GOVERNMENT OF SHARJAH ISSUES FIRST-EVER GCC SUSTAINABLE BOND

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Tags: Benedetta Tola, Clifford Chance, John Connolly, Kelly Frevele, Mohsin Abbasi, slider, Stuart Ure

International law firm Clifford Chance has recently advised the Government of the Emirate of Sharjah on its historic sustainable bond issuance, marking the first time a GCC sovereign has issued such a bond. The Sharjah Finance Department acted on behalf of the government to issue U.S.$1 billion 6.500% Sustainable Notes due 2032 under its Global Medium Term Note Programme, pursuant to Rule 144A and Regulation S of the U.S. Securities Act, 1933 (as amended).

Under the terms of the issuance, the government has committed to using an amount at least equal to the net proceeds of the Sustainable Notes to finance and/or refinance eligible projects and/or expenditures in accordance with the Government's Sustainable Financing Framework. This framework has been developed in accordance with guidelines specified in the 2021 edition of the Green Bond Principles published by the International Capital Market Association, the 2021 edition of the ICMA Social Bond Principles, and the 2021 edition of the ICMA Sustainability Bond Guidelines.

The issuance of a sustainable bond reflects the Sharjah government's commitment to environmentally and socially responsible financing. The use of proceeds to finance and/or refinance eligible projects and/or expenditures aligns with Sharjah's overall sustainable development strategy and supports the United Nations' Sustainable Development Goals (SDGs).

The successful issuance of the Sharjah government's sustainable bond marks a significant milestone in the development of sustainable finance in the GCC region. It demonstrates the growing awareness and commitment to environmental and social issues, and highlights the increasing importance of sustainable finance in driving economic growth and development.

The advisors

The Clifford Chance team was led by partner and head of Middle East capital markets, **Stuart Ure**, supported by associates **Mohsin Abbasi** and **Benedetta Tola**. London-based partner, **John Connolly**, supported by associate **Kelly Frevele**, provided U.S. securities advice.

HSBC Bank acted as sole global coordinator and sole ESG structuring agent.
The Joint Lead Managers and Bookrunners were Abu Dhabi Commercial Bank, Citigroup Global Markets, First Abu Dhabi Bank, GIB Capital, HSBC Bank, Intesa Sanpaolo, Invest Bank and SMBC Nikko Capital Markets.