

Toyota halts Venezuela production

CARACAS, VENEZUELA: Toyota is halting production at its only assembly plant in Venezuela because the world's largest car manufacturer lacks the hard currency to import parts due to government controls, a factory official said last week.



Toyota is to temporarily close its plant in Cumana because the company cannot get foreign currency from the authorities in Venezuela. Image [Skyscraper Life](#)

The temporary shutdown of the Japanese car company's operations in the western city of Cumana is to begin of 13 February and will last at least six weeks.

"We are going to close for 45 days in hopes that we will be granted the foreign currency needed to import car parts," a source in Toyota Venezuela's management told AFP.

In a statement to its workers the company said the lack of parts was "critical," and that the shutdown would affect not only production but all but essential administrative business.

The plant produced nearly 9,500 vehicles in last year. Companies such as Toyota and others must go through a complex bureaucratic process to obtain dollars.

Venezuela is only providing dollars at the official rate of 6.3 bolivars to the dollar to importers of designated priority goods such as food and medical supplies.

Others who need dollars to pay overseas bills have to buy them at a higher rate at government-run auctions.

Many companies have complained Caracas is not providing them with enough hard currency. The currency controls have led to shortages of a wide range of basic necessities, and fueled an inflation rate that reached 56.2% last year.

The Venezuelan Automotive Chamber says car production fell to just 296 vehicles in January, almost all produced by Toyota.

Last year, 72,000 vehicles were made in Venezuela, down more than 30% from 2012.

Source: AFP via I-Net Bridge

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