

PCA Case No. 2023-01

**IN THE MATTER OF
THE INDUS WATERS WESTERN RIVERS ARBITRATION**

- before -

**THE COURT OF ARBITRATION CONSTITUTED
IN ACCORDANCE WITH THE INDUS WATERS TREATY 1960**

- between -

THE ISLAMIC REPUBLIC OF PAKISTAN

- and -

THE REPUBLIC OF INDIA

**PROCEDURAL ORDER NO. 16
(DIRECTIONS ON FURTHER PROCEEDINGS)**

COURT OF ARBITRATION:

**Professor Sean D. Murphy (Chairman)
Professor Wouter Buytaert
Professor Jeffrey P. Minear
Judge Awn Shawkat Al-Khasawneh
Dr. Donald Blackmore**

SECRETARIAT:

The Permanent Court of Arbitration

8 November 2025

WHEREAS, by way of a Request for Arbitration dated 19 August 2016, Pakistan instituted arbitration proceedings, pursuant to Article IX(5) and Paragraph 2(b) of Annexure G to the Indus Waters Treaty 1960 (the “**Treaty**”);

WHEREAS in accordance with Paragraphs 4 to 9 of Annexure G to the Treaty, a Court of Arbitration (the “**Court**”) has been constituted;

WHEREAS on 6 July 2023, the Court issued an Award on the Competence of the Court (the “**Award on Competence**”), finding that the Court is competent to consider and determine the disputes set forth in the Request for Arbitration;

WHEREAS on 6 July 2023, the Court issued Procedural Order No. 6, determining that the Court would conduct these proceedings in a phased manner, and that the next phase of the proceedings (the “**First Phase on the Merits**”) would address certain questions that arise from the Request for Arbitration concerning the overall interpretation or application of Article III of the Treaty, and Paragraph 8 of Annexure D thereto, in addition to a related question concerning the legal effect of past decisions issued by dispute resolution bodies established pursuant to Article IX of the Treaty;

WHEREAS on 10 August 2023, the Court issued Procedural Order No. 8, granting Pakistan’s application to amend its Request for Arbitration dated 28 July 2023;

WHEREAS on 27 June 2025, the Court issued a Supplemental Award on the Competence of the Court, finding that India’s position on “abeyance” of the Treaty does not limit the competence of the Court over this dispute, which the Court previously affirmed in its Award on Competence, and finding that the Court has a continuing responsibility to advance these proceedings in a timely, efficient, and fair manner, notwithstanding India’s position on “abeyance”;

WHEREAS on 8 August 2025, the Court issued an Award on Issues of General Interpretation of the Indus Waters Treaty (the “**Award on General Interpretation**”), reaching findings on the questions at issue for the First Phase on the Merits;

WHEREAS on 19 September 2025, Pakistan transmitted a letter to the Court pursuant to Paragraph 27 of Annexure G to the Treaty, in which it sought “the Court’s clarification of a number of points arising out of the Award [on General Interpretation]” (the “**Request for Clarification**”);

WHEREAS on 29 September 2025, the Court held a Case Management Conference by videoconference, in which Pakistan appeared and participated, but India did not, and during which Pakistan addressed, *inter alia*, questions from the Court regarding certain aspects of its Request for Clarification;

WHEREAS on 8 November 2025, the Court issued a Decision on Pakistan’s Request for Clarification of the Award on Issues of General Interpretation (the “**Decision on the Request for Clarification**”), in which the Court provided clarifications with respect to some aspects of the Request for Clarification, but declined to provide clarifications with respect to other aspects of Pakistan’s Request, including Pakistan’s request for a clarification as to how the Treaty regulates the basis upon which India must determine the installed capacity and anticipated load of a proposed Annexure D, Part 3 HEP, and, once determined, how these elements are to be taken into account for purposes of the calculation of maximum Pondage;

WHEREAS in its Decision on the Request for Clarification, the Court recalled that it had concluded in its Award on General Interpretation that, with respect to whether and how the Treaty regulates the basis upon which India may determine such installed capacity and anticipated load, “Pakistan or India may

seek to pursue the matter through the Treaty's dispute resolution procedures, including a further phase of these proceedings" and further stated in its Decision that:

Were either Party to seek leave in that regard, the Court is open to conducting a further phase of these proceedings on this issue. Such a phase would provide an opportunity for written submissions from both Parties on this issue that, *inter alia*, identify the relevant Treaty provisions, the relevant documents in the record, and the Parties' current and past positions and practice, including in the *Baglihar* Neutral Expert Proceedings. The Court takes note in this regard of Pakistan's statement at the Case Management Conference that:

We would much rather that you deliberate fully and properly, and that you come to the best reliable conclusions that you can come to. And if that means on this particular issue that there needs to be another procedure, well, of course, then there absolutely needs to be another procedure.¹

THE COURT OF ARBITRATION HEREBY DECIDES:

1. Further Conduct of these Proceedings

- 1.1 The Court shall continue to conduct these proceedings in a phased manner, bearing in mind the status of, and developments concerning, the proceedings taking place before the Neutral Expert.

2. Submission on the Status of the Neutral Expert Proceedings

- 2.1 Each Party is requested to provide, by no later than **Friday, 12 December 2025**, a submission addressing the status of the Neutral Expert Proceedings.

3. Submissions on Further Phases of these Proceedings

- 3.1 Each Party is requested to provide, by no later than **Friday, 6 February 2026**, a submission indicating its views as to a further phase or phases in these proceedings in respect of matters raised in Pakistan's Request for Arbitration that were not resolved in the Award on General Interpretation, with such submission to address:

3.1.1 the scope of the issues to be determined in the further phase or phases of the proceedings; and

3.1.2 the timetable for the filing of written submissions and any oral submissions of the Parties.

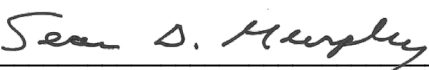
- 3.2 Bearing in mind Pakistan's expression of interest, as indicated at the Case Management Conference, in resolving the basis upon which India must determine the installed capacity and anticipated load of a proposed Annexure D, Part 3 HEP, and, once determined, how these elements are to be taken into account for purposes of the calculation of maximum Pondage, either Party also may request, by no later than **Friday, 6 February 2026**, a further phase of the proceedings specific to that issue, with any such request to address the timetable for the filing of written submissions and any oral submissions of the Parties.

¹ Case Management Conference Tr., p. 51:8–13.

4. Leave to Apply

- 4.1 Any Party has leave to apply to the Court for a variation of this Order, giving particulars of the variation sought and the reason for it.
- 4.2 Any Party may, at any point in these proceedings, request that the Court convene a conference with the Parties to address any procedural aspect of these proceedings. The Court shall arrange to confer with the Parties in person or by videoconference, according to the circumstances.

Dated: 8 November 2025



Prof. Sean D. Murphy
Chairman
On behalf of the Court of Arbitration