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On July 2, Japan's Toyota Motor Corp. reported that it had suspended manufactures of vehicles in Peru, after the Peruvian government reduced import tariffs on finished cars in March. Nissan Motor Co. has also terminated shipments of auto parts for assembly in Peru. Toyota spokespersons said the company had not yet decided whether to shut down its production subsidiary, Toyota del Peru. The subsidiary was established in 1967 in response to Lima's decision to develop a domestic auto industry. Toyota del Peru is owned 49.1% each by Toyota and the Japanese trading house Mitsui and Co. The remaining 1.8% is owned by local interests. In March, the Peruvian government lowered tariffs on finished cars from 50 to 15%, the same rate applied to components and parts shipped from Japan. The Toyota subsidiary's annual output dropped from a peak of 7,300 units in 1975, to 1,700 units. In May, Nissan concluded shipments of components and parts for 800 small cars and trucks to be assembled in Peru this year. The company has no plans for further shipments. (Basic data from AFP, 07/02/91)

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