

Section 2  
Schedule of Japan

Notes for Schedule of Japan

The terms and conditions in the following notes indicated with a serial number from 1 through 32 shall apply to originating goods imported from Mexico specified with that number in the Column 5 of the Schedule. The originating goods imported from Mexico specified with the letter "R" indicated in the Column 5 of the Schedule means the goods with regard to which after the third year, the Parties shall enter into consultation in accordance with subparagraph 3 (a) (i) of Article 5.

On the request of either Party, the Parties shall consult on the facilitation of trade in fish and fishery products classified under Chapter 3 or 16 of the Harmonized System. The Parties may invite, by mutual consent, representatives from the private sector to the consultations.

1. Japan shall apply a tariff rate quota, in accordance with the following:
  - (a) For the first year and the second year, the aggregate quota quantity shall be 10 metric tons for each year and the in-quota rate of Customs Duties shall be free.
  - (b) From the third year to the fifth year, the aggregate quota quantity shall be as follows, respectively:
    - (i) 3,000 metric tons for the third year;
    - (ii) 4,000 metric tons for the fourth year; and
    - (iii) 6,000 metric tons for the fifth year.

The in-quota rate of Customs Duties applied during the period from the third year to the fifth year shall be negotiated by the Parties in the second year, in accordance with subparagraph 3 (a) (i) of Article 5. The in-quota rate of Customs Duties for that period shall be lower than the most-favored-nation applied rate of Customs Duty in effect at the beginning of the Japanese fiscal year 2003 by at least 10 percent of that most-favored-nation applied rate.

- (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. In the case of subparagraph (a) above, the certificates shall be issued for marketing and sales promotion. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.
- (d) In accordance with of subparagraph 3 (a) (i) of Article 5, the Parties shall consult in the fifth year to consider the aggregate quota quantity of the tariff rate quota and in-quota rate after the fifth year, taking into consideration among others, the quota quantity during the fifth year and records of trade between the Parties. In the absence of agreement between the Parties and until such an agreement is reached as a result of the consultation, the aggregate quota quantity and in-quota rate for the fifth year shall be applied.
- (e) The tariff emergency measures on beef, stipulated in Article 7-5 of Temporary Tariff Measures Law of Japan (Law No.36 of 1960), as may be

amended, shall not be applied to the originating goods imported under this tariff rate quota.

2. Japan shall apply a tariff rate quota, in accordance with the following:

(a) From the first year to the fifth year, the aggregate quota quantity shall be as follows, respectively:

- (i) 38,000 metric tons for the first year;
- (ii) 53,000 metric tons for the second year;
- (iii) 65,000 metric tons for the third year;
- (iv) 74,000 metric tons for the fourth year; and
- (v) 80,000 metric tons for the fifth year.

(b) The in-quota rate of Customs Duties applied during the period from the first year to the fifth year shall be as follows.

(i) The in-quota rate of Customs Duties on the originating goods indicated with one asterisk (“ ”) in the Column 2, of which value for Customs Duty per kilogram is not more than 53.53 yen, shall be 482 yen per kilogram. The in-quota rate of Customs Duties on the originating goods indicated with one asterisk (“ ”) in the Column 2, of which value for Customs Duty per kilogram is more than 53.53 yen but not more than the value obtained by dividing 535.53 yen by 1.022, shall be the difference between 535.53 yen per kilogram and the value for Customs Duty per kilogram. The in-quota rate of Customs Duties on the originating goods indicated with one asterisk (“ ”) in the Column 2, of which value for Customs Duty per kilogram is more than the value obtained by dividing 535.53 yen by 1.022, shall be 2.2 percent.

(ii) The in-quota rate of Customs Duties on the originating goods indicated with two asterisks (“ ”) in the Column 2, of which value for Customs Duty per kilogram is not more than the value obtained by dividing 577.15 yen by 0.643, shall be the difference between 577.15 yen per kilogram and the value obtained by multiplying the value for Customs Duty per kilogram by 0.6. The in-quota rate of Customs Duties on the originating goods indicated with two asterisks (“ ”) in the Column 2, of which value for Customs Duty per kilogram is more than the value obtained by dividing 577.15 yen by 0.643, shall be 4.3 percent.

(c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.

(d) In accordance with of subparagraph 3 (a) (i) of Article 5, the Parties shall consult in the fifth year to consider the aggregate quota quantity of the tariff rate quota and in-quota rate after the fifth year, taking into consideration among others, the quota quantity during the fifth year and records of trade between the Parties. In the absence of agreement between the Parties and until such an agreement is reached as a result of the consultation, the aggregate quota quantity and in-quota rate for the fifth year shall be applied.

- (e) The tariff emergency measures on pork stipulated in paragraph 1 of Article 7-6 of Temporary Tariff Measures Law of Japan, as may be amended, and Special Safeguard Measures on pork stipulated in paragraph 2 of Article 7-6 of the Law shall not be applied to the originating goods imported under this tariff rate quota.
  - (f) The Parties shall consult to consider the Japanese tariff system on pork, especially its gate price system.
3. The rate of Customs Duty shall be 4.3 percent.
4. Japan shall apply a tariff rate quota, in accordance with the following:
- (a) For the first year, the aggregate quota quantity shall be 10 metric tons and the in-quota rate of Customs Duties shall be free.
  - (b) From the second year to the fifth year, the aggregate quota quantity shall be as follows, respectively:
    - (i) 2,500 metric tons for the second year;
    - (ii) 4,000 metric tons for the third year;
    - (iii) 6,000 metric tons for the fourth year; and
    - (iv) 8,500 metric tons for the fifth year.

The in-quota rate of Customs Duties applied during the period from the second year to the fifth year shall be negotiated by the Parties in the first year, in accordance with subparagraph 3(a)(i) of Article 5. The in-quota rate of Customs Duties for that period shall be lower than the most-favored-nation applied rate of Customs Duty in effect at the beginning of the Japanese fiscal year 2004 by at least 10 percent of that most-favored-nation applied rate.

- (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. In the case of subparagraph (a) above, the certificates shall be issued for marketing and sales promotion. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.
  - (d) In accordance with subparagraph 3 (a) (i) of Article 5, the Parties shall consult in the fifth year to consider the aggregate quota quantity of the tariff rate quota and in-quota rate after the fifth year, taking into consideration among others, the quota quantity during the fifth year and records of trade between the Parties. In the absence of agreement between the Parties and until such an agreement is reached as a result of the consultation, the aggregate quota quantity and in-quota rate for the fifth year shall be applied.
5. When the trade of farmed products of yellow-fin tuna begins between the Parties, the Parties shall enter into consultation regarding the treatment of farmed products in accordance with subparagraph 3 (a) (i) of Article 5.
6. (a) The rate of Customs Duty shall be:
- the rate lower than the most-favored-nation applied rate in effect at the time of importation by 20 percent of that applied rate; or

3.0 percent,

whichever is the greater.

- (b) The Parties shall consult on the issue of the rate of Customs Duty in case the most-favored-nation applied rate in effect is lower than or equal to 3.0 percent.

7. (a) The rate of Customs Duty shall be 3.0 percent.

- (b) The Parties shall consult on the issue of the rate of Customs Duty in case the most-favored-nation applied rate in effect is lower than 3.0 percent.

8. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year and after, the aggregate quota quantity shall be as follows, respectively:

- (i) 600 metric tons for the first year;
- (ii) 700 metric tons for the second year;
- (iii) 800 metric tons for the third year;
- (iv) 900 metric tons for the fourth year; and
- (v) 1,000 metric tons for each year as from the fifth year.

- (b) The in-quota rate of Customs Duties shall be free.

- (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.

9. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the tenth year, the aggregate quota quantity shall be 20,000 metric tons for each year.

- (b) The in-quota rate of Customs Duties shall be free.

- (c) For the purposes of paragraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.

- (d) The tariff rate quota shall be eliminated as from the first day of the eleventh year.

10. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) For the first year and the second year, the aggregate quota quantity shall be 10 metric tons for each year and the in-quota rate of Customs Duties shall be free.

(b) From the third year to the fifth year, the aggregate quota quantity shall be as follows, respectively:

- (i) 2,000 metric tons for the third year;
- (ii) 3,000 metric tons for the fourth year; and
- (iii) 4,000 metric tons for the fifth year.

The in-quota rate of Customs Duties applied during the period from the third year to the fifth year shall be negotiated by the Parties in the second year, in accordance with subparagraph 3 (a) (i) of Article 5. The in-quota rate of Customs Duties for that period shall be lower than the most-favored-nation applied rate of Customs Duty in effect at the beginning of the Japanese fiscal year 2004 by at least 10 percent of that most-favored-nation applied rate.

(c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. In the case of subparagraph (a) above, the certificates shall be issued for marketing and sales promotion. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.

(d) In accordance with subparagraph 3 (a) (i) of Article 5, the Parties shall consult in the fifth year to consider the aggregate quota quantity of the tariff rate quota and in-quota rate after the fifth year, taking into consideration among others, the quota quantity during the fifth year and records of trade between the Parties. In the absence of agreement between the Parties and until such an agreement is reached as a result of the consultation, the aggregate quota quantity and in-quota rate for the fifth year shall be applied.

11. (a) The rate of Customs Duty shall be:

the rate lower than the most-favored-nation applied rate in effect at the time of importation by 20 percent of that applied rate; or

3.0 percent,

whichever is the greater.

(b) Notwithstanding subparagraph (a) above, when the tariff preferences under the Generalized System of Preferences is granted, the rate of Customs Duty shall be:

the rate lower than the Generalized System of Preferences applied rate in effect at the time of importation by 20 percent of that applied rate; or

3.0 percent,

whichever is the greater.

(c) The Parties shall consult on the issue of the rate of Customs Duty in case the most-favored-nation applied rate in effect is lower than or equal to 3.0 percent.

12. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year and after, the aggregate quota quantity shall be 1,000 metric tons for each year.
- (b) The in-quota rate of Customs Duties shall be free.
- (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party. The tariff rate quota shall be administered by the importing Party in cooperation with the exporting Party and the aggregate quota quantity shall be allocated by the importing Party.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.

13. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the fifth year, the aggregate quota quantity shall be as follows, respectively:

Year	Quota quantity for the originating goods classified in HS 2009.11 and 2009.19	Quota quantity for the originating goods classified in HS 2009.12	Total quantity (For reference only) <sup>(Note)</sup>
The first year	3,850.0	750.0	4,000.0
The second year	4,062.5	937.5	4,250.0
The third year	4,875.0	1,125.0	5,100.0
The fourth year	5,687.5	1,312.5	5,950.0
The fifth year	6,200.0	1,500.0	6,500.0

(Unit: metric tons)

Note: "Total quantity" means the sum of the quota quantities for the originating goods classified in HS 2009.11 and 2009.19 and for the originating goods classified in HS 2009.12. In calculating total quantity, the quota quantity of the latter is converted to the equivalent of goods classified in HS 2009.11 or HS 2009.19. For the purposes of such conversion, one metric ton of the goods classified in HS 2009.11 or 2009.19 shall be considered equivalent to five metric tons of the goods classified in HS 2009.12.

- (b) The in-quota rate of Customs Duties applied during the period from the first year to the fifth year shall be 50 percent of the most-favored-nation applied rate at the time of importation.
- (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.
- (d) In accordance with subparagraph 3 (a) (i) of Article 5, the Parties shall consult in the fifth year to consider the aggregate quota quantity of the tariff rate quota and in-quota rate after the fifth year, taking into consideration among others, the quota quantity during the fifth year and records of trade between the Parties. In the absence of agreement between the Parties and until such an agreement is reached as a result of the consultation, the aggregate quota quantity and in-quota rate for the fifth year shall be applied.

14. Japan shall apply a tariff rate quota, in accordance with the following:
  - (a) From the first year and after, the aggregate quota quantity shall be 140 metric tons for each year.
  - (b) The in-quota rate of Customs Duties shall be free.
  - (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.
  
15. Japan shall apply a tariff rate quota, in accordance with the following:
  - (a) From the first year and after, the aggregate quota quantity shall be 800 metric tons for each year.
  - (b) The in-quota rate of Customs Duties shall be free.
  - (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.
  
16. Japan shall apply a tariff rate quota, in accordance with the following:
  - (a) From the first year and after, the aggregate quota quantity shall be 60 metric tons for each year.
  - (b) The in-quota rate of Customs Duties shall be free.
  - (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.
  
17. Japan shall apply a tariff rate quota, in accordance with the following:
  - (a) From the first year and after, the aggregate quota quantity shall be 600 metric tons for each year.
  - (b) The in-quota rate of Customs Duties shall be free.
  - (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon

as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.

18. Japan shall apply a tariff rate quota, in accordance with the following:
  - (a) From the first year and after, the aggregate quota quantity shall be 200 metric tons for each year.
  - (b) The in-quota rate of Customs Duties shall be free.
  - (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.
  
19. Japan shall apply a tariff rate quota, in accordance with the following:
  - (a) From the first year and after, the aggregate quota quantity shall be 70 metric tons for each year.
  - (b) The in-quota rate of Customs Duties shall be free.
  - (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party on the basis of the certificate issued by the exporting Party for each export. Both Parties shall avoid undue delay in the issuance of these certificates. On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the issuance of the certificates or other administrative issues.
  
20. Japan shall apply a tariff rate quota, in accordance with the following:
  - (a) From the first year to the fifth year, the aggregate quota quantity shall be as follows, respectively:
    - (i) 70,000 square meters for the first year;
    - (ii) 84,000 square meters for the second year;
    - (iii) 101,000 square meters for the third year;
    - (iv) 121,000 square meters for the fourth year; and
    - (v) 145,000 square meters for the fifth year.
  - (b) The in-quota rate of Customs Duties shall be free.
  - (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party. The tariff rate quota shall be administered by the importing Party in cooperation with the exporting Party and the aggregate quota quantity shall be allocated by the importing Party.
  - (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
  - (e) The tariff rate quota shall be eliminated as from the first day of the eleventh year.



- (f) In the fifth year and after, in accordance with subparagraph 3 (a) (i) of Article 5, the Parties shall consult, as necessary, to consider the aggregate quota quantities for the following year and after with a view not to decreasing the quota quantity from that for the year in which consultation takes place. The aggregate quota quantity for the fifth year shall continue to be applied until new aggregate quota quantity is agreed by the Parties as a result of the consultation which will be held in the fifth year or after.

21. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:

- (i) 86,715,000 yen for the first year;
- (ii) 104,058,000 yen for the second year;
- (iii) 124,870,000 yen for the third year;
- (iv) 149,844,000 yen for the fourth year;
- (v) 179,812,000 yen for the fifth year;
- (vi) 215,775,000 yen for the sixth year; and
- (vii) 258,930,000 yen for the seventh year.

- (b) The in-quota rate of Customs Duties shall be free.

- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.

- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.

- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.

22. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the fifth year, the aggregate quota quantity shall be as follows, respectively:

- (i) 15,000 square meters for the first year;
- (ii) 18,000 square meters for the second year;
- (iii) 22,000 square meters for the third year;
- (iv) 26,000 square meters for the fourth year; and
- (v) 31,000 square meters for the fifth year.

- (b) The in-quota rate of Customs Duties shall be free.

- (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party. The tariff rate quota shall be administered by the importing Party in cooperation with the exporting Party and the aggregate quota quantity shall be allocated by the importing Party.

- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.

- (e) The tariff rate quota shall be eliminated as from the first day of the eleventh year.
- (f) In the fifth year and after, in accordance with subparagraph 3 (a) (i) of Article 5, the Parties shall consult, as necessary, to consider the aggregate quota quantities for the following year and after with a view not to decreasing the quota quantity from that for the year in which consultation takes place. The aggregate quota quantity for the fifth year shall continue to be applied until new aggregate quota quantity is agreed by the Parties as a result of the consultation which will be held in the fifth year or after.

23. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the fifth year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 15,000 square meters for the first year;
  - (ii) 18,000 square meters for the second year;
  - (iii) 22,000 square meters for the third year;
  - (iv) 26,000 square meters for the fourth year; and
  - (v) 31,000 square meters for the fifth year.
- (b) The in-quota rate of Customs Duties shall be free.
- (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party. The tariff rate quota shall be administered by the importing Party in cooperation with the exporting Party and the aggregate quota quantity shall be allocated by the importing Party.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eleventh year.
- (f) In the fifth year and after, in accordance with subparagraph 3 (a) (i) of Article 5, the Parties shall consult, as necessary, to consider the aggregate quota quantities for the following year and after with a view not to decreasing the quota quantity from that for the year in which consultation takes place. The aggregate quota quantity for the fifth year shall continue to be applied until new aggregate quota quantity is agreed by the Parties as a result of the consultation which will be held in the fifth year or after.

24. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 697,000 yen for the first year;
  - (ii) 837,000 yen for the second year;
  - (iii) 1,004,000 yen for the third year;
  - (iv) 1,205,000 yen for the fourth year;
  - (v) 1,446,000 yen for the fifth year;
  - (vi) 1,735,000 yen for the sixth year; and
  - (vii) 2,082,000 yen for the seventh year.

- (b) The in-quota rate of Customs Duties shall be free.
- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.

25. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 23,522,000 yen for the first year;
  - (ii) 28,226,000 yen for the second year;
  - (iii) 33,872,000 yen for the third year;
  - (iv) 40,646,000 yen for the fourth year;
  - (v) 48,775,000 yen for the fifth year;
  - (vi) 58,530,000 yen for the sixth year; and
  - (vii) 70,237,000 yen for the seventh year.

- (b) The in-quota rate of Customs Duties shall be free.
- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.

26. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 345,555,000 yen for the first year;
  - (ii) 414,666,000 yen for the second year;
  - (iii) 497,600,000 yen for the third year;
  - (iv) 597,120,000 yen for the fourth year;
  - (v) 716,544,000 yen for the fifth year;
  - (vi) 859,852,000 yen for the sixth year; and
  - (vii) 1,031,823,000 yen for the seventh year.

- (b) The in-quota rate of Customs Duties shall be free.
- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.

27. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 32,252,000 yen for the first year;
  - (ii) 38,703,000 yen for the second year;
  - (iii) 46,443,000 yen for the third year;
  - (iv) 55,732,000 yen for the fourth year;
  - (v) 66,878,000 yen for the fifth year;
  - (vi) 80,254,000 yen for the sixth year; and
  - (vii) 96,305,000 yen for the seventh year.

- (b) The in-quota rate of Customs Duties shall be free.
- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.

28. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the fifth year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 250,000 pairs for the first year;
  - (ii) 300,000 pairs for the second year;
  - (iii) 360,000 pairs for the third year;
  - (iv) 432,000 pairs for the fourth year; and
  - (v) 518,000 pairs for the fifth year.

- (b) The in-quota rate of Customs Duties shall be free.

- (c) For the purposes of subparagraphs (a) and (b) above, the tariff rate quota shall be implemented through a certificate of tariff rate quota issued by the importing Party. The tariff rate quota shall be administered by the importing Party in cooperation with the exporting Party and the aggregate quota quantity shall be allocated by the importing Party.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eleventh year.
- (f) In the fifth year and after, in accordance with subparagraph 3 (a) (i) of Article 5, the Parties shall consult, as necessary, to consider the aggregate quota quantities for the following year and after with a view not to decreasing the quota quantity from that for the year in which consultation takes place. The aggregate quota quantity for the fifth year shall continue to be applied until new aggregate quota quantity is agreed by the Parties as a result of the consultation which will be held in the fifth year or after.

29. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 26,704,000 yen for the first year;
  - (ii) 32,045,000 yen for the second year;
  - (iii) 38,453,000 yen for the third year;
  - (iv) 46,144,000 yen for the fourth year;
  - (v) 55,373,000 yen for the fifth year;
  - (vi) 66,447,000 yen for the sixth year; and
  - (vii) 79,737,000 yen for the seventh year.
- (b) The in-quota rate of Customs Duties shall be free.
- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.

30. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 15,726,000 yen for the first year;
  - (ii) 18,871,000 yen for the second year;
  - (iii) 22,645,000 yen for the third year;
  - (iv) 27,174,000 yen for the fourth year;

- (v) 32,608,000 yen for the fifth year;
- (vi) 39,130,000 yen for the sixth year; and
- (vii) 46,956,000 yen for the seventh year.

- (b) The in-quota rate of Customs Duties shall be free.
- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.

31. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 65,018,000 yen for the first year;
  - (ii) 78,021,000 yen for the second year;
  - (iii) 93,625,000 yen for the third year;
  - (iv) 112,351,000 yen for the fourth year;
  - (v) 134,821,000 yen for the fifth year;
  - (vi) 161,785,000 yen for the sixth year; and
  - (vii) 194,142,000 yen for the seventh year.

- (b) The in-quota rate of Customs Duties shall be free.
- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.

32. Japan shall apply a tariff rate quota, in accordance with the following:

- (a) From the first year to the seventh year, the aggregate quota quantity shall be as follows, respectively:
  - (i) 9,507,000 yen for the first year;
  - (ii) 11,408,000 yen for the second year;
  - (iii) 13,690,000 yen for the third year;
  - (iv) 16,428,000 yen for the fourth year;

- (v) 19,713,000 yen for the fifth year;
- (vi) 23,656,000 yen for the sixth year; and
- (vii) 28,387,000 yen for the seventh year.

- (b) The in-quota rate of Customs Duties shall be free.
- (c) The in-quota rate of Customs Duties referred to in subparagraph (b) above for the period from the first year to the seventh year shall be applied in each year, to the originating goods with respect to which importation declaration or application for storage referred to in the Temporary Tariff Measures Law of Japan, as may be amended, is made, until the end of the month following the month when the quantities imported exceed the aggregate quota quantity referred to in subparagraph (a) above.
- (d) On the request of either Party, the Parties shall consult as soon as possible to resolve any matter arising related to the administration of the quota.
- (e) The tariff rate quota shall be eliminated as from the first day of the eighth year.