



**PACIFIC
AGRISCIENCE**

PACIFIC AGRISCIENCE PTE LTD

Company Registration no. 199806146C

GST Registration no. 199806146C

101B Tanjong Pagar Road

Singapore 088522

Tel (65)

6222-9753

Fax (65) 6223-3009

E-mail: cs@pacificagriscience.com

Website: www.pacificagriscience.com

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Ms Christie Sawczuk
Manager International Trade Remedies Branch
Australian Customs and Border Protection Service
5, Constitution Avenue
CANBERRA ACT 2601

Dear Ms Sawczuk,

Re: Anti-dumping duty on Chinese formulated Glyphosate — Like Goods — 62% IPA Salt

With reference to our submission dated 7 March 2012 and also the letter of Nufarm to you dated 19 March 2012, we do not agree that there are like goods between what were sold and used in China and what were sold and used in Australia in the year 2011.

As I stated in our previous submission, as the application for anti-dumping duty centres around formulated Glyphosate, it means we are talking about formulated Glyphosate products in which farmers purchase and apply in the field to control weeds.

The predominant Glyphosate formulation sold in Australia for weed control is the 450g/L product. This is not sold and used at all in China. The other Glyphosate

products sold in Australia were almost all higher loading ones than 450 whereas in China, the highest loading Glyphosate sold in 2011 was Glyphosate 360 which was and is a minor formulation sold and used in Australia. As mentioned previously, even in this 360 formulation which has an over-lap in China and Australia, the Chinese-made 360 sold in China contained Chinese-made surfactants whereas those made and sold in Australia contained an ethoxylated tallowamine surfactant.

Surfactant is absolutely critical to the functioning and efficacy of Glyphosate, unlike other herbicides. This is a well known fact. In the light of this, technically and commercially, if the surfactant used is different, even if the active ingredient content is the same, they are not like goods. Their respective costs and prices would be quite different. Their respective efficacy and performance would also be very different especially under Australian conditions. To call them like goods would be like calling grilled T-bone steak and Sheppard's pie like goods just because both are cooked beef (think in terms of formulated Glyphosate) as apposed to raw beef (think in terms of technical Glyphosate, Glyphosate acid or Glyphosate 62% IPA salt).

Turning your attention now to Glyphosate 62% IPA salt, Nufarm's letter dated 19 March 2012 claimed that "the 62% IPA salt and any other concentration of it or another salt...are like goods and within the scope of the inquiry because (allegedly based on Customs findings in 2002):

(a) there were no basic differences in the chemical characteristics and properties.....

(b) all forms are dedicated to the same ultimate use (as a herbicide) and cannot be used for other purposes".

We do not agree with the above claims and findings at all, whether they were concluded by Customs in 2002 or by Nufarm now. Again, as we have stated, surfactant used in conjunction with the salt is absolutely critical to the performance and efficacy of Glyphosate. In the case of Glyphosate 62% IPA salt, it does not even contain a surfactant. It is not a formulated product. It is not sold to farmers anywhere on earth and it is not used by farmers to control weeds. Instead, it is an intermediate for the purpose of formulating into a herbicide which farmers can use for the purpose of controlling weeds. Here, it would be like calling crude oil and gasoline at the pump like goods because both have similar

characteristics and both are used to provide energy.

Nufarm excluded Glyphosate Acid in the current application because "it is no longer manufactured in Australia". Well, the fact is that Glyphosate 62% IPA salt is also not made and sold in Australia. Glyphosate 62% IPA salt is and has been a commercial intermediate traded worldwide especially in the 90s, soon after patent expiry when there were not many plants converting Glyphosate acid to IPA salt. Since that period, there were 10s or may be even over a hundred such plants in China itself as the conversion process is not rocket science. It does not require more than a million dollars to set one up as mentioned in our earlier submission. Formulators in Australia such as Accensi and Nufarm as well as others may purchase Glyphosate acid and convert it to a salt, be it IPA or any other, and then formulate it into end-use products. But, none of them would purposely make a 62% IPA salt, drum it and then sell it. So, like Glyphosate acid, Glyphosate 62% IPA salt is also not made in Australia. Therefore, Nufarm's statement and claim that "with respect to the salts of Glyphosate, they are manufactured in Australia and have been sold during the period covered by the inquiry" is totally misleading. Salts of Glyphosate per se are not sold in Australia. It is formulated Glyphosate, incorporating a critical surfactant, ready to be used by farmers, irrespective of salt type, that is made and sold in Australia.

Our conclusions are that:

1. There are no like goods for the purpose of this application for anti-dumping duty on Chinese formulated Glyphosate and the ensuing enquiry, and
2. Furthest from like goods is Glyphosate 62% IPA salt as it does not even contain a surfactant critical for the functioning of Glyphosate as a herbicide.

Sincerely,



C S Liew
Managing Director