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World Bank Investor Tribunal ICSID Accepts and Registers International Arbitration Proceeding by True Blue Development Against Government of Grenada Over Kimpton Kawana Bay Resort

True Blue's independent auditor confirms that all proceeds from investor sales at Kimpton Kawana Bay have been used solely for development of project; the Grenadian government continues to unlawfully obstruct the application process for qualified CBI investors

WASHINGTON, DC (July 15, 2021) – [True Blue Development Limited](#), developer of Grenada's **Kimpton Kawana Bay** resort, has had its arbitration case against the Government of Grenada accepted and registered by the International Centre for Settlement of Investment Disputes (ICSID). Washington-based ICSID is an arm of the World Bank devoted to resolving international investment disputes against sovereign states.

Despite the Grenada government's effort to block its registration, the ICSID claim with case number ARB/21/37 will proceed. The government will have an obligation to comply with any ICSID ruling from the arbitration proceedings, which is regarded as a tribunal of final resort in sovereign investment disputes.

Here is a link to the notice of arbitration brought on June 17: www.kawanabay.com

True Blue asserts that the arbitrary and unlawful conduct of the Government of Grenada has thwarted the successful completion of the 5-star luxury [Kimpton Kawana Bay](#) resort on the island, which the government approved in 2017 and lauded as recently as October 2020 as a vital economic development project on the island nation.

Construction progress at Kimpton Kawana Bay was at an advanced stage, when last December the Grenadian government started "a surreptitious, multi-front effort to squeeze the project into failure," according to the ICSID notice for arbitration filed by True Blue and the other claimants.

The official registration of the ICSID filing reflects the essential need to protect investors in Kimpton Kawana Bay from what True Blue and the other claimants say is a concerted scheme by the government to block completion of this world-class resort, which already has more than 92% of condominium units spoken for, either through outright purchase or by confirmed reservation.

In addition, the Government of Grenada has persisted in its senseless decision to halt approvals of citizenship by investment (CBI) applications by CBI investors in Kimpton Kawana Bay, despite accepting money from such CBI investors for the processing of their CBI applications. There is no

legal basis for such prejudicial actions and it points to something rotten within government. The Government of Grenada continues to show no regard for the rule of law.

In the normal course of True Blue's business operations, True Blue is pleased to report that its independent auditor PKF has completed its audit of the financial statements of True Blue and the Kimpton Kawana Bay project up until the end of April 2021. In an extract of a letter from PKF regarding the results of the routine audit, they have confirmed that:

- All CBI proceeds received by the project have been spent on the development of the project property, assets and related expenditure to progress the project;
- No expenditure of a personal nature, misappropriation of funds or unsupported expenditure were noted in course of [their] audit procedures;
- No management fees were paid to the developer;
- No dividends were paid to its shareholders.

This is a [link to the letter](#) from independent auditor PKF.

International developer and principal of True Blue, Warren Newfield, said, "As heartbreaking and perplexing as I find the government's turnabout on Kimpton Kawana Bay, we have worked diligently to meet all our obligations, while the Government of Grenada has been deceitful. We look forward to the opportunity to prove the Government of Grenada's broken promises in the now registered arbitration proceedings."

The arbitration request has been made under a binding 1986 Treaty Between the United States and Grenada Concerning Reciprocal Encouragement and Protection of Investment.

True Blue and its investors are represented by law firm BakerHostetler, led by head of its International Arbitration and Litigation team, [Mark Cymrot](#), who has successfully brought numerous investor-state disputes before ICSID.

"The Government of Grenada has not been candid about its motive for the senseless destruction of the five-star resort project that, even before its completion, has been bringing substantial benefits to the Grenada economy in terms of jobs and opportunity. The Government of Grenada has much it cannot explain and we are looking forward to presenting our full case before the ICSID tribunal", said Mr. Cymrot.

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