



MITI.600-2/37/2(1)(S)

2 April 2026

The Director
Investigations 4,
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601
AUSTRALIA

Dear Sir/Madam,

**THE GOVERNMENT OF MALAYSIA'S INTERVENTION ON THE INITIATION OF
THE ANTI-CIRCUMVENTION INQUIRY ON IMPORTS OF
2,4-DICHLOROPHENOXYACETIC ACID (HS CODE 2918.99.00 & 3808.93.00)**

Reference is made to the initiation of an **Anti-Circumvention Inquiry No. 693 (Anti-Dumping Notice - ADN2026/001)** issued by the **Anti-Dumping Commission, Department of Industry, Science, Energy and Resources, Australia (Commission)** which was published on **7 January 2026**.

2. On behalf of the **Government of Malaysia (GOM)**, the **Ministry of Investment, Trade and Industry (MITI)** submits the following **concerns and comments** pertaining to the Commission's decision to initiate an anti-circumvention inquiry, as follows:

(i) Lack of Evidence for Circumvention Activities

The GOM draws attention to Consideration Report No. 693, noting that the underlying anti-dumping measures against Chinese 2,4-D have persisted for over two decades. Having undergone four (4) continuation inquiries, these measures will have been in place for a **continuous 25-year period** by 2028. Notwithstanding the **permanent nature** of the **protection** already afforded to the domestic industry, Nufarm Limited now seeks to extend this reach by alleging that Malaysian exports have engaged in circumvention via the following methods:

- a) assembly of parts in a third country; and
- b) export of goods through one or more third countries.

The GOM further notes the Applicant's claim that circumvention activities commenced on 1 January 2019. In response, the GOM highlights that Malaysian exporters have maintained a **consistent and established presence** in the Australian 2,4-D market since 2000. Therefore, **current export volumes do not constitute a 'sudden change in the pattern of trade'** triggered by duties on Chinese-originating goods; rather, they represent a **long-standing and legitimate commercial relationship**. Furthermore, official records confirm that Malaysian exporters were issued Preferential Certificates of Origin (PCO), demonstrating that these exports **fulfill all requisite criteria** and **satisfy the specific Rules of Origin (ROO)** requirements under the ASEAN-Australia-New Zealand Free Trade Agreement (**AANZFTA**).

Additionally, the GOM points out that the evidence provided by the Applicant includes a ruling by **U.S. Customs and Border Protection affirming that Malaysian-produced 2,4-D** constitutes a product of Malaysian origin. This finding is based on the **principle of substantial transformation**, whereby raw materials are converted into a new and different article of commerce. As the synthesis of 2,4-D requires advanced molecular processing and significant capital investment, the GOM encourages the Commission to verify these facts firsthand through **on-site inspections**. Witnessing the manufacturing process will provide the Commission with an empirical basis to conclude that these operations are legitimate, high-value industrial processes rather than mere circumvention. In this respect, the GOM believes that the **issuance of PCO under AANZFTA, acknowledgement by USCBP, as well as an onsite verification should be sufficient to dismiss both the circumvention activities alleged by the Applicant.**

(ii) **Abuse of Anti-Circumvention Inquiry**

The GOM expresses grave concern over the Applicant's allegations and maintains that an anti-circumvention inquiry must not be used as a mechanism to extend anti-dumping measures to a third country while bypassing the holistic investigation procedures mandated by the **WTO Anti-Dumping Agreement**. The circumvention claims presented are predicated on unsubstantiated assumptions that fail to reflect the commercial realities of the Malaysian chemical industry. Consequently, this **inquiry should not have been initiated on the basis of frivolous and irrational allegations**, particularly when the purported circumvention activities are technically and commercially inapplicable to the product in question.

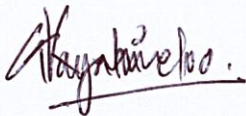
As an Australian domestic industry that have been protected by a perpetual AD measure of almost 25 years, the GOM is of the view that **the Applicant should not resort to baseless anti-circumvention allegations for more**

protection from legitimate international competition. The GOM stresses that any trade remedies measures or investigation should be strictly taken only for addressing unfair trade practices and must not be misused as a protectionist measure. The GOM notes with concern that the Applicant has **specifically targeted a Malaysian exporter** in its application without substantiated evidence, hence, this targeted approach appears to be an **attempt to disrupt the established supply chains of a highly compliant and long-standing market participant.**

The GOM believes that should the named exporter found to be a **legitimate manufacturer**, the anti-circumvention inquiry should not result to an alteration of the existing notice and this **anti-circumvention inquiry should be terminated with immediate effect.**

3. Based on the foregoing comments, the GOM strongly urges the Commission to terminate the anti-circumvention inquiry concerning exports from Malaysia. We trust that the Commission will maintain its commitment to a fair and evidence-based investigation, ensuring that all proceedings remain consistent with both domestic legislation and WTO obligations.

Thank you.



(GAYATRI KUMARAVELOO)
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Ministry of Investment, Trade and Industry (MITI)
MALAYSIA

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