

AID'S MISMANAGEMENT OF THE EXCESS PROPERTY PROGRAM 33

convinced that some countries can repair excess equipment themselves, under certain standards and supervision by AID. This would eliminate the necessity of rehabilitation by AID contractors and it would also, of course, lend an additional boost to the economy of those countries as well as train additional people within the country.

PROBLEM CORRECTION GUIDES NEW DIRECTIVES

more flexible type of reinspection until we tighten up and are absolutely sure of the rehabilitation work performed in our rehabilitation centers. After that we will only need an inspection at the port of arrival to determine whether or not there has been damage or pilferage en route. We will no longer need to tear down some of the assemblies as we have been doing in the past few months because of the shoddy rehabilitation work. This again probably will vary from country to country.

ADVANCE ACQUISITION PROGRAM ONLY PART OF EXCESS PROPERTY PICTURE

These, then, are the steps we have taken and are taking to correct problems and improve the effectiveness of the advance acquisition program. I believe that these actions, once completed, will assure that the program is better managed.

But this program is only part of the total excess property picture in the AID. Excess property is also furnished by AID under section 607 of the Foreign Assistance Act—the so-called non-AID-financed program—and under the direct-acquisition program. Under these programs, property is not acquired and rehabilitated by AID, but is

The factors that determine effective use of excess property are several—requirements determination; spare parts and maintenance capabilities; arrival inspection and accounting; and utilization.