



Indus Water Treaty

Why in News?

Recently, India suspended meetings of the [Permanent Indus Commission \(PIC\)](#) amid demands to renegotiate the 64-year-old [Indus Water Treaty \(IWT\)](#) with Pakistan.

Key Points

- **Indus-Water Treaty (IWT):** Signed in 1960, governs the sharing of **six Himalayan rivers**. It provides a **dispute resolution mechanism**, involving the **Permanent Indus Commission (PIC)**, neutral experts, or a court through the [World Bank](#).
- The treaty allocates water from the **eastern rivers** ([Beas](#), [Ravi](#), [Sutlej](#)) to **India**, while Pakistan has rights over the **western rivers** ([Chenab](#), [Indus](#), [Jhelum](#)). India can use the **western rivers for limited irrigation and power generation**.
- **The Dispute:** The ongoing dispute centers on the [Kishanganga \(330MW\)](#) and [Ratle hydropower \(850MW\)](#) projects in Jammu and Kashmir. India and Pakistan have different interpretations of the treaty's dispute resolution process.
 - **Kishanganga project:** Located in Bandipore, Jammu and Kashmir, is a run-of-the-river hydroelectric project with a capacity of 330 MW.
 - It diverts water from the **Kishanganga River (Neelum River in Pakistan)** to a power plant in the **Jhelum River basin through a tunnel**.
 - Pakistan objected, citing concerns over water flow, but in 2013, [The Hague's Permanent Court of Arbitration](#) allowed India to proceed with certain conditions.
- **World Bank's Role:** Limited to procedural matters like **appointing experts** and **facilitating meetings**. It has paused and resumed processes based on mutual cooperation efforts between India and Pakistan.
- **Permanent Indus Commission:** Mechanism for cooperation and information exchange between India and Pakistan, with a Commissioner from each country.
 - Commissioners of both countries are **mandated to meet every year**.
- **Dispute Resolution:** The dispute redressal mechanism provided under **Article IX** of the IWT is a graded mechanism. It's a **3-level mechanism**.
 - **Questions:** These are simpler technical or operational issues handled by the **Permanent Indus Commission (PIC)** during regular meetings between the **commissioners of both countries**.
 - **Differences:** If unresolved at the PIC level, differences are escalated to a **Neutral Expert** appointed to resolve technical disputes, such as design or operational concerns.
 - **Disputes:** Major conflicts are referred to a **Court of Arbitration**, an ad hoc tribunal to handle larger disputes concerning the Treaty's interpretation or implementation.

The Indus Waters Treaty (IWT)

■ The distribution of waters of the Indus and its tributaries between India and Pakistan is governed by the Indus Water Treaty (IWT).

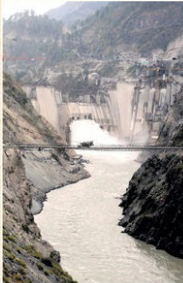
■ Was signed on Sept 19, 1960, between India, Pakistan and a representative of World Bank after nine years of negotiations.

■ Partition of India cut across the Indus river basin, which has the Indus river, plus five of its main tributaries.

Western rivers

Chenab, Jhelum, Indus

India's rights over these rivers: Limited — can set up certain irrigation, run-of-the-river power plants, very limited storage, domestic and non-consumptive use, all subject to conditions

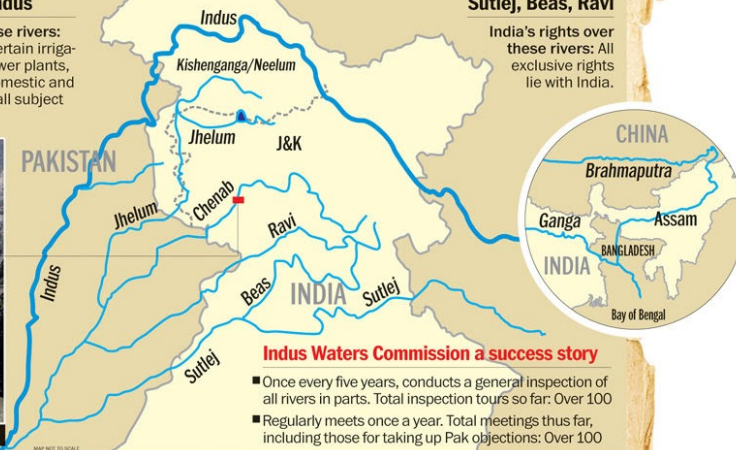


Baglihar dam on Chenab

Eastern rivers

Sutlej, Beas, Ravi

India's rights over these rivers: All exclusive rights lie with India.



Indus Waters Commission a success story

- Once every five years, conducts a general inspection of all rivers in parts. Total inspection tours so far: Over 100
- Regularly meets once a year. Total meetings thus far, including those for taking up Pak objections: Over 100

Permanent Court of Arbitration

- It was established in 1899 and is headquartered in **The Hague, Netherlands.**
- **Purpose:** It is an **intergovernmental organization** dedicated to serve the international community in the field of **dispute resolution and to facilitate arbitration** and other forms of **dispute resolution between States.**
- It has a three-part organizational structure consisting of:
 - **Administrative Council** - to oversee its policies and budgets,
 - **Members of the Court** - a panel of independent potential arbitrators, and
 - **International Bureau** - its Secretariat, headed by the Secretary-General.
- **Funds:** It has a Financial Assistance Fund which aims at helping developing countries meet part of the costs involved in international arbitration or other means of dispute settlement offered by the PCA.