

cal areas where an initial attack could be expected in the event of hostilities in Europe and, over the years, the United States invested about \$565 million for physical facilities in France, exclusive of the amounts contributed through the NATO infrastructure program. At March 31, 1966, the Army and Air Force had about 660,000 short tons of mission stocks in France, as well as about 150,000 tons of post, camp, and station stocks such as desks, chairs, typewriters and similar items.

We were informally advised that, at the direction of the President of the United States, the military services were required to vacate most of the installations, and to move all of the operating stocks from France by April, 1967. Some activities in France are still open to support dependents who were permitted to remain until the end of the school years. As of March 31, 1967, about 6,000 tons of post, camp, and station stocks remained at these locations, and will be moved or otherwise disposed of during the next several months.

As you can realize, the movement of over 800,000 tons of material was a formidable task, and we believe the military services should be commended for the completion of the relocation by the April deadline. With respect to the real property, only a relatively small number of the installations have actually been turned over to the French Government or to the lessors at this time. A group, known as the Military Liquidation Section, has been established as an integral part of the American Embassy in Paris, to maintain control of the real property until the French Government assumes jurisdiction.

Also, the Military Liquidation Section has been given the responsibility for negotiating with the French Government, the sales prices for installed equipment that the French have indicated they wish to have remain in place at certain locations. At those locations where the French have expressed no interest, the military services generally followed the policy of removing equipment for which there was a foreseeable need. Other equipment was either to be left in place or disposed of, whichever appeared to be the most economical course of action under the circumstances.

Because of the rapid movements of material during the several months preceding April 1, 1967, our audit efforts in the area of excess, surplus, and potential donable property were generally limited to obtaining available statistical data and some information on the procedures utilized by the services to screen excess property.

The procedures followed by the services generally called for screening of all excess personal property, both within the theater and by the national inventory control points in the United States. We do know that the military assistance and AID programs obtained supplies and equipment from the services during the move, but we have not yet evaluated the screening procedures to determine if all possible material was transferred to those programs, or to other military commands in other parts of the world.

The data that we were able to obtain prior to April 1, 1967, indicated that during the 12 months ended March 31, 1967, about 72,000 tons of Army excess mission stock was moved from France, and about 10,000 tons was disposed of in France. In addition, about 48,000 tons of Army post, camp, and station stocks were disposed of in France during the same period. Data on Air Force excesses and disposals were not readily available at the time of our survey.