Australian Government
Department of Industry, Science, Energy and Resources

Anti-Dumping Commission

Supplementary Exporter Questionnaire

Anti-circumvention Inquiry No. 693

Case number	693
Product	2,4-Dichlorophenoxyacetic acid
From	Malaysia
Inquiry period	From 1 July 2019 to 31 December 2025
Response due by	7 September 2026 **Extended, for specific questions, to:** • **14 September 2026** • **21 September 2026** • **28 September 2026**
Return questionnaire to	investigations2@adcommission.gov.au OR https://industry-sb2.sig-box.com/index.php/f/6075972
ADC website	www.adcommission.gov.au

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INSTRUCTIONS

The Commission thanks Kenso for its response to the exporter questionnaire.

This document is a supplementary exporter questionnaire; its purpose is to:

- ask clarifying questions that will assist the Commission to better understand Kenso's response to the original questionnaire; and
- to ask follow-up questions that will increase the Commission's understanding of Kenso's operations.

The original exporter questionnaire requested detailed information relating to the 2025 financial year. Some questions in this supplementary questionnaire request high-level information for the remaining years of the inquiry period, from 2019 to 2024. This information will assist the Commission to better understand Kenso's operations over time.

If Kenso is unable to provide any requested historical information, or anticipates difficulty doing so, please contact the Commission as soon as possible.

The Commission recognises that retrieving historical information may be difficult, and we are committed to working with Kenso to identify a practical way forward. The Commission appreciates Kenso's continued cooperation with this inquiry.

Submitting your responses to this supplementary exporter questionnaire

Kenso may submit its completed response and supporting files by emailing them to the address shown on the cover page of this questionnaire, or by uploading them using the SIGBOX link: **https://industry-sb2.sig-box.com/index.php/f/6075972** . Please contact the Commission if you have difficulty accessing the SIGBOX folder.

Confidential and non-confidential responses

You are required to lodge a confidential version (for official use only) and a non-confidential version (for public record) of your response to this questionnaire by the due date. Please ensure that *each page* of information you provide is clearly marked either "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

All information provided to the Commission in confidence will be treated accordingly. The public record version of your questionnaire will be placed on the public record, and must contain sufficient detail to allow a reasonable understanding of the substance of the information, but does not breach confidentiality nor adversely affect those interests.

A person is not required to provide a summary for the public record if the Commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information.

All questionnaires are required to have a bracketed explanation of deleted or blacked out information for the public record version of the questionnaire. An example of a statement to accompany deleted/blacked out text is:

[Explanation of cost allocation through the divisions, by reference to machine hours or weight].

If such an explanation is not provided, the Commission may disregard the information in the submission. Where the public record version of your response to the questionnaire does not contain sufficient detail, your company may be deemed to have significantly impeded the case and be deemed an uncooperative exporter.

Verification of the information that you supply

The Commission may elect to undertake verification of the information you provide in your questionnaire response. The Commission remains committed to ensuring that data submitted by parties is complete, relevant and accurate. The Commission will contact you if it wishes to undertake verification, following receipt of your response. If an onsite visit is not possible, the Commission may elect to undertake alternative verification activities. This includes but is not limited to remote verification, desktop assessments or delaying verification activities until such time as onsite verification is possible.

A verification visit, or any verification activity is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be relevant, complete and accurate.

Onsite verification is usually conducted over 4 days, remote and desktop verification may take a longer period of time. In complex cases, a verification visit, if conducted, may be scheduled over 5 days. A desktop verification may require a longer period.

Any verification activity will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial accountant, production manager and sales staff. A tour of the manufacturing facility, should an onsite visit be possible, may also be required during the verification visit.

Note that the Commission may disregard any data or information that is not verified, including new or additional information provided after the verification activity.

A report will be prepared following the verification visit, which details the outcomes of the visit. You will be provided with an opportunity to comment on the accuracy and confidentiality of the verification report prior to its publication on the public record.

For information on the Commission's verification procedures, refer to Anti-Dumping Notice No. 2016/30 available on the Commission's website.

MODEL CONTROL CODE

The MCC has <u>not changed</u> from the original exporter questionnaire, it is provided here for your convenience.

Details of the model control code (MCC) structure for the goods are detailed in the table below.

Category	Sub-Category		Sales Data	Cost Data
Form (of 2,4-D)[1]	**T**	Technical	Mandatory	Mandatory
	F	Formulation		
Product Type	**A**	Acid	Mandatory	Mandatory
	E	Esters		
	S	Amines/Salts		
	M	Mixtures[2]		
Strength (of 2,4-D)	**###**[3]	% (w/v) 2,4-D Acid	Mandatory	Mandatory

Table 2: Proposed MCC structure

If there are models manufactured and sold by your company that do not align within the MCC structure above, this should be raised by lodging a submission with the Commission as soon as is practicable, but no later than the time this questionnaire is due, otherwise the response may be considered deficient.

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[1] Technical 2,4-D: These are the active ingredient forms of 2,4-D that have herbicidal activity, but is not fit for use by end users. Note that amine/salt forms are rare as a saleable unit, as they are typically formed as part of the formulation process. Formulation 2,4-D: These are the products that end users apply as herbicides, which contain an active ingredient form of 2,4-D.

[2] 'Mixture' formulation category are for herbicide formulations which contain a second or third active ingredient along with the 2,4-D.

[3] Use a separate identifier for the percentage strength of 2,4-D (% w/v) e.g. 62.5%, 68%, 70%, 72%, 80%. The Commission may group certain categories of '% strength' in formulating a final MCC.

SECTION A

The Commission does not have any supplementary questions related to this section at this time.

SECTION B
EXPORT SALES TO AUSTRALIA

B-1 Australian export sales process

Supplementary question B-1.1:

***This question was updated by the Commission on 4 Sept 2026 to clarify that:**

1. **The question refers only to products containing 2,4-D, rather than all products on Kenso's price lists.**
2. **The question refers to the entire inquiry period.**
3. **An example calculation for a representative 2,4-D product in a single month is requested, rather than calculations all products on Kenso's price lists.**

Kenso stated in response to B-1.2 and B-1.4 that the selling price to Kenso Agcare is issued monthly on a cost-plus basis and has provided monthly price lists for 2025 in Attachments B-1.5(1) to (12).

The Commission seeks to understand how the monthly export prices of goods containing 2,4-D active ingredients are set between Kenso and Kenso Agcare, and how that methodology may have changed over the inquiry period (01 Jan 2019 – 31 Dec 2025).

a) For all 2,4-D products Kenso offered for sale to Kenso Agcare in 2025, **[CONFIDENTIAL TEXT DELETED – information about pricing]**. Please include:

- the costs included **[CONFIDENTIAL TEXT DELETED – information about costing]**;

The costs included [CONFIDENTIAL TEXT DELETED – information about costing].

- **[CONFIDENTIAL TEXT DELETED – information about pricing]**;

[CONFIDENTIAL TEXT DELETED – information about pricing]

- explain **[CONFIDENTIAL TEXT DELETED – information about pricing]**; and

[CONFIDENTIAL TEXT DELETED – information about costing and pricing]

- identify the persons or entities responsible for proposing, reviewing and approving the price.

Kenso's Accounts Manager is responsible for performing the pricing computation. Kenso's Financial Controller is then responsible for reviewing and approving the pricing before it is issued [CONFIDENTIAL TEXT DELETED – information about customers].

Please provide any pricing policy, transfer-pricing policy, internal approval, benchmarking analysis or correspondence supporting the methodology/ies.

See Attachment B-1(a) - Kenso Corp Transfer Pricing Documentation (Ernst Young), section 5.1 on page 16 for pricing policy.

b) To assist the Commission to understand and test **[CONFIDENTIAL TEXT DELETED – information about pricing]**, please provide a worked calculation for **[CONFIDENTIAL TEXT DELETED – particular product selected by Commission]** for one month in 2025 in which that product was exported to Australia. The calculation should:

- identify the month and relevant price-list entry;
- show each cost component, the source period and unit of measurement;
- **[CONFIDENTIAL TEXT DELETED – information about pricing]**;
- reconcile the result to the price shown in the relevant monthly price list; and
- be supported by source records sufficient to verify the calculation, including the applicable bill of materials or formulation record, cost records and internal price approval.

If **[CONFIDENTIAL TEXT DELETED – particular product selected by Commission]** is not representative of the methodology generally applied to other 2,4-D products, please provide a second representative example and explain the material differences.

See Attachment B-1(b) – Example Pricing Calculation [CONFIDENTIAL TEXT DELETED – particular product selected by Commission].

c) For all 2,4-D products offered for sale to Kenso Agcare during the inquiry period (01 Jan 2019 – 31 Dec 2025), please **[CONFIDENTIAL TEXT DELETED – information about pricing]**.

[CONFIDENTIAL TEXT DELETED – information about pricing]

Supplementary question B-1.2:

Kenso identified a credit note in its response to B-1.8. Apart from this, were any Australian selling prices or amounts payable for 2025 adjusted before or after invoicing through:

- year-end or retrospective transfer-pricing adjustments;
- intercompany account entries or offsets;
- management, marketing, administrative or other service charges;
- reimbursement of expenses;
- waiver or deferral of amounts payable; or

- any other payment, compensation or benefit involving Kenso, Kenso Agcare or another related entity?

If the answer is yes, please provide details and supporting records.

[CONFIDENTIAL TEXT DELETED – information about inter-company adjustments]

Supplementary question B-1.3:

Kenso's response to B-1.2 states that the credit terms for transactions with Kenso Agcare range between **[CONFIDENTIAL TEXT DELETED – numbers]** days. The Commission seeks to understand:

- how the applicable term is determined for each transaction;

[CONFIDENTIAL TEXT DELETED – information about credit terms and inter-company arrangements]

- whether interest or another financing charge is included in the selling price or separately charged;

[CONFIDENTIAL TEXT DELETED – information about credit terms and inter-company arrangements]

- whether amounts were paid within the agreed period;

[CONFIDENTIAL TEXT DELETED – information about credit terms and inter-company arrangements]

- whether overdue amounts were waived, extended, offset or otherwise adjusted.

[CONFIDENTIAL TEXT DELETED – information about credit terms and inter-company arrangements]

B-2 Australian sales listing

Supplementary question B-2.1:

Kenso has completed the 'B-2 Australian Sales' worksheet. Please clarify the missing units for the columns titled:

- Inland Transport
- Handling & other

Rows 7 and 8 are credit note transactions. **[CONFIDENTIAL TEXT DELETED – information about credit note circumstances]**

Supplementary question B-2.2:

***This question has been amended by the Commission on 4 September 2026 to clarify that:**

1. **The question is a request for new information; the question is not requesting an amendment to the 'B-2 Australian Sales' in Kenso's Exporter Questionnaire response.**
2. **The information required to distinguish the net weight of the formulated product, the weight of the product with its immediate packaging, and the total shipment weight including additional transport packaging and materials.**

This question is a request for new information; this question is not a request to amend the 'B-2 Australian Sales' in Kenso's Exporter Questionnaire response.

The Commission seeks to understand what proportion of the total shipment weight comprises:

- the formulated product itself;
- the formulated product together with its immediate packaging; and
- the formulated product, its immediate packaging and any additional packaging or materials used for transport, such as pallets, cartons, wrapping or protective materials.

For each 2,4-D product exported to Australia during the inquiry period (**1 January 2019 to 31 December 2025**), please provide the:

- product name
- product volume
- net weight corresponding to the product volume, excluding all packaging;
- weight of the product's immediate packaging (eg bottle, drum, IBC with integrated pallet);
- weight of any additional transport packaging (eg the weight of pallets, wrappings etc required for shipment).

The table below illustrates how the Commission understands the weights accumulating at each stage of the shipping process. The Commission recognises that its current understanding may not reflect how Kenso ships the products or records the associated quantities and weights in its systems. Please provide the requested information in a format that best aligns with Kenso's records.

Kenso may provide total weights at each stage and derive the component weights or unit quantities, where appropriate. Please explain the shipping process, the basis of each calculation and any assumptions, conversion factors or estimates used. Where an amount is estimated rather than taken

directly from Kenso's records, please identify it as an estimate and explain the methodology and source information used to generate the estimate.

Product name	**[CONFIDENTIAL TEXT DELETED – information about certain products with reference to the commercial items in the left hand column]**
Product volume/L	
Product net weight/kg	
Immediate packaging description	
Weight of immediate packaging/kg	
Net weight plus immediate packaging/kg	
Transport packaging configuration	
Weight of transport packaging/kg	

Table 1. Illustrative example of the cumulative weight of the formulated product, immediate packaging and additional transport packaging. This is provided as an example only, please provide the information in a format that aligns with Kenso's record keeping.

See Attachment B-2.2 – Kenso 2,4 -D formulated product to AU volume and weight

B-4 Reconciliation of sales to financial accounts

Supplementary question B-4.1:

***This question has been amended by the Commission on 4 September 2026 to:**

1. **Correct the reference to a column titled 'Units' and clarify that the relevant column in the 'B-4 Upward Sales' worksheet is titled 'Volume'.**
2. **Specify the information requested for the 'Value' and 'Volume' fields, including the currency, what each reported quantity represents, the applicable unit of measurement and, where relevant, the package size or basis of the reported weight.**
3. **Request the same clarification for the corresponding fields in the 'B-5 Sales Turnover' and 'G-8 Upwards Cost' worksheets.**

In the 'B-5 Domestic sales' worksheet, Kenso has reported some products by weight (kg) and others by volume (L), together with the number of units for each line item.

The Commission understands that 'units' may refer to the number of packages sold—for example, **[CONFIDENTIAL TEXT DELETED – information about product, packages and packaging] -** but seeks confirmation because the term may be used differently across Kenso's worksheets.

The Commission seeks to understand what each reported quantity represents and the unit of measurement used, so that the sales information can be interpreted and reconciled consistently.

a) For the 'B-4 Upward Sales' worksheet, please clarify the following:

   i. For the column titled 'Value', identify the currency used.

   ii. For the column titled 'Volume', explain what each figure represents—for example, litres of product, kilograms of product, or the number of packages sold—and identify the applicable unit of measurement.

   iii. If 'Volume' represents the number of packages sold, identify the package size and unit of measure. If it represents weight, state whether it is the net weight of the product excluding packaging, the weight inclusive of immediate packaging, or another measure.

b) After reviewing Kenso's workbook, the Commission has identified similar questions for other worksheets. Please provide the same clarifications requested above for the corresponding 'Value' and 'Volume' fields in the 'B-5 Sales Turnover' and 'G-8 Upwards Cost' worksheets.

See Attachment B-4.1(b) – Sales and Cost Clarification (value and volume)

B-5 Summary of sales from 1 January 2019

Supplementary question B-5.1:

The Commission has reviewed Kenso's completed 'B-5 Sales Turnover' worksheet.

a) Please clarify the units for the data submitted in the columns titled 'Volume' and 'Value'. If the volume refers to the number of packaged units, please provide the number of units and the volume (L) and weight (kg) of each package.

As per the clarifications in Attachment B-4.1 - 1(b) – Sales and Cost Clarification (value and volume), value is MYR and volume is recorded as "L" and "KG".

b) The data in the worksheet shows **[CONFIDENTIAL TEXT DELETED – comparative information about certain products]**. Can Kenso describe what is driving this trend?

Based on our review, [CONFIDENTIAL TEXT DELETED – information about sales trends], as referred to in the Commission's question. That said, sales trends are driven by market and weather conditions, and this can cause fluctuations [CONFIDENTIAL TEXT DELETED – information about sales trends].

c) The data in the worksheet shows **[CONFIDENTIAL TEXT DELETED – comparative information about certain products]**. Can Kenso explain the drivers behind this?

> **[CONFIDENTIAL TEXT DELETED – comparative information about certain products]** poor for sales of 2,4-D products for all sellers, due to sub-optimal weather conditions. **[CONFIDENTIAL TEXT DELETED – commercial information about response to conditions]**.
>
> **[CONFIDENTIAL TEXT DELETED – comparative information about certain products]**

d) Please explain whether **[CONFIDENTIAL TEXT DELETED – question about Kenso sales to multiple export markets]**.

> Exported volume is driven by market demand. Kenso sales decisions are made for no other reason.

e) Please explain how **[CONFIDENTIAL TEXT DELETED – question about Kenso commercial sales strategies]**?

> 2,4-D products belong to a basic class of herbicides which are in demand in all agricultural markets. Kenso offers these products in its base product portfolio to the export markets in which it participates.

f) Kenso has declared in the worksheet that it exported 2,4-D products to countries other than Australia during the inquiry period. **[CONFIDENTIAL TEXT DELETED – question about customers in other export markets]**?

> Yes. Over 2019 to 2025 Kenso shipped formulated 2,4-D glyphosate products to **[CONFIDENTIAL TEXT DELETED – commercial information about export markets]**.

B-7 Exports of the alleged circumvention goods

Supplementary question B-7.1:

Kenso's response to B-7.3 states that it commenced exports to Australia in 2002.

Please confirm that the Australian exports commencing in 2002 included 2,4-D products. If not, please specify which financial year Kenso commenced exports of one or more 2,4-D products to Australia.

> Yes, this is confirmed.

Supplementary question B-7.2:

The Commission seeks to understand the range of products formulated by Kenso, and the extent of that formulation. Can Kenso please advise:

a) Does Kenso formulate all products it exports (to any country)?

Kenso formulates all the 2,4-D products it exports.

b) Did Kenso formulate all products it exported to Australia during the inquiry period?

Yes

c) Does Kenso purchase some products in a form that is either ready for re-sale, or resold with minor formulation (eg dilution) or packaging (eg decanting into smaller packaging)? This includes domestic and export sales.

[CONFIDENTIAL TEXT DELETED – commercial information about resales (sales that are repackaged only)]

d) If the answer to (c) is yes, please update the raw materials data sheet to include these products as raw materials.

The raw material is already included in the G-7.1 data sheet as submitted in the Exporter Questionnaire.

SECTION C
EXPORTED GOODS AND DOMESTIC GOODS

The Commission does not have any supplementary questions related to this section at this time.

SECTION D
DOMESTIC SALES

D-1 Domestic sales process

Supplementary question D-1.2:

Kenso's response to D-1.2 states that domestic sales of 2,4-D in 2025 **[CONFIDENTIAL TEXT DELETED – information about Malaysian customers]**.

The Commission seeks to understand how selling prices are set for **[CONFIDENTIAL TEXT DELETED – information about Malaysian customers]**.

- Explain how the 2025 domestic selling prices are set for **[CONFIDENTIAL TEXT DELETED – information about Malaysian customers]**.

> The domestic selling prices are set based on **[CONFIDENTIAL TEXT DELETED – information about costing and pricing]**.

- Does Kenso consider that **[CONFIDENTIAL TEXT DELETED – information about Malaysian customers]**? Please explain the reasons for your answer.

> Yes. Prices change in line with prevailing raw material costs and market prices. **[CONFIDENTIAL TEXT DELETED – information about costing and pricing]**

D-2 Domestic sales listing

Supplementary question D-2.1:

Kenso has completed the "D-2 Domestic sales" worksheet.

The Commission understands from the data in this worksheet that **[CONFIDENTIAL TEXT DELETED – information about Malaysian customers]**. The Commission seeks to understand the extent of Kenso's domestic customers during the entire enquiry period.

a) **[CONFIDENTIAL TEXT DELETED – information about Malaysian customers]** during the inquiry period (invoiced between 1 Jan 2019 to 31 Dec 2025)?

b) If the answer to (a) is yes, please complete the supplementary worksheet "D-2 Domestic sales 2019_2025" **[CONFIDENTIAL TEXT DELETED – information about Malaysian customers]**.

- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

- If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-2 above, add a column for each item. For example, certain other selling expenses incurred.

SECTION G
COST TO MAKE AND SELL

G-1 Production process

Supplementary question G-1.1:

Kenso has provided the formulation processes for Australian exports in Attachments G-1.1. The Commission seeks to further understand the resources involved at each stage of the processes.

For each formulation step in Attachments G-1.1, please update the manufacturing process diagrams to include labour details, such as:

- the approximate time required for each manufacturing step;
- whether the step is performed manually or is automated (eg is transfer to an IBC done manually?
- for each step, the number of staff involved and the time each staff member spends performing it.

The Commission has provided an example in Supplementary question G-7.2 to demonstrate the type of information the Commission is seeking.

Supplementary question G-1.2:

The Commission seeks to understand the regulatory requirements of Kenso's formulation of 2,4-D products.

For any licence, permit or approval Kenso holds to purchase, produce, formulate, store or export 2,4-D products:

a) Specify:

- the issuing authority;
- validity period;
- application, renewal and ongoing compliance requirements;
- the costs and staff time incurred to obtain and maintain each licence.

See Attachment G-1.2(a) – Kenso industrial and business licences list

b) Please provide copies, in English, of any licence, permit or approval Kenso holds to purchase, produce, formulate, store or export 2,4-D products.

See Attachment G-1.2(b) – Copies of Kenso industrial and business licences (Malay and English)

c) Please also identify, to the best of Kenso's knowledge, other companies in Malaysia that hold equivalent licences.

To the best of Kenso's knowledge, companies in Malaysia holding equivalent licences would be the following:

- **Nufarm Malaysia Sdn. Bhd**
- **[CONFIDENTIAL TEXT DELETED – name of company]**
- **[CONFIDENTIAL TEXT DELETED – name of company]**
- **[CONFIDENTIAL TEXT DELETED – name of company]**
- **[CONFIDENTIAL TEXT DELETED – name of company]**
- **[CONFIDENTIAL TEXT DELETED – name of company]**

G-7 Major raw material costs

The Commission has considered the information supplied by Kenso in the:

- "G-7.1 Raw material purchases" worksheet,
- listed products exported to Australia since 2019 in response to C-1,
- manufacturing process diagrams in Attachments to section G.

Supplementary question G-7.1:

The Commission seeks to clarify *which* raw materials are used in the manufacture of each 2,4-D formulated product.

For all 2,4-D products exported to Australia over the inquiry period (**01 Jan 2019 to 31 Dec 2025**), please complete the supplementary worksheet provided, titled "S G-7.1 Material matching".

The worksheet asks you to indicate 'Yes' to identify materials used to manufacture the formulated product. Your response should include all materials used in the manufacture of a product.

The Commission has prepopulated the worksheet with the names of products Kenso declared in C-1. Please add/edit additional columns as required.

See Attachment G-7 – Kenso material matching list

Supplementary question G-7.2:

The Commission seeks to clarify the *proportion* of materials used in the manufacture of each 2,4-D formulated product, the efficiency and wastage for each stage of the manufacturing process.

For all 2,4-D products exported to Australia over the inquiry period (**01 Jan 2019 to 31 Dec 2025**):

a) Please update the manufacturing process diagrams to include the volumes of materials used and produced at each stage of the manufacturing process. The red text in the example below has been provided to demonstrate the type of information the Commission is seeking.

See the following Attachments:

- **Attachment G-7.1(a)(1) - [CONFIDENTIAL TEXT DELETED – information identifying certain product];**
- **Attachment G-7.1(a)(2) - [CONFIDENTIAL TEXT DELETED – information identifying certain product]**
- **Attachment G-7.1(a)(3) - [CONFIDENTIAL TEXT DELETED – information identifying certain product];**
- **Attachment G-7.1(a)(4) - [CONFIDENTIAL TEXT DELETED – information identifying certain product].**

b) Please explain if, and how, the type and proportion of raw materials used in the formulation of a product has changed over the inquiry period?

During the inquiry period Kenso substituted [CONFIDENTIAL TEXT DELETED – information identifying certain raw materials and reason for substitution].

c) Confirm that all steps shown in the manufacturing process diagrams are completed by Kenso when it manufactures the product.

Kenso confirms that all steps shown in the manufacturing process diagrams are completed by Kenso when it produces the herbicides concerned.

We take this opportunity to address the Commission with respect to the characterisation of the process flows that are detailed in the Attachments provided in response to SEQ G-7.1(a) above.

Broadly speaking, there are three distinct processes involved in the production of a 2,-4-D herbicide product from its technical acid base. They are (1) esterification, or amination, and (2) formulation.

At a more detailed level, it is to be noted that:

- **in some cases, [CONFIDENTIAL TEXT DELETED – information identifying chemical processing method/s and identifying end product/s];**
- **there can be two separate [CONFIDENTIAL TEXT DELETED – information identifying chemical processing method/s and identifying end product/s];**
- **purification and filtration procedures, [CONFIDENTIAL TEXT DELETED – information identifying end result of processes mentioned];**
- **formulation, [CONFIDENTIAL TEXT DELETED – information identifying chemical processing method/s and conditions addressed by same].**

The point of all this is to emphasise that formulated 2,4-D herbicides are not capable of being classified as circumvention goods in the terms of Section 269ZDBB(3) of the *Customs Act 1901*. This is because chemical production processes are not to be characterised, and cannot be characterised, as "the assembly of parts".

As per our previous submissions, no one engaged in industrial activities, being the activities which Part XVB of the Act intends to regulate, would describe the production of herbicides as involving the assembly of parts.[4] [5]

That the production of chemicals is not to be described as the assembly of parts in the trade, customs, and industrial sphere is demonstrated by the laws, and the cases that have interpreted those laws, of other anti-dumping user jurisdictions.

1 In the United States:

(a) Title 19 of the US Code of Federal Regulations, Part 10, Section 16, specifically with respect to the rules for "assembly abroad", provides as follows:

> ***The assembly operations performed abroad may consist of any method used to join or fit together solid components, such as welding, soldering, riveting, force fitting, gluing, laminating, sewing, or the use of fasteners, and may be preceded, accompanied, or followed by operations incidental to the assembly as illustrated in paragraph (b) of this section. The mixing or combining of liquids, gases, chemicals, food ingredients, and amorphous solids with each other or with solid components is not regarded as an assembly.*** **[underlining supplied]**

(b) The court in *Drexel Chemical Co v United States*, Slip Op 03-60 (CIT, 5 June 2003) treated the production of a herbicide, involving reaction, blending with silica and clay, and then air milling, as the physical processing of chemicals, with no reference being made to the concepts of "assembly", or "parts", or "assembly of parts".

2 In Europe:

(a) Council Regulation (EC) No 163/2002 describes turning glyphosate acid into salt or formulated products as *"formulation"* and as *"transformation operations"*. The word *"assembly"* does not appear anywhere in the regulation. In order to apply anti-dumping measures against the exporter concerned reliance had to be placed on the EU's broader *"practice, process or work"* wording (Council Regulation (EC) No 384/96 of 22 December 1995), which is wording that is not to be found in Section 269ZDBB(3) of the Act.

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4 *Herbert Adams Pty Ltd v FCT* (1932) 47 CLR 222, 227 (Dixon J), stating that *"[a] revenue law directed to commerce usually employs the descriptions and adopts the meanings in use among those who exercise the trade concerned"*.

5 *Collector of Customs v Agfa-Gevaert Ltd* (1996) 141 ALR 59, 66 (Brennan CJ, Dawson, Toohey, Gaudron and McHugh JJ), stating that the law *"generally favours interpretation of the terms as they are understood in the trade to which the statute applies"*.

(b) In the course of its Judgment in *International Flavors and Fragrances IFF (Deutschland) GmbH v Hauptzollamt Bad Reichenhall*, the European Court of Justice stated:

> *In ordinary language , the concept of assembly is taken to mean the operation whereby the components (of a mechanism , a device or a complex object) are assembled in order to render it serviceable or to make it function.*[6]

[CONFIDENTIAL TEXT/PHOTOS DELETED – production information (see Kenso Exporter Questionnaire Attachments G-1.1 and G-1.2 – CONFIDENTIAL)]

Figure 1. The Commission has added red text to provide an example of the type of information requested in Supplementary question G-1.1 (question about labour) and in Supplementary question G-7.2 (question about the proportion of materials and products).

Supplementary question G-7.3:

The Commission seeks to confirm that all raw materials are captured in Kenso's response to the "G-7.1 Raw material purchases" worksheet.

a) For domestic and export sales (to any country), did Kenso purchase 2,4-D products during the inquiry period (01 January 2019 to 31 December 2025) in forms that were:

- ready for immediate on-sale, or

No

- ready to be resold after appropriate repackaging by Kenso (eg decanting into smaller volumes)?

At times, **[CONFIDENTIAL TEXT DELETED – information identifying material imported by Kenso and domestic sales]**.

- ready to be resold after minor formulation, such as dilution, and repackaging by Kenso.

No

b) If the answer to (a) is yes, please provide details of:

- the 2,4-D products purchased;
- the supplier and manufacturer, and the country of import;

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6 International *Flavors and Fragrances IFF (Deutschland) GmbH v Hauptzollamt Bad Reichenhall*, Case 295/81 (ECJ, 30 September 1982), para 10.

- the financial year/s in which the purchases were invoiced;
- the nature of any repackaging and minor formulation; and
- Kenso's product name of the finished (ie sold) 2,4-D product.

[CONFIDENTIAL TEXT DELETED – information identifying material imported by Kenso and domestic sales]

G-8 Reconciliation of cost to make to audited financial statements

Supplementary question G-8.1:

Kenso has completed "G-7.1 Raw material purchases" worksheet for purchases invoiced in 2025.

a) The "G-7.1 Raw material purchases" worksheet indicates **[CONFIDENTIAL TEXT DELETED – information identifying certain chemical input]**. Please explain:

- In 2025, which domestic or exported (to any country) products were formulated using **[CONFIDENTIAL TEXT DELETED – information identifying certain chemical input]**?

[CONFIDENTIAL TEXT DELETED – information identifying material imported by Kenso and domestic sales]

- If any exports to Australia (invoiced between 1 Jan 2019 – 31 Dec 2025), were formulated using **[CONFIDENTIAL TEXT DELETED – information identifying certain chemical input]**, please ensure that the information is captured in the 'S G-7.1 Material matching' worksheet and the 'S G-8.3 Raw materials 2019_2024' worksheet (see Supplementary question G-8.2, below).

Not applicable

b) The "G-7.1 Raw material purchases" worksheet indicates **[CONFIDENTIAL TEXT DELETED – information identifying certain chemical input]**.

- Please clarify if **[CONFIDENTIAL TEXT DELETED – information identifying certain chemical inputs]** are the same chemical.

Yes, they are different words describing the same chemical.

- If **[CONFIDENTIAL TEXT DELETED – information identifying certain chemical inputs]** are different materials, please provide additional information in the 'S G-7.1 Material matching' worksheet to assist the Commission to distinguish between them.

Not applicable

- For the **[CONFIDENTIAL TEXT DELETED – information identifying certain chemical inputs]** reported in "G-7.1 Raw material purchases", please specify **[CONFIDENTIAL TEXT DELETED – information identifying certain chemical inputs]** these materials. Can Kenso provide evidence (eg an invoice) to **CONFIDENTIAL TEXT DELETED – information identifying certain chemical inputs]**?

The minimum specification is [CONFIDENTIAL TEXT DELETED – number]%. See Attachment G-8(b) – Certificate of Analysis.

Supplementary question G-8.2:

The Commission has reviewed Kenso's "Attachment G-1.2 - **CONFIDENTIAL TEXT DELETED – information identifying certain chemical inputs]**". The Commission is unclear at what stage the 2,4-D 2 Ethyl hexyl ester reported in the raw materials enters the manufacturing process.

To help the Commission understand the manufacturing process **[CONFIDENTIAL TEXT DELETED – particular product selected by Commission]**, please clarify:

a) Does Kenso **[CONFIDENTIAL TEXT DELETED – particular product selected by Commission]** using 2,4-D acid as the starting point?

[CONFIDENTIAL TEXT DELETED – re affirmative/negative]. See Attachment G-7 – Kenso material matching list.

b) Can Kenso **[CONFIDENTIAL TEXT DELETED – particular product selected by Commission]** as the starting point, and thereby bypass using the 2,4-D acid?

[CONFIDENTIAL TEXT DELETED – re affirmative/negative]. See Attachment G-7 – Kenso material matching list.

c) Does the manufacture **[CONFIDENTIAL TEXT DELETED – particular product and product inputs selected by Commission]**? (ie it is not (a) or (b), both must happen).

[CONFIDENTIAL TEXT DELETED – identification of finished chemical product and raw materials].

d) If Kenso **[CONFIDENTIAL TEXT DELETED – particular product selected by Commission and process]**?

[CONFIDENTIAL TEXT DELETED – identification of raw materials and usage of same].

e) Does Kenso **[CONFIDENTIAL TEXT DELETED – particular product and product inputs selected by Commission]** purchased from a different manufacturer?

[CONFIDENTIAL TEXT DELETED – identification of raw materials, finished product, and usage of same].

Supplementary question G-8.3:

*** Please provide your response to this question electronically in the supplementary worksheet provided, titled "S G-8.3 Raw materials 2019_2024".**

In your response:

1. **If formulas are used to complete the worksheet, retain the formulas and do not replace them with hard-coded values.**
2. **Clearly identify all units of measurement.**
3. **If additional information is required that is not accommodated by the template, add clearly labelled columns to the right of the existing columns without altering the existing structure**

The Commission seeks further information to understand whether the source of raw materials Kenso used to produce 2,4-D products exported to Australia has changed during the inquiry period (**1 January 2019 to 31 December 2025**).

The Commission is not requesting transaction-level data or supporting invoices for 2019 to 2024 at this stage.

For each financial year from 2019 to 2024, please provide an annual summary of raw materials used to produce the 2,4-D products exported to Australia.

- the "S G-8.3 Raw materials 2019_2024" worksheet asks you to record:
- raw materials purchased;
- the supplier and country of origin of each input;
- the annual quantity and annual value of each input used.

See Attachment G-8.3 - Kenso raw material purchases 2019-2024

Supplementary question G-8.4:

Kenso has completed the "G-7.1 Raw material purchases" worksheet and provided an invoice for raw materials in Attachment G-7.2(a).

The Commission seeks to understand how Kenso selects its suppliers of raw materials.

a) The "G-7.1 Raw material purchases" worksheet identifies the underlying manufacturer for each 2,4-D-containing raw material supplied by **[CONFIDENTIAL TEXT DELETED – information about suppliers]**. However, Attachment G-7.2(a) does not identify the manufacturer.

   - Please explain how Kenso determined the manufacturer for 2,4-D materials purchased **[CONFIDENTIAL TEXT DELETED – information about suppliers]**?

- Please provide any source records that were used to identify the manufacturer reported for **[CONFIDENTIAL TEXT DELETED – information about suppliers]**, such as certificates of analysis, certificates of origin, purchase orders, product specifications, batch records or relevant correspondence.

Kenso's knowledge is based on the evidence of the Certificates of Analysis from the manufacturer that the supplier provides with each shipment.

b) Please explain the role of **[CONFIDENTIAL TEXT DELETED – information about suppliers]** in supplying Kenso with 2,4-D-containing raw materials in 2025. Please explain:

- whether Kenso **[CONFIDENTIAL TEXT DELETED – information about suppliers]** selected each underlying Chinese manufacturer;

The manufacturer offered by the supplier has to be approved by Kenso's QA department before being added as a qualified manufacturer.

- whether **[CONFIDENTIAL TEXT DELETED – information about suppliers]** can change the manufacturer without Kenso's prior approval;

[CONFIDENTIAL TEXT DELETED – re affirmative/negative]

- whether Kenso knew the identity of the manufacturer before placing each order;

[CONFIDENTIAL TEXT DELETED – re affirmative/negative]

- who negotiated the product specifications, price, quantity, delivery terms and other conditions with the manufacturer;

[CONFIDENTIAL TEXT DELETED – contractual arrangements]

- whether **[CONFIDENTIAL TEXT DELETED – information about suppliers]** took ownership of, stored, inspected or physically handled the goods; and

[CONFIDENTIAL TEXT DELETED – contractual arrangements]

- how **[CONFIDENTIAL TEXT DELETED – information about suppliers]** selling price to Kenso was determined, including any Commission, fee or markup applied.

[CONFIDENTIAL TEXT DELETED – contractual arrangements]

c) Regarding Kenso's sourcing arrangements for 2,4-D-containing raw materials during the inquiry period, please explain:

- the principal factors Kenso considers when selecting or retaining a supplier.

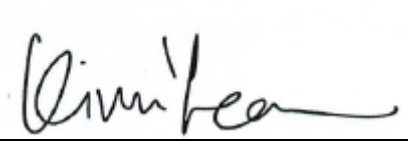
Key considerations are the ability to provide registration data to support the registration of the active ingredient in Malaysia, price competitiveness, quality assurance, reliability of supply, and service responsiveness.

- Regarding Kenso's response to the "S G-8.1 Raw materials 2019_2024" worksheet, please explain the reasons for any material changes in suppliers, underlying manufacturers, countries of supply, product forms or purchasing volumes that occurred during the inquiry period (1 January 2019 to 31 December 2025).

Changes are driven by industrial events, market changes, unreliability of supply/supply failure, poor quality, price competitiveness, and speed of delivery.

EXPORTER'S DECLARATION

I hereby declare that Kenso Corporation (M) Sdn Bhd has completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name	**Soh Kinn Yeow**
Signature	
Position in Company	**Director**
Date	**28 September 2026**

ATTACHMENT B-1(A)
KENSO CORP TRANSFER PRICING DOCUMENTATION (ERNST YOUNG)

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT B-1(B)
EXAMPLE PRICING CALCULATION

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT B-1.2(A)
KENSO INDUSTRIAL AND BUSINESS LICENCES LIST

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT B-1.2(B)
COPIES OF KENSO INDUSTRIAL AND BUSINESS LICENCES

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT B-2.2
KENSO 2,4 -D FORMULATED PRODUCT TO AU VOLUME AND WEIGHT

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT B-4.1(B)
SALES AND COST CLARIFICATION (VALUE AND VOLUME)

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT G-7.1
KENSO MATERIAL MATCHING LIST

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT G-7.1(A)(1)
[CONFIDENTIAL TEXT DELETED – NAME OF PRODUCT]
HERBICIDE PROCESS FLOW

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT G-7.1(A)(2)
[CONFIDENTIAL TEXT DELETED – NAME OF PRODUCT] HERBICIDE PROCESS FLOW

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT G-7.1(A)(3)
[CONFIDENTIAL TEXT DELETED – NAME OF PRODUCT] HERBICIDE PROCESS FLOW

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT G-7.1(A)(4)
[CONFIDENTIAL TEXT DELETED – NAME OF PRODUCT] HERBICIDE PROCESS FLOW

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT G-8(B)
CERTIFICATE OF ANALYSIS

[CONFIDENTIAL – self-explanatory as per Attachment description]

ATTACHMENT G-8.3
KENSO RAW MATERIAL PURCHASES 2019-2024

[CONFIDENTIAL – self-explanatory as per Attachment description]

APPENDIX
GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include sales occurring at different times (it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); specification differences; packaging; taxes; level of trade; advertising; servicing/warranty; inland freight; warehousing; export charges; credit terms; duty drawback; commissions.

Adjustments may also be required where the normal value is based on costs to make and sell.

Arms length

Sales are not considered to be at “arms length” on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where prices paid for like goods sold in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The Commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

Direct labour cost

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs e.g. power, supplies, indirect labour and fixed costs e.g. factory rent, factory insurance, factory depreciation etc.

The goods

The goods subject to the anti-dumping measures in the form of a dumping duty notice.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)

FCA free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc. paid if required)

FAS free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)

FOB free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation)

CFR cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc. payable upon exportation)

CIF cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance)

the terms CFR and CIF are only used where goods are carried by sea or waterway transport

CPT carriage paid to

CIP carriage and insurance paid to

the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc.

DAF delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customer's disposal)

DES delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)

DDU delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)

DDP delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc. incurred upon importation)

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods and the alleged circumvention goods, or that, although not alike in all respects have characteristics closely resembling those of the goods and the alleged circumvention goods. The term 'like goods' also refers to the goods produced by the Australian industry.

Normal value

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based on all costs to make and sell the goods, and an amount for profit. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the Commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the Commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- domestic sales of like goods
- sale of goods of the same general category by the exporter
- sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.