(c) from the seventh year until the 11th year, Japan may apply an agricultural safeguard measure under this Sub-Section to SG3 goods only if the aggregate volume of imports of SG3 goods from the European Union for the respective year exceeds 121 per cent of the largest annual aggregate volume of imports of SG3 goods from the European Union during any of the preceding three fiscal years.

2. (a) For SG3 goods, the rate of customs duty referred to in subparagraph 3(c) of Sub-Section 1 shall be:

(i) 85 per cent of the base rate from the first year until the fourth year;

(ii) 60 per cent of the base rate from the fifth year until the ninth year; and

(iii) 45 per cent of the base rate for the 10th year and the 11th year.

(b) For the purposes of subparagraph (a), the base rate shall be comprised of an *ad valorem* duty component and a specific duty component, each of which shall be reduced to the percentages identified in subparagraph (a) to determine the rate of customs duty referred to in subparagraph 3(c) of Sub-Section 1. The *ad valorem* duty component of the base rate shall be 8.5 per cent, and the specific duty component shall be equal to 614.85 yen per kilogramme minus 60 per cent of the CIF import price per kilogramme of the respective SG3 good.

3. Any agricultural safeguard measure applied under this Sub-Section may be maintained only until the end of the year in which the condition set out in paragraph 1 is satisfied.

4. Japan shall not apply any agricultural safeguard measure under this Sub-Section after the end of the 11th year.