

Preliminary Affirmative Countervailing Duty Determination: Dynamic Random Access Memory Semiconductors from the Republic of Korea (68 FR 16766) (“*Preliminary Determination*”).

On April 7, 2003, the petitioner submitted comments alleging that Samsung Electronics Co., Ltd., (“SEC”) was uncreditworthy during the period 1997 through 1999. SEC filed rebuttal information relating to this allegation on April 10 and 17, 2003. The Department of Commerce (“the Department”) initiated an investigation of SEC’s creditworthiness for 1998 only in an April 17, 2003 memorandum to Louis Apple entitled “Samsung Electronics Co., Ltd. Uncreditworthiness Allegation,” which is on file in the Department’s Central Records Unit in Room B-099 of the main Department building (“CRU”). SEC and the petitioner filed further comments on this creditworthiness investigation subsequent to its initiation.

On April 8, 2003, Hynix Semiconductor, Inc. (“Hynix”) submitted ministerial error allegations relating to the *Preliminary Determination*. The petitioner filed a response to these allegations on April 14, 2003. We addressed these ministerial error allegations in an April 16, 2003 memorandum to Louis Apple entitled “Ministerial Error Allegations for Preliminary Determination,” which is on file in the Department’s CRU.

We issued supplemental questionnaires to SEC, Hynix, and the Government of the Republic of Korea (“GOK”) on April 8, and May 5, 6, and 20, 2003. We received responses to these supplemental questionnaires on April 14 and 16, and May 13, 15, and 22, 2003. The respondents, the petitioner, and interested parties also submitted factual information, comments, and arguments at numerous instances prior to the final determination based on various deadlines for submissions of factual and information and/or arguments established by the Department subsequent to the *Preliminary Determination*.

From April 21 to May 3, 2003, we conducted verification of the questionnaire responses submitted by the GOK, Hynix, and SEC.

On May 28, 2003, the Department issued a memorandum entitled “Preliminary Determination on New Subsidy Allegations and New Subsidies Discovered in the Course of Investigation” (“*Supplemental Preliminary Determination Memo*”) that addressed two new allegations raised by the petitioner just prior to the *Preliminary Determination*, as well as

one new program discovered during verification.

We received case briefs from the GOK, SEC, Hynix, Infineon Technologies North America Corporation and Infineon Technologies Richmond, LP (a domestic producer and an interested party in this proceeding), and the petitioner on May 22, 2003. The parties submitted rebuttal briefs on May 30, 2003. On June 2, 2003, the petitioner and the GOK/SEC submitted supplemental case briefs on the issues addressed in the Department’s *Supplemental Preliminary Determination Memo*. These same parties submitted rebuttal briefs on these topics on June 4, 2003. We held a hearing in this investigation on June 6, 2003.

Scope of Investigation

The products covered by this investigation are dynamic random access memory semiconductors (“DRAMs”) from the Republic of Korea (“ROK”), whether assembled or unassembled. Assembled DRAMS include all package types. Unassembled DRAMS include processed wafers, uncut die, and cut die. Processed wafers fabricated in the ROK, but assembled into finished semiconductors outside the ROK are also included in the scope. Processed wafers fabricated outside the ROK and assembled into finished semiconductors in the ROK are not included in the scope.

The scope of this investigation additionally includes memory modules containing DRAMS from the ROK. A memory module is a collection of DRAMS, the sole function of which is memory. Memory modules include single in-line processing modules, single in-line memory modules, dual in-line memory modules, small outline dual in-line memory modules, Rambus in-line memory modules, and memory cards or other collections of DRAMS, whether unmounted or mounted on a circuit board. Modules that contain other parts that are needed to support the function of memory are covered. Only those modules that contain additional items which alter the function of the module to something other than memory, such as video graphics adapter boards and cards, are not included in the scope. This investigation also covers future DRAMS module types.

The scope of this investigation additionally includes, but is not limited to, video random access memory and synchronous graphics random access memory, as well as various types of DRAMS, including fast page-mode, extended data-out, burst extended data-

out, synchronous dynamic RAM, Rambus DRAM, and Double Data Rate DRAM. The scope also includes any future density, packaging, or assembling of DRAMS. Also included in the scope of this investigation are removable memory modules placed on motherboards, with or without a central processing unit, unless the importer of the motherboards certifies with the U.S. Bureau of Customs and Border Protection (“Customs”) that neither it, nor a party related to it or under contract to it, will remove the modules from the motherboards after importation. The scope of this investigation does not include DRAMS or memory modules that are re-imported for repair or replacement.

The DRAMS subject to this investigation are currently classifiable under subheadings 8542.21.8005 and 8542.21.8021 through 8542.21.8029 of the Harmonized Tariff Schedule of the United States (“HTSUS”). The memory modules containing DRAMS from the ROK, described above, are currently classifiable under subheadings 8473.30.10.40 or 8473.30.10.80 of the HTSUS. Although the HTSUS subheadings are provided for convenience and customs purposes, the Department’s written description of the scope of this investigation remains dispositive.

Injury Test

Because the ROK is a “Subsidies Agreement Country” within the meaning of section 701(b) of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act effective January 1, 1995 (“the Act”), the International Trade Commission (“ITC”) is required to determine whether imports of the subject merchandise from the ROK materially injure, or threaten material injury to, a U.S. industry. On December 13, 2002, the ITC made its preliminary determination that there is a reasonable indication that an industry in the United States is being materially injured by reason of imports from the ROK of the subject merchandise. See *Drams and Dram Modules from Korea*, 67 FR 79148 (December 27, 2002).

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the “Issues and Decision Memorandum” from Jeffrey May, Deputy Assistant Secretary, Import Administration, to Joseph A. Spetrini, Acting Assistant Secretary, Import Administration, dated June 16, 2003 (“*Decision Memorandum*”), which is hereby adopted by this notice. Attached to this