

Mr. WATERS. Yes. I might say that the want lists are general indications. For example, if the country is going into a major highway program, they will say, "We are interested in all forms of highway equipment."

With this, we are able to break down with our technicians the types of equipment that will be useful in highway construction. We might not have a specific request for certain types of bulldozers or certain types of scrapers. But if there is a highway project coming up to be funded with loan funds, for example, we will have an alert to that effect; and we will try to make sure that in addition to our regular catalogs, if our excess property regional offices are alerted, and if they have highway equipment they find, they notify that selected mission the availability of highway construction equipment.

Our loan programs now have standard language in the loans—development loans—that provides for examining the use of excess equipment before going to new procurement. It is difficult to measure this at times, because a good job of planning the use of excess results in a never showing up of new procurements.

A mission could order the new equipment and then cancel it out if it found excess available. We are trying to encourage the planning of programs around the excess in the first instance to avoid having to ask for new equipment.

Mr. COPENHAVER. I am anxious to obtain from you an explanation as to actually how the screening program was operated in relation to Operation FRELOC. Is it your understanding that all the property which was declared excess as a result of Operation FRELOC was sent by list back to a central inventory control point in the United States? Is this how it was done—for the military? How did AID get into the picture as far as learning about the excess property? Was it through AID operation in Washington here?

Mr. WATERS. I think Mr. Woll might be able to explain this.

Mr. WOLL. After lists of equipment have been made up by the military for theater screening, they are then sent here to the United States for CONUS screening. After that has been accomplished by the military, they make lists of equipment available to us that they did not have requirements for either in European area, the CONUS area or the worldwide area.

In other words, the lists that were supplied to us were those lists of items that were completely excess to the military requirement.

Mr. COPENHAVER. Now, these lists came to you here in AID, CONUS?

Mr. WOLL. No. After they were screened here in CONUS, they went back to the military in Europe who made them available to our excess property regional office in Frankfurt, Germany.

Mr. COPENHAVER. Now, how does your office in Frankfurt know your needs in Vietnam or Africa or Latin America?

Mr. WOLL. All requirement lists that are sent in by the various missions in the regions come into Washington; and also, if they do not go directly from the regions and the missions to our excess property regional offices, we send these lists to them.

Mr. COPENHAVER. Therefore, your office in Frankfurt would know of your want list for the entire world?

Mr. WOLL. Yes, sir.