

---

## **Petroleos to pay USD 80 million debt to iron and steel sector**

*Wednesday, 11 Feb, 2009*

According to Association of Mining and Iron & Steel Industries, the Venezuelan government's plan in the area of iron and steel is an opportunity to forge alliances.

Mr Eduardo Garmendia president of AIMM said that Petróleos de Venezuela will pay in the next few days its debt with suppliers in the iron and steel industry. He added that out of the total outstanding debt, Pdvsa has to repay USD 80 million to the iron and steel sector.

He said that during the months that Pdvsa has failed to honor payments to suppliers, service providers have been unable to comply with their contractual and legal commitments. This has prevented them from having a labor clearance that is required to purchase foreign currency through the Foreign Exchange Administration Commission and, consequently, to buy raw material.

On September 9th 2007, Mr Hugo Chávez President of Venezuela laid the foundation stone of the steel plant and 10 days ago okayed USD 120 million to kick off the civil works of the plant.

As far as the plan is concerned, the AIMM said that "It will revive production in the region of Guayana and it will influence directly and positively more than 300 businesses, which are members of the association and will create 75,000 jobs. This announcement represents an opportunity for strategic alliances."

(Sourced from [www.eluniversal.com](http://www.eluniversal.com))

For more news visit at [www.steelguru.com](http://www.steelguru.com)