



PRESS RELEASE

INDUS WATERS TREATY NEUTRAL EXPERT PROCEEDINGS (REPUBLIC OF INDIA V. ISLAMIC REPUBLIC OF PAKISTAN)

VIENNA, 2 JANUARY 2026

Developments since the Issuance of the Decision on Competence

As reported previously (Press Release dated 20 January 2025), on 7 January 2025, the Neutral Expert appointed under the Indus Waters Treaty 1960 (the “**Treaty**”), issued a [Decision on Certain Issues Pertaining to his Competence](#) (the “**Decision on Competence**”) in the proceedings commenced by the Republic of India against the Islamic Republic of Pakistan concerning India’s Ratle and Kishenganga Hydroelectric Plants (the “**RHEP**” and the “**KHEP**”), finding that he is competent to decide the Points of Difference put before him by India.

Correction to the Decision on Competence

On 31 March 2025, the Neutral Expert issued a [Correction to the Decision on Competence](#), rectifying certain clerical and typographical errors.

Pakistan’s Request for Measures to Secure and Safeguard the Effectiveness of the Proceedings

By letters dated 11 December 2024, 4 February 2025 and 13 February 2025, Pakistan requested “the Neutral Expert’s urgent, active and engaged consideration of appropriate directions to secure and safeguard a meaningful and effective Neutral Expert procedure.”

With reference to the RHEP construction schedule provided by India on 3 February 2025, Pakistan, in its letter of 13 February 2025, requested that the Neutral Expert “at the very least”:

(a) direct India to provide forthwith ... a detailed and elaborated construction schedule, showing all of the critical path stages ... including (i) expanding upon the items set out in Sections E [RCC Dam and Spillway] and F [Power Intake] of the Revised Construction Schedule, (ii) addressing the RCC or poured concrete construction elements of those stages, and (iii) notifying any and all changes in the design of the RHEP that there may be ... [the “**Request for a detailed and elaborated RHEP construction schedule**”];

(b) seek a formal undertaking that India will not commence the work itemised at E.3 [Concreting up to Crest level of orifice spillway EL 985m] on the Revised Construction Schedule ... until at least 30 days after the Second Site Visit for the express purpose of allowing the Neutral Expert a reasonable and timely opportunity to address any implications that he may apprehend may follow from this step for the effectiveness of the Neutral Expert process [the “**Request to seek an undertaking that India will not commence certain work**”]; and

(c) seek a formal undertaking that India will notify promptly, and at least 45 days in advance of implementation, any changes to the Revised Construction Schedule ... for the express purpose of allowing the Neutral Expert a reasonable and timely opportunity to address any implications that he may apprehend may follow for the effectiveness of the Neutral Expert process [the “**Request to seek an undertaking that India will notify any changes to the RHEP Construction Schedule**”].

Separately, and either in addition or in the alternative, Pakistan requested that the Neutral Expert direct India to provide certain additional information regarding the construction and design of the RHEP.

Pakistan submitted that the Neutral Expert's competence to grant its requests emanates from "an inherent competence to take steps to safeguard the effectiveness of [the] process," the chapeau of Paragraph 6 of Annexure F to the Treaty and Paragraph 8 of Annexure F to the Treaty.

By letters dated 18 December 2024, 3 February 2025 and 19 February 2025, India opposed Pakistan's requests in their entirety, arguing that the requested directions "would have the same effect as interim or provisional measures," which in its view the Neutral Expert is not empowered to issue under the Treaty.

By [letter dated 11 April 2025](#), the Neutral Expert addressed Pakistan's requests as follows:

- (i) The Neutral Expert granted Pakistan's Request for a detailed and elaborated RHEP construction schedule in part, directing India to submit, by 25 April 2025, an updated RHEP construction schedule reflecting the timelines for the procurement of spillway and intake gates. In the event, until the date of this Press Release, India had not submitted an updated construction schedule.
- (ii) The Neutral Expert denied the other parts of Pakistan's Request for a detailed and elaborated RHEP construction schedule, as well as the request for additional information regarding the RHEP construction and design, *inter alia* noting India's indication that physical hydraulic model studies for the spillway and energy dissipation arrangement of the RHEP were pending and its assurance that it would provide the Neutral Expert with "immediate" updates on "any material change".
- (iii) With respect to Pakistan's Request that the Neutral Expert seek an undertaking that India would not commence certain work, the Neutral Expert concluded as follows:

The Neutral Expert notes that Paragraph 6 of Annexure F, including its chapeau, relates to his competence to determine the procedure of the proceedings. However, the undertaking which Pakistan requests the Neutral Expert to seek, the effect of which would be to pause concreting of spillway until 30 days after the Second Site Visit, goes beyond the conduct of these proceedings and affects the construction of the RHEP, whose design is the subject matter of the proceedings. Thus, the Neutral Expert is of the view that Paragraph 6 of Annexure F does not empower him to direct India to provide such an undertaking. Likewise, Paragraph 8 of Annexure F relates to facilities for the conduct of the proceedings and does not empower the Neutral Expert to require the undertaking as requested by Pakistan.

For these reasons, Pakistan's request for the Neutral Expert to direct India to provide a formal undertaking that India will not commence concreting up to crest level of spillway at elevation 985m until at least 30 days after the Second Site Visit is denied.

Nonetheless, juxtaposing the RHEP construction schedule with the Work Programme in these proceedings, the Neutral Expert noted as follows:

... the Neutral Expert notes that RHEP construction work relating to spillway and intakes is scheduled to commence at the end of 2025 and end in the second half of 2027. At the same time, the Work Programme, as it currently stands, foresees Party submissions and a possible Fifth Meeting in 2026. Subsequent steps preceding the Neutral Expert's final

decision will then follow and the Neutral Expert's final decision could reasonably be expected in 2027. Based on the foregoing comparison, it appears that the concreting of spillway and intakes will start and possibly be completed before the Neutral Expert's final decision. The Neutral Expert finds it important to emphasize at this point that his determination could have implications for the design of the RHEP and that, in order to ensure the effectiveness of the decision, modifications may be required to work that has already commenced or been completed, including excavations, concrete structures, mechanical equipment and other components.

The Neutral Expert recalls India's assertion at various points in the proceedings, and specifically in its letter of 18 December 2024, that it "is fully aware of its obligations under the Treaty and the binding effect of a final decision by the NE." In view of this assurance, the Neutral Expert does not emphasi[ze] his considerations on this matter any further.

- (iv) The Neutral Expert requested India to continue to provide updated versions of the RHEP construction schedule on an ongoing basis. In the event, no further update on the construction of the RHEP has been provided.

India's Request for the Suspension of the Proceedings and Withdrawal from the Proceedings

By letters dated 26 May 2025 and 5 June 2025, India informed the Neutral Expert that "significant developments relating to the Indus Waters Treaty ha[d] taken place" and that it "ha[d] taken a considered decision to keep the Treaty in abeyance." India expressed the view that, in the light of its decision on abeyance, it would no longer be possible for "the site visits and hearings" in this matter to proceed. It requested that the dates for further hearings be vacated and that the Work Programme be put on hold.

By letter dated 27 May 2025, Pakistan opposed India's request for the suspension of the proceedings, noting that "there is settled legal authority that an applicant, in adjudicatory proceedings, cannot unilaterally withdraw a case it has commenced without the agreement of the respondent," that "Pakistan does not give its consent to the suspension or termination of the Neutral Expert proceedings," and that, were India to indicate that it would not attend or participate in the scheduled Fourth Meeting of the Neutral Expert, "Pakistan requests that the Neutral Expert holds that Meeting regardless of India's participation, on the scheduled dates, for purposes of scrutinising Pakistan's Counter-Memorial and its response to India's case."

By [letter dated 17 June 2025](#), the Neutral Expert denied India's request for the suspension of the proceedings, confirming that the Work Programme remained in place. The Neutral Expert noted that both Parties had submitted that he has no competence over the issue of India's decision to place the Treaty "in abeyance" and that, accordingly, he would not delve into this issue. At the same time, the Neutral Expert stated as follows:

. . . the Neutral Expert considers that the present circumstances, where one party asserts itself to be under no obligation to perform its obligations under the Treaty in respect of these proceedings, while the other party disputes this, do not provide a valid basis for putting on hold the schedule of pending neutral expert proceedings. The Neutral Expert notes that India's request, if granted, will essentially result in an indefinite suspension of the proceedings, until such time as it changes its position and asks for the resumption of the proceedings. Acceding to such a request would therefore amount to giving a party the ability unilaterally to decide when the proceedings are to stop and resume and would be inconsistent with the Neutral Expert's mandate under the Treaty and the Supplemental Rules.

Following the Neutral Expert's decision not to suspend the proceedings, by letters dated 28 July 2025 and 13 August 2025, India indicated that it "will not be in a position to move forward with or participate in the Neutral Expert proceedings," "since the Treaty is in abeyance and all its provisions are inoperative."

By letter dated 28 July 2025, Pakistan requested that the Neutral Expert confirm that, notwithstanding India's withdrawal from the proceedings, the Fourth Meeting would go ahead in accordance with the Work Programme.

By [letter dated 13 August 2025](#), the Neutral Expert confirmed that the Work Programme remained in place, including as regards the Fourth Meeting. While taking note of India's decision not to move forward with or participate in the proceedings, the Neutral Expert emphasized that it remained open to India to rejoin the proceedings should its position change.

Following further correspondence from India requesting the suspension of the proceedings, the Neutral Expert reconfirmed that the Work Programme remained in place by [letter dated 1 October 2025](#).

Pakistan's Counter-Memorial and Further Submissions

On 7 August 2025, Pakistan submitted its Counter-Memorial.

On 8 August 2025, the Court of Arbitration in the *Indus Waters Western Rivers Arbitration (Pakistan v. India)* issued its Award on Issues of General Interpretation of the Indus Waters Treaty ("**COA General Issues Award**"). Following the Neutral Expert's permission to the Parties to do so, Pakistan submitted Comments on the COA General Issues Award on 31 October 2025. India did not submit any observations on the Award.

Pakistan's Formal Request for a Determination

By letter dated 1 October 2025, Pakistan "formally request[ed] that, notwithstanding India's withdrawal from or non-participation in the proceedings, the Neutral Expert moves forward expeditiously and as a matter of urgency to reach a determination on the basis of the Parties' first round written submissions and First Site Visit alone."

By [letter dated 20 October 2025](#), the Neutral Expert vacated the dates set in the Work Programme for India's Reply, Pakistan's Rejoinder and the Fifth Meeting. By further [letter dated 5 November 2025](#), the Neutral Expert confirmed "his intention to proceed expeditiously and, in the event of India's continued non-participation, to reach a determination without requiring the filing of second round written submissions (*i.e.*, the Reply and Rejoinder) or any further site visits."

Fourth Meeting

The Fourth Meeting was held at the Hofburg Palace in Vienna (the seat of the PCA Vienna office) from 17 to 21 November 2025.

In India's absence, the focus of the meeting was on the presentation of Pakistan's Counter-Memorial, Pakistan's response to India's Memorial, exhibits and data, Pakistan's submissions on the implications for the Neutral Expert's proceedings of the COA General Issues Award, and questions from the Neutral Expert in relation to the entire record of the proceedings, including India's Memorial. The meeting comprised three days of opening submissions by Pakistan, followed by a fallow day, and a final day

dedicated to replies to questions from the Neutral Expert. The Neutral Expert put questions to the Parties both orally, and in writing in advance of, as well as during, the Fourth Meeting.

The Fourth Meeting concluded with a discussion of the next steps to be taken in these proceedings, including an application made by Pakistan for the bifurcation of the proceedings.

Pakistan's submissions were made by its Commissioner for Indus Waters, Mr. Syed Muhammad Mehar Ali Shah; its counsel, Sir Daniel Bethlehem KC, Professor Philippa Webb, Dr. Cameron Miles, and Mr. Abdullah Tariq; its technical experts, Dr. Gregory Morris and Mr. Peter Rae; and its senior engineering adviser, Ms. Elsie Parrilla-Castellar. Pakistan was also represented in the meeting by Ms. Charlotte Westbrook, counsel, and Mr. Bilal Mehmood Choudhry, Director-General South Asia and South Asian Association for Regional Cooperation, Ministry of Foreign Affairs.

At the conclusion of the Fourth Meeting, Pakistan submitted revised Final Submissions, which were duly signed by Pakistan's Commissioner for Indus Waters, in his capacity as acting Designated Representative, and transmitted to the Registry. A copy of Pakistan's signed revised Final Submission was transmitted to India, the original being held by the Registry.

Following the Fourth Meeting, on 28 November 2025 and 12 December 2025, Pakistan, as directed by the Neutral Expert, submitted materials and replies in response to the Neutral Expert's questions preceding and in the course of the Fourth Meeting.

India did not participate in the Fourth Meeting. Notwithstanding its current position regarding non-participation, the Neutral Expert has affirmed that India may rejoin the proceedings at any point in time in the future and is being kept informed of developments in the proceedings in real-time. Following the Fourth Meeting, India was invited to comment in writing on all matters discussed at the Meeting on the basis of the transcript, as well as on Pakistan's post-Fourth Meeting responses. It has not done so.

Pakistan's Application for Bifurcation and Revision of the Work Programme

At the Fourth Meeting, Pakistan made an application for the bifurcation of these proceedings, requesting that the Neutral Expert render a Partial Decision within an expedited timetable on certain aspects of the differences pertaining to outlets, spillways, intakes, and freeboard at the RHEP, relative to a hypothetical Dead Storage Level, to be followed in due course by a Final Decision on Pondage and all other remaining aspects of the differences, at both the RHEP and the KHEP. This request was reiterated in correspondence from Pakistan's Designated Representative of 28 November 2025.

Pakistan submitted that the issuance of a determination on the design of the RHEP was urgent to preserve the effectiveness of these proceedings, given that India is rapidly proceeding with construction. At the same time, Pakistan indicated that the Court of Arbitration in the *Indus Waters Western Rivers Arbitration (Pakistan v. India)* will conduct a further phase of its proceedings in the coming months on issues pertaining to Pondage under the Treaty, and requested a further opportunity to comment on the issue of Pondage in these proceedings following the Court's anticipated award.

Although it was invited to do so, India did not comment on Pakistan's application for bifurcation and the next steps in these proceedings.

By [letter dated 18 December 2025](#), the Neutral Expert denied Pakistan’s application for bifurcation, addressing the issue in the following terms:

The Neutral Expert has carefully considered Pakistan’s Application in the light of its submissions at the Fourth Meeting, the specific formulation of its Final Submissions dated 21 November 2025, and its correspondence following the Fourth Meeting. Pakistan’s representatives and counsel made plain the utmost importance attached by Pakistan to the Application, and the Neutral Expert appreciates Pakistan’s sense of urgency and concern for the effectiveness of the process.

Nevertheless, upon deliberation, the Neutral Expert finds that the effectiveness of the process would not be served by bifurcating the determination of the issues in the manner proposed by Pakistan, or in any other manner presently within the Neutral Expert’s contemplation. Pakistan does not merely request that the Neutral Expert make a determination as to whether or not elements of India’s design for the KHEP and the RHEP are in compliance with the Treaty; it also requests, *inter alia*, that the Neutral Expert find that there exist a range of Treaty-compliant sediment management strategies and that he identify and give reasons for alternative Treaty-compliant designs in respect of outlets, spillways, intakes, Pondage, and freeboard. In the Neutral Expert’s view, in order to render a determination on these matters, he will need to consider the design of the KHEP and the RHEP holistically, with an appreciation for the closely interrelated nature of the design elements at issue.

The Neutral Expert notes that the natural order in which to consider the design elements put before him would be to begin with an assessment on Pondage before moving to the other issues. While the Neutral Expert accepts that it is theoretically possible to determine certain aspects of the differences pertaining to freeboard, outlets, spillways, and intakes without first addressing the issue of Pondage and by reference to a hypothetical DSL, he considers that this would not be a sound approach. Such an approach would have the potential to fatally compromise the quality of the Neutral Expert’s decision as it would carry the risk that, upon turning to the issue of Pondage following the issuance of a Partial Decision, the Neutral Expert would find that some relevant aspect had been previously overlooked.

The Neutral Expert has also had regard to the RHEP construction schedule of 3 February 2025 and considers that, as against its background, the potential gain of a few months in the timetable of these proceedings would not justify the risk outlined above.

Moreover, while Pakistan, in its correspondence dated 15 December 2025, has urged the Neutral Expert to have regard to certain press reports mentioning an acceleration of construction at the RHEP, the Neutral Expert notes that those reports are vague and somewhat contradictory, also stating that the RHEP construction is “behind schedule” and relating difficulties with the RHEP that could create delay and possibly lead the construction company to pull out of the project.

Having regard to this decision, the Neutral Expert issued a [revised Work Programme](#) fixing the following key dates for a non-bifurcated process:

17 April 2026	Parties’ Further Written Submissions on Pondage
Around April/May 2026	Fifth Meeting with the Parties on Pondage and other Issues
1 June 2026	Neutral Expert’s Synthesis Memorandum
30 June 2026	Parties’ Written Comments on the Synthesis Memorandum
30 September 2026	Neutral Expert’s Draft Decision
30 October 2026	Parties’ Written Comments on the Draft Decision
9-11 November 2026	Meeting with the Parties for Exchange on the Draft Decision

11 December 2026 Parties' Further Written Comments on the Draft Decision
Around 29 January 2027 Neutral Expert's Final Decision

Background on the Proceedings

On 13 October 2022, the International Bank for Reconstruction and Development (the World Bank), pursuant to Article IX and Annexure F of the Indus Waters Treaty 1960, and after consultation with each of the Parties, appointed Mr. Michel Lino as Neutral Expert in proceedings commenced by the Republic of India against the Islamic Republic of Pakistan concerning the KHEP and the RHEP.

The Neutral Expert convened a first meeting with the Parties on 27 and 28 February 2023 at the headquarters of the Permanent Court of Arbitration ("PCA") at the Peace Palace, in The Hague.

Following the first meeting, the Neutral Expert's Terms of Retainer were fixed on 2 May 2023. The Terms of Retainer also recorded the appointment of Mr. Luc Deroo as the Neutral Expert's Technical Assistant.

On 1 June 2023, the Neutral Expert issued Supplemental Rules of Procedure, including a Work Programme, which was subsequently revised on 21 August 2023, 11 October 2023, 2 November 2023, 29 May 2024, 4 June 2024, 11 March 2025 and, most recently, 18 December 2025.

On 5 June 2023, the PCA was appointed as Registry and Secretariat by the Neutral Expert. The proceedings are administered by the Vienna Office of the PCA, in cooperation with its Mauritius Office.

On 31 August 2023, India submitted its Memorial.

A second meeting with the Parties was held on 20 and 21 September 2023 at the Imperial Hofburg Palace in Vienna. Matters discussed at that meeting included the organization of the first site visit, questions arising from India's Memorial, and amendments to the Work Programme.

Following the second meeting, Pakistan submitted its Statement under Paragraph 7 of Annexure F to the Treaty on 1 February 2024 and India submitted its Reply to Pakistan's Paragraph 7 Statement on 14 June 2024.

From 20 to 28 June 2024, the Neutral Expert conducted a site visit of the KHEP and the RHEP, preceded by a 3-day preparatory visit by the Technical Assistant and a 2-person engineering team from each Party.

A third meeting with the Parties was held on 10 and 11 September 2024 at the Imperial Hofburg Palace in Vienna. During this meeting, each Party made oral submissions on the competence of the Neutral Expert under Paragraph 7 of Annexure F to the Treaty.

On 7 January 2025, the Neutral Expert issued a Decision on Certain Issues Pertaining to his Competence.

More information about the proceedings can be found at <https://pca-cpa.org/en/cases/297/>.

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Background on the Permanent Court of Arbitration

The Permanent Court of Arbitration is an intergovernmental organization established by the 1899 Hague Convention on the Pacific Settlement of International Disputes. The PCA has 126 Contracting Parties. Headquartered at the Peace Palace in The Hague, the Netherlands, the PCA facilitates arbitration,

conciliation, fact-finding, and other dispute resolution proceedings among various combinations of States, State entities, intergovernmental organizations, and private parties. The PCA's International Bureau is currently administering 7 interstate proceedings, 98 investor-State arbitrations, 99 cases arising under contracts involving a State or other public entity, and 5 other proceedings. More information about the PCA can be found at www.pca-cpa.org.

Contact: Permanent Court of Arbitration
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PHOTOGRAPHS ACCOMPANYING PRESS RELEASE



Pakistan's Designated Representative, Mr. Syed Muhammad Mehar Ali Shah, addressing the Neutral Expert at the Fourth Meeting in November 2025



Counsel for the Islamic Republic of Pakistan, Sir Daniel Bethlehem KC, addressing the Neutral Expert at the Fourth Meeting in November 2025



Counsel for the Islamic Republic of Pakistan, Professor Philippa Webb, addressing the Neutral Expert at the Fourth Meeting in November 2025