SECTION B

Tariff rate quotas of Japan

1. General provisions

(a) For the purposes of subparagraph 1(xx) of Section A, customs duties on originating goods classified under the tariff lines indicated with "TRQ-n" in Column "Note" in the Schedule of Japan shall be governed by the terms of the tariff rate quota (TRQ) for that specific tariff line, as set out in this Section, beginning on the date of entry into force of this Agreement.

(b) For the purposes of implementing the TRQ set out in this Section, where the first year is less than 12 months, the aggregate quota quantity for the first year set out in each TRQ shall be reduced to a part of the aggregate quota quantity that is proportional to the number of complete months remaining in the first year. For the purposes of this subparagraph, any fraction of less than 1.0 shall be rounded to the nearest whole number (in the case of 0.5, the fraction shall be rounded to 1.0), provided that the unit specified in relevant provisions in this Section shall apply.

(c) In this Section, the descriptions of product or products in the title of each TRQ are not necessarily exhaustive. These descriptions are included solely to assist users in understanding this Section and shall not alter or supersede the coverage for each TRQ established by reference to the relevant tariff lines.

2. TRQ-1: Wheat products

(a) The aggregate quota quantity in a particular year of originating goods of the European Union classified under the tariff lines set out in subparagraph (c) that shall be duty-free, subject to an import mark-up applied by Japan as provided for in subparagraph (d), is set out in the table below:

| Year | Aggregate quota quantity (metric tonnes) |
|---|---|
| 1 | 100 |
| 2 | 120 |
| 3 | 140 |
| 4 | 160 |
| 5 | 180 |
| 6 | 200 |
| For the seventh year and for each subsequent year, the aggregate quota quantity shall remain at 200 metric tonnes. | |