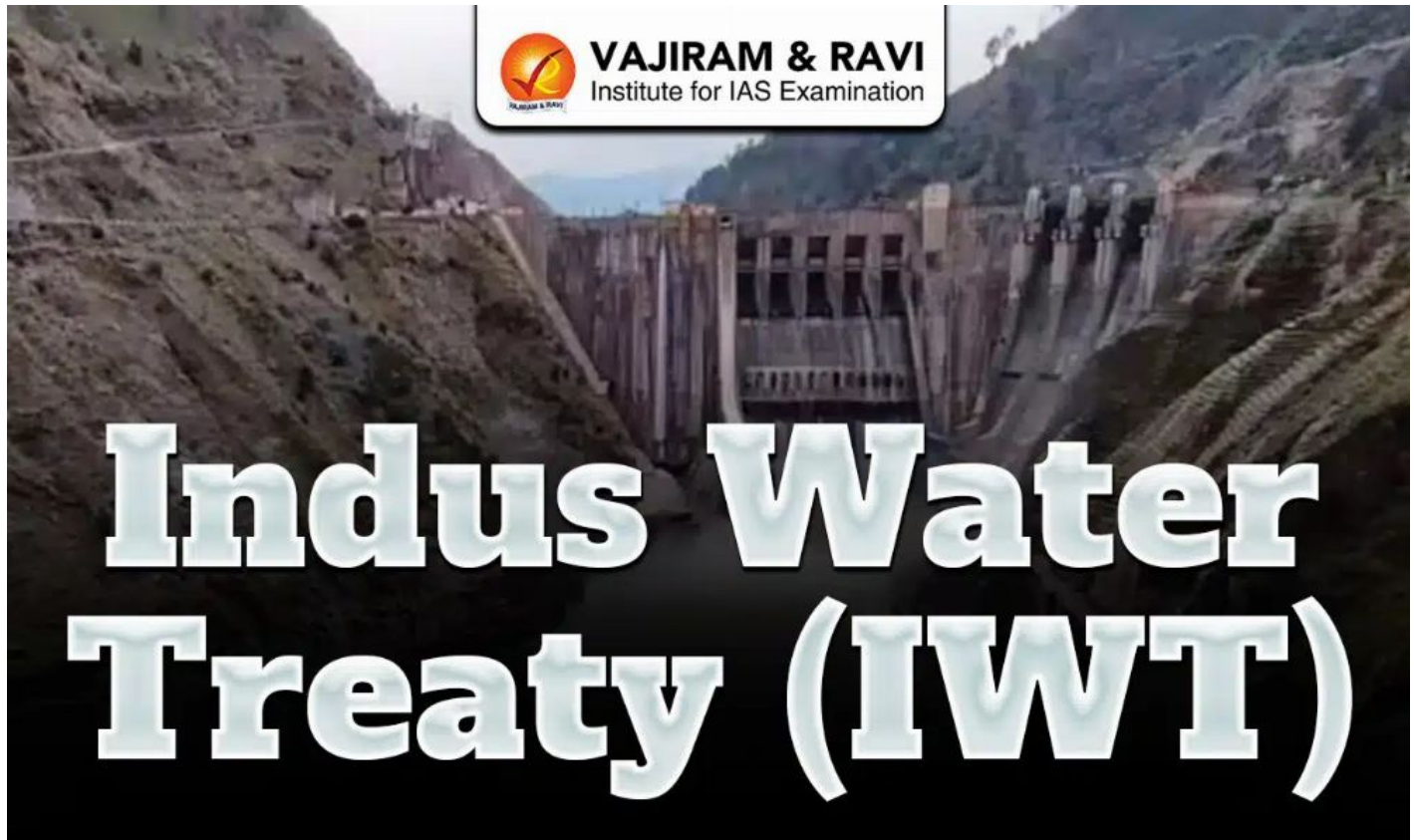


India Rejects Arbitration Award on Indus Water Treaty (IWT) - Escalation in India-Pakistan Water Diplomacy

May 17, 2026 • vajiramandravi.com



Indus Water Treaty (IWT) Latest News

- India has categorically rejected the recent “award” issued by the “illegally constituted” Court of Arbitration (CoA) concerning disputes with Pakistan under the Indus Waters Treaty (IWT).
- The development comes amid worsening India-Pakistan relations following the Pahalgam terror attack, after which India placed the Indus Waters Treaty in **abeyance**.

Official Position of India

- Ministry of External Affairs (MEA) spokesperson stated that:
 - The Court of Arbitration (CoA) was “illegally constituted”.
 - India has never recognised its jurisdiction.
 - Any award or decision issued by the CoA is “null and void”.
 - India’s decision to keep the IWT in abeyance continues to remain in force.

- The arbitration award reportedly concerns “**maximum pondage**” issues, and supplemental interpretations related to the treaty.

Indus Water Treaty (IWT)

- **Historical background:** The treaty was signed on September 19, **1960** between India and Pakistan after nearly nine years of negotiations, with mediation by the World Bank (**WB**).
- **Key features:**
 - The treaty, which contains 12 Articles, 8 Annexures (A to H), provides for **allocation of river water** between India and Pakistan.
 - **Eastern rivers - Allocated to India:** Sutlej, Beas, and Ravi. India enjoys “unrestricted use” of waters from these rivers.
 - **Western rivers - Allocated to Pakistan:** Indus, Jhelum, and Chenab. Pakistan receives the majority share of waters from these rivers, though India retains limited rights for –
 - Hydropower generation,
 - Non-consumptive use, and
 - Irrigation under specified conditions.

Grievance Redressal Mechanism under the IWT

- The treaty utilizes a **structured, graded, three-tier** mechanism to resolve all grievances, differences, and disputes concerning the interpretation or application of the treaty.
- When an issue arises (such as Pakistan objecting to the technical designs of Indian hydropower projects like Kishenganga or Ratle), the IWT provides a graded escalation process outlined in **Article IX**.

Three-Tier Grievance Mechanism

- **Permanent Indus Commission (PIC) - The foundational tier:**
 - **The process:** The PIC consists of one Commissioner appointed by each country. They meet regularly, conduct field inspections, and endeavor to resolve minor technical queries or operational disputes through mutual consensus.
 - **Status:** If the PIC successfully resolves an issue, it is settled. If no agreement is reached, the matter is escalated and deemed a “difference”.
- **Neutral Expert (NE):**
 - **The process:** For technical differences that the PIC cannot resolve, either party can approach the WB to appoint an independent Neutral Expert.
 - **Status:** The NE is strictly limited to **reviewing** factual and technical engineering questions. The NE’s decision is **binding** on both parties.
- **CoA:**
 - **The process:** If the issues involve broader legal or treaty interpretations, or if a NE determines the matter, which is beyond their technical purview, the difference elevates to a dispute.
 - **Members:** At this stage, a 7-member ad hoc arbitral tribunal is formed (the CoA) at The Hague.
 - **Status:** This is the **highest** legal authority in the treaty.

Current Diplomatic Reality

- The treaty's grievance mechanism has recently faced a massive diplomatic and legal **deadlock**.
- India has consistently maintained that Pakistan's approach to the CoA **violates** the IWT, arguing that a nation cannot simultaneously pursue proceedings before both a NE and a CoA.
- Consequently, India has **boycotted** the CoA proceedings, reiterating that the historic treaty has effectively been suspended until mutual foundational premises (including cross-border security) are respected.

India's Recent Actions on the IWT

- **2023:** India issued its first-ever notice seeking "modification" of the treaty, citing Pakistan's obstructionist approach, and procedural disagreements regarding dispute resolution.
- **2024:** India escalated its position by seeking "review and modification" of the treaty. The inclusion of the word "review" signalled India's intent to renegotiate, and possible reconsideration of the treaty framework itself.
- **2026:** Following the Pahalgam terror attack, India decided to keep the treaty in abeyance, marking an unprecedented shift in bilateral water diplomacy.

Key Legal and Diplomatic Issues

- **India argues that:**
 - Pakistan unilaterally approached the CoA.
 - The process violated the graded dispute-resolution mechanism under the treaty.
 - It instead prefers resolution through a NE mechanism.
- **Question of treaty continuity:** The current standoff raises larger questions regarding:
 - Whether a bilateral treaty can be kept "in abeyance" unilaterally,
 - The role of international arbitration in bilateral treaties,
 - The balance between treaty obligations and national security concerns.

Way Forward

- **Modernisation of the treaty:** Possible areas for future renegotiation include climate resilience, data-sharing, hydrological changes, and modern dispute-resolution mechanisms.
- **Regional water diplomacy:** South Asia requires cooperative river basin management, confidence-building measures, and sustainable utilisation of shared water resources.

Conclusion

- India's rejection of the arbitration award and its decision to keep the IWT in abeyance highlights that the **dispute goes beyond water-sharing** and reflects deeper tensions involving terrorism, sovereignty, international law, and strategic security.
- While India seeks greater flexibility and accountability within the treaty framework, the long-term stability of the Indus basin ultimately depends on sustained diplomacy, institutional dialogue, and **cooperative water**

governance.

Source: IE

Source: <https://vajiramandravi.com/current-affairs/india-rejects-arbitration-award-on-indus-water-treaty-iwt/>

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