

3. GAO found indications that 6 of the 64 excess property items which we inspected at recipients in Turkey were improperly utilized. Of these 6 cases, there were two instances where the recipients had either limited or no need for the items, two instances where the items were consigned without either required components or other items required to utilize the consigned items and two items, a sedan and a bus, which, in our opinion, did not serve a useful economic development purpose.

IDENTIFICATION BY AID AS TO NEED FOR AND END-USERS OF EXCESS
PROPERTY IN TURKEY

GAO found that the Mission does not adequately evaluate Government of Turkey (GOT) excess property requirements. Information furnished by GOT was so vague that it was not possible to determine the using agency's operational requirements for the excess property.

In reviewing 24 orders for lots of excess property, GAO found nine instances where the using GOT agency had not submitted the required proposed allocation of United States excess property form. One GOT agency (Devlet Malzeme Ofise (DMO)) provides supplies to other GOT agencies and their orders for excess property did not disclose to the AID Mission the actual recipient and the intended use of the items. We identified 59 items furnished DMO but the Mission was unable to furnish us with information as to the allocation and location of these items. The GOT subsequently furnished us with information as to the end-users that received this equipment.

AID KNOWLEDGE AS TO RECEIPT AND CONDITION OF EXCESS PROPERTY IN TURKEY
AID KNOWLEDGE AS TO UTILIZATION OF EXCESS PROPERTY

Transfer agreements between AID and the Government of Turkey (GOT) require that the GOT submit a report not later than six months after the receipt of excess property describing the status of the property.

We found that the GOT was not submitting the six-month status reports. The AID Mission, through a series of requests to the appropriate GOT coordinating agency made a series of requests that such reports be furnished. On May 9, 1967, the Mission was notified that GOT hoped to furnish the required information through a planned punch card system.

GAO reviewed the files on 14 orders for lots of excess property which were shipped at least seven months prior to our visit, and we did not find any instances where the recipient submitted a six-month status report.

Mr. LIPPMAN. Since the staff visit to Vietnam, we have been advised that the flow of excess property into the country has been sharply curtailed pending a reevaluation of the program.

AID CONFRONTED WITH ALIEN PROBLEMS

The shortcomings in AID's overall management of the excess property program has also caused a reevaluation to be undertaken of the