

operated by authority of local... all of this property has been allocated to national agencies and resources to where there are long-established and well equipped facilities and resources to manage, operate and maintain the property. The balance, principally common-type equipment, has gone to smaller municipalities and provincial agencies where there is ready access to maintenance facilities.

The instance of non-utilization cited by the Subcommittee concerned 125 pieces of equipment reported as non-utilized in an AID's internal audit report and 57 items of "rehabbed" equipment found by examiners of the General Accounting Office to be inadequately repaired. The AID audit covered 50% of the "Direct Acquisition" property and 80% of the "Advance Acquisition" property transferred from inception of its Program, in late 1959, through September 30, 1965. While not excusing these instances, the number is considered minimal for an activity of the character and scope of the excess property program in Turkey and believed to be well within the normal experience factor of industrial activ-

year and... shown commendable ability to turn out special parts in short... necessary. The availability of spare parts is a point of careful study when consid-

eration is being given to the acquisition of U.S. excess property. An example of the high degree of utilization extracted by the Turks from U.S. excess property is the lot of 229 vehicles transferred to the Ministry of Health in 1962 and 1963. These were all from "Direct Acquisition" property acquired from U.S. Military collections in Europe. These vehicles were old and worn when transferred, being mostly models from the early 1950's. As of April 1967, 141 were still in use, 66 had been scrapped, 14 worn out vehicles were in the central repair shop yard, near Ankara, awaiting disposal action, and 8 were still considered good enough for further repair and use. Such instances are typical. The needs are so urgent and extensive and the means to acquire new equipment so scarce, that the Turks deem it economical to expend far more effort and expense on a piece of equipment to keep it in use than is considered practical in other countries.

180 AID'S MISMANAGEMENT

EXHIBIT 23

USAID TO TURKEY

OFFICE OF COMMODITY IMPORTS

U.S. EXCESS PROPERTY PROGRAM

Comparative Costs of Imported New Equipment and U.S. Excess Property

Comparative Costs of Imported New Equipment and						
Equipment	Cost to importer				Difference	
	Imported under normal import program		Acquired under (608) excess property program			
	Amount	TL	Amount	TL	Amount	TL
1. Scraper, 3 cu. yd. struck (est. org.						