

## Grupo Energía Bogotá makes landmark sustainable issuance

Isabel Leask  
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Two Winston & Strawn LLP offices and Cuatrecasas (Colombia) have helped Grupo Energía Bogotá (GEB) become the first Colombian energy company to issue sustainability-linked bonds on the international market with a US\$400 million offering.

Rebaza, Alcázar & De las Casas in Lima advised GEB's Peruvian energy and gas subsidiaries, which participated in an offering memorandum for the issuance.

Clifford Chance LLP in New York and Garrigues (Colombia) advised the underwriters for the deal, which closed on 6 November.

The notes have a 7.85% coupon and will mature in 2033. The debt was almost three times oversubscribed.

GEB will use a portion of the proceeds to refinance existing debt. The remaining funds will be allocated to renewable energy transition projects across the countries in which it operates, in line with the company's four-year investment plan. This also includes carrying out social and environmental initiatives in local communities.

The transaction is thought to mark the first time a Colombian energy company has issued sustainability-linked bonds on the international capital markets.

Other sustainable issuances have recently taken place in Colombia. In March, Colombia's Banco de Bogotá [raised](#) US\$230 million by issuing sustainable bonds to support its social and environmental initiatives.

Several South American companies have raised sustainability-linked debt in recent times. In October, Argentine lemon processor San Miguel [raised](#) US\$33.6 million worth of sustainability-linked bonds. This came a few weeks after, explosives manufacturer Enaex became the first Chilean company to [issue](#) sustainability-linked bonds on the local market with a US\$102 million offering.

Founded in 1896, GEB transmits and distributes electricity across Brazil, Colombia, Guatemala and Peru. In Colombia, the company is a leading energy transporter with 1,690 kilometres of electric lines in operation and more than 2300 kilometres under construction. Last year, the company [obtained](#) a US\$509 million loan to finance its [acquisition](#) of Brazilian transmission assets from Canadian private equity fund Brookfield.

### **Counsel to Grupo Energía Bogotá**

In-house counsel – Néstor Fagua, Liliana Perez Uribe, Jorge Alberto Padilla and Andrea Amaya

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Cuatrecasas (Colombia)

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