Indus Water Treaty and World Bank Part II

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What is the new development?

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- The World Bank recently declared a “pause” to two separate processes initiated by India and Pakistan to resolve a new dispute over the Indus Waters Treaty. The dispute is related to the construction of the Kishanganga and Ratle hydropower projects in Jammu and Kashmir, which according to Pakistan, violates the treaty.
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- While India welcomed the decision and said such disputes could be resolved bilaterally, Pakistan’s initial reaction has not been enthusiastic. It was Pakistan which took the matter to the Bank in August 2016, asking it to set up a Court of Arbitration under the Treaty’s provisions.
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- India argued that a Court of Arbitration was not necessary, and asked the Bank for the appointment of a neutral expert, which is a lower level of dispute resolution mechanism under the treaty.
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- The Bank initially said that it would activate both the processes simultaneously. India objected, saying the matter would get very complicated in case the two processes produced contradictory rulings.
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- World Bank president Jim Yong Kim then wrote to the Finance Ministers of both countries, informing them of the decision to “pause” both processes, and asking them to seek “alternative” resolutions.
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Why India and Pakistan opted different mechanisms?

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India and Pakistan are insisting on different approaches of dispute resolution

because of their past experiences.

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On a design dispute on the Baglihar dam on the Chenab, a neutral expert had ruled in favour of India, even though the design of that dam was not strictly in accordance with the parameters prescribed in the Treaty.

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However, a similar question in the Kishanganga case — relating to reservoir level going below the dead storage level — was dealt with differently by the Court of Arbitration, which ruled that the design was inconsistent with the Treaty, and asked India to change it.

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Pakistan is keen to establish again that Indian constructions are illegal, and wants a legal resolution to the dispute; India, on the other hand, maintains that the dispute is of technical nature.

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What is in the future?

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- It's not immediately clear what "alternative" methods could be employed by the two countries to sort out the issue.
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- After Prime Minister Narendra Modi declared that "blood and water cannot flow together", India suspended routine bi-annual talks between the Indus Commissioners of the two countries. Therefore the regular lines of communication over the implementation of the Treaty are currently unavailable.
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- India, meanwhile, has established a high-level task force on the Treaty — it is headed by the Principal Secretary to the Prime Minister, and has the National Security Adviser, the Foreign Secretary, the Finance Secretary and the Water Resources Secretary among its members.
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- It is clear that any talks with Pakistan on the Treaty are unlikely to be purely technical in nature.
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- It is also possible that the World Bank might nominate a few independent experts to mediate between the countries.

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Source: The Indian Express

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