

Western High Speed Diameter: strategic risks of a strategic project

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Background

The Western High Speed Diameter (WHSD) is a 46 kilometre toll motorway, part of the IX Pan-European Transport Corridor linking St. Petersburg with Scandinavia. The road has been presented as a strategic investment priority for St. Petersburg by the Russian authorities and international financiers as it is going to be the first public-private partnership in Russia as well as the first toll road in Russia. Yet there are serious doubts that the WHSD will make Saint. Petersburg a better place.

Environmental concerns

As the road is routed through residential areas, thousands of people look set to find themselves living within 70-100 metres of huge traffic flows. Of equal concern is the WHSD's likely impact on the coastal zone of the Gulf of Finland. In the northern part of the city the highway is planned to pass along the border of the Yuntolovsky nature reserve and cross the forest which serves as its buffer zone. According to a public environmental impact assessment initiated by the Save Yuntolovo environmental movement, the road's construction will destroy the territory's delicate hydrological balance, which will cause the wetlands to dry out. In turn, this will impact local fauna as well as flora, including plants protected under endangered species lists. The construction may also result in transboundary impacts as the Yuntolovsky reserve is used by migratory birds as a stop-over area on their passage to Scandinavia.

Save Yuntolovo also stresses the lack of transparency of the project. A poll conducted by Save Yuntolovo in 2004 showed that only 2 percent of Yuntolovo residents were aware of the future construction. The public hearings for the northern section of the road gathered more than 300 people (even though they were held during working hours). Nonetheless, public opinion was completely disregarded – 74 of 81 remarks and suggestions made and heard at the hearings were declined without any explanation.

Feasibility

Since spring 2006, the construction cost of the WHSD has risen by 470 percent, from 57 to 212.7 billion roubles (i.e. from USD 2.4 to 8.9 billion) which is about two-thirds of St. Petersburg's annual budget (in 2008 the city income is planned to be USD 13 billion). The price of the project raises a lot of questions from taxpayers: according to the Concession Agreement, the lack of revenue will be compensated to the concessionaire from the city budget.

Conclusions and recommendations

Save Yuntolovo insists that the Western High Speed Diameter construction must not proceed until:

- *The project is revised and submitted for state environmental impact assessment;*
- *Documentation (environmental part and feasibility study) is disclosed;*
- *An independent traffic forecast is held;*
- *Analysis of the advantages and drawbacks of the PPP compared to simple public financing is undertaken;*
- *A new feasibility study (including affordability study) is held;*
- *The city's ability to pay is analysed;*
- *The results of all the above studies are made public.*

For more information

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