

would also have to give their approvals. While discussing this process with PHL, the Chairman of the Committee stated that he would not be able to provide a complete list of all the municipal and regional authorities whose approval would be required for the building of such a plant, because the process was too complicated and no one in the city government could identify all of the approvals required.

The same difficulty in determining which group of authorities exercises final control over environmental projects can be found in St. Petersburg. There, the Mayor's office has its own Environmental Department, while the St. Petersburg Town Council also has an Environmental Department, thus ensuring that both the legislative and executive branches in the town exercise project control. Depending on the relative authority of the Mayor, or of the City Council, the centre of authority may shift back and forth between the two branches.

The St. Petersburg City Council demonstrated its ability to block environmental projects proposed by Western firms in the fall of 1992. A French company, Générale des Eaux, had been negotiating with the city administration to take over operation of the St. Petersburg municipal water treatment facilities. Under the proposed agreement, the French company would have rented the city's water and sewage treatment system, upgraded it and operated it. In return, the agreement would have required a \$40 million payment from the French, but would also have provided them with large areas of real estate in the city. Because the French would have acquired an operating monopoly on the water and sewage treatment system, and because the local water and sewage treatment authorities did not in fact own all the real estate they had promised to the French company, the city council objected to the deal, and it is suspended at the present time.