PROTOCOL AMENDING THE TRADE AGREEMENT BETWEEN JAPAN AND THE UNITED STATES OF AMERICA

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Japan and the United States of America ("the Parties"),

Having consulted with a view to modifying the conditions for application of the agricultural safeguard measure provided in the Trade Agreement between Japan and the United States of America, signed at Washington, District of Columbia, on October 7, 2019 ("the Agreement"), and

Acting in accordance with Article 8 of the Agreement,

Have agreed as follows:

Article 1

Paragraph 9(b) of Sub-Section 4 of Section B in Annex I of the Agreement shall be deleted and replaced by the following:

- "(b) Japan may apply an agricultural safeguard measure under subparagraph (a) only if:
 - (i) the aggregate volume of imports of the originating agricultural goods as provided in subparagraph (a) from the United States for the year exceeds the trigger level set out as follows:
 - (A) the trigger level as provided in subparagraph (k) for Year 1;
 - (B) 242,000 metric tons for Year 2;
 - (C) beginning in Year 3 and running through Year 9, the trigger level for each year shall be 4,840 metric tons greater than the trigger level in the previous year;
 - (D) beginning in Year 10 and running through Year 14, the trigger level for each year shall be 2,420 metric tons greater than the trigger level in the previous year; and
 - (E) beginning in Year 15 and continuing every year thereafter, the trigger level for each year shall be 4,840 metric tons greater than the trigger level in the previous year; and
 - (ii) for Year 4 and thereafter, the aggregate volume of imports of the originating agricultural goods as provided in subparagraph (a) from the United States and corresponding imports of goods that can be classified in the tariff items indicated with "SG1*" or "SG1**" in Column "Staging Category" in the Schedule of Japan from the parties, that are also original signatories, of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, done at Santiago on March 8, 2018 ("CPTPP"), qualifying as originating under the CPTPP in accordance with its provisions, for the year exceeds the trigger level set out as follows ("CPTPP trigger level"):

- (A) 637,200 metric tons for Year 4;
- (B) 649,000 metric tons for Year 5;
- (C) 660,800 metric tons for Year 6;
- (D) 672,600 metric tons for Year 7;
- (E) 684,400 metric tons for Year 8;
- (F) 696,200 metric tons for Year 9;
- (G) beginning in Year 10 and running through Year 14, the CPTPP trigger level for each year shall be 5,900 metric tons greater than the CPTPP trigger level in the previous year; and
- (H) beginning in Year 15 and continuing every year thereafter, the CPTPP trigger level for each year shall be 11,800 metric tons greater than the CPTPP trigger level in the previous year; and
- (iii) for Year 4 through Year 9, the aggregate volume of imports of the originating agricultural goods as provided in subparagraph (a) from the United States for the year exceeds the aggregate volume of imports of such goods from the United States in the previous year."

Article 2

Paragraph 9(e) of Sub-Section 4 of Section B in Annex I of the Agreement shall be amended by deleting the words "the aggregate volume of imports exceeds the trigger level as provided in subparagraph (b)" wherever they appear and replacing them with the words "the conditions set out in subparagraph (b) are met".

Article 3

Paragraphs 9(f)(i) and (ii) of Sub-Section 4 of Section B in Annex I of the Agreement shall be deleted and replaced by the following:

- "(f) (i) For the purposes of this paragraph, the period during which an agricultural safeguard measure may be maintained shall commence no later than the day following the fifth business day after the end of the publication period in which the conditions set out in subparagraph (b) were met.
 - (ii) For the purposes of this paragraph, as an exceptional measure taken for the implementation of this paragraph, within five business days after the end of each publication period, the customs administration of Japan shall publish the aggregate volume of imports of the originating agricultural goods as provided in subparagraph (a) from the United States as well as the aggregate volume of imports of such goods from the United States and corresponding imports of goods that can be classified in the tariff items indicated with "SG1*" or "SG1**" in Column "Staging Category" in the Schedule of Japan from the parties, that are also original signatories, of the CPTPP, qualifying as originating under the CPTPP in accordance with its provisions, between:

- (A) the beginning of the fiscal year and the end of the publication period; and
- (B) for Year 10 through Year 14, the beginning of the quarter and the end of the publication period."

Article 4

Paragraph 9(g) of Sub-Section 4 of Section B in Annex I of the Agreement shall be deleted and replaced by the following:

- "(g) (i) Notwithstanding subparagraph (b), Japan may, as a quarterly safeguard measure, increase the rates of customs duties for the originating agricultural goods provided for in the tariff items indicated with "SG1*" or "SG1**" in Column "Staging Category" in the Schedule of Japan from the United States in accordance with paragraph 3 for a period of 90 days, if, during any year from Year 10 through Year 14, the following conditions are met in any quarter:
 - (A) the aggregate volume of imports of such goods from the United States in any quarter exceeds 117 percent of one fourth of the trigger level set out in subparagraph (b)(i)(D) for the respective year; and
 - (B) the aggregate volume of imports of such goods from the United States and corresponding imports of goods that can be classified in the tariff items indicated with "SG1*" or "SG1**" in Column "Staging Category" in the Schedule of Japan from the parties, that are also original signatories, of the CPTPP, qualifying as originating under the CPTPP in accordance with its provisions, in the same quarter exceeds 117 percent of one fourth of the CPTPP trigger level set out in subparagraph (b)(ii)(G) for the respective year.
 - (ii) The 90-day period referred to in subparagraph (i) shall commence no later than the day following the fifth business day after the end of the publication period in which the conditions set out in subparagraph (i) were met.
 - (iii) The rate of customs duty referred to in paragraph 3(c) if the conditions set out in subparagraph (i) are met shall be:
 - (A) 20.0 percent, if the conditions are met during Year 10 through Year 13; and
 - (B) 18.0 percent, if the conditions are met in Year 14.
 - (iv) Notwithstanding subparagraph (b), if, during any year from Year 10 through Year 14, the conditions set out in subparagraph (b) are met, and at the same time the conditions set out in subparagraph (i) are met, Japan may maintain an agricultural safeguard measure under this paragraph until the later of the end of the 90-day period provided for in subparagraph (ii) or the date provided for in subparagraph (e)."

Article 5

Paragraph 9(k) of Sub-Section 4 of Section B in Annex I of the Agreement shall be amended by deleting the words "subparagraph (b)(i)" and replacing them with the words "subparagraph (b)(i)(A)".

Article 6

Paragraph 10(a)(iii)(B) of Sub-Section 4 of Section B in Annex I of the Agreement shall be amended by deleting the words "Comprehensive and Progressive Agreement for Trans-Pacific Partnership, done at Santiago on March 8, 2018 ("CPTPP")" and replacing them with the word "CPTPP".

Article 7

This Protocol shall enter into force 30 days after the date on which the Parties have notified each other in writing of the completion of their respective applicable legal procedures, or on such other date as the Parties may decide, and shall cease to be in force on the date on which the Agreement ceases to be in force.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed this Protocol.

DONE in duplicate at Washington, District of Columbia, this second day of June, 2022, in the Japanese and English languages, both texts being equally authentic.

For Japan: For the United States of America:

冨田浩司 Katherine Tai