

This determination is issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Dated: August 4, 2003.

**Joseph A. Spetrini,**

*Acting Assistant Secretary for Grant Aldonas,  
Under Secretary.*

## Appendix Issues in the Decision Memorandum

### Comments

1. Valuation of an Input Supplied by a Joint Venture Partner
2. Treatment of Acetylene Tail Gas as Co-Product vs. By-Product
3. Cost Allocation Methodology for Acetylene and Acetylene Tail Gas
4. Adjustment of Factors of Production for Vinyl Acetate Monomer (VAM)
5. Surrogate Value for Activated Carbon
6. Surrogate Value for Natural Gas
7. Valuation of N-Methyl-2-Pyrrolidone (NMP)
8. Clerical Error in the Preliminary Determination
9. Application of a By-Product Credit in the Calculation of the Surrogate Financial Ratios
10. Adjustments to the Surrogate Financial Ratios for Differences in Integration Levels
11. Surrogate Value for Ocean Freight

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-850]

### Notice of Final Determination of Sales at Less Than Fair Value: Polyvinyl Alcohol From the Republic of Korea

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**EFFECTIVE DATE:** August 11, 2003.

**FOR FURTHER INFORMATION CONTACT:** Irina Itkin or Jill Pollack at (202) 482-0656 and (202) 482-4593, respectively, AD/CVD Enforcement, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

### Final Determination

We determine that polyvinyl alcohol (PVA) from the Republic of Korea (Korea) is being sold, or is likely to be sold, in the United States at less than fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

### Background

The preliminary determination in this investigation was issued on March 14, 2003. *See Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Polyvinyl Alcohol from the Republic of Korea*, 68 FR 13681 (March 20, 2003) (*Preliminary Determination*).

Since the preliminary determination, the following events have occurred. On March 3, 2003, the petitioners agreed to revise the scope of the companion case on PVA from Japan to exclude certain types of PVA covalently bonded with diacetoneacrylamide. The petitioners' submission was made in response to a request by Japan VAM and POVAL Co., Ltd., one of the mandatory respondents in the companion Japanese case.

Because these comments relate to PVA in general, we find that they are applicable to this proceeding. Accordingly, as we did in the preliminary determination, we have modified the scope to conform to that set forth in the companion Japanese proceeding, as described below. *See Notice of Final Determination of Sales at Less Than Fair Value: Polyvinyl Alcohol from Japan*, 68 FR 19510 (April 21, 2003).

On March 12, 2003, DC Chemical Company, Ltd. (DC CHEM), the mandatory respondent in this investigation, filed a request to exclude from the scope of this investigation certain grades of PVA in which the PVA is covalently bonded with itaconic acid.

On March 27, 2003, DC CHEM notified the Department that it no longer intended to participate in this investigation. For further discussion, see the "Facts Available (FA)" section of this notice.

On April 1, 2003, the petitioners commented on DC CHEM's exclusion request. For further discussion, see the "Scope Comments" section of this notice.

### Scope of the Investigation

The merchandise covered by this investigation is PVA. This product consists of all PVA hydrolyzed in excess of 80 percent, whether or not mixed or diluted with commercial levels of defoamer or boric acid, except as noted below.

The following products are specifically excluded from the scope of this investigation:

- (1) PVA in fiber form.
- (2) PVA with hydrolysis less than 83 mole percent and certified not for use in the production of textiles.

(3) PVA with hydrolysis greater than 85 percent and viscosity greater than or equal to 90 cps.

(4) PVA with a hydrolysis greater than 85 percent, viscosity greater than or equal to 80 cps but less than 90 cps, certified for use in an ink jet application.

(5) PVA for use in the manufacture of an excipient or as an excipient in the manufacture of film coating systems which are components of a drug or dietary supplement, and accompanied by an end-use certification.

(6) PVA covalently bonded with cationic monomer uniformly present on all polymer chains in a concentration equal to or greater than one mole percent.

(7) PVA covalently bonded with carboxylic acid uniformly present on all polymer chains in a concentration equal to or greater than two mole percent, certified for use in a paper application.

(8) PVA covalently bonded with thiol uniformly present on all polymer chains, certified for use in emulsion polymerization of non-vinyl acetic material.

(9) PVA covalently bonded with paraffin uniformly present on all polymer chains in a concentration equal to or greater than one mole percent.

(10) PVA covalently bonded with silan uniformly present on all polymer chains certified for use in paper coating applications.

(11) PVA covalently bonded with sulfonic acid uniformly present on all polymer chains in a concentration level equal to or greater than one mole percent.

(12) PVA covalently bonded with acetoacrylate uniformly present on all polymer chains in a concentration level equal to or greater than one mole percent.

(13) PVA covalently bonded with polyethylene oxide uniformly present on all polymer chains in a concentration level equal to or greater than one mole percent.

(14) PVA covalently bonded with quaternary amine uniformly present on all polymer chains in a concentration level equal to or greater than one mole percent.

(15) PVA covalently bonded with diacetoneacrylamide uniformly present on all polymer chains in a concentration level greater than three mole percent, certified for use in a paper application.

The merchandise under investigation is currently classifiable under subheading 3905.30.00 of the *Harmonized Tariff Schedule of the United States* (HTSUS). Although the HTSUS subheading is provided for convenience and customs