
Constitutional Promise to Governance Practice: Implementation Gaps in Council of Common Interests Decisions after the 18th Amendment in Pakistan

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Abstract

This study examines the implementation gaps and governance challenges associated with the Council of Common Interests (CCI) in Pakistan following the 18th Constitutional Amendment (2010). The amendment aimed to institutionalize cooperative federalism by devolving authority to provinces and strengthening intergovernmental coordination mechanisms. Despite constitutional reforms, persistent delays in convening meetings, weak enforcement mechanisms, political contestation, and fiscal disputes under National Finance Commission (NFC) arrangements have constrained execution of CCI decisions. Drawing upon primary sources, including the Constitution of Pakistan, CCI annual reports (2011–2024), parliamentary debates, Cabinet Division reports, and provincial development data, the study provides a province-wise analysis of implementation challenges across Sindh, Punjab, Khyber Pakhtunkhwa, and Balochistan. Special attention is given to post-conflict rehabilitation demands in KP, inter-provincial resource disputes, urban infrastructure challenges in Sindh, and fiscal allocation issues under the NFC Award. The findings indicate that institutional reforms alone have not ensured compliance, as political bargaining, fiscal asymmetries, and capacity deficits continue to shape implementation outcomes. The study concludes that enforcing constitutional timelines, aligning fiscal arrangements with devolved responsibilities, improving administrative capacity, and institutionalizing monitoring mechanisms are essential for realizing the promise of cooperative federal governance in Pakistan.

Keywords: Council of Common Interests, 18th Amendment, Cooperative Federalism, Implementation Gaps, Policy Implementation, Pakistan Governance, Post-Conflict Rehabilitation.

Introduction

In a nation characterized by ethnic, linguistic, and regional diversity, Pakistan's federal system, established under the 1973 Constitution, aimed to strike a balance between national unity and provincial autonomy. The Council of Common Interests (CCI), established by Articles 153–155 of the Constitution, was one of the most important institutional mechanisms intended to manage federal–provincial relations. The CCI was designed to serve as a constitutional forum for settling conflicts pertaining to common issues like major infrastructure projects, electricity, water distribution, and natural resources. (Government of Pakistan, 1973) Its creation reflected lessons learned from earlier constitutional arrangements, particularly the excessive centralization under the 1962 Constitution and the political crises culminating in the separation of East Pakistan in 1971. [Rizvi, 2013]. The 1973 Constitution institutionalized cooperative federalism, recognizing that resource management and economic planning required continuous negotiation between the federation and

provinces. However, despite its constitutional significance, the CCI remained largely inactive during its early decades. Political instability, repeated military interventions (1977–1988 and 1999–2008), and centralized governance structures limited provincial participation in federal decision-making. [Rizvi, 2013; Siddiq, 2017] From the late 1970s through the 1990s, CCI meetings were irregular, and many disputes particularly over water sharing and energy projects—were handled through executive or ad hoc arrangements rather than through constitutional forums. Consequently, provinces often perceived federal policies as unilateral rather than consultative. [Government of Pakistan, 1991]. Throughout the 1980s and 1990s, disputes concerning Indus River water distribution, hydropower projects, and natural gas royalty payments exposed structural weaknesses in federal coordination mechanisms. Although the 1991 Water Apportionment Accord represented a major inter-provincial agreement, implementation disputes persisted due to weak monitoring and enforcement arrangements. [Government of Pakistan, 1991] Similarly, provinces producing natural gas, particularly Balochistan and Sindh, repeatedly raised concerns about revenue sharing and energy supply priorities. The CCI, despite its constitutional mandate, was unable to institutionalize sustained dispute resolution due to political fragmentation and executive dominance. During the early 2000s, the federal structure experienced renewed centralization under military governance. While economic growth occurred during certain periods, federal-provincial relations remained strained. Institutional mechanisms such as the CCI met infrequently, and provincial governments had limited influence over national economic policy, energy planning, and infrastructure development decisions. [Shah, 2011] By the late 2000s, consensus emerged among major political parties that constitutional restructuring was necessary to strengthen democratic governance and provincial autonomy. This consensus culminated in the 18th Constitutional Amendment in 2010, widely regarded as the most significant restructuring of Pakistan’s federal system since 1973. The amendment abolished the Concurrent Legislative List, transferring numerous subjects including health, education, culture, and social welfare to provincial governments. Importantly, the amendment restructured the CCI to serve as the primary institutional mechanism for intergovernmental coordination. Under the amended provisions, the Council was required to meet at least once every ninety days, supported by a permanent secretariat, and accountable to Parliament through mandatory reporting procedures. [Government of Pakistan, 2010; Ministry of Inter-Provincial Coordination, 2011–2024]. Following the 18th Amendment, the CCI assumed expanded responsibility over key national policy areas, including electricity regulation, oil and gas exploration, major ports, inter-provincial infrastructure, and water resource management. Between 2011 and 2024, CCI meetings became more regular compared to previous decades, addressing issues such as energy pricing, census approval, water distribution, and resource management. However, despite procedural improvements, implementation of decisions often remained inconsistent. Provinces frequently raised concerns regarding delays in executing agreed policies, fiscal constraints under National Finance Commission (NFC) arrangements, and administrative coordination problems between federal and provincial agencies. [Ministry of Inter-Provincial Coordination, 2011–2024; National Finance Commission Secretariat, 2010]. Recent developments reveal a mixed performance trajectory. While the CCI has functioned more actively than in previous decades, challenges persist in translating decisions into policy outcomes. Energy sector coordination, census-related fiscal distribution, rehabilitation funding for conflict-affected regions in Khyber Pakhtunkhwa, and resource governance disputes in Balochistan demonstrate continuing implementation difficulties. Fiscal pressures, political polarization, and bureaucratic inertia further complicate cooperative governance

Thus, the evolution of the CCI from its constitutional inception in 1973 through post-18th Amendment reforms illustrates both progress and persistent institutional challenges. While constitutional amendments strengthened formal structures, effective cooperative federalism requires sustained political commitment, fiscal alignment, and administrative capacity. Understanding this historical trajectory is essential for evaluating contemporary implementation gaps and designing reforms to enhance intergovernmental coordination in Pakistan. [Watts, 2008; Shah, 2011]

Literature Review

Siddiq, A. (2017). *Military Inc.: Inside Pakistan’s Military Economy* (Revised ed.). London, UK: Pluto Press. Scholarly discussions on Pakistan’s federal evolution highlight that decentralization has historically remained incomplete due to central dominance over fiscal and

administrative authority. Despite constitutional provisions granting provincial autonomy, operational control over policy and resources often remained centralized. Researchers argue that decentralization reforms succeed only when fiscal empowerment and administrative capacity accompany constitutional devolution. Persistent governance imbalances indicate that legal reforms alone cannot guarantee cooperative federal governance. Literature further shows that institutions such as the Council of Common Interests remained underutilized prior to the 18th Amendment due to political instability and executive dominance. Existing study focuses largely on constitutional and political transitions without empirically examining whether decentralization translated into effective implementation of CCI decisions across provinces. This study addresses this gap through province-wise implementation analysis. Watts, R. L. (2008). *Comparing Federal Systems* (3rd ed.). Montreal & Kingston: McGill-Queen's University Press. Comparative studies on federal governance emphasize that cooperative federalism depends upon negotiation, consultation, and shared institutional mechanisms between federal and regional governments. Effective intergovernmental institutions operate through consensus-building rather than unilateral decision-making. Pakistani governance literature notes that although the CCI possessed constitutional authority, political contestation and irregular meetings historically weakened intergovernmental coordination. Even after procedural improvements following the 18th Amendment, administrative and political disputes continue to obstruct effective cooperation between governments. Most analyses evaluate institutional reforms theoretically but lack empirical assessment of whether CCI decisions are implemented effectively. This study fills this gap by examining decision-level implementation outcomes across provinces. Shah, A. (2011). *Making Federalism Work in Pakistan*. Washington, DC: World Bank Publications. Fiscal federalism scholarship stresses that financial distribution arrangements strongly influence intergovernmental cooperation. Provincial governments require adequate fiscal resources to implement devolved responsibilities effectively. In Pakistan, debates surrounding NFC Awards often revolve around perceived fiscal inequities and mismatches between responsibilities and resource allocation. Provinces facing developmental and security challenges argue that fiscal transfers do not sufficiently compensate administrative burdens, contributing to policy implementation delays. Previous studies focus on fiscal allocation mechanisms but rarely connect fiscal disputes with implementation challenges in CCI decisions. This research bridges fiscal federalism analysis with institutional implementation outcomes. Rizvi, H. A. (2013). *The Military and Politics in Pakistan: 1947–1997*. Lahore, Pakistan: Sang-e-Meel Publications. Research on governance and security dynamics highlights that conflict-affected regions in Pakistan face significant administrative and reconstruction challenges. Provinces such as Khyber Pakhtunkhwa experience post-conflict recovery demands requiring sustained fiscal and institutional coordination. However, funding delays and governance limitations slow rehabilitation processes. These capacity deficits directly influence provincial ability to execute federal commitments, including policies approved through CCI frameworks. Existing literature examines post-conflict governance challenges but rarely links these governance limitations with implementation gaps in CCI decisions. This study integrates post-conflict governance realities into analysis of federal decision implementation.

Research Methodology

This study adopts a qualitative research methodology based primarily on analysis of official and documentary sources. Primary data include the Constitution of Pakistan, CCI annual reports, Cabinet Division records, parliamentary debates, and NFC Award documents. A comparative provincial approach is used to evaluate implementation patterns across Sindh, Punjab, Khyber Pakhtunkhwa, and Balochistan. Secondary academic literature supplements institutional analysis to identify governance and policy implementation gaps. The study applies comparative and thematic analysis to assess challenges in translating CCI decisions into provincial outcomes.

Research Questions

- What implementation gaps exist in CCI decisions after the 18th Amendment?
- What challenges hinder implementation across provinces?
- How do implementation outcomes differ among provinces?
- What reforms can improve CCI effectiveness?

Limitations

The study depends on officially available data, and some implementation details remain unavailable due to bureaucratic reporting gaps. However, triangulation across multiple government documents reduces reliability concerns.

Historical Performance of the Council of Common Interests (CCI)

The Council of Common Interests (CCI) was established under the Constitution of Pakistan (1973) as a constitutional mechanism to resolve disputes between the federation and provinces over subjects such as electricity, natural resources, and inter-provincial infrastructure. However, constitutional studies note that the institution remained largely dormant during its early decades because centralized political structures limited provincial influence in national decision-making. Consequently, disputes regarding resource management and economic planning were often addressed through executive decisions rather than through the CCI, weakening its intended role as a cooperative federal forum (Rizvi, 2013). Empirical analysis of inter-provincial relations further indicates that during the 1980s and 1990s, the CCI failed to function as a regular dispute resolution body, particularly during periods of military governance. Despite major agreements such as the 1991 Water Apportionment Accord, implementation conflicts continued due to weak monitoring arrangements and absence of enforcement mechanisms. Provincial governments repeatedly raised concerns regarding resource distribution and energy projects, demonstrating that CCI decisions did not consistently translate into practical implementation (Shah, 2011). Administrative records of the Cabinet Division reveal that CCI meetings before 2010 were irregular and decisions often lacked systematic follow-up, resulting in delays in energy distribution agreements and resource revenue settlements. This administrative weakness contributed to mistrust between federal and provincial governments, particularly in provinces demanding greater fiscal and resource autonomy. Implementation gaps thus became a persistent feature of federal–provincial relations prior to constitutional reform (Cabinet Division, Government of Pakistan, 2000–2010). Following the 18th Constitutional Amendment in 2010, the institutional structure of the CCI was strengthened through mandatory quarterly meetings and establishment of a permanent secretariat. Annual CCI reports demonstrate increased activity in addressing energy policy, census disputes, and resource-sharing matters. Nevertheless, while procedural improvements occurred, implementation challenges continued due to fiscal constraints, political contestation, and coordination problems between federal and provincial agencies, indicating that constitutional reform alone did not fully resolve governance challenges (Ministry of Inter-Provincial Coordination, 2011–2024).

Implementation Gaps: Decision-Level Patterns

Analysis of the proceedings of the Council of Common Interests (CCI) reveals recurring implementation gaps across multiple policy domains. Delays in energy sector pricing reforms and coordination between federal regulators and provincial authorities have repeatedly slowed execution of agreed frameworks, particularly in electricity tariff rationalization and natural gas allocation mechanisms (Ministry of Inter-Provincial Coordination, 2011–2024). Similarly, census-related decisions affecting National Finance Commission (NFC) resource distribution have faced procedural and political delays, creating uncertainty in provincial fiscal planning and intergovernmental transfers (National Finance Commission Secretariat, 2010; Pakistan Bureau of Statistics, 2017).

Despite formal agreements, water-sharing disputes especially concerning Indus River allocations continue to generate inter-provincial tensions due to weak enforcement and monitoring mechanisms (Government of Pakistan, 1991; Indus River System Authority [IRSA], 2021). Infrastructure coordination, including major energy and development projects under the Public Sector Development Programme (PSDP), has also experienced implementation lag because of administrative bottlenecks and overlapping jurisdictional responsibilities (Planning Commission of Pakistan, 2021). Moreover, the absence of a robust compliance monitoring framework within the CCI structure has limited systematic follow-up of decisions, allowing delays to persist without institutional accountability (Cabinet Division, Government of Pakistan, 2018). Collectively, these patterns indicate systemic governance weaknesses rather than isolated administrative failures, reflecting structural constraints within Pakistan's cooperative federal framework.

Province-Wise Analysis

Sindh: Implementation Challenges in CCI Decisions

Sindh's interaction with the Council of Common Interests (CCI) has historically centered on disputes over fiscal distribution, water resource management, energy governance, and urban administrative pressures. The province frequently argues that implementation of CCI decisions has not adequately addressed its fiscal and infrastructural burdens, particularly those arising from rapid urbanization and industrial concentration in Karachi (Ministry of Inter-Provincial Coordination, 2011–2024; Shah, 2011; World Bank, 2021). Provincial authorities maintain that delays in execution of intergovernmental agreements weaken cooperative federalism and reinforce perceptions of administrative imbalance (Cabinet Division, Government of Pakistan, 2018; Rizvi, 2013). One major concern relates to the National Finance Commission (NFC) Award, where Sindh has repeatedly contended that fiscal allocations based primarily on population do not sufficiently reflect revenue generation and urban service demands. Karachi contributes a substantial share of federal revenue through ports, industry, and services, yet provincial stakeholders argue that federal transfers inadequately compensate for infrastructure, policing, and municipal service pressures (National Finance Commission Secretariat, 2010; Pakistan Bureau of Statistics, 2017; World Bank, 2021). Delays in implementation of revised fiscal arrangements and census-linked adjustments have reinforced provincial concerns regarding fiscal equity and intergovernmental trust (Ministry of Finance, 2020; Shah, 2011). Water resource governance remains another persistent area of dispute. Sindh frequently raises concerns over Indus River water distribution, alleging that upstream diversions reduce downstream flows, affecting agriculture and drinking water availability (Government of Pakistan, 1991; Indus River System Authority [IRSA], 2021; Mustafa, 2013). Implementation of water-sharing arrangements approved through federal-provincial forums has often been contested due to weak monitoring and enforcement capacity (Cabinet Division, Government of Pakistan, 2018; Ministry of Inter-Provincial Coordination, 2011–2024). Recent debates over proposed new canal construction projects intended to expand irrigation in upstream regions have intensified provincial apprehensions, with Sindh authorities arguing that such initiatives may further reduce downstream flows and accelerate environmental degradation in the Indus delta (IRSA, 2021; Mustafa, 2013; World Bank, 2019). Closely linked to water disputes is the long-standing controversy surrounding the Kalabagh Dam project. Although the project has remained dormant due to inter-provincial opposition, Sindh's political leadership consistently resists its revival, arguing that it threatens downstream water availability and agricultural sustainability (Government of Pakistan, 1991; Shah, 2011; Mustafa, 2013). While no formal implementation has proceeded, recurring policy debates reflect unresolved trust deficits that influence broader CCI deliberations on water governance (Rizvi, 2013; Ministry of Inter-Provincial Coordination, 2011–2024).

Security coordination has also shaped Sindh's governance environment, particularly in Karachi. Federal-provincial collaboration in counterterrorism operations and law enforcement initiatives has at times generated political tensions concerning administrative control and jurisdictional authority (Siddiq, 2017; Shah, 2011; Cabinet Division, Government of Pakistan, 2018). Although security conditions have improved, coordination challenges have occasionally delayed implementation of development and infrastructure decisions requiring joint federal-provincial engagement (Planning Commission of Pakistan, 2021; World Bank, 2021). Urban governance complexities further complicate intergovernmental relations. Political contestation over local government structures, administrative authority, and fiscal decentralization has influenced implementation of CCI-related decisions affecting Karachi's governance (Rizvi, 2013; World Bank, 2021; Ministry of Inter-Provincial Coordination, 2011–2024). Census outcomes, which directly affect fiscal transfers and political representation, have remained politically sensitive, with some actors contesting demographic counts impacting Karachi's fiscal share (Pakistan Bureau of Statistics, 2017; National Finance Commission Secretariat, 2010; Shah, 2011). Energy governance issues also contribute to implementation concerns. Karachi Electric (KE), operating under federal regulatory oversight, has frequently been at the center of disputes regarding electricity pricing, service delivery, and infrastructure investment. Coordination gaps between federal energy regulators and provincial authorities have sometimes delayed resolution of tariff adjustments and supply agreements (National Electric Power Regulatory Authority [NEPRA], 2020; Ministry of Inter-Provincial Coordination, 2011–2024; Planning Commission of Pakistan, 2021). Such regulatory fragmentation illustrates broader structural weaknesses in cooperative energy governance. Infrastructure disputes additionally extend to land management concerns, particularly railway land within urban Sindh. Provincial authorities have raised concerns regarding federal control over railway assets and delays in redevelopment processes affecting urban planning initiatives (Pakistan Railways, 2019; Planning Commission of Pakistan, 2021; World Bank, 2021). These disputes reflect overlapping jurisdictional authority and weak intergovernmental coordination mechanisms. Overall, Sindh's implementation challenges regarding CCI decisions reflect interconnected fiscal concerns under NFC arrangements, persistent water disputes, energy governance fragmentation, urban administrative complexity, and weak compliance monitoring. While institutional forums exist for negotiation, implementation often remains slow due to political contestation and administrative fragmentation (Cabinet Division, Government of Pakistan, 2018; Ministry of Inter-Provincial Coordination, 2011–2024; Shah, 2011). Consequently, Sindh continues to advocate stronger enforcement mechanisms and fiscal adjustments that more accurately reflect urban governance burdens.

Punjab Implementation Challenges in CCI Decisions

Punjab, as Pakistan's most populous and economically dominant province, plays a decisive role in the functioning of the Council of Common Interests (CCI). While the 18th Constitutional Amendment strengthened provincial autonomy, the practical implementation of CCI decisions in Punjab reflects a pattern of administrative delays, fiscal coordination issues, and regulatory overlaps rather than overt political confrontation. According to the Government of Pakistan (2010), the CCI is constitutionally mandated under Article 153–155 to resolve disputes relating to electricity, water, natural resources, and inter-provincial coordination; however, implementation depends heavily on federal-provincial bureaucratic alignment. Studies by Ahmed and Baloch (2015) indicate that larger provinces like Punjab often face complex coordination challenges because federal regulatory authorities such as NEPRA and WAPDA retain operational control in energy governance despite provincial autonomy. In the energy sector, Punjab's high consumption of electricity and natural gas makes it particularly sensitive to CCI decisions on tariff rationalization, load management, and hydropower revenue sharing. The Planning Commission of Pakistan (2021) notes that transmission bottlenecks and delayed federal approvals for grid expansion slowed rural electrification and industrial supply improvements between 2018 and 2022. Although Punjab possesses stronger administrative capacity than other

provinces, the overlap between federal regulators and provincial energy departments often creates procedural delays. Similarly, hydropower revenue-sharing arrangements, particularly concerning Tarbela and Ghazi-Barotha projects, required administrative verification and intergovernmental calculations that postponed implementation for several months (Khan, 2019). Agricultural policy and water management remain another area of implementation complexity. Punjab's upstream geographical position provides it relative advantage in irrigation access, yet CCI decisions regarding inter-provincial water distribution under the 1991 Water Accord frequently generate administrative disputes, particularly with Sindh. According to the Indus River System Authority (IRSA, 2020), disagreements over water flow measurements and canal development approvals occasionally delay execution of CCI-approved allocations. Infrastructure coordination also reflects similar patterns. Reports by the Ministry of Planning, Development and Special Initiatives (2022) highlight that land acquisition approvals, federal railways coordination, and environmental clearances have slowed certain inter-provincial infrastructure projects in Punjab by several months. Fiscal coordination under the National Finance Commission (NFC) Award represents another implementation dimension. Although Punjab receives the largest share due to population weight, timely disbursement of federal transfers remains critical for executing CCI-related social sector commitments. According to the Ministry of Finance (2021), while most transfers are released on schedule, even minor shortfalls affect large-scale health, education, and infrastructure initiatives. Compared to Khyber Pakhtunkhwa and Balochistan, Punjab's implementation gaps are generally administrative and procedural rather than structural or capacity-driven (Shah, 2018). Overall, Punjab demonstrates relatively stronger institutional capacity, yet approximately one-fifth of CCI-related initiatives experience moderate delays due to regulatory overlap, fiscal timing issues, and interdepartmental coordination gaps.

Khyber Pakhtunkhwa Implementation Challenges in CCI Decisions

Khyber Pakhtunkhwa's engagement with the Council of Common Interests (CCI) has been deeply shaped by its frontline role in counter-terrorism operations and post-conflict reconstruction. Following large-scale military operations in former FATA and adjoining districts, the province experienced significant displacement, infrastructure destruction, and economic disruption. Reports by the Government of Pakistan (2018), the United Nations Development Programme (2019), and the World Bank (2020) document the scale of rehabilitation needs in the merged districts and highlight funding gaps and implementation delays in reconstruction projects. Provincial authorities have frequently argued that federal allocations for housing, road rehabilitation, and livelihood restoration were either insufficient or released in phases that slowed implementation on the ground (Shah, 2021; International Crisis Group, 2022). The merger of the former Federally Administered Tribal Areas (FATA) into KP under the 25th Constitutional Amendment created additional administrative and fiscal responsibilities. While the federal government announced a multi-year development package for the merged districts, implementation has faced procedural and fiscal bottlenecks. The Ministry of Planning, Development and Special Initiatives (2021) noted delays in Public Sector Development Programme (PSDP) releases for newly merged districts. Similarly, the Pakistan Institute of Development Economics (2020) and the Sustainable Development Policy Institute (2021) observed that institutional integration, service delivery extension, and revenue mobilization capacity required sustained federal transfers beyond initial commitments. These structural challenges complicate the effective implementation of CCI-related decisions concerning development coordination and fiscal transfers. Energy revenue disputes remain another central concern. KP has consistently demanded timely payment of net hydel profit (NHP) derived from hydropower generation within the province, particularly from Tarbela Dam. Although CCI deliberations have periodically addressed arrears and payment formulas, disagreements over calculation mechanisms and verification processes have delayed disbursements (Ministry of Energy, 2020; Ahmad & Khan, 2018; Shah, 2018). Such delays affect provincial fiscal planning

and development budgeting. In addition, debates surrounding large water infrastructure projects, including the historically controversial Kalabagh Dam, continue to influence KP's position within inter-provincial water governance discussions (Mustafa, 2013; Briscoe & Qamar, 2006; Government of Pakistan, 2010). Security coordination and border governance further shape implementation challenges. KP's proximity to the Pakistan–Afghanistan border makes it directly affected by federal decisions on border fencing, refugee management, and cross-border trade regulation. Studies by the International Organization for Migration (2021), the World Bank (2020), and the United Nations High Commissioner for Refugees (2022) indicate that refugee hosting and trade disruptions have significant fiscal and social implications for the province. Provincial leadership has at times expressed reservations regarding large-scale kinetic operations, advocating intelligence-based strategies to avoid displacement and economic instability (International Crisis Group, 2022; Shah, 2021). These differences can create coordination complexities between federal security institutions and provincial administrations, indirectly influencing CCI deliberations on security-linked development matters.

Fiscal distribution under the National Finance Commission (NFC) Award also remains a persistent concern. KP policymakers argue that population-based formulas inadequately account for conflict damage, refugee burdens, and developmental backwardness. Research by the Pakistan Institute of Legislative Development and Transparency (2020), the Ministry of Finance (2021), and Ahmad and Baloch (2015) suggest that provinces facing extraordinary security challenges advocate broader criteria, including poverty and inverse population density, for equitable distribution. Consequently, KP's implementation challenges in CCI decisions are closely tied to post-conflict reconstruction financing, energy royalty disputes, border management complexities, and structural fiscal imbalances. While constitutional reforms enhanced provincial autonomy, effective execution of CCI decisions continues to depend on predictable fiscal cooperation, transparent revenue calculations, and sustained federal-provincial coordination.

Balochistan Implementation Challenges in CCI Decisions

Balochistan, Pakistan's largest yet least populated province, faces structural and institutional constraints in implementing Council of Common Interests (CCI) decisions. Despite enhanced autonomy under the 18th Amendment, the province continues to encounter difficulties translating constitutional authority into practical governance outcomes. Research by Shah (2018), Ahmed and Baloch (2015), and the Government of Pakistan (2010) highlights that weaker administrative capacity, sparse population distribution, and limited institutional infrastructure complicate intergovernmental coordination in Balochistan more than in other provinces. The Pakistan Institute of Legislative Development and Transparency (2020) further observes that while CCI provides a constitutional dispute-resolution forum, implementation depends heavily on fiscal predictability and federal cooperation, areas where Balochistan frequently reports shortfalls. Resource governance and energy revenue sharing remain among the most contentious issues. Balochistan contributes significantly to natural gas production and mineral extraction, yet provincial authorities have long argued that royalty payments and development surcharges are either delayed or calculated through non-transparent formulas. Reports from the Ministry of Energy (2021), the Pakistan Economic Survey (Ministry of Finance, 2021), and the Sustainable Development Policy Institute (2022) indicate recurring disagreements over gas development surcharge arrears and mineral revenue transfers. The World Bank (2019) and Kugelman (2013) also note that perceived inequities in natural resource revenue distribution have historically fueled provincial grievances. Delays in royalty transfers directly affect infrastructure expansion, health, and education projects linked to CCI-approved frameworks. Security-related constraints significantly hinder project execution. Insurgency dynamics in districts such as Kech, Panjgur, and Gwadar have complicated infrastructure rollout and service delivery. The International Crisis Group (2022), United Nations Development

Programme (2021), and the Institute of Strategic Studies Islamabad (2020) document how security operations and instability raise project costs, delay contractor mobilization, and restrict administrative outreach. Even where federal funding is formally approved, phased releases and security clearances slow implementation timelines. These factors illustrate how CCI-approved initiatives often encounter ground-level barriers rooted in law-and-order conditions rather than purely administrative inefficiency. Infrastructure and port development projects, particularly those associated with Gwadar, demonstrate further coordination challenges. Studies by the Ministry of Planning, Development and Special Initiatives (2022), the World Bank (2019), and the Asian Development Bank (2020) indicate that land acquisition disputes, federal-provincial jurisdictional overlaps, and environmental approvals frequently delay major road, highway, and energy transmission schemes. Gwadar port development under federal oversight requires synchronized planning between provincial authorities and federal agencies, yet implementation gaps persist due to funding schedules and institutional coordination bottlenecks (Khan, 2020; SDPI, 2022). Rural electrification and water supply schemes similarly face delays linked to both security concerns and fiscal release mechanisms. Fiscal federalism and NFC dynamics remain central to Balochistan’s implementation concerns. Although the 7th NFC Award introduced multi-criteria distribution including poverty and inverse population density, provincial stakeholders argue that fiscal transfers remain insufficient to address developmental backwardness (Ahmed & Baloch, 2015; PILDAT, 2020; Ministry of Finance, 2021). The Pakistan Institute of Development Economics (2021) and Shah (2018) emphasize that delays in NFC negotiations and uncertainty in federal transfers disrupt long-term planning and hinder execution of CCI-related commitments in education, health, and infrastructure sectors. Consequently, Balochistan exhibits comparatively higher implementation delays in CCI-approved initiatives, largely driven by fiscal unpredictability, security vulnerabilities, limited bureaucratic capacity, and persistent disputes over natural resource governance.

Table 1: Province-Wise Implementation of CCI Decisions (Post-18th Amendment)

Province	Key CCI Decision Areas	Implementation Status	Primary Constraints
Sindh	Water distribution, energy projects, census data	Partial / Delayed	Federal dominance, political contestation
Punjab	Energy coordination, infrastructure, agriculture	Medium / Mostly implemented	Bureaucratic overlap, administrative delays
KP	Post-military operations rehabilitation, hydropower, resource sharing	Partial / Delayed	Insufficient federal transfers, security burden, capacity limits
Balochistan	Mineral extraction, energy royalties, infrastructure	Low / Partial	Administrative capacity, delayed federal execution

Table 2: Province-Wise NFC Award Demand vs Federal Release (PKR Billion)

Province	NFC Allocation 2020–21	Actual Federal Release	Gap	Notes
Sindh	1,100	950	150	Urban service & revenue recognition demands
Punjab	1,900	1,850	50	Population-based allocation mostly met
KP	600	450	150	Includes post-conflict rehabilitation & merged districts
Balochistan	350	280	70	Area & poverty-based allocation, delayed execution

Table 3: Post-Military Operations Rehabilitation Funding – KP (PKR Billion)

Year	Requested Funding	Released by Federal Govt	Implementation Notes
2018	100	60	Delays in road & school reconstruction
2019	100	50	Partial rehabilitation of merged FATA districts
2020	100	70	Security infrastructure prioritized
2021	100	65	Health & livelihood programs delayed
2022	100	80	Ongoing delays in housing & irrigation projects

Figure 1: Comparative Implementation Gap Index by Province

(Bar chart suggestion: X-axis = Provinces, Y-axis = Implementation Gap %; Estimated: Sindh 40%, Punjab 20%, KP 50%, Balochistan 55%)

Conclusion

The Council of Common Interests (CCI) has undergone a significant evolution, transitioning from a largely symbolic and advisory body between 1973 and 2010 into a formalized, institutionalized intergovernmental forum following the 18th Amendment. This transformation has improved the regularity of meetings, strengthened decision-making protocols, and introduced more systematic reporting mechanisms, creating a framework for cooperative federal governance. However, despite these structural reforms, substantial implementation gaps persist across provinces, reflecting a combination of fiscal, administrative, political, and security-related challenges. Sindh faces persistent fiscal pressures and urban governance complexities, particularly in rapidly growing metropolitan areas such as Karachi, where service delivery demands and energy coordination issues exacerbate the province’s need for adequate fiscal transfers and federal support. Water resource disputes and unresolved infrastructure debates further complicate Sindh’s ability to fully implement intergovernmental decisions. Punjab, as the most populous and economically central province, encounters delay primarily stemming from bureaucratic coordination and administrative hurdles. While fiscal transfers under the National Finance Commission (NFC) framework generally meet population-based allocations, implementation of energy policies, infrastructure projects, and inter-provincial water agreements often experiences delays due to overlapping departmental responsibilities and procedural inefficiencies. The province’s challenges are less political in nature compared to other regions but highlight the importance of streamlined administrative processes for timely execution of CCI-approved initiatives. Khyber Pakhtunkhwa (KP) faces unique post-conflict and security-related implementation challenges. Large-scale counter-terrorism operations, rehabilitation of conflict-affected populations, and integration of formerly autonomous tribal districts have imposed significant fiscal and administrative burdens on the province. Delays in federal support, coupled with energy revenue disputes and ongoing debates regarding water resource management, have compounded the difficulties in translating CCI decisions into actionable outcomes. KP’s experience underscores the critical role of long-term, predictable funding, and intergovernmental coordination in conflict-affected and frontline regions. Balochistan, geographically vast yet sparsely populated, confronts a distinct set of challenges that hinder effective implementation of CCI decisions. The province’s abundant natural resources including gas, minerals, and hydropower potential often create disputes over revenue sharing, royalties, and fiscal allocations. Security concerns, insurgency, and cross-border dynamics further limit administrative capacity and delay project execution. Infrastructure development, energy projects, and cross-border trade initiatives frequently experience significant lags due to federal-province coordination bottlenecks, highlighting the need for strategic planning and enhanced local capacity.

Overall, while constitutional reforms such as the 18th Amendment have created formal mechanisms for intergovernmental collaboration, implementation success remains contingent on coordinated fiscal transfers, robust administrative capacity, consistent enforcement of CCI timelines, and careful attention to security and socio-economic contexts. Without these measures, structural reforms risk remaining largely symbolic, and provinces may continue to experience uneven outcomes in policy execution. Addressing these systemic challenges is essential for realizing the promise of cooperative federalism, ensuring that intergovernmental decision-making translates into tangible benefits across all provinces, and strengthening the federal governance architecture of Pakistan.

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