

## **Assessing The Benefits of Devolution in Municipal Waste Management: The Transition from Waste Management Companies to Suthra Punjab Agencies During the Eid Ul Azha Operation in Narowal (2025–26)**

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### **Abstract**

The sanitation issues in Punjab have been persistent, with increasing waste, blocked drains, and a gradual deterioration of public areas. In this context, the Government of Punjab initiated “Suthra Punjab,” the most ambitious province wide sanitation campaign in history. The program initially replicated the Lahore Waste Management Company model and established waste management companies at Punjab's divisional headquarters, responsible for cleaning the entire division, both urban and rural areas. The company model was successful in a few large cities, but virtually all rural areas were neglected. The program was then restructured, devolving administrative and financial authority from the divisions to district level Suthra Punjab agencies in February 2026. This paper is based on three theories: Decentralisation Theory, Principal Agent Theory, and Fiscal Federalism (Devolution) Theory to assess benefits and drawbacks of devolution of municipal waste management from Waste Management Companies (WMCs) to Suthra Punjab agencies in Punjab by comparing the most difficult cleanliness drive during the Eid ul Azha 2025 & 2026 in Narowal, when the daily waste increased from 677 tons to 1,760 tons, which is two and a half times the normal load, in just three days. The paper explores simple research questions. This paper concludes that the Suthra Punjab agency model has clearly better sanitation coverage in the district and has devolved administrative and financial powers from the Waste management companies to the districts. However, the district Suthra Punjab agency is not yet fully empowered as envisioned in Article 140A of the Constitution of Pakistan, 1973, because it is led by Deputy Commissioner rather than an elected Local Government Representative. The figures used in this paper for Narowal are taken from the District Eid ul Azha plan 2026.

### **Introduction**

Cleanliness has an important and irreplaceable status in Islam. Islamic teachings have highlighted the importance of personal hygiene and environmental cleanliness as part of faith and moral responsibility. This focus is not limited to private spaces but also extends to public areas, signifying a dedication to social welfare and communal well-being. But unfortunately, this has always been done poorly in Punjab, especially in rural areas. The estimated annual municipal waste generation in Punjab is approximately 18.4 million tons, while the total waste generation in Pakistan is approximately 30 million tons (Asian Development Bank, 2021). About half of this municipal waste is collected, and sometimes, in the villages, almost nothing. “Ab Gaon Chamkay Gey” Program

(Cleanliness drive) is an important early step taken by the Caretaker Government of Punjab in August 2023. For the first time in the province's history, this program aimed to introduce urban style sanitation to rural areas, and village committees were formed in some 2468 rural Union Councils. It was small and ephemeral, but it had a lasting impact. In this context, the Suthra Punjab Program (meaning "Clean Punjab") is an initiative launched by the Chief Minister of Punjab in December 2024. The Suthra Punjab Program aims to make Punjab a clean, healthy, and environmentally friendly province, where waste will not be thrown in open spaces. The efforts of the Government of the Punjab can be categorized into three phases. The first was the company model, initiated with the Lahore Waste Management Company (LWMC) in 2010, which is a genuine success in Lahore, having increased the waste collection rate from 62 percent to over 90 percent and establishing the first properly engineered sanitary landfill in Lahore. The second phase was scaling the LWMC pattern to divisional headquarters, i.e. Faisalabad, Rawalpindi, Multan, Sargodha, Bahawalpur, Dera Ghazi Khan, Rahim Yar Khan, Gujranwala, and Sahiwal under the umbrella of the Suthra Punjab program in December 2024. The jurisdiction of companies was extended to entire divisions, with responsibility for cleanliness in all areas, without distinction between urban and rural. The third and ongoing phase is the Suthra Punjab Authority and its district level agencies, which have been empowered with the mandate for sanitation services, administrative and fiscal control, and have brought artificial intelligence tools into a single governance system, all the way down to the Union Council. The program has engaged more than 176,000 sanitation workers and over 40,000 vehicles to clean the Punjab. The programme has several key features to achieve these goals. This includes door to door garbage collection in both urban and rural areas, modern cleaning machinery and vehicles, and digital monitoring systems like GPS tracking and online dashboards. It also has a public complaint system, helpline and mobile application to report sanitation issues.

### **Research Questions**

1. What were the reasons for the devolution from Waste Management Companies to Suthra Punjab agencies, and what were the issues it was trying to solve?
2. What role do the public-private partnership (PPP) and the contractor system play?
3. Based on the figures for the Narowal Eid, is the new system more effective than the old system?

### **Significance of the study**

The study is important for three reasons. First, municipal waste management is directly linked with the control and spread of diseases and epidemics in society. Second, the Suthra Punjab reform is very recent and very large, so there is little independent evidence yet on whether it works. Third, the paper puts the reform to the test in a real high pressure situation: Eid ul Azha in Narowal, where a more precise assessment can be made than from general assertions or official summaries. The results will be of interest to policymakers planning to replicate this model in the upcoming Government of Punjab Initiative, "Misali Gaown".

### **Literature Review**

Previous studies relevant to this paper can be divided into three categories: studies on decentralization, studies on public-private partnerships in waste management services, and studies on devolution in Pakistan. Together, they provide the paper with its central ideas.

### **Studies on Decentralization**

Research on decentralization typically refers to three modes of decentralizing work or power away from the center. Deconcentration: the center retains power, but delegates work to its own local offices.

Second, delegation: the center passes a function to a semi independent entity (company), retains ownership of the function, and can reclaim it. Third, devolution: real power, governance, and responsibility are delegated to a district Local Government, typically an elected one. The third is full devolution, as the local body is truly responsible to the local people. The basic idea throughout this paper is the simple three way distinction associated with Rondinelli and the broader development administration literature.

### Public Private Partnerships in Waste Management Studies

Public private partnerships (PPP) for waste management services are not new in developing countries. Ahmed and Ali (2004), in a well known study, state that the introduction of private operators can enhance service and provide employment opportunities if the contract is well designed and workers and poor users are safeguarded. One common worry is the “principal–agent” problem: the Government can't verify whether the contractor is actually working, and the contractor may skimp on the work. This is why Suthra Punjab is so dependent on technology (GPS on vehicles, weighbridges, photos with time and location, and facial attendance) to ensure that work is completed before payment is made. Country studies caution that experience with the Lahore Waste Management Company has raised ethical and management concerns in PPPs, and, as always, a PPP is only as good as its design and management.

### Research on Devolution in Pakistan

Khan and Mahmood (2019) have studied the waste crisis and state that the issue was “inadequate devolution”. Good waste management requires Local Governments with real powers and resources; without these, they cannot do it. In general, since the 18th Amendment of 2010 to the Constitution of Pakistan, 1973, the provinces have been granted autonomy from the federal Government but they have been hesitant to devolve authority to local Governments, whom they see as competitors. The same was true for the divisional waste management companies, which assumed resources and functions previously held by Municipalities but did not return control to the local elected representative. The promise of Article 140A of the Constitution, which calls for elected local Governments in the provinces with political, administrative, and financial authority, has largely remained unfulfilled. It is this gap that the present paper addresses, asking if the latest reform takes us any closer to that promise.

### Theoretical Framework

The paper is based on three theories, namely, Decentralization Theory, Principal–Agent Theory, and Fiscal Federalism (Devolution) Theory as per Article 140A of the Constitution, which are explained here in simple terms and then applied to the evidence. Figure 1 shows the three forms.

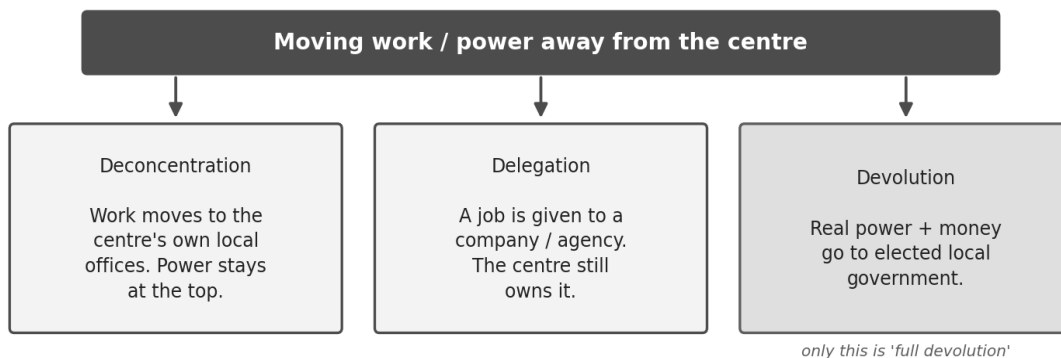


Figure 1: The three forms of decentralization. Only devolution gives real local power. First, Decentralization Theory (Rondinelli's typology of decentralization) distinguishes among three types of decentralization: deconcentration, delegation, and devolution, with devolution being the only one that empowers elected local Government. The crux of this paper is the following test: If the reform is to be called “devolution,” then one must see whether there was any real devolution of power to district Local Government, or only the work was devolved. Second, Principal–Agent Theory (also known as Agency Theory). The theory is that a “principal” (in this case, the Government) hires an “agent” (in this case, the private contractor) to perform a task, and the principal cannot easily determine whether the agent is actually working, so the agent may take shortcuts. The cure is monitoring – ways to check the work and tie payment to results. This is the theory behind Suthra Punjab's extensive use of technology, and it provides a means to assess whether or not that monitoring is effective. Third, the Fiscal Federalism (Devolution) Theory, which is based on Article 140A of the Constitution. The principle of fiscal federalism is that powers and money should be aligned with the appropriate level of Government, and that the services most closely tied to people's everyday lives are best governed by elected local Government. Article 140A translates this into constitutional language by mandating that the provinces devolve real political, administrative, and financial powers to elected local Governments. It is here employed as the standard for “devolution.” This theory can be used to evaluate how far the move from divisional companies to district level Suthra Punjab agencies has gone, and the same spirit of bringing service and authority closer to the people.

## **Methodology**

### **Research Design**

The research design used in this study is qualitative research with a single case study, i.e., Narowal. The study is descriptive and analytical.

### **Unit of Analysis**

The unit of analysis is the district level Suthra Punjab agency, which is analyzed based on the Eid ul Azha operation in District Narowal in 2025-26. The agency operates in three tehsils (Narowal, Shakargarh and Zafarwal) with a population of 1.95 million people in 101 union councils. The district of Narowal was not chosen at random but is a medium-sized, partly rural district that the old Waste Management Company model never managed to reach, and is therefore a telling test of the new system's promise to reach districts and rural areas.

### **Time Horizon**

The study is based on a short comparative horizon that is Eid-ul-Azha operations for 2025 and 2026. Eid-ul-Azha was selected as it is the time when the waste load of the year is the maximum: in Narowal the waste load goes up from approximately 677 tons per day to approximately 1760 tons per day during Eid-ul-Azha, which is about two and a half times the normal load. This is a natural stress test a system that takes such a surge will clearly be able to do so. A comparison of 2025 to 2026 also used to determine if there was an increase in capacity year on year.

### **Data Analysis Technique**

The analysis is based on primary data (Narowal operation documents 2026 plan with 2025 figures) and secondary data (government portals, institutional reports (Asian Development Bank and the Urban Unit), newspapers, and academic studies). It takes place in three steps. First, the 2025 and 2026 values are compared to determine if, and by how much, capacity increased. Second, the organization of the new system (who plans and executes, and who is responsible) is compared with

the theoretical model to determine whether the reform is deconcentration, delegation, or devolution.

### **Data Sources**

The paper employs two kinds of data. The first is primary data gathered from operational documents of Eid ul Azha operation plan in Narowal for 2025 & 2026 Year. The documents include operational details such as population served, number of union councils, daily waste tonnage on normal days and during Eid days, machinery used each year, awareness material distributed, number of transfer stations, Control room, and enforcement arrangements. The second is secondary data obtained from Government portals (Punjab Local Government and Community Development Department, Lahore Waste Management Company and official Suthra Punjab material), institutional reports (Asian Development Bank's assessment of solid waste sector in Pakistan and asset mapping by the Urban Unit), newspapers (Dawn, The Express Tribune, The Nation and Daily Times) and academic studies (Ahmed and Ali; Khan and Mahmood).

### **Why Eid ul Azha**

The study period was chosen as Eid ul Azha because it is the period of maximum waste production throughout the year. Slaughtering animals for three days creates more waste than a normal day. The waste generated in Narowal rose from about 677 tons per day to about 1,760 tons per day, about two and a half times the normal load. This is a natural stress test to check the capability of this new Suthra Punjab agency model. It is, therefore, a more telling test of the reform to look at its most challenging time.

### **Method of Analysis**

The analysis is done in three stages. The first is to determine whether the new system's capacity grew and, if so, by how much, from 2025 to 2026. The second is to examine the organization and operation of the new system: who plans and executes, to whom it is accountable, and the third is to classify the reform as deconcentration, delegation, or devolution.

### **History and Lessons Learned**

The first attempt towards professionalization of municipal sanitation in Punjab was taken with the establishment of a specialized waste company. Lahore Waste Management Company (LWMC) is a semi autonomous corporate body established by the Lahore City Government under Section 42 of the Companies Ordinance 1984 on 19 March 2010. LWMC took over responsibility for waste management, increased the waste collection rate from approximately 62 percent to more than 90 percent, and constructed Lahore's first properly engineered sanitary landfill. The Lahore experience was deemed a success and replicated. Six more companies were set up on the same lines in Faisalabad, Gujranwala, Sialkot, Rawalpindi, Multan, and Bahawalpur. Conceptually, this was delegation: the Local Governments (Municipal Committees, District Councils) delegated the waste collection function to semi autonomous corporate bodies that actually performed the function on their behalf. Wherever the cities had such a company, the improvement was real and visible. However, the model was structurally flawed and could not be made efficient by the companies. The companies were located in a few divisional headquarters. The rest of the division, specifically smaller towns, semi urban areas and nearly all its rural areas, continued under the old Municipal system. Thus there was cleaned urban areas and messy rural areas. Government of Punjab took steps towards a more comprehensive solution, and the Suthra Punjab waste management program was rolled out across Punjab in December 2024 and three more companies were formed for Dera Ghazi Khan, Rahim Yar Khan, and Sargodha.

In this transition, the waste companies' jurisdiction was expanded to entire divisions, and responsibility for providing municipal sanitation services was assigned without distinction between

urban and rural areas. For this purpose, the human resources, machinery, and budgetary funds of the Local Governments (Municipal Committees, District Councils, etc.) were transferred to the waste management companies via Services and Assets Management Agreements (SAAMA). The companies, in turn, outsourced the actual work to private contractors, using the transferred staff and machinery alongside the contractors' own. The model was, however, seriously flawed, and all of these contributed to the need for further reform.

### **No common standard and a lack of coverage**

The simplest issue was coverage disparity. The provision of services was often concentrated in urban areas, with semi urban and rural areas poorly served or neglected. Each company was independent and did its own job, so there was no uniformity of cleanliness, even from one Union Council to the next.

### **Poor monitoring and coordination**

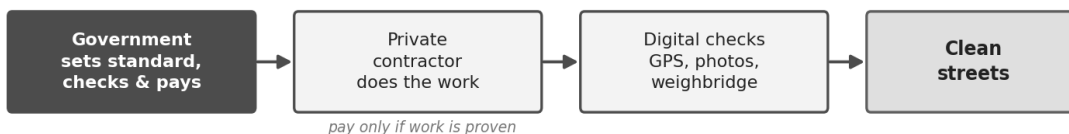
The system was designed to provide for payment to the contractor only for work actually performed. In practice, the monitoring was light and patchy, and could not be enforced reliably. Another weakness was the lack of coordination between the private contractors and the local administration, which facilitated the easy shifting of responsibility and hindered remedial action. The complaints from the public were increasing day by day.

### **Fiscal burden**

The expense of this level of waste management services was high and the budget rose from about Rs 120 billion to about Rs 150 billion. This was a significant and regular burden on the provincial treasury being the funding year on year. This concern would eventually result in the collection of service fees (garbage fees) to put the system on a more sustainable financial footing.

### **Suthra Punjab Authority and District Level Agencies**

As sanitation was one of the key priorities, the Provincial Assembly of Punjab passed the Suthra Punjab Authority Act, 2026, to make the program an institutional mechanism and provide a common framework for sanitation services up to the Union Council level. The concept of the statutory underpinning of the reform was to give it a permanent legal footing, a clear mandate and an institutional base, from which it would be difficult to remove. Following the enactment of the law, the Government started to establish Suthra Punjab agencies in all the districts of Punjab. The aim of the reform was to decentralise the management of sanitation and to combine in one institution the activities that were split or neglected: waste collection and disposal, regulation of sanitation services, recycling and environmental protection. In fact, this framework is a public–private partnership. Suthra Punjab is based on 4 year contracts with private contractors who supply extra labour and equipment, while the public side specify the standards and monitor performance. Today, the system serves over 100 million people, has over 176,000 sanitation workers and more than 40,000 vehicles, which collect over 50,000 tons of solid waste every day in Punjab. There are many ways to gauge performance, including Safe City cameras and an AI-powered complaint resolution system, which make sure that monitoring is continuous and can be audited. The program also features waste to value initiatives, with more than 4,000 Union Councils reporting on waste to energy. Here basic key principle is that the local district administration makes the decisions, monitors, and the private contractors collect, transport, and dispose off the municipal waste.



### Narowal Evidence (Eid ul Azha Operation 2025-26)

The Suthra Punjab agency in Narowal spans three tehsils: Narowal, Shakargarh, and Zafarwal. They serve a population of approximately 1.95 million people across 101 union councils and collect an average of 677 tons of waste daily. On Eid days, the volume rises to about 1,760 tons per day, which is about 2.6 times the normal level. Thus, there is a need to process about 2.5 times the normal load in only a few days. The basic profile for the district is given in the table.

Tehsil	Population	Union councils	Normal waste collection (ton/day)
<b>Narowal</b>	681,546	33	246
<b>Shakargarh</b>	767,794	41	263
<b>Zafarwal</b>	501,564	27	168
<b>District total</b>	1,950,904	101	677

### Scaling Up: Eid 2025 vs Eid 2026

The most obvious indication that the system expanded the equipment. Across the three tehsils, the district's own machinery rose from 413 units in 2025 to 643 in 2026, an increase of about 56 percent. The number of front end loaders increased from 30 to 70, more than double. The number of main door level collection fleet (mini tippers and loader rickshaws) increased from 261 to 413, approximately 58 percent higher. There was also a significant increase in rented heavy equipment, with pickups increasing from 20 to 45, excavators from 5 to 11, and large 20 cubic meter dumpers from 4 to 22. The total of machinery is presented in the table on the tehsil basis.

Tehsil (machinery)	Deployed During Eid ul Azha Days 2025	Deployed During Eid ul Azha Days 2026
<b>Narowal</b>	129	210
<b>Shakargarh</b>	182	263
<b>Zafarwal</b>	102	170
<b>District total</b>	413	643

There was also an increase in awareness work to reduce waste at source. The number of awareness brochures increased from 16,000 to 24,000, streamers from 650 to 950, and pana flexes from 420 to 500 across the district. Also, there were mosque announcements, corner meetings, and awareness walks with traders and religious scholars.

### Organized Operation

The operation was based on one standard plan: a fixed no. of rickshaws per Union Council, collection points, camps, transfer stations, and disposal sites, and was implemented using local resources. The local team was clearly defined and responsible, consisting of a Managing Director, a District Manager, a Tehsil Manager for each tehsil, Union Council supervisors, and sanitary workers, each

with their respective areas of responsibility. A 24/7 control room was established in each tehsil to receive complaints via the 1139 helpline, and a 30minute target was set for resolving each complaint. Dedicated enforcement teams were deployed to check hotspots such as canals and drains; photographs of illegal dumping were captured with the assistance of Safe City cameras; and a penalty of Rs 50,000 was imposed for dumping animal waste in prohibited areas. The plan also established 11 transfer stations and a cleanup with lime, phenyl, soil covering of pits, and washing of containers and roads before, during, and after Eid. All of these points reflect a wellprepared, wellequipped, and locally managed operation, with a clear sense of ownership and responsibility.

## **The analysis of benefits and impacts**

### **Better Capacity**

With approximately 2.6 times the usual waste, Narowal added 56 percent more machinery, doubled its loaders, increased its main fleet by approximately 58 percent, and hired additional heavy machinery, all under a single monitored standard system. This is good proof that the new system does a better job. The principal agent concept is also evident here: the intense monitoring is in place to ensure that this additional capacity is indeed being utilized rather than merely on paper.

### **Wider Coverag**

It extended to all 101 union councils, even each household, and collection points and disposal sites were established in places that the old company model never reached. The greatest benefit of the new system is that it can be extended to rural areas and individual households, as clearly reflected in the Eid operations in Narowal.

### **Devolution**

There was a genuine and important step towards the devolution of real administrative and financial powers from the divisions to the districts. In the Narowal operation, a well defined local team (Deputy Commissioner, a Managing Director, a District Manager, a Tehsil Manager for each tehsil, Union Council supervisors, and sanitary workers) functioned as a single unit with well defined areas, and there was genuine local control over the work. However, this is not a complete devolution under Article 140A. The Deputy Commissioner heads the district agency, and the Chief Minister chairs the apex Authority; the standards and fees are determined at the provincial level. Thus, the reform is a step towards the spirit of Article 140A, but not quite.

## **Recommendations**

### **➤ Putting the system on a sustainable footing**

- ✓ The provincial Government should charge the garbage fee with defined slabs, to make itself sustainable.
- ✓ The fee collected from the garbage fee should be legally ring fenced and can only be used for sanitation and waste management, and not for other purposes.
- ✓ The province should continue to issue funds to poorer districts to prevent them from running out of funds when they do not collect the targeted amount of fees.
- ✓ The fee should be collected via digital banking and not cash, to minimize leakage and to ensure transparency and traceability in collection.
- ✓ The involvement of the public is also crucial to the success and sustainability of such initiatives. Well-designed awareness raising activities in educational institutions, communities and via various media can be a key element in promoting responsible civic participation.

- **Accountability of contractors and workers**
  - ✓ Monitoring data should be independent and should be the basis for contractor payments, rather than the data reported by the contractors.
  - ✓ Facial attendance records should be checked against the payroll before payment, to ensure that wages are not paid for ghost workers.
  - ✓ The fines and penalties already mentioned in the Suthra Punjab Authority Act should be implemented in practice.
  - ✓ All contracts and their performance scores (KPIs) should be made public, so that the terms and results of each contract can be subject to local scrutiny.
  
- **Reestablishment of the system with elected local Government (Article 140A)**
  - ✓ The Suthra Punjab Authority Act should be amended to include a formal approval of the local annual sanitation plan by the elected Local Governments before its implementation.
  - ✓ Elected Local Governments should have the legal power to scrutinize and audit the agency's budget.
  
- **Protecting the reform over the long term**
  - ✓ Good work like Suthra Punjab should be safeguarded when provincial Governments change, to ensure policy continuity.

## **Conclusion**

To sum up, the transition from Waste Management Companies to Suthra Punjab agencies is a major, operationally effective reform in municipal waste management in Punjab. It has also transferred real administrative and financial powers from the divisions to the districts, which is a true step in the spirit of Article 140A. A district such as Narowal, which would have been left to a weak and under resourced municipal arrangement under the old system, was able to plan and measure a real scaling up of resources to cope with the extreme Eid ul Azha waste surge of about two and a half times its normal load, and to extend organized service to every one of its Union Councils, including the rural ones. This can become a sustainable local governance model in which clean streets are not a success to be celebrated but a normal, permanent aspect of well-managed, accountable, and locally owned public life.

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