(i) Group 1 means Dark Northern Spring, Hard Red Winter, and Western White wheat classes; and

(ii) Group 2 means all wheat classes other than those set out in subparagraph (i).

(c) The rate of customs duty on originating goods provided for in the tariff items set out in subparagraph (d) from the United States imported in excess of the aggregate quota quantity set out in subparagraph (a) shall be determined at the most-favored-nation rate of customs duty in effect at the time of import of those goods.

(d) Subparagraphs (a) through (c) shall apply to the originating goods provided for in the tariff items 100111.010, 100119.010, 100191.011, 100191.019, 100199.011, 100199.019, and 100860.210.

(e) TRQ-JP2 shall be established outside the tariff rate quota in Japan's Schedule to the WTO Agreement and shall be administered by the Ministry of Agriculture, Forestry and Fishery of Japan ("MAFF"), or its successor, as a State Trading Enterprise using a simultaneous buy-sell ("SBS") mechanism.

(f) For the purposes of TRQ-JP2, maximum import mark-up to set the minimum selling price means the maximum amount that MAFF, or its successor, may add to the amount paid for goods when it sets the minimum selling price at or above which MAFF, or its successor, shall not reject a bid in an SBS tender unless the tender amount in the SBS tender is fully subscribed through higher bids.

(g) The difference between the amount paid by the purchaser in an SBS transaction for goods and the amount paid by MAFF, or its successor, for the goods shall be retained by MAFF, or its successor, as the import mark-up for the goods, which can be more than the maximum import mark-up to set the minimum selling price but shall not exceed the amount permitted for the goods under Japan's Schedule to the WTO Agreement.

5. TRQ-JP3 Malt, Not Roasted

(a) The aggregate quota quantity of originating goods provided for in the tariff item set out in subparagraph (c) from the United States that shall be duty-free in a particular year is specified below:

Year	Aggregate quota quantity (Metric Tons)
1	22,400
2	24,800
3	27,200
4	29,600
5	32,000

For Year 6 and for each subsequent year, the aggregate quota quantity shall remain at 32,000 Metric Tons.

(b) The rate of customs duty on originating goods provided for in the tariff item set out in subparagraph (c) from the United States imported in excess of the aggregate quota quantity set out in subparagraph (a) shall be determined at the most-favored-nation rate of customs duty in effect at the time of import of those goods.

(c) Subparagraphs (a) and (b) shall apply to the originating goods provided for in the tariff item 110710.029.

(d) TRQ-JP3 shall be administered by Japan through a first-come, first-served import licensing procedure pursuant to which a certificate of tariff rate quota shall be issued by Japan.

6. TRQ-JP4 Malt, Roasted

(a) The aggregate quota quantity of originating goods provided for in the tariff item set out in subparagraph (c) from the United States that shall be duty-free in a particular year is specified below:

Year	Aggregate quota quantity (Metric Tons)
1	735
2	770
3	805
4	840
5	875
6	910
7	945
8	980
9	1,015
10	1,050

For Year 11 and for each subsequent year, the aggregate quota quantity shall remain at 1,050 Metric Tons.