(A) the difference between the CIF import price per kilogram and the Second Safeguard Standard Import Price; and

(B) the second alternative rate,

where for the purposes of this subparagraph (iii):

(C) "Second Safeguard Standard Import Price" means a price equal to 393 yen per kilogram multiplied by the sum of 100 percent and the rate of customs duty set out in subparagraph (i) for the respective year; and

(D) "second alternative rate" means:

(1) in Year 1 through Year 3: the rate of customs duty specified in the Schedule of Japan for the tariff items 020311.020 or 020321.020;

(2) in Year 4 through Year 8: 75 yen per kilogram; and

(3) in Year 9 and Year 10: 52.5 yen per kilogram.

(c) Any agricultural safeguard measure applied under this paragraph may be maintained only until the end of the fiscal year in which the trigger level was exceeded.

(d) Japan shall not apply or maintain any agricultural safeguard measure under this paragraph after the end of Year 10.

(e) Japan shall not apply the tariff emergency measures on pork referred to in paragraph 1 of Article 7-6 of the *Temporary Customs Tariff Measures Law* (Law No. 36 of 1960) to SG2 goods.

(f) The applicable trigger level for SG2 goods from the United States for Year 1 for the purposes of subparagraph (a)(i) shall be determined by multiplying 112 percent of the largest annual aggregate volume of imports of SG2 goods from the United States during any of the preceding three fiscal years by a fraction the numerator of which shall be the number of days between the date of entry into force of this Agreement and the following March 31 and the denominator of which shall be 365. For the purposes of determining the applicable trigger level in accordance with the previous sentence, 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).

11. Agricultural Safeguard Measure for Processed Pork

(a) In accordance with paragraph 2, with respect to the originating agricultural goods provided for in the tariff items indicated with "SG3" in Column "Staging Category" in the Schedule of Japan ("SG3 goods"), Japan may apply an agricultural safeguard measure only if the following conditions are met:

(i) in Year 1, if the aggregate volume of imports of those SG3 goods from the United States exceeds the trigger level as provided in subparagraph (f);

(ii) in Year 2 through Year 5, if the aggregate volume of imports of SG3 goods from the United States for the respective year exceeds 118 percent of the largest annual aggregate volume of imports of SG3 goods from the United States during any of the preceding three fiscal years; and

(iii) in Year 6 through Year 10, if the aggregate volume of imports of SG3 goods from the United States for the respective year exceeds 121 percent of the largest annual aggregate volume of imports of SG3 goods from the United States during any of the preceding three fiscal years.

(b) (i) For SG3 goods, the rate of customs duty referred to in paragraph 3(c) shall be:

(A) for Year 1 through Year 3: 85 percent of the base rate;

(B) for Year 4 through Year 8: 60 percent of the base rate; and

(C) for Year 9 and Year 10: 45 percent of the base rate.

(ii) For the purposes of this subparagraph (b), the base rate shall be composed of an *ad valorem* duty component and a specific duty component, each of which shall be reduced to the percentages identified in subparagraph (i) to determine the rate of customs duty referred to in paragraph 3(c). The *ad valorem* duty component of the base rate shall be 8.5 percent, and the specific duty component shall be equal to 614.85 yen per kilogram minus 60 percent of the CIF import price per kilogram of the respective SG3 good.

(c) Any agricultural safeguard measure applied under this paragraph may be maintained only until the end of the fiscal year in which the trigger level was exceeded.

(d) Japan shall not apply any agricultural safeguard measure under this paragraph after the end of Year 10.