

portance in relation to the Federal donable property program in the United States. Therefore, in April of this year I discussed the interest of our subcommittee in this subject matter with the Chairman of the Foreign Operations and Government Information subcommittee of the House Committee on Government Operations. That subcommittee is now inquiring into costs to the United States resulting from the U.S.-NATO withdrawal from France. An agreement was reached between the subcommittees with respect to our subcommittee's working cooperatively with the Foreign Operations and Government Information Subcommittee. Pursuant to this intersubcommittee agreement, which Chairman Dawson of the Full Government Operations Committee has approved, the Special Subcommittee on Donable Property has embarked upon the inquiry which brings us here. Specifically the interest of our subcommittee centers on U.S.-owned personal property, removed or to be removed from France, which is or will become excess to the needs of the Department of Defense.

The successful utilization of the FRELOC-generated property in our foreign aid program, as well as the possibility of the use of some of this in the United States in the donable property program, is dependent, of course, on the adequacy of (1) screening procedures by which the property becomes excess and is disposed of; (2) storing; (3) the efficiency of inventory control; (4) the manner and expense of rehabilitation; and (5) the prices which this property may bring to the Government if sold as foreign excess. These, then, are the matters on which this subcommittee study will concentrate and to which our interrogation and inspection activities will be directed.

Now, Mr. DiGiorgio, you have an introductory statement, have you, sir?

STATEMENT OF JOSEPH DIGIORGIO, DIRECTOR, EUROPEAN BRANCH OF INTERNATIONAL DIVISION, GENERAL ACCOUNTING OFFICE, FRANKFURT, GERMANY; ACCOMPANIED BY ROBERT M. GILROY, AUDIT MANAGER; FRANK M. MIKUS, AUDIT MANAGER; AND ALLEN MOORE, AUDIT MANAGER

Mr. DIGIORGIO. I have a brief, informal, introductory statement. I thought possibly, as we didn't have the benefit of this statement before—all we had was your opening statement at the hearing in Washington, D.C., and Mr. Woll's statement—I thought our best approach to assist you would be to expand on the contribution made by Mr. Stolarow and Mr. Bergart of our Defense Division and International Division, respectively, during your initial hearings.

As I understood it from the questions that were posed to Mr. Bergart, your interest was in the actual acquisition of property by AID recipient countries and the extent to which the property was utilized.

Mr. MONAGAN. What is your full name, please, and what is your position and what is your function?

Mr. DIGIORGIO. My name is Joseph DiGiorgio. I am Director of the European Branch of the International Division of the General Accounting Office. The men that we have with us today are those most closely associated with your area of interest. Mr. Mikus has been concerned in two projects, one being the commodity import