.15:
  - "Other, incorporating a refrigerating unit" (8415.82).
  - "Other, not incorporating a refrigerating unit" (8415.83).
  - "Parts" (8415.90).
- Heading 84.18: "Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 84.15."
- Heading 84.19 (alternative reference): includes "Heat exchange units" (8419.50).
- National Note for 84.14 (fans): fans "without organs other than the motor" are classified in 84.14; if presented with other organs, "classification shall be with the organ that confers its essential character."

II. Legal-Technical Analysis Object: "Air cooler" for fixed installation on the ceiling or wall of interior spaces (storage rooms, corridors, or machine rooms), composed of: metal housing, heat-exchanger block, fans with electric motor, inlet/outlet manifolds for the working medium (water–propylene glycol solution), condensate drainage system, and block electric heating system. It does not incorporate a compressor or other refrigerating unit. It operates

in ranges of 1–3 °C, 2–7 °C, or 15–20 °C; it can humidify air with condensate and generate heat via resistances.

- Chapter and heading:
  - Under GRI 1, the legal text of heading 84.15 covers air-conditioning machines that include a motor-driven fan and devices to modify temperature and humidity, even if humidity is not separately regulated. The described good includes motor-driven fans and a heat exchange block that cools and, via electric resistances, can also heat, thereby modifying room air temperature and humidity; thus, it falls under 84.15.
  - National Note 5 for 84.15 provides that air-conditioning apparatus are covered even when presented as separate elements; only those reaching ≤ 0 °C shift to 84.18. Here, the stated ranges (1–3 °C; 2–7 °C; 15–20 °C) are above 0 °C, so it remains in 84.15.
- Subheading:
  - Applying GRI 6, subheadings at the same level must be compared by their text. Within "Other" of 84.15, there is a distinction:
    - 8415.82: "incorporating a refrigerating unit."
    - 8415.83: "not incorporating a refrigerating unit."
  - The equipment lacks a compressor or other "refrigerating unit" for its own "production of cold"; it operates with a closed hydronic (water–propylene glycol) circuit exchanging heat with the air. Consequently, it is "not incorporating a refrigerating unit" and is classified in subheading 8415.83 as the most specific under GRI 3(a) and GRI 6.

III. Exclusion of Alternative Headings or Chapters (within Chapter 84)

- Heading 84.18 (refrigerating/freezing equipment):
  - The text of 84.18 refers to "refrigerating or freezing equipment…," except the apparatus of 84.15. The good at issue does not "produce" cold by itself (no compressor or other refrigerating unit), but exchanges heat with an external cold medium; moreover, its operating ranges do not reach 0 °C or below, a criterion under National Note 5 of 84.15 for shifting to 84.18. Heading 84.18 is excluded.
- Heading 84.19 (heat exchange units, 8419.50):

- Although it incorporates a heat exchange block, it is not “only” a heat exchanger; it is a complete air-conditioning apparatus (motor-driven fan + devices to modify temperature/humidity). By GRI 1 and GRI 3(a), heading 84.15 (more specific by function) prevails over 84.19. Subheading 8419.50 is excluded.

- Heading 84.14 (fans):
  - The National Note for 84.14 indicates that if the fan is presented with other organs, classification is by the organ conferring essential character. Here, the essential character is air conditioning (not mere ventilation); thus, 84.14 does not apply.

- Subheading 8415.10 (of the types designed to be installed in a window, wall, ceiling or floor, self-contained or split-system):
  - The article is not “self-contained” nor a “split-system” with its own refrigerating circuit; it is a hydronic air cooler for cold rooms/technical rooms. When comparing subheadings at the same level (GRI 6), “not incorporating a refrigerating unit” (8415.83) more precisely describes the technical nature of the good than a mere reference to installation mode. 8415.10 is excluded in favor of 8415.83 by specificity.

Express exclusion of 8415.90 (Parts) — Important note

- 8415.90 corresponds to “Parts.” The analyzed good is a complete air-conditioning apparatus under the text of 84.15 (motor-driven fan and devices to modify temperature and humidity). By GRI 1, classification of complete machines must not be shifted to “parts” subheadings. Consequently, 8415.90 is unequivocally excluded.

IV. Documentary Requirements To support classification under GRI 1, GRI 3, and GRI 6, and National Note 5 of 84.15, the importer shall provide:

- Technical datasheet and manual evidencing: presence of motor-driven fans, heat exchange block, electric heating system, and absence of a compressor or other built-in refrigerating unit.

- Schematic diagram and/or hydraulic schematic identifying the closed circuit with water–propylene glycol solution.

- Performance specification (curves or tables) evidencing the room temperature ranges (1–3 °C; 2–7 °C; 15–20 °C), confirming it does not reach ≤ 0 °C.

- Photographs of the assembly and nameplate.

V. Conclusion

- Proposed classification at subheading level (GRI 1 and GRI 6):
  - Chapter: 84
  - Heading: 84.15
  - Subheading: 8415.83 (not incorporating a refrigerating unit)
  - Tariff item: — (not applicable in this opinion; limited to subheading)
  - NICO: — (not applicable in this opinion; limited to subheading)

Conditional determination

- Option A (primary): if the equipment does not incorporate any "refrigerating unit" of its own and the room operating ranges remain above 0 °C, 8415.83 (not incorporating a refrigerating unit) applies under GRI 1, GRI 6, and National Note 5 of 84.15.
  - Chapter: 84 | Heading: 84.15 | Subheading: 8415.83 | Tariff item: — | NICO: —
- Option B: if the equipment actually incorporates a compressor or other "refrigerating unit," then 8415.82 ("Other, incorporating a refrigerating unit") applies.
  - Chapter: 84 | Heading: 84.15 | Subheading: 8415.82 | Tariff item: — | NICO: —
- Option C: if the apparatus, by design and performance, is intended to achieve room temperatures equal to or below 0 °C (e.g., for subzero storage), National Note 5 of 84.15 shifts classification to heading 84.18; at subheading level, 8418.69 ("Other") would apply.
  - Chapter: 84 | Heading: 84.18 | Subheading: 8418.69 | Tariff item: — | NICO: —

MISSING CRITERIA:

- Documentary confirmation of the absence of a compressor and any other incorporated refrigerating unit.
- Technical evidence of the actual operating temperature ranges in service and that the equipment does not operate at ≤ 0 °C.

- Functional schematic evidencing that the working medium is a water–propylene glycol solution in a closed circuit and that heating is by electric resistances (not by a reversible heat pump).