has an agreement with the Navy. Until the past year, this operation has been relatively small, but recently it has taken an upturn. We are obtaining approximately $500,000 acquisition cost of production monthly. Our last site in Europe is located at Camp Darby, Livorno, Italy. It is under an interservice support agreement with the U.S. Army and is small in scope. This agreement was entered into in 1966 and basically provides one main service and that is that property which we acquire in Italy does not have to be transported to Belgium or Spain for rehabilitation. This we have found to be quite economical. Our acquisitions from Italy have in the past been very small so we do not at the present time require large production capacity. If this should change in the future and we would require additional production capacity, we would have to obtain this additional capacity from commercial sources.

In fiscal year 1963, our European operation obtained excess property from U.S military generating points, for our advance acquisition program, totaling only $257,300 in original acquisition cost. In fiscal year 1964, we obtained $5,153,922 worth. In fiscal year 1965, it was $13,917,826, and in fiscal year 1966, $13,979,072. Through March 1967 we have requested from the military equipment worth $40,403,231 at acquisition cost. Of this $40.4 million worth of equipment of all kinds, approximately $12,146,069 in acquisition value is directly attributable to the movement of U.S troops from France. Also, two of our AID missions have requested, under the direct acquisition program equipment worth a total of $1,913,879 at acquisition cost from the U.S. military in France, which also is directly attributable to the movement of U.S. troops from France. The possibility exists that there have been other acquisitions by AID, under the direct acquisition program, but as yet we have not been informed. This information will be available during the first quarter of fiscal year 1968.

The method our European excess property regional office used to request transfer of the $12.1 million directly attributable to the U.S. movement from France is the same method that is utilized by all our offices. Equipment specialists (excess property utilization officers) visited the various bases in France and personally viewed and inspected all property in which we were interested. The reason for these personal inspections is to insure that AID does not acquire property which eventually will not be used in AID's projects and programs worldwide, and also to insure that the property acquired is generally in pretty good condition and can be rehabilitated without the necessity of spending large sums for the rehabilitation.

The perecentages breakdown—in terms of acquition cost—by types of equipment relating to the total $12.1 million acquisition cost figure is as follows: 65 percent consisted of military type vehicles: jeeps, 2½-ton trucks, 5-ton tractors and various size trailers; 5 percent consisted of commercial type vehicles: ½-ton and 1½-ton trucks, Ford, Chevrolet, and International Harvester; 15 percent engineer equipment: cement mixers, cranes, full track tractors, graders, et cetera; 5 percent consisted of medical equipment: beds, cabinets, dental and surgical instruments, et cetera; and 5 percent consisted of miscellaneous items: handtools, machine tools, kitchen equipment, electrical items, et cetera.