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McNamara Papers

Contract
Luxembourg (1959-1980)

The World Bank Group
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President's papers - Robert S. McNamara Contacts with member countries: Luxembourg
- Correspondence 01

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WBG Archives

LUXEMBOURG

LUXEMBOURG

- 6/20/68 Mr. Ernst Keller, President, ADELA Investment Company of Luxembourg;
lunch at the Metropolitan Club; also Mr. Howard Petersen, Fidelity
1. 6/16/69 Ernst Keller
- 5/20-22/70 ~~Representatives and Observers at OECD Meeting:~~
(Paris) Gaston Thorn, Minister of Foreign Affairs
Georges Heisbourg, Chief of the Permanent Delegation
Albert Duhr, Minister Plenipotentiaire, Ministry of Foreign Affairs
Jean Rettel, Deputy Permanent Representative
2. 3/25/80 Mr. Gaston Thorn, Minister for Economic and Financial Affairs
Messrs. Meisch, Mertz, Kasel



OFFICE MEMORANDUM

TO: ~~Mr. Rainer B. Steckhan~~

DATE: June 16, 1969

FROM: Harry C. Phillips *HP*SUBJECT: ADELA - Background for Mr. Keller's visitMr. Ernst Keller - Managing Director, ADELA

Swiss; Age 49; Married, no children;

Master's Degree in Business Administration and Engineering at night school.

1952 - 1957, W. R. Grace & Co., Latin America, as Assistant Vice President for Marketing and Industrial consultation services.

1957 - 1960, Independent engineering consultant in Lima, Peru.

1960 - 1964, Founded a small multi-national development bank which grew from \$750,000 to \$15 million of assets by 1964.

1964 - present, joined ADELA as its first managing director, a position which he continues to hold.

The Company

ADELA is a multi-national private investment company, incorporated in the Grand Duchy of Luxembourg in September, 1964. Its purpose is to make and develop capital investments in private enterprises in Latin America.

December, 1968:	Capital Authorized	US \$ 50.0 million
	Paid In	45.4 "
	Assets	104.8 "
	Loan Investments	78.9 "
	Equity Investments	16.4 "

Mutual Investments - IFC and ADELA

Brazil - Papel e Celulose Catarinense, S.A. (Pulp and Paper)

Capitalization	\$33.0 million
IFC investment	7.2 "
ADELA's participation	
in IFC's investment	1.5 "
ADELA's direct investment	1.6 "

President has seen

June 16, 1969

Colombia - Forjas de Colombia, S.A. (Steel forgings)

Capitalization	\$ 14.8 million
IFC investment	1.2 "
ADELA's acquisition through IFC underwriting	0.5 "
ADELA's direct investment	0.068 "

Honduras - Compania Pino Celulosa de Centro America, S.A.
(Pilot corporation to develop Pulp and Paper operation)

Capitalization	\$ 500,000
IFC investment	37,500
ADELA investment	37,500

cc: Mr. Paterson
Mr. Chanmugam
Division File

AHMarris:pm

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OFFICE OF THE PRESIDENT

Meeting with Mr. Gaston Thorn, Minister of Economic and Financial Affairs,
Luxembourg, March 25, 1980

Present: Messrs. McNamara, Thorn, Meisch, Mertz, Kasel

Pointing to the fact that Luxembourg will be in the chair of the new EC's Council of Ministers within a few months, Mr. Thorn enquired about what the EC could do with respect to the North/South issues and in follow-up to the Brandt Commission report. He said that he was in favor of small well-prepared and informal summit meetings of the North and South to consider the recommendations of the Brandt Commission. It was difficult to mobilize public opinion in OECD countries for North-South issues under the present difficult economic circumstances.

Mr. McNamara said that he was in favor of such small summit meetings. The world needed such small groups on an informal and continuing basis. He explained the Bank's projection of current account deficits of oil-importing LDCs resulting from recent oil price increases and lower OECD growth rates. In his view, the OECD would have to consider action if these deficits turned out to be financed by the commercial banks. Increased assistance to the LDCs was a plus-sum game for all parties involved because of the growing interdependence of the North and the South. In response to a question, he said that the Bank could provide inputs into North/South summits but could not organize such small continuous groups on its own.

Mr. Thorn enquired about the financing of LDC debts and the 0.7% ODA target. Mr. McNamara said that it was unlikely that the private banks would be able to finance LDC deficits in coming years. In his view, the LDCs could take on more debts if they followed sound macro-economic policies. As to the ODA, there was no chance of reaching each 0.7%; however, it was still useful to point to that target as recent Japanese and German ODA action indicated.

CKW
March 28, 1980