

Policy Analysis 2022/2023

Checkpoint 2

Group: BPS 213

Team: 3

Policy problem: Slow temps of metro construction in Saint-Petersburg

Reasons of slow metro construction	Solution	Source (link(s) to the materials)	Where used? (countries, regions)	Effectiveness and possible problems with the transfer	Some conclusions on the reasons of slow metro construction
Monopoly	Demonopolisation of the metro construction field represented by customers and contractors	https://spb.vedomosti.ru/economics/news/2023/10/12/1000237-smolnii-perebira-po-razvitiyu-metro-peterburga-komite-tu-po-stroitelstvu https://clck.ru/36DfL4 https://clck.ru/36DfLh	Shiraz, Espoo, Toronto, Moscow	<p>Studies that have been done by David A. Weisbach and Mahdi Khosravi and Kalle Kähkönen show that all resources used in metro construction usually cannot be supplied by a single company. Therefore, many contractors, various suppliers, consultants and other contributors from various fields need to be involved in the project implementation.</p> <p>Examples of such metro systems as in Shiraz, Espoo and Toronto show that in order to ensure efficient construction of metro lines it is necessary to create a system where there is no monopoly of contractor or client - several actors should take part in metro construction (for example, some of them are responsible for design, some of them for direct construction, etc.), but their actions should be coordinated by one institution, which in the case of St. Petersburg can be the Construction Committee - it has been endowed with such competences.</p> <p>Besides, a similar system has already been set up in Russia - in Moscow. Despite the dominance of individual companies</p>	Until 2021, the main supplier in the field of metro construction was Metrostroy (owned by a number of private shareholders and only 21% by the city of St.Petersburg). The government of St.Petersburg made a number of attempts to expand its control over the company in order to increase the speed of the metro construction, but they were unsuccessful. In 2020, a competitor in the person of the company "Metrostroy of the Northern Capital", established by "VTB Development" appeared on the market. As a result of the agreement on the gratuitous transfer of 65% of the contractor's shares to the state, the head of VTB A.Kostin together with A.Beglov asked the president to grant this new company the status of the sole supplier. In 2021, the Government of the Russian Federation issued a corresponding

		https://www.mgt.ru/projects/metro https://clck.ru/36DgbW https://www.gov.spb.ru/press/governor/223339/ https://www.fo ntanka.ru/2023/10/02/72768395/ https://www.fo ntanka.ru/2021/11/29/70284413/		<p>(Metrostroy Moscow, for example), the Moscow City Government is more of a managing actor, while Mosinzhproekt has most of the orders and some functions are transferred to other companies (such as Lenmetrogiprotrans).</p> <p>Touching upon the question of transferring problems, the main one seems to be the exact position taken by Smolny (thus, the political context). The experience of 2021 with the appearance of the second 'Metrostroy' exemplifies the unwillingness of the city Government to deal with market competition (the ability to set up a new company in order to displace the disobedient one). Therefore, one may conclude that Smolny would opt for a demonopolising solution only if it primarily ensured its power share at the end.</p> <p>Demonopolisation in providing the metro construction would also raise some issues with long-term agreements between the Government and the Contractor (as they could fluctuate between several actors, which would harm the process consistency or violate the original plan).</p>	<p>order on behalf of the President of the Russian Federation. The authorities reported that there was "the creation of a single company-operator, which concentrated in its hands the powers of the customer, general designer and general contractor".</p> <p>Currently "Metrostroy of the Northern Capital" is 65% owned by the city, 35% by VTB structures. The majority of employees came from the previous "Metrostroy". The company is supervised by the Committee for the Development of Transport Infrastructure and its Directorate of Transport Construction. They used to be a part of the responsibility of the transport vice-governor, but since 2022 they have been in the construction block of Vice-Governor Nikolay Linchenko.</p> <p>As a result, there is a situation when both the customer and the contractor are monopolists, which can freely derail the deadlines for fulfillment of their obligations due to the lack of alternatives. This leads to situations when Metrostroy does not listen to the opinions of experts (for example, opening the metro far away from residential development, as in Shushary, or ignoring questions of the need to relocate lines due to the inconvenience of the ground - as the recent news showed us).</p> <p>At the beginning of October 2023, Smolny transferred the competencies for the construction and development of the metro</p>
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					<p>to the Committee for Construction. Up to this moment there were several dismissals and replacements of the main positions of the company's management. This may indicate the state's will to influence externally (as it happened previously with the first contractor), yet it does not bring any fundamental changes into the structure of the established monopoly, and, therefore, the quality of the metro construction.</p> <p>In case of providing services before 2021, designing the metro in St. Petersburg was performed by Lenmetrogiprotrans (LMGT), and construction - by Metrostroy, respectively. Legally, the distribution of powers for these tasks had a competitive nature (the contractor was selected at auction), but the Government of St.Petersburg continued to support only one of the companies in both areas. Thus, the previously existing informal oligopoly (and the monopoly of each company in its field) was not fundamentally more productive than the establishment of a monopoly of one contractor for all functions ("Metrostroy of the Northern Capital"). This is also confirmed by the fact of repeating changes in the companies' management and different conflicts with Smolny. Thus, the question was only about the state's part in the company shares.</p>
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					<p>It seems necessary to establish market economy institutions that would practically allow to introduce contractor diversity and differentiate metro construction functions and mechanisms by area of specialization in order to achieve the set goals and deadlines for metro construction projects.</p> <p>The Government of St.Petersburg is also attempting to change the committees that are in charge of communicating with the contractor. This, in turn, may represent a useful anti-corruption measure within the monopoly structure.</p>
Environmental conditions (erodible soils)	Freezing	https://www.researchgate.net/publication/366275897_Problems_and_prospects_for_the_development_of_the_Saint-Petersburg_metro_system https://www.metro.ru/library/stroitelstvo_metroplitenov/512/	<p>Sometimes used in Saint-Petersburg</p> <p>Leningrad (Soviet times);</p> <p>Moscow (Soviet and current times)</p>	<p>Freezing could be implemented using two technologies: with use of different chlorides or with use of liquid nitrogen. Using liquid nitrogen is more appropriate for SPb as it is more suitable for wet grounds. However, it is a costly method as liquid nitrogen is expensive. At the same time, by freezing the depth of the metro construction could be reduced.</p> <p>Technical problems could occur during the transfer of the freezing method. There is a need for the involvement of technical specialists in order to reduce possible problems during implementation of the freezing technique in SPb.</p> <p>Also, freezing needs a lot of time which contradicts the idea of accelerating metro construction in SPb. Damage to ground objects could occur.</p>	<p>The reason of erodible soils is considered as the most discussed problem of 'why metro is not built in SPb in terms'.</p> <p>However, metro construction is possible on such grounds - there are similar problems in Scandinavian countries, Moscow, etc. For instance, the soils in Stockholm are similar to those in SPb. And in Moscow leakages in the metro happen. But in these places metro construction goes faster than in SPb. There are different technologies for struggling with such soils (such as freezing and jet grouting). There are also different alternatives for deep- laying stations - such as shallow-laying stations or above ground subways which could be partially implemented.</p>

		https://nashe-metro.ru/facts/crash-zamoskv/			<p>Following this, erodible soils could really prolong the terms for metro construction. However, there are methods which could be used in order to make the process of metro construction faster even in such hard conditions. As these problems were not considered during planning metro construction, erodible soils are just a convenient excuse for postponement of metro construction terms.</p>
	Jet grouting	http://refportal.com/upload/files/rb_04_2018_2.pdf http://www.suidaqs.com/EN/10.3973/j.issn.2096-4498.2021.S2.065	Beijing	<p>The jet grouting method is about mixing soil with cement. In Beijing the soils are similar to ones in SPb, the jet grouting method was used in metro construction. The result was considered safe.</p> <p>Such a method could be more appropriate than freezing in the case of SPb as it is cheaper and more practical for wet ground. Jet grouting could be used except for freezing in some areas of SPb. However, there is also a need for the involvement of technical specialists in order to reduce possible problems during implementation of the jet grouting technique in SPb.</p>	
	The shallow laying method (station located on the ground, and train goes underground)	https://spbvedomosti.ru/news/gorod/minuys-gorod-minuys-a-plyvuny-kak-s-troyat-metro-v-peterburge/ https://www.spb.kp.ru/daily/217179/4284166/ https://www.sobaka.ru/city/transport/169945	Scandinavian countries (Stockholm)	<p>Helps to reduce costs of construction and construction time; Applicable only in several districts of SPb as in such a case there is a need in certain conditions (absence of wet grounds). However, even in SPb “Novokrestovskaya” station was built on alluvial territory. However, it led to the water leaks as this layer of soil is the most prone to leaks.</p> <p>The problem is that understanding of applicability goes after the start of station construction.</p> <p>Nevertheless, construction of the shallow laying stations could be a partial solution to the problem with slow construction of the metro. As such stanchions could be constructed where there are no rivers (and potential quicksands) and no skyscrapers. For instance, in Krasnoselsky district from Kirovsky Zavod to Petergofskoe Highway.</p>	

	Above ground subway	https://www.rbc.ru/spb_sz/04/03/2021/6040928c9a79470b68fa53ce https://mcd.mosmetro.ru/ https://www.mtr.com.hk/en/corporate/projects/projects_new_index.html	Moscow , Hong Kong	<p>Above ground subway is constructed all over the world - from Hong Kong to Moscow. The case of Hong Kong could be partially implemented in SPb as in Hong Kong above ground subway was constructed by private companies and belongs to them - not to the state. The case of Moscow could be implemented in SPb as it is more close in the context than Hong Kong with its private investors. It requires laying new rails, production of new trains and inclusion above ground subway to the system of public transport.</p> <p>In SPb kinda above ground subway was opened between Vitebsky railway station and Pavlovsk. However, the ticket could not be paid by podorozhnik, the price is different for different types of trains, the transfer to underground is paid. All of this should be considered.</p> <p>Above ground subway could be constructed only in residential districts (спальные районы). It could be a partial solution as exactly in these areas there are no metro stations. Some experts also propose replacing the metro with trams. However, we don't think that such a solution is optimal, as trams as well as cars stand on the lights and crossroads. The above-ground metro could be constructed in Krasnoselsky district from Kirovsky Zavod to Petergofskoe Highway.</p>	
Lack of financing	Investment	https://link.springer.com/article/10.1007/s11116-005-3046-2 https://www.tandfonline.com/doi/abs/10.108	Hong Kong, Singapore	<p>As a measure to increase financing, it is possible to attract external investors to allocate money for subway development. The experience of subway construction in Hong Kong and Singapore shows that renting/owning land plots adjacent to the construction site, the price of which will increase as stations are built, motivates investors (in particular, developers of residential complexes) to invest in the project. There are also a number of other benefits and incentives that can be offered to the investor by the state party: tax benefits; co-financing of the project; issuance of bank and state guarantees, etc.</p>	

		0/014416499295583		In St. Petersburg, this system can be implemented in residential areas where residential and non-residential complexes are being actively built. This will make it possible to actively develop not only urban, but also transport infrastructure (Moscow has a similar scheme "new district - new metro station").	
	Concessions and Public-private partnerships (PPP) (including Build Operate Transfer (BOT), Build Transfer (BT), Build Own Operate Transfer (BOOT) and Build Own Operate (BOO))	https://www.semanticscholar.org/paper/Analysis-and-Evaluation-of-the-Beijing-Metro-Zhao-Ren/36e0546303c716203d22c489b3600466af36ad9e https://cyberleninka.ru/article/n/perspektivy-stroitelstva-metropolitena-v-sankt-peterburge-na-osnove-dogovora-kontsessii/viewer	Bombay, Beijing, London, New York	<p>One of the most popular methods of attracting additional finance for metro construction. The difference between the two approaches is not very large (PPP agreements do not distinguish between private and budgetary sources of investment, domestic and external sources of financing unlike concessions), some even include concessions as a type of PPP (Styazhkina, 2017). PPPs increase the incentive of stakeholders to control costs and reduce the risk of construction cost overruns. In Beijing, the PPP mode reduced budget expenditures by nearly 10 billion yuan, including investment and operating subsidies, for the entire operation cycle. In London, the subway underwent restructuring when Metronet, which accounted for two-thirds of the costs, went bankrupt. The state then put the subway under private management, which burdened the private companies but helped pull the subway out of the crisis. Similar situations occurred in Bombay and New York. The initiative to bring in private financing came from the state.</p> <p>In Russia, concession legislation has been developed since the early 2000s, and in the 2010s it was relaxed to simplify the procedure. These measures are aimed at attracting public attention and active dialog between representatives of public services with activists, businessmen, and information partners. This is explained by the fact that private investors are attracted as concessionaires. The larger the metropolitan area (such as St. Petersburg), the more difficult it is to develop the subway solely through the efforts of the government and the more any crisis in the country affects the work</p>	It is worth noting that the authorities of St. Petersburg have already been approached with similar ideas of private intervention, but the city investment committee stated that they were not familiar with this project and that a private investor could not invest in the construction of the metro, as this contradicts federal laws "On Subsoil" and "On State Security". This looks more like an excuse, since the law on concessions contains a clause on the financing of the metro, which makes possible a dialogue between business and the state. While state committees dismiss this initiative "from below", the "hole" in funding continues to exist.

				of the subway. The motivation for investing is spelled out in the point above.	
	Lending (bond and insurance)	https://www.semanticscholar.org/paper/Analysis-and-Evaluation-of-the-Beijing-Metro-Zhao-Ren/36e0546303c716203d22c489b3600466af36ad9e https://elar.ufrj.br/bitstream/10995/94210/1/mth_v.r.kniazev_2020.pdf	Beijing	<p>Lending is a controversial but effective way to solve the problem. The government invests part of the funds, and banks or bond issues provide the remaining part of the metro company with the trust of the government. Such a situation was in Beijing, where Beijing Metro also raised funds using various capital market instruments, including corporate bonds, short-term financing bonds and medium-term promissory notes, to expand financing channels. Another option is insurance. Insurance financing was first introduced during the construction of infrastructure in Beijing as a way to finance one of the lines. A total of fourteen insurance agencies have subscribed to debt securities. The Industrial and Commercial Bank of China was responsible for the cash flow during this period. In this case, a significant amount of insurance funds was received, and this reduced the cost of financing projects.</p> <p>In Russia, Sberbank PJSC implements programs for financing regions and large construction projects. Obtaining a loan is considered appropriate if its cost is less than the cost of issuing bonds. Thus, the authorities of St. Petersburg can count not only on loans from the regional/federal budget, but also on other options.</p>	Lending is a controversial topic in metro financing. The old OJSC "Metrostroy" went through bankruptcy just because of debts to commercial banks (Otkritie and Rossiya), which led to the creation of JSC "Metrostroy of the Northern Capital" - the legal successor. In many respects, the downtime in construction was just because of court proceedings and the creation of a "new-old" company, so this method of financing should have stricter state regulation.
	Taxation	https://www.tandfonline.com/doi/abs/10.1080/014416499295583	Bangalore, Singapore	<p>The metro tax is one of the ways to expand funding. Since it is expected that the creation of a metro system will reduce traffic jams and improve the quality of life in the city as a whole, a general metro tax was recommended in the form of a surcharge to the tax on the sale of a certain number of goods and services. Such a tax has already been introduced by the government of Karnataka, India for the construction of an above ground subway in Bangalore. This tax should be abolished after the reimbursement of capital investments in the project, unless the government wishes to extend the metro line to other places.</p>	

				This method is partially used in St. Petersburg (for example, when prices for travel increase) and in many ways causes controversy in society, but this is one of the options for increasing funding from the state.	
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Policy Analysis 2023/2024

Checkpoint 3

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Policy problem: Slow temps of metro construction in Saint-Petersburg

Legal framework

Based on our analysis of the legal framework for ensuring the construction of the St. Petersburg metro, we have identified the following legal procedures to ensure the emergence of new metro stations and lines in the city. The goals that the city government sets for itself are determined by the state program “Development of the transport system of St. Petersburg”¹. On the basis of this state program the General Plan of St.

¹ Постановление «О государственной программе Санкт-Петербурга ‘Развитие транспортной системы Санкт-Петербурга’», Pub. L. No. 552 (2020). <https://docs.cntd.ru/document/822403631>.

Petersburg² and the Sectoral Scheme of Metro Development in St. Petersburg³ are approved. In these documents, the process of metro design and construction is entrusted to the **Committee for on Investments** of St. Petersburg (design) and the **Committee for the development of St. Petersburg's transportation infrastructure** (construction). They also define the procedure and ways of financing these projects from two budgets: **the federal budget** and **the budget of St. Petersburg**. All subsequent changes in the legal field are introduced directly into these documents by Resolutions of the Government of St. Petersburg. Here we come directly to the problem we are solving - postponement of metro construction.

On the basis of the tasks set out in the plan, the committees mentioned above begin to conduct public procurement on the basis of the Federal Laws №44⁴ and № 223⁵. Both of these federal laws establish principles and procedures for public procurement. Although in parallel we can observe several legal collusions:

- (a) According to the Order of the Government of the Russian Federation⁶ functions of design and construction of the metro can only be performed by the joint stock company “Metrostroy of the Northern Capital”. However, article 8 of Federal Law 44⁷ deals with the need for competition in the execution of the public procurement procedure. However, Article 3 of Federal Law 223⁸ speaks about the auction procedure for cases where there is only one customer - such as Metrostroy - in the procedure provided for by law. Therefore, the principle of competitiveness is not observed in this case;
- (b) These federal laws do not establish clear deadlines and clear liability for breach of work order deadlines. Because of the lack of competition, the contractor risks nothing for breach of contracts. Since both the client and the contractor are the state (the second one by 65%), they simply conclude additional agreements to the contracts, which the Committee concludes with “Metrostroy of the Northern Capital” with clear deadlines and amount of financing.

² Закон Санкт-Петербурга «О Генеральном плане Санкт-Петербурга», Pub. L. No. 728–99 (2019). <https://docs.cntd.ru/document/8422495>.

³ Постановление Правительства Санкт-Петербурга «Об Отраслевой схеме развития метрополитена в Санкт-Петербурге», Pub. L. No. 836 (2018). <https://docs.cntd.ru/document/891854296>.

⁴ Федеральный закон ‘О контрактной системе в сфере закупок товаров, работ, услуг для обеспечения государственных и муниципальных нужд’, Pub. L. No. 44- ФЗ (2013). https://www.consultant.ru/document/cons_doc_LAW_144624/.

⁵ Федеральный закон ‘О закупках товаров, работ, услуг отдельными видами юридических лиц’, Pub. L. No. 223- ФЗ (2011). https://www.consultant.ru/document/cons_doc_LAW_116964/.

⁶ Распоряжение Правительства Российской Федерации, Pub. L. No. 2763- п (2021). <http://publication.pravo.gov.ru/Document/View/0001202110050016>.

⁷ Федеральный закон ‘О контрактной системе в сфере закупок товаров, работ, услуг для обеспечения государственных и муниципальных нужд’, Pub. L. No. 44- ФЗ ст. 8 (2013). https://www.consultant.ru/document/cons_doc_LAW_144624/.

⁸ Федеральный закон ‘О закупках товаров, работ, услуг отдельными видами юридических лиц’, Pub. L. No. 223- ФЗ ст. 3 (2011). https://www.consultant.ru/document/cons_doc_LAW_116964/.

In addition, it is worth noting that when performing design and construction work, the contractor, according to Article 3.1-3 of Federal Law 223⁹, must follow:

- (a) primarily, the Urban Development Code of the Russian Federation, which ensures the order in which the work is performed;
- (b) many other federal and regional legal norms such as the decree of the Government of St. Petersburg № 524,¹⁰ which severely restrict the activities of contractors and force them to lengthen the construction process much longer to take into account all the requirements of Russian legislation.

Institutions

It seems crucial to note that each of the work stages, in addition to the legal framework, is also imbued with various informal practices and mechanisms, which, in turn, may play an important role in the problem of the slow pace of metro construction in the city. Considering informal institutions, it is important to turn to the organization of the structural process of metro construction in St. Petersburg. The logistics consists of several stages: the appearance of a state order for the metro infrastructure, the preparation by the design company of the design project of this order, in parallel with this - the preparation of working documentation (in some cases by another designer),¹¹ presentation of the project to the City Government committee for further preparation of the territory design plan by the latter¹², transfer of the project and plan for examination, and, in case of its successful completion, transfer of the project to the contractor to begin construction of the metro. The organization of the process in this way assumes the constant participation of the city Government at each stage of the work. Thus, the state customer is responsible for the coordination of the project between different authorities. At the same time, in practice, this institutional framework turns into one of the main factors slowing down the construction of the subway in the city. According to the designers, Smolny has repeatedly retarded the process of

⁹ Ibid.

¹⁰ Постановление Правительства Санкт-Петербурга «О Правилах землепользования и застройки Санкт-Петербурга», Pub. L. No. 524 (2016). <https://docs.cntd.ru/document/456007157>.

¹¹ Подземный эксперт. “Развитие Петербургского метро: планов много, возможностей нет - новости строительства и развития подземных сооружений” April, 2022. <https://undergroundexpert.info/opyt-podzemnogo-stroitelstva/intervyu-s-ekspertami/razvitie-peterburgskogo-metro-2/>

¹² Since 2016, it is impossible to pass the examination without this plan. See: Подземный эксперт. “Развитие Петербургского метрополитена: дальше ехать некуда!? - новости строительства и развития подземных сооружений” March, 2021.

<https://undergroundexpert.info/opyt-podzemnogo-stroitelstva/intervyu-s-ekspertami/razvitie-peterburgskogo-metro/>.

Also check: Постановление Правительства РФ ‘О порядке организации и проведения государственной экспертизы проектной документации и результатов инженерных изысканий’, Pub. L. No. 145 (2007). https://www.consultant.ru/document/cons_doc_LAW_66669/.

preparing a territory design plan, which did not allow moving to the examination stage on time or even returned the work to the previous stage due to the updating of regulatory requirements¹³. In addition, the city Government was accused of late payment of the contractor's work, which also undermined the established agreements and forced the latter to fulfill the order free of charge¹⁴. Combined with Smolny's frequent postponement of the dates of the transfer of metro stations into exploitation¹⁵ such practices indicate that the city government is factually not ready to take an active part in metro construction. This is also evidenced by the unwillingness of the customer to apply new technologies, which, in turn, slows down the speed and increases the cost of construction work¹⁶.

Starting from 2021, the only contractor for metro construction in St. Petersburg is “Metrostroy of the Northern Capital”. Taking into account the legal side of the relations organization between Smolny and the construction company (65% of the shares belong to the Government¹⁷, in comparison, the state's share in the previous contractor was only 46%¹⁸), the range of variations of institutional interaction between them is significantly narrowed. One may assume that for Smolny the most significant attribute in this agreement would be the exact devotion of the contractor, representing a consequence of the company’s practical objectness. The fact that the other part of the company shares belongs to a state Bank highlights that the level of economic competitiveness of “Metrostroy of the Northern Capital” was not the reason for entitling this company with monopolistic obligations towards the city.

Stakeholders

There are several stakeholders in metro construction in Saint-Petersburg. The most important are Smolny, Metrostroy and VTB. The ultimate goal of all sides is to construct the metro stations in fixed terms. Smolny is interested in such a goal as it is accountable to citizens of

¹³ Подземный эксперт. “Сегодня и завтра метрополитена Северной столицы - новости строительства и развития подземных сооружений” February, 2023.

<https://undergroundexpert.info/opyt-podzemnogo-stroitelstva/intervyu-s-ekspertami/zavtra-peterburgskogo-metro/>

¹⁴ Фонтанка.Ру. “Закрой долги и копай спокойно. Смольный отсекает зарплатные хвосты старого «Метростроя»” November, 2021.

<https://www.fontanka.ru/2021/11/29/70284413/>

¹⁵ Санкт-Петербургские Ведомости. “В ожидании подземки. Почему перенесли сроки открытия новых станций метро?” March, 2021.

<https://spbvedomosti.ru/news/gorod/v-ozhidanii-podzemki-pochemu-perenesli-sroki-otkrytiya-novykh-stantsiy-metro/>

¹⁶ Подземный эксперт. “Мы потеряли слишком много времени - новости строительства и развития подземных сооружений” May, 2020.

<https://undergroundexpert.info/opyt-podzemnogo-stroitelstva/intervyu-s-ekspertami/problemy-metro-spb/>

¹⁷ Интерфакс. “ВТБ передал Петербургу 65% в АО “Метрострой северной столицы”” December 2020.

<https://www.interfax.ru/business/741212>

¹⁸ Коммерсантъ. “Смольный отвернулся от эмиссии” March, 2019. <https://www.kommersant.ru/doc/3915392>.

Saint-Petersburg who wait for the metro stations for years. Also, Smolny wants to have a good image which is problematic when the tempo of metro construction is so slow. Following this, the main interest of Smolny is to show at least some result. Before October 2023 on behalf of Smolny the Committee for the Development of Transport Infrastructure operated. After that the powers were transferred to the Committee for Construction¹⁹. Despite the fact that the interests of Smolny have not changed, two committees have their own interests. For instance, according to Deputy General Director for the design of the metro “Lenmetrogiprotrans”, the Committee for the Development of Transport Infrastructure was not interested in metro construction and more interested in road construction²⁰. As for the resources of the Smolny, it has money and power over Metrostroy. Metro construction is financed by Smolny and VTB, they can refuse to pay to Metrostroy as it was previously²¹. Also, the previous Metrostroy was bankrupted after pressing from the side of Smolny²². It is said that Smolny paid all the debts on Metrostroy loans in order to control the procedure of bankruptcy²³.

Metrostroy is interested in ongoing government funding. In order to get it, in theory there is a need for good performance expressed in commissioning of stations. However, as Metrostroy is the only entity which is responsible for metro construction in SPb, it can postpone the terms of commissioning stations by discovering different problems faced in the process of metro construction. Following this, the main resource of Metrostroy is its unique position expressed in monopoly. Not to be forgotten, at least the administration and high officials of the bankrupt Metrostroy were full of accusations of corruption. There was a trial and several officials of Metrostroy were imprisoned and their property was arrested²⁴. In the new Metrostroy even an engineer was accused of corruption, expressed as receiving the salary for a non-existent employee²⁵.

¹⁹ Коммерсантъ. “Смольный передает полномочия по развитию метро комитету по строительству,” October 12, 2023. <https://www.kommersant.ru/doc/6268273>.

²⁰ Новости Строительства и Развития Подземных Сооружений. “Развитие Петербургского Метрополитена: Дальше Ехать Некуда!” March, 2021. <https://undergroundexpert.info/opyt-podzemnogo-stroitelstva/intervyu-s-ekspertami/razvitie-peterburgskogo-metro/>.

²¹ Новострой СПб. “«Либо Посадят, Либо Денег Не Заплатят», — Эксперт о Конфликте Смольного и Метростроя.” January 21, 2019. https://novostroy.spb.ru/novosti/libo_posadyat_libo_deneg_ne_zaplatyat_ekspert_o_konflikte_smolnogo_i_metrostroya/.

²² Новый День. “Стало известно почему петербургские власти препятствуют экспертизе истинных причин «банкротства» компании «Метрострой»,” February 27, 2023. <https://newdaynews.ru/northwest/786914.html>.

Фонтанка.Ру. “Будто Комарик Укусит. Как Смольный Убеждал Метростроевцев Не Бояться Банкротства” August 30, 2021. <https://www.fontanka.ru/2021/08/30/70107974/>.

²³ РБК. “Метростроители Петербурга Потратят Субсидии На Кредиты, Офисы и Технику” November 21, 2022. https://www.rbc.ru/spb_sz/21/11/2022/637b4c709a794708b6c4c5a3.

²⁴ РБК. “Арестовано многомиллиардное имущество петербургских метростроителей,” August 30, 2021. https://www.rbc.ru/spb_sz/30/08/2021/612cfdb79a79470b94db278c.

²⁵ Деловой Петербург. “Обвиняемому Во Взятках Инженеру ‘Метростроя’ Запретили Уезжать и Ходить На Митинги.” November 17, 2022. https://www.dp.ru/a/2022/11/17/Obvinjaemomu_vo_vzjatkah_in.

Initially VTB created the new Metrostroy and after that gave controlling stake to Smolny²⁶. The main resource of VTB is money which it can give to Metrostroy to build the metro. At the same time, there are no visible interests of VTB in metro construction which could be observed in open sources. Possibly because of this VTB is thinking about termination of their stake in Metrostroy as it is unprofitable for them²⁷. Currently, it is hard to say that there are some coalitions in the metro construction sphere in SPb. Smolny and VTB fully control the Metrostroy as all stakes belong to them. Following this, as the contractor of Smolny belongs to Smolny, there is no conflict between Smolny and Metrostroy. Their interests are not so different as it was with previous Metrostroy.

Public opinion

First of all, it is important to note that there are no official opinion polls and all information concerning citizens' opinions can be collected from Internet blogs, forums, and expert opinions from newspapers (online and offline). The public perception of Saint-Petersburg residents and experts regarding the pace of metro construction is generally monolithic and negative. The current construction pace raises a number of problems for the population:

- (1) transport problem - the absence of metro in distant residential areas causes overloading of surface transport modes (private cars, buses, tramways), which creates problems with accessibility of the city infrastructure²⁸ (ghettoization of areas²⁹);
- (2) distrust to promises - constant postponements of the opening dates of new stations generate in the society a negative attitude to the construction actors and construction plans, which both experts and the society unanimously labeled as impossible³⁰.

²⁶ Фонтанка.Ру. “ВТБ Заходит в Метро Без Конкурентов. Смольный Определил Приоритет Под Землей, Но Вопросов Это Не Сняло” November 11, 2020. <https://www.fontanka.ru/2020/11/11/69538636/>.

²⁷ Фонтанка.Ру. “ВТБ Обсуждает Возможность Выхода Из «Метростроя Северной Столицы» ” August 22, 2022. <https://www.fontanka.ru/2022/08/22/71591363/>.

²⁸ Тинькофф Журнал. ‘Я живу в Санкт-Петербурге, и мне не хватает метро в спальных районах’, 26 September 2023. <https://journal.tinkoff.ru/ne-khvataet-metro-v-spalnykh-raionakh-spb/>. (also see comment section); Тинькофф Журнал. ‘Я живу в Санкт-Петербурге и хочу, чтобы в городе было нормальное метро’, 15 September 2023. <https://journal.tinkoff.ru/ne-khvataet-normalnogo-metro-v-spb/>. (also see comment section)

²⁹ Чернышева, Любовь Алексеевна. ‘Российское гетто: воображаемая маргинальность новых жилых районов’. Городские исследования и практики 4, no. 2 (4 June 2019): 37–58. <https://doi.org/10.17323/usp42202037-58>.

³⁰ Васильев, Николай. ‘«Это Фантастические Цифры Для Санкт-Петербурга»: Эксперты Оценили Планы Беглова По Строительству 89 Станций Метро | Новости Общества’, 14 August 2022. <https://mskgazeta.ru/obshchestvo/eto-fantasticheskie-cifry-dlya-sankt-peterburga-eksperty-ocenili-plany-beglova-po-stroitel-stvu-89-stancij-metro-10633.html>.; Региональные комментарии. ‘Нереальный проект: почему генплан Петербурга вызывает вопросы’, 10 August 2022. <https://regcomment.ru/main/nerealnyj-proekt-pochemu-genplan-peterburga-vyzyvaet-voprosy/>.

Positive aspects of the subway include the architectural beauty of the existing stations, the accessibility of the subway in central city neighborhoods, and pride in the unique industry of deep subway construction - however, none of these aspects have anything to do with the pace of construction and are rather arguments for suppression of public dissatisfaction. Thus, despite the absence of official statistics, there is a consolidated public opinion that the pace of metro development is disappointing.