

Peru raises US\$2.5 billion in sustainable bond offering

Lily Squires
19 June 2023



Credit: Shutterstock/Christian Vincas

The Republic of Peru has Paul Hastings LLP in Washington, DC and New York and local firm Hernández & Cía to raise 9.2 billion soles (US\$2.5 billion) in a sustainable bond issuance, the sovereign's first offering of local currency-denominated notes since 2019.

The underwriters relied on Shearman & Sterling LLP in New York and London and Rubio Leguía Normand in Lima.

The deal closed on 6 June.

The bonds mature in 10 years and have a 7.3% interest rate.

Peru will use the funds raised in the offering to fund green and social projects. The offering marks the largest sovereign debt issuance in a local currency so far this year in Latin America.

The Andean nation regularly raises funds on the international capital markets. Back in 2021, it [issued](#) sovereign social bonds worth US\$1.1 billion, just a month after it [made](#) its first sustainable debt offering, worth US\$4 billion.

Peru's southern neighbour Chile is also a frequent capital markets issuer. In May, Chile [issued](#) US\$2.2 billion worth of bonds, with the proceeds earmarked for social development projects.

Counsel to the Republic of Peru

Paul Hastings LLP

Of counsel Alex Herman in Washington, DC, and associates Anna Barbosa, Ale Cuadra, Ben Winnick and Gaby Jassir in New York

Hernández & Cía

Partners Jose Manuel Abastos and Juan Luis Hernández, and associates Erick Calla and Julien Labory-Alicq in Lima

Counsel to Citigroup Global Markets, HSBC Securities, JP Morgan Securities and Santander US Capital Markets

Shearman & Sterling LLP

Partner Lorenz Haselberger and of counsel Antonia Stolper in New York, and partner Thomas Donegan in London

Rubio Leguía Normand

Partners Andrés Kuan-Veng and Gerardo Guzmán, and associate Germán Gómez in Lima

Lily Squires

Author | News Reporter

Lily.Squires@latinlawyer.com

Latin Lawyer