

MONTHLY MONITORING

OF MAIN INDICATORS
OF THE BUDGET SYSTEM OF UKRAINE
AS OF JULY 1, 2017

The Monitoring of Main Indicators of Budget System of Ukraine is a monthly publication prepared based on the data of official statistics. It contains a brief analysis and selections of graphs and charts illustrating the main changes occurring in the budget system of Ukraine.

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15-V, Borysoglib's'ka Str., 2nd floor,
Kyiv, 04070, Ukraine
Phone: (38 044) 353-58-68, 492-97-80/81
Fax: (38 044) 492-97-83



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Monitoring of the Execution of the Consolidated, State and Local Budgets in Ukraine

- **The actual intake of revenues of the consolidated budget of Ukraine** totaled UAH 497.0bn in January-June 2017, which is UAH 157.5bn or 46.4% more year-on-year.
- **The state budget** received UAH 391.7bn in the same period, which is UAH 128.0bn or 48.5% more year-on-year. This amount equals 53.8% of the annual plan. This is significantly more than the share of revenues for the first six months in the total annual revenues in the last ten years. As the six-month amount was on average 45.4% of the annual intake, there is a high likelihood of exceeding the plan in annual terms.

Compared to last year, growth is noted for all key items of both tax and non-tax revenues, both by month and over the period of January through June in general. The following intake rose in particular: personal income tax revenue by UAH 7.5bn (or by 27.9%), corporate profit tax by UAH 7.2bn (or 29.5%), VAT on goods made in Ukraine by UAH 19.5bn (or 28.9%), VAT on imports by UAH 34.1bn (or 42.3%), excise tax on goods made in Ukraine by UAH 5.4bn (or 21.4%), rent and fees for use of other natural resources by UAH 6.2bn (or 31.6%), and import duty by UAH 1.9bn (or 21.2%).

Non-tax revenues also increased (by UAH 38.6bn or more than double). This occurred primarily thanks to the remittance by the National Bank of Ukraine of UAH 20.0bn according to the Law of Ukraine "On the National Bank of Ukraine".

- **Expenditures of the consolidated budget** totaled UAH 443.8bn in January-June 2017, which is 26.7% or UAH 93.4bn more year-on-year. In June 2017, expenditures amounted to UAH 84.8bn, which is 27.2% or UAH 18.2bn more than in June 2016.

The amounts of consolidated budget expenditures increased for nearly all items of the functional classification of expenditures compared to June 2016.

The highest growth (2.2 times against June 2016) is noted in the expenditures for economic activity, which reached UAH 8.3bn. Significant growth occurred in the expenditures for environmental protection (69.9%), housing and communal services (62.0%), spiritual and physical development (60.7%), education (46.3%), healthcare (40.8%), general government functions (39.7%), public order, security, and the judiciary (22.5%), and defense (16.1%).

Expenditures for social protection and social security decreased by 3.4%.

- **The actual expenditures of the state budget of Ukraine** totaled UAH 366.0bn, which is 21.8% or UAH 65.6bn more year-on-year. In June 2017, the expenditures amounted to nearly UAH 66.0bn or 20.4% more than in June 2016.

In terms of expenditure items by **functional classification**, the following changes were observed compared to June 2016:

- expenditures for general government functions (without expenditures for state debt servicing) increased by 21.4% to UAH 2.3bn. The expenditures for state debt servicing totaled UAH 6.4bn, down 2.6% year-on-year;
- expenditures for defense increased by 16.2% to UAH 5.6bn;
- expenditures for public order, security, and the judiciary increased by 22.1% to UAH 7.5bn;
- expenditures for economic activity increased 2.6 times to UAH 4.3bn;
- expenditures for environmental protection increased by 87.2% to UAH 378.4mn;
- expenditures for housing and communal services increased 2.0 times to UAH 1.0mn;
- expenditures for healthcare decreased by 0.4% to UAH 778.5mn;

- expenditures for spiritual and physical development increased by 80.6% to UAH 645.9mn;
- expenditures for education increased by 29.4% to UAH 4.9bn;
- expenditures for social protection and social security decreased by 19.4% to UAH 9.9bn.

The expenditures for financing pensions, bonuses, and extras to the pensions awarded under pension programs and the deficit of the Pension Fund were incurred at the amount of UAH 9.1bn, which is 22.2% less year-on-year.

- The state budget receipts **from repaid loans** totaled UAH 42.0mn in June of this year, including receipts of the General Fund of the state budget of UAH 24.8mn;

In June 2017, the state budget **provided loans** for a total of UAH 618.8mn.

The state budget surplus totaled UAH 2.6bn this month.

Repayment of the state debt principal totaled UAH 10.14bn in June 2017, including internal debt repayment of UAH 10.1bn and external debt repayment of UAH 41.3mn.

The state borrowing totaled UAH 2.8bn, with UAH 2.4bn mobilized on the internal market. External sources **provided loans** totaling UAH 481.4mn, which were credited to a special fund for financing joint development projects with international financial institutions.

Privatization of state property generated UAH 38.0mn for the state budget in June 2017.

- **The total local budget revenues (without inter-budget transfers)** amounted to UAH 104.2bn in January-June 2017, which is 37.5% more year-on-year.

These revenues totaled UAH 18.4bn in June 2017, which is 38.7% more year-on-year. As usual, the personal income tax was the single largest source of revenues for local budgets. It generated nearly UAH 10.0b in June. Local taxes and fees provided UAH 2.9bn.

The highest growth of revenues was in Odesa Oblast, where it grew by 80.9%. Revenue fell slightly in Luhansk Oblast (-0.7%).

- **The local budget expenditures (without inter-budget transfers)** totaled over UAH 214.6bn in January-June 2017, which is 49.5% more year-on-year.

In June 2017, expenditures grew by 49.4% against June of last year to nearly UAH 42.2bn. The largest amounts of local budget expenditures were allocated for education, social protection and social security, and healthcare. They amounted to UAH 17.4bn (or 41.3% of all local budget expenditures), UAH 7.9bn (or 18.8%), and UAH 7.4bn (17.5%), respectively.

The highest growth rate by region was in Lviv Oblast, where expenditures grew by 61.6%. The lowest growth of expenditures (32.6%) was in Dnipropetrovsk Oblast.

State Budget Revenue

Graph 1

State Budget Total Revenue Monthly Trends in 2012–2017 (Less Intergovernmental Transfers)

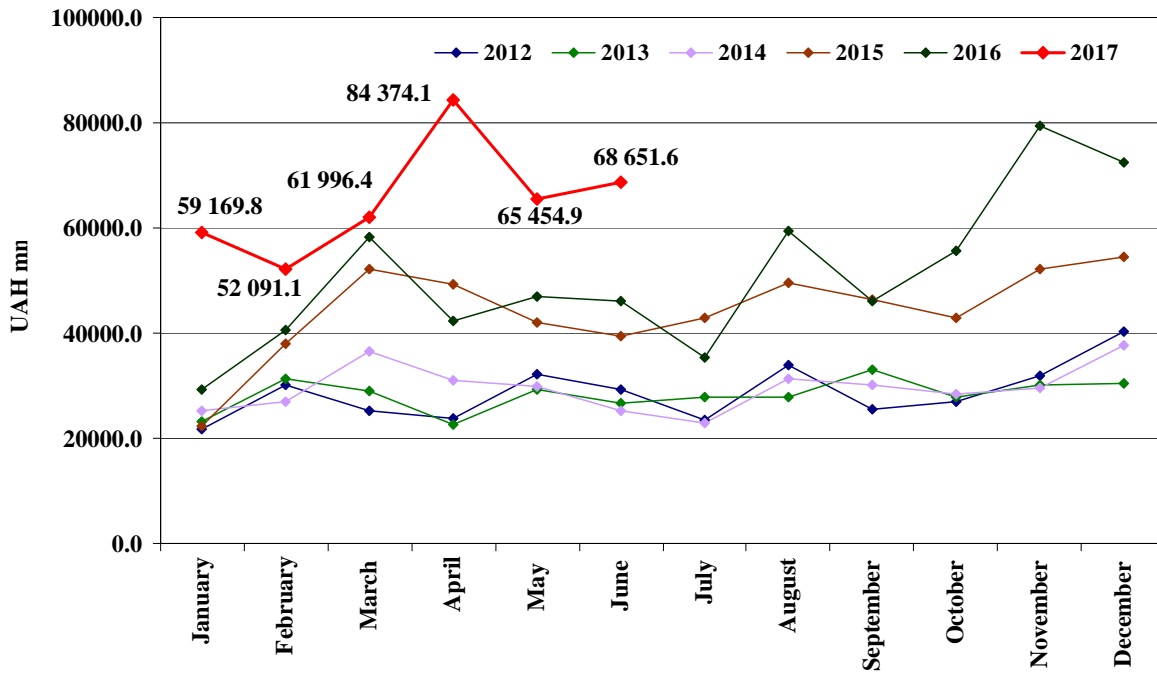
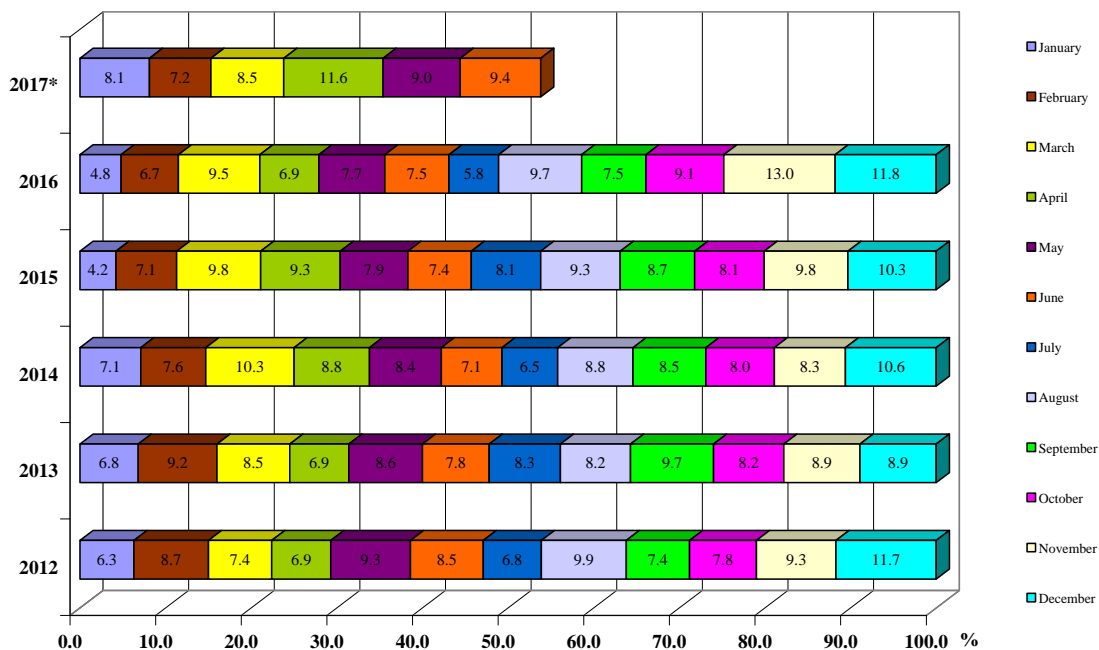


Diagram 1

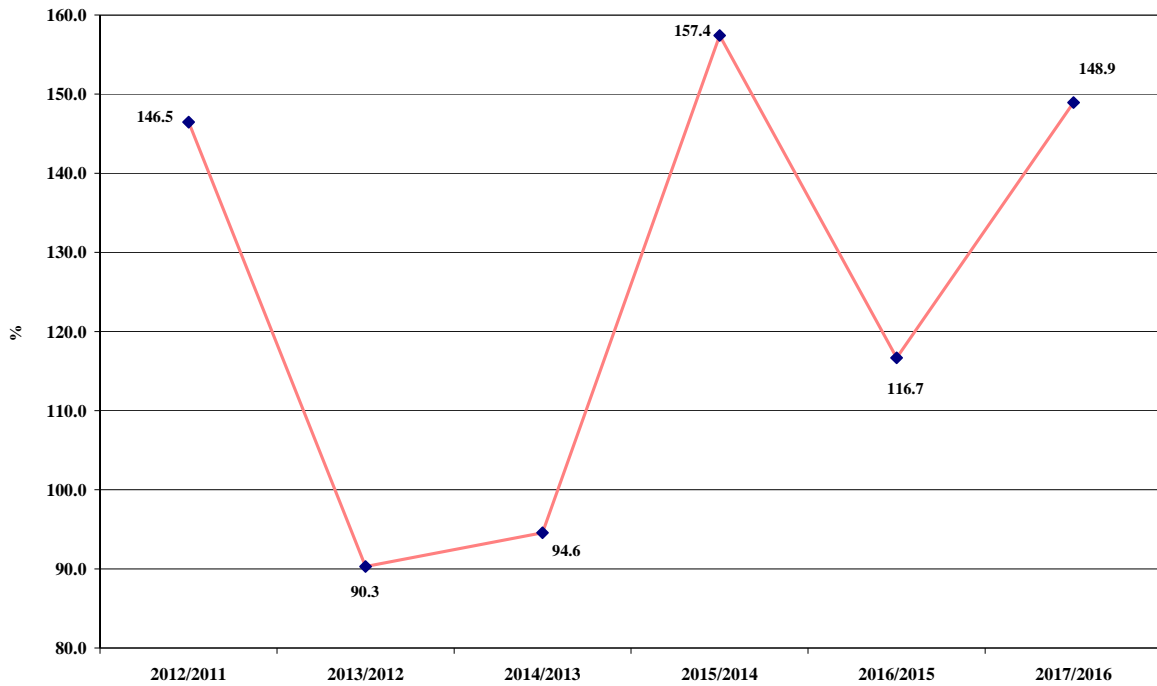
Dynamics of the Share of Ukraine's State Budget Revenue in Annual Amounts in 2012–2017



* A share of total revenues according to the planned annual index

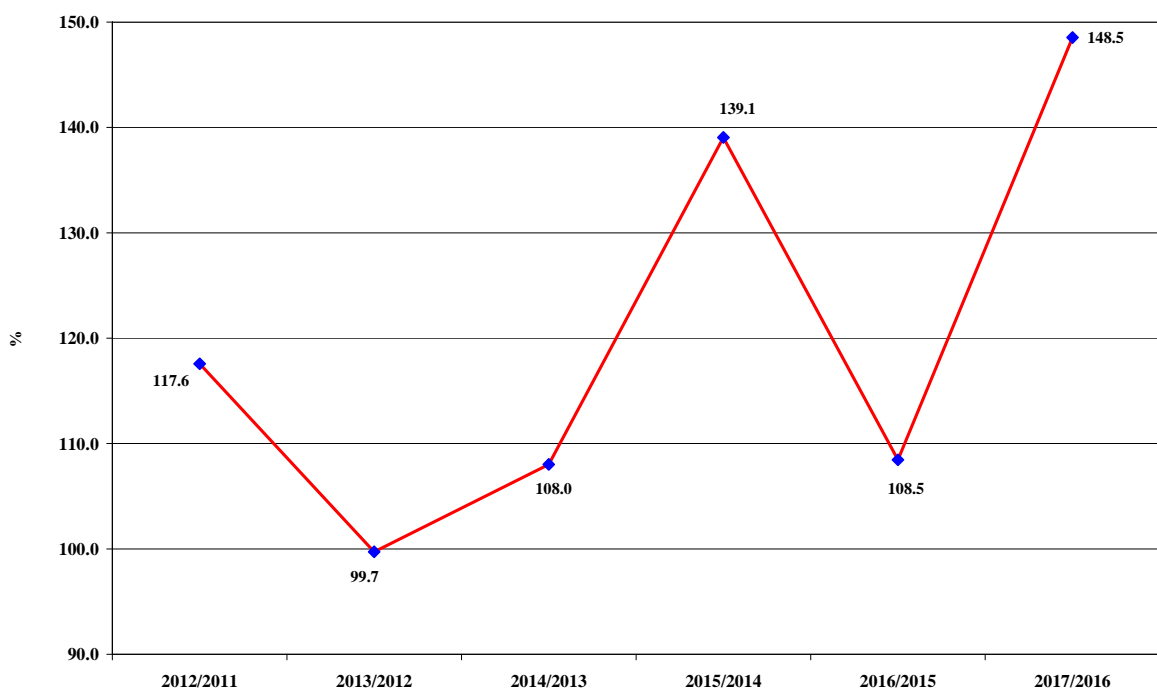
Graph 2

Growth Rates of Ukraine's State Budget Revenue in June 2012–2017



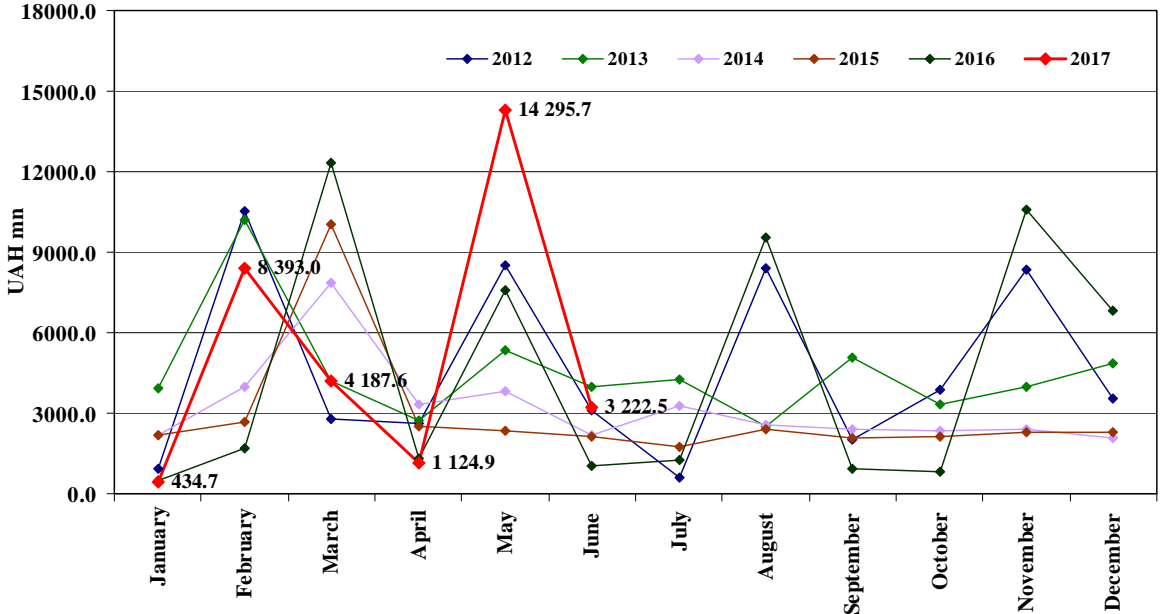
Graph 3

Growth Rates of Ukraine's State Budget Revenue in January-June 2012–2017



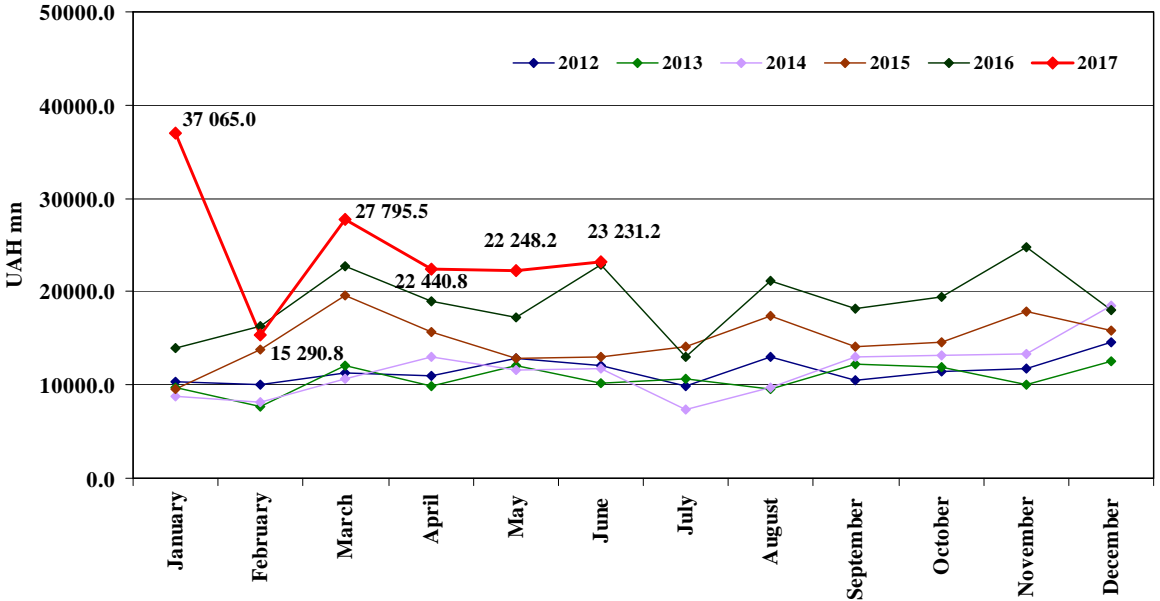
Graph 4

State Budget Enterprise Profit Tax Monthly Trends in 2012–2017



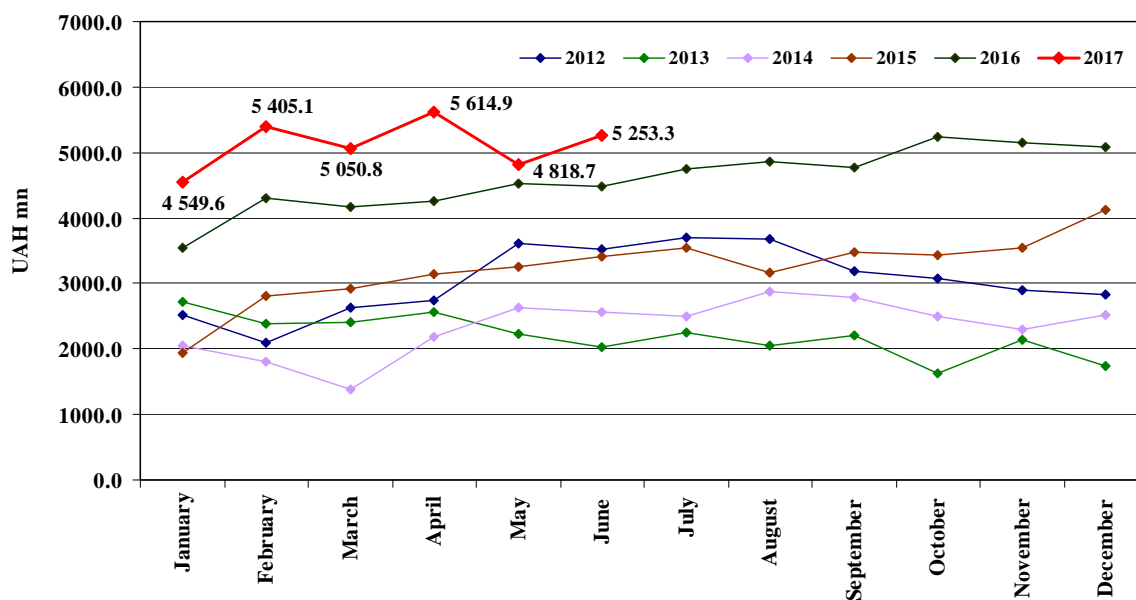
Graph 5

State Budget Value Added Tax Monthly Trends in 2012–2017



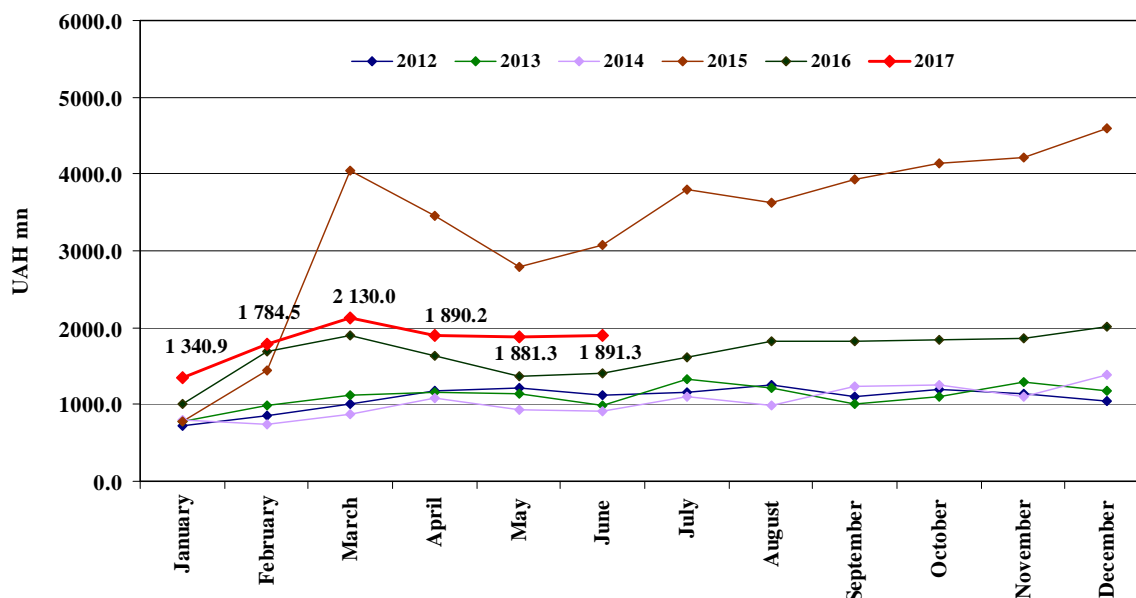
Graph 6

Dynamics of Monthly State Budget Revenues from Excise Tax on Excisable Goods Made in Ukraine in 2012–2017



Graph 7

Dynamics of Monthly State Budget Revenue from Import Duties in 2012–2017



Local Budget Revenue

Graph 8

Local Budget Revenue Monthly Trends (Less Intergovernmental Transfers) in 2012–2017

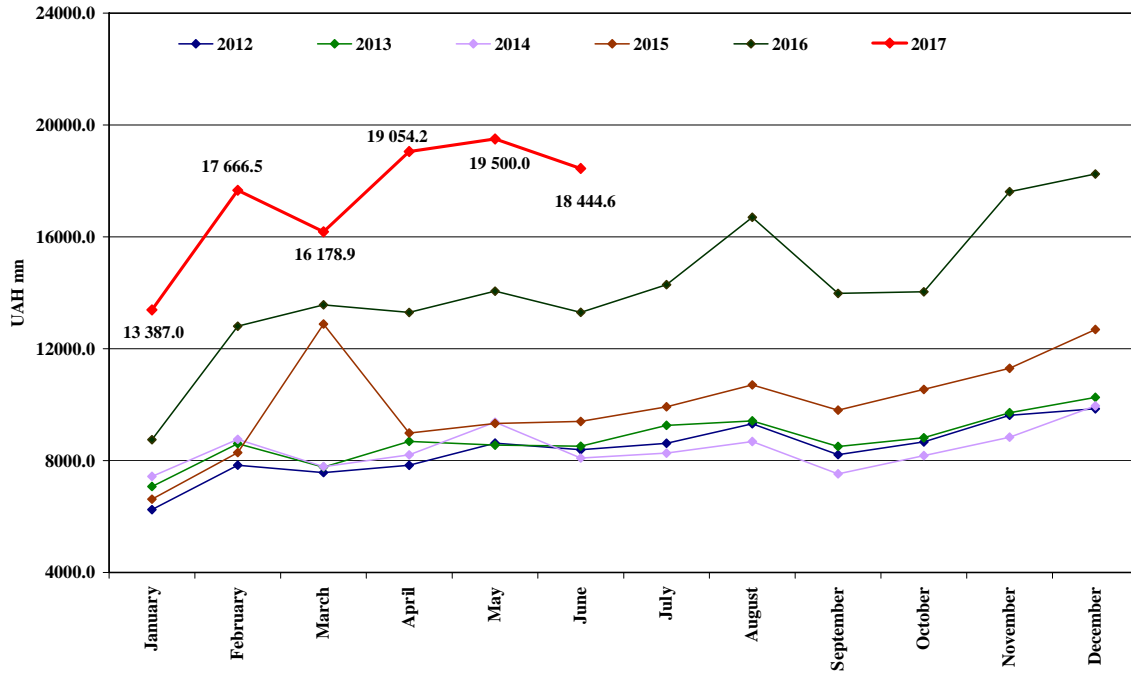
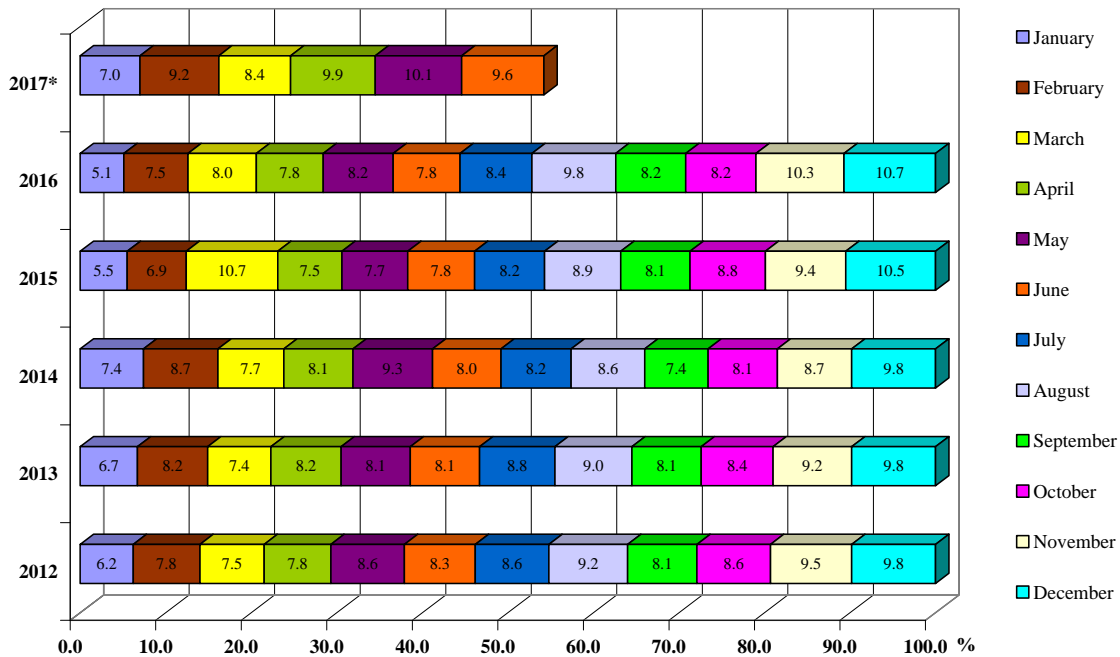


Diagram 2

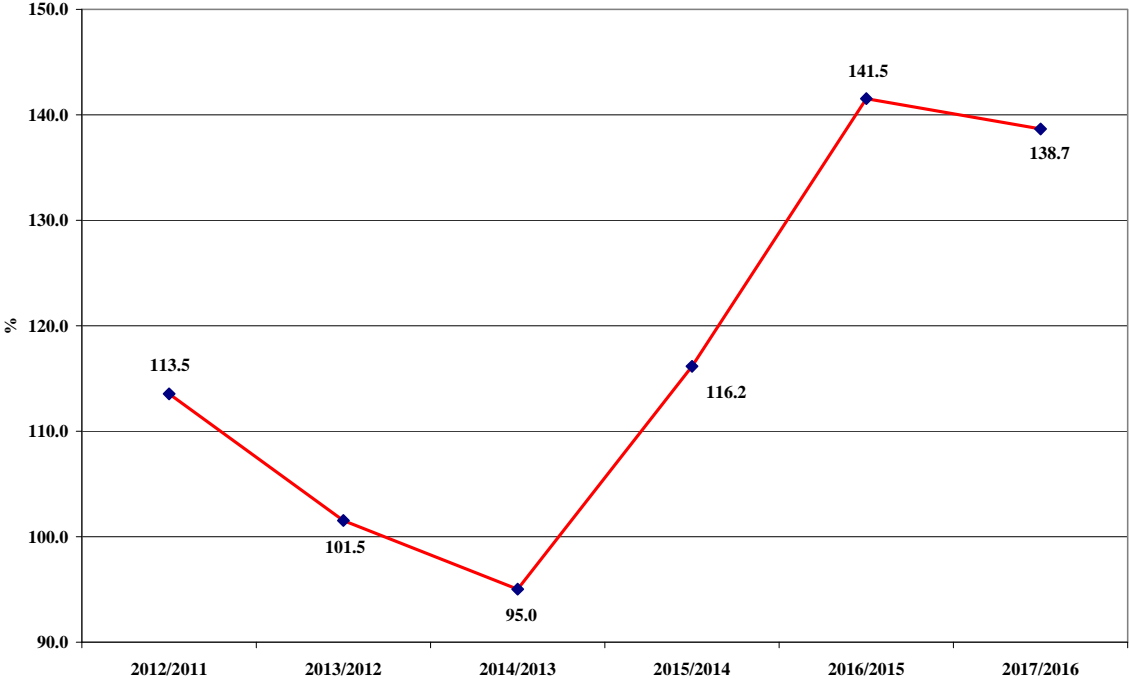
Dynamics of the Share of Local Budget Revenue in Annual Amounts in 2012–2017



* A share of total revenues according to the planned annual index

Graph 9

Growth Rates of Local Budget Revenue in June 2012–2017



Graph 10

Growth Rates of Local Budget Revenue in January-June 2012–2017

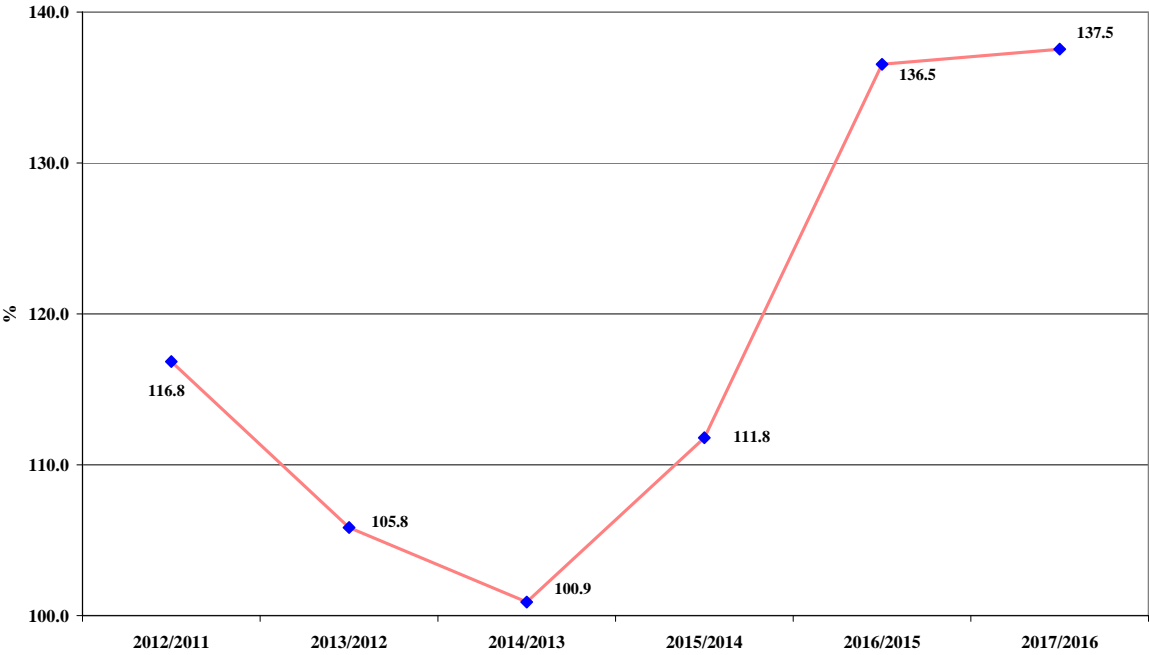


Diagram 3

Local Budget Revenue in June 2017

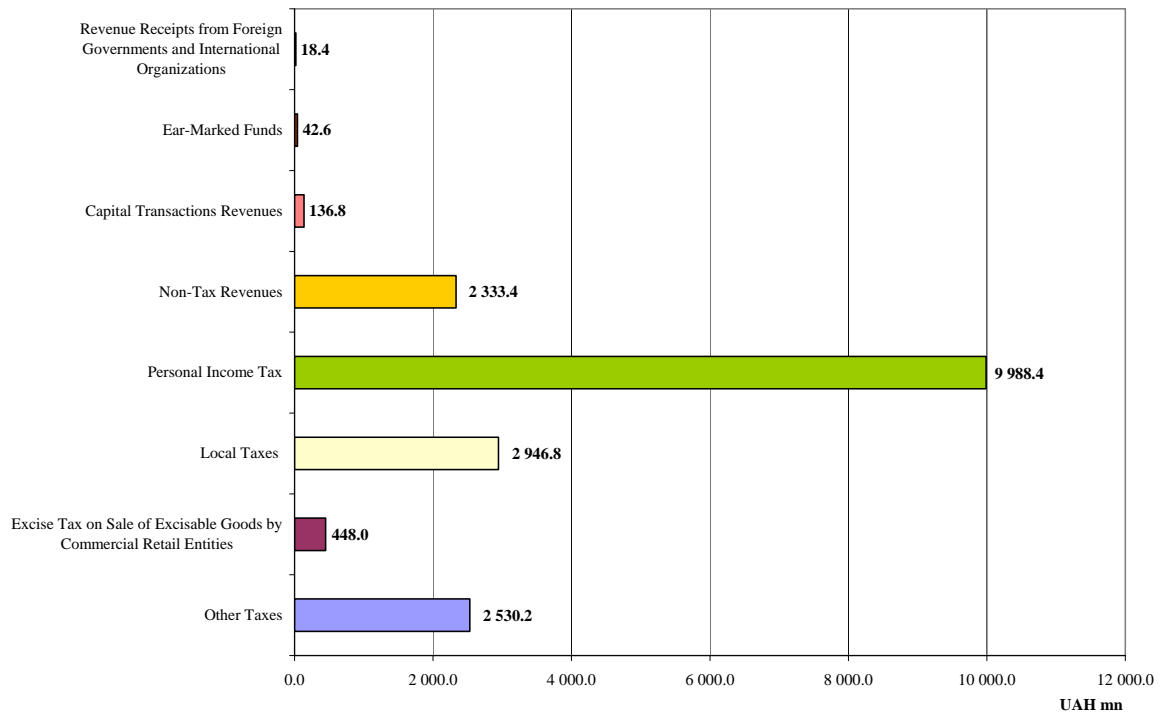


Diagram 4

Structure of Local Budget Revenues in June y 2017

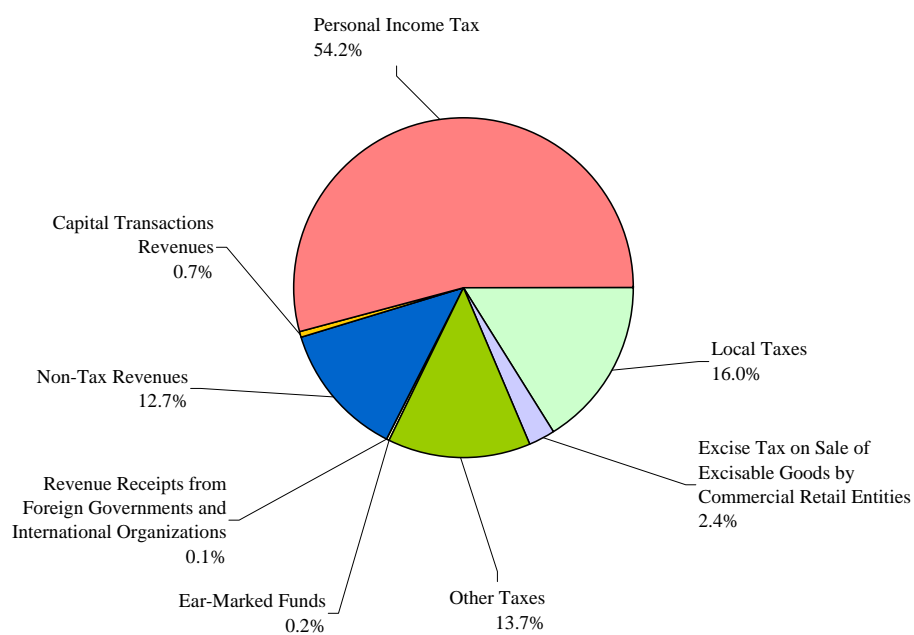
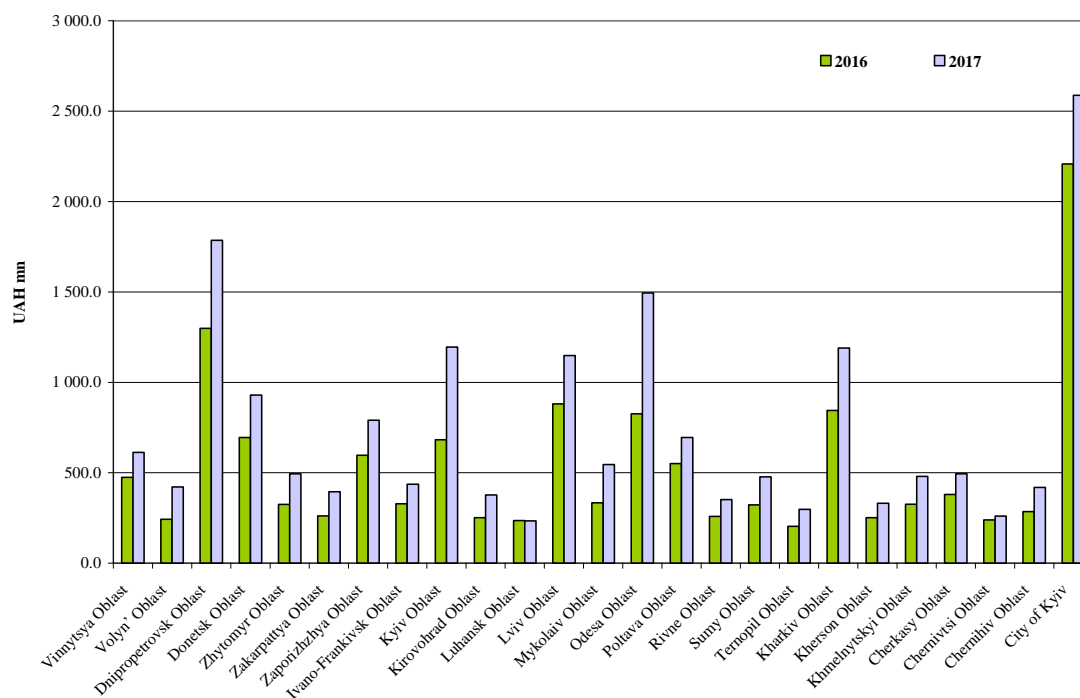


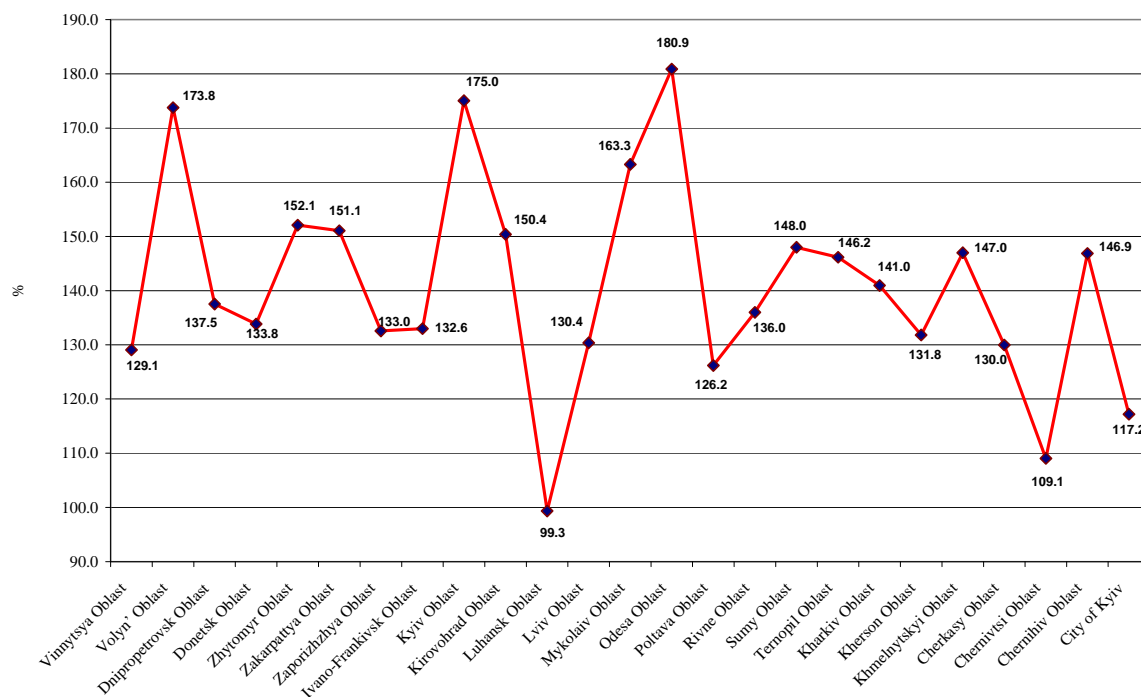
Diagram 5

Regional Distribution of Local Budget Revenue in June 2016–2017



Graph 11

Local Budget Revenues Growth Rate by Region in June 2017 (% vs. previous year)



State Budget Deficit

Diagram 6

Budget Deficit/Surplus, Monthly Trends in 2012

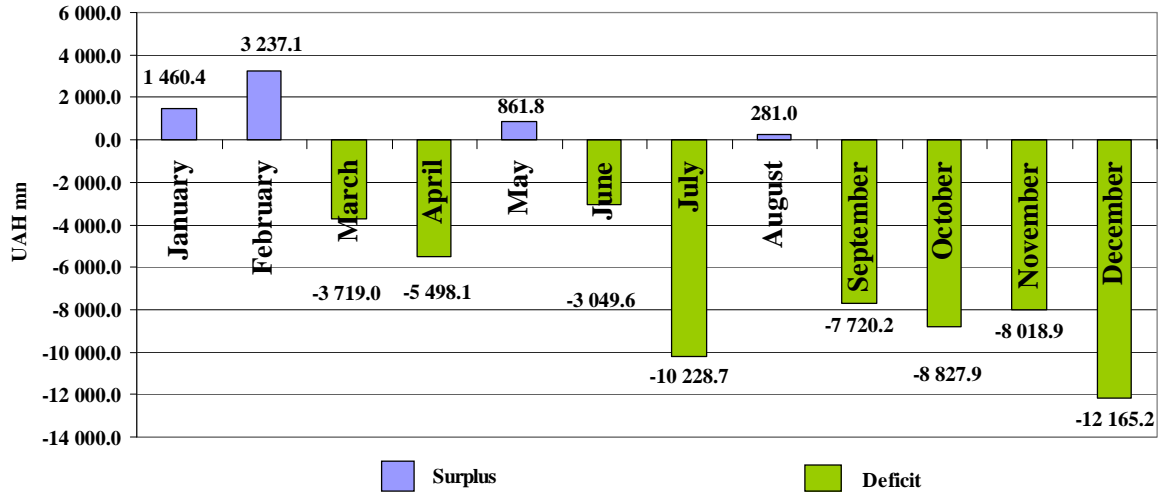


Diagram 7

Budget Deficit/Surplus, Monthly Trends in 2013

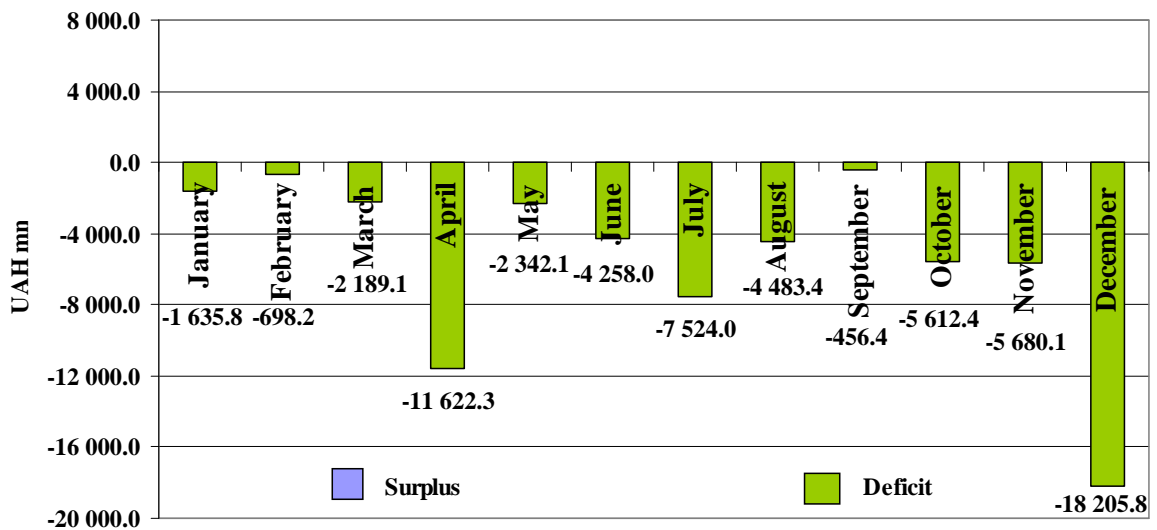


Diagram 8

Budget Deficit/Surplus, Monthly Trends in 2014

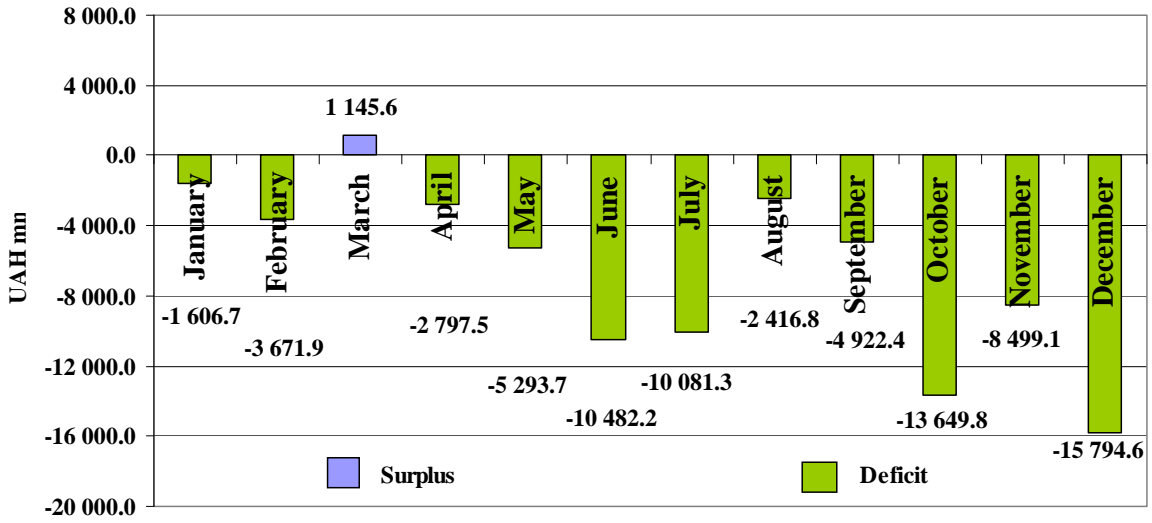


Diagram 9

Budget Deficit/Surplus, Monthly Trends in 2015

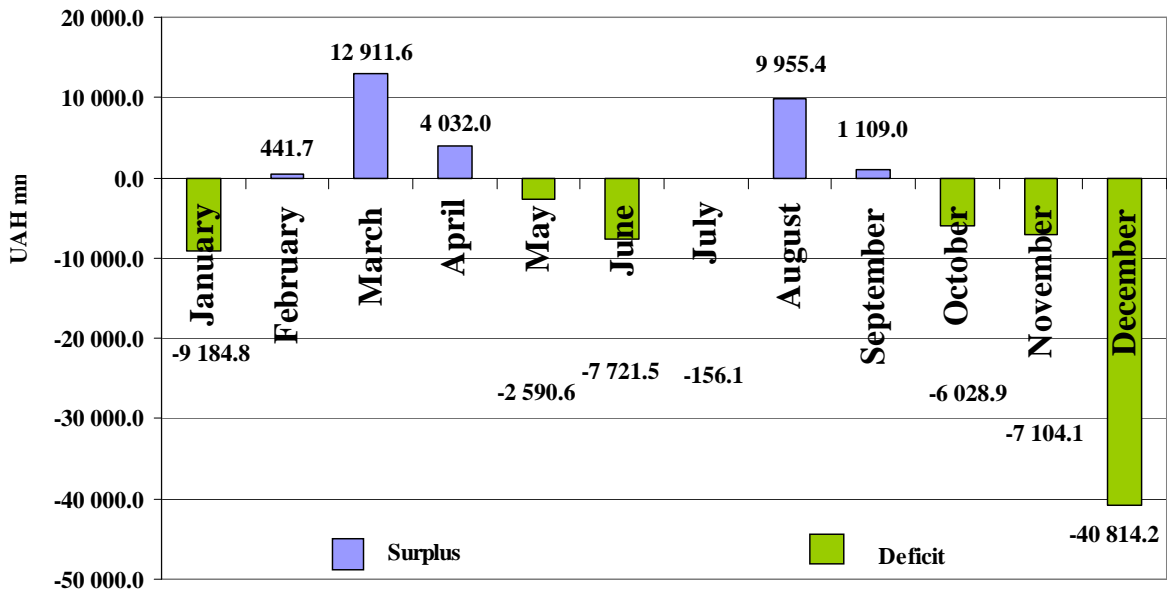


Diagram 10

Budget Deficit/Surplus, Monthly Trends in 2016

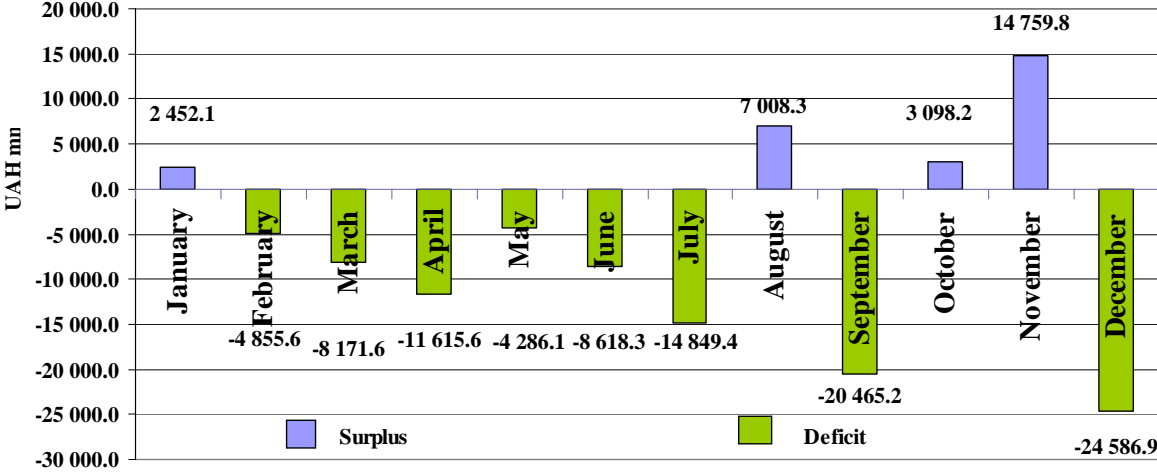
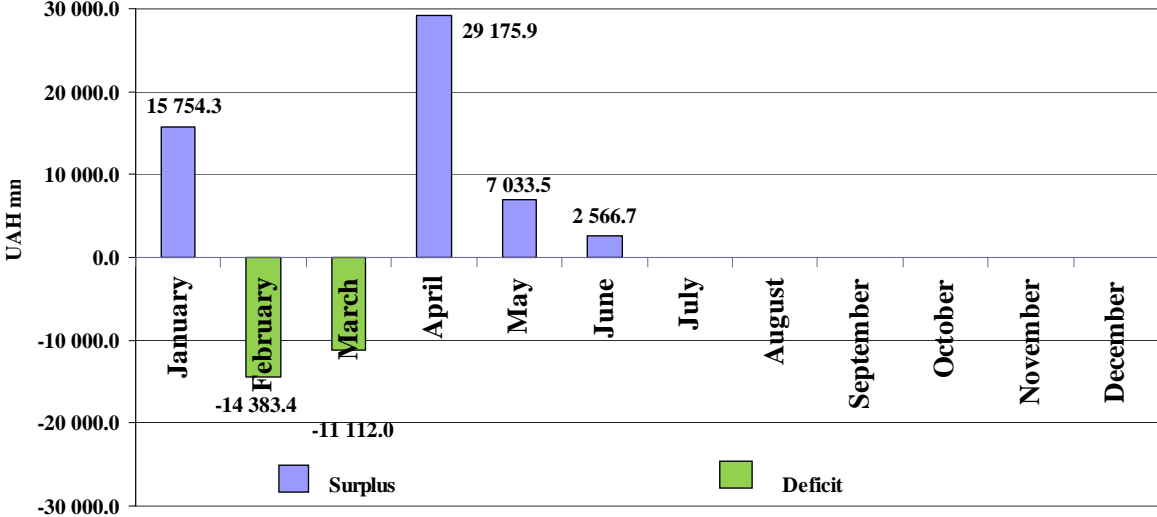


Diagram 11

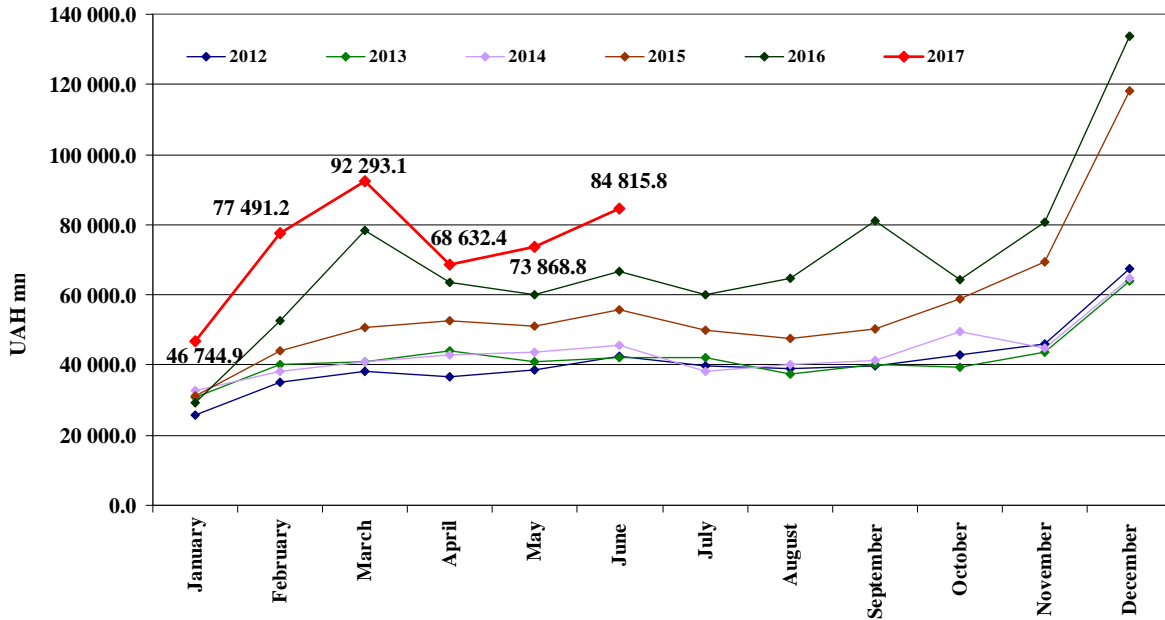
Budget Deficit/Surplus, Monthly Trends in 2017



Consolidated Budget Expenditures

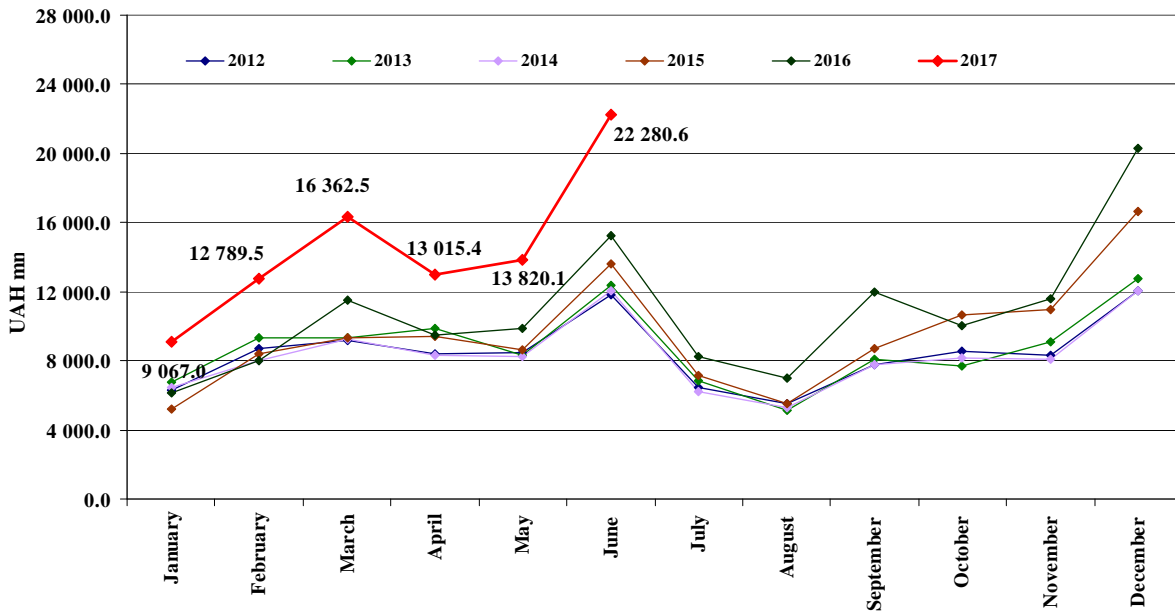
Graph 12

Consolidated Budget Expenditures, Monthly Trends in 2012–2017



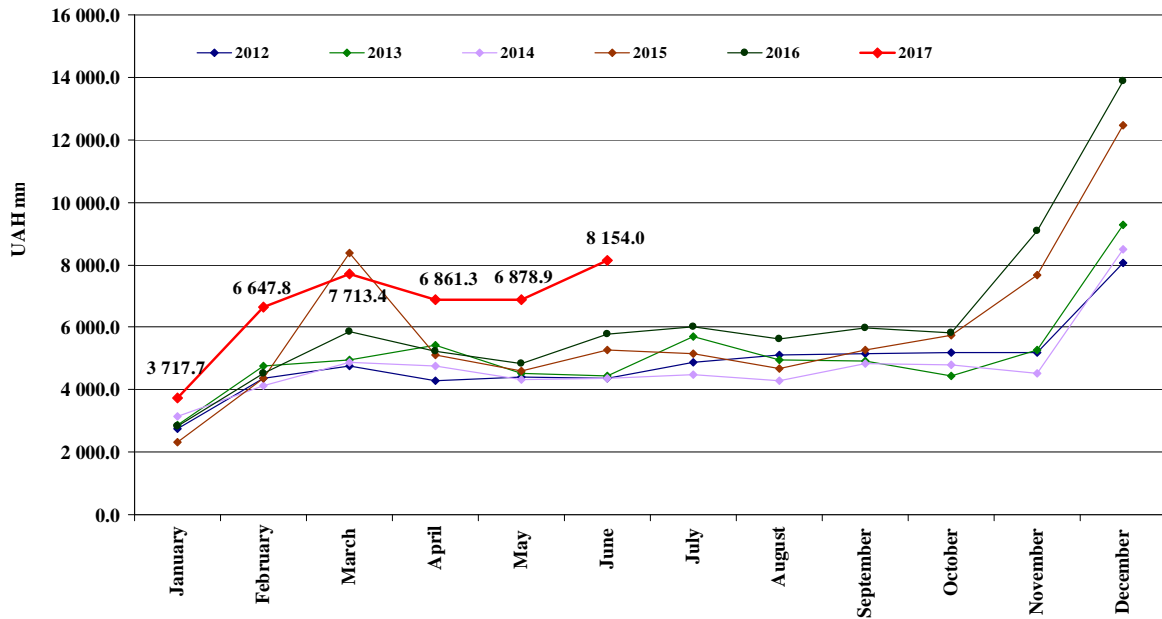
Graph 13

Consolidated Budget Education Expenditures, Monthly Trends in 2012–2017



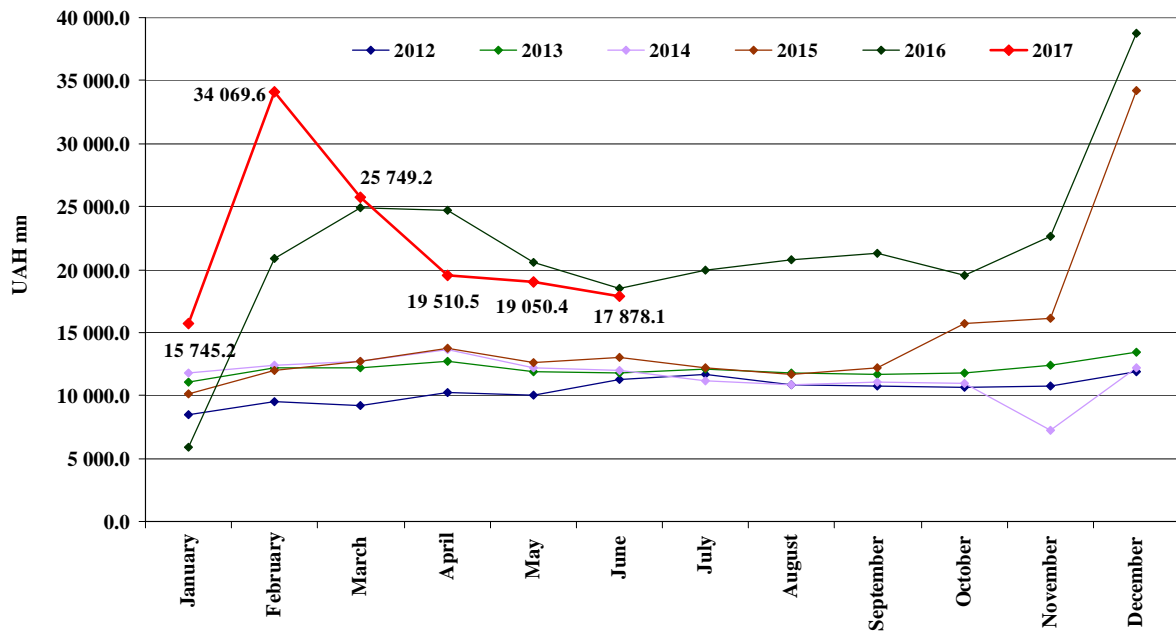
Graph 14

Consolidated Budget Health Expenditures, Monthly Trends in 2012–2017



Graph 15

Consolidated Budget Expenditures for Social Protection and Social Security, Monthly Trends in 2012–2017



State Budget Expenditures

Diagram 12

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2012

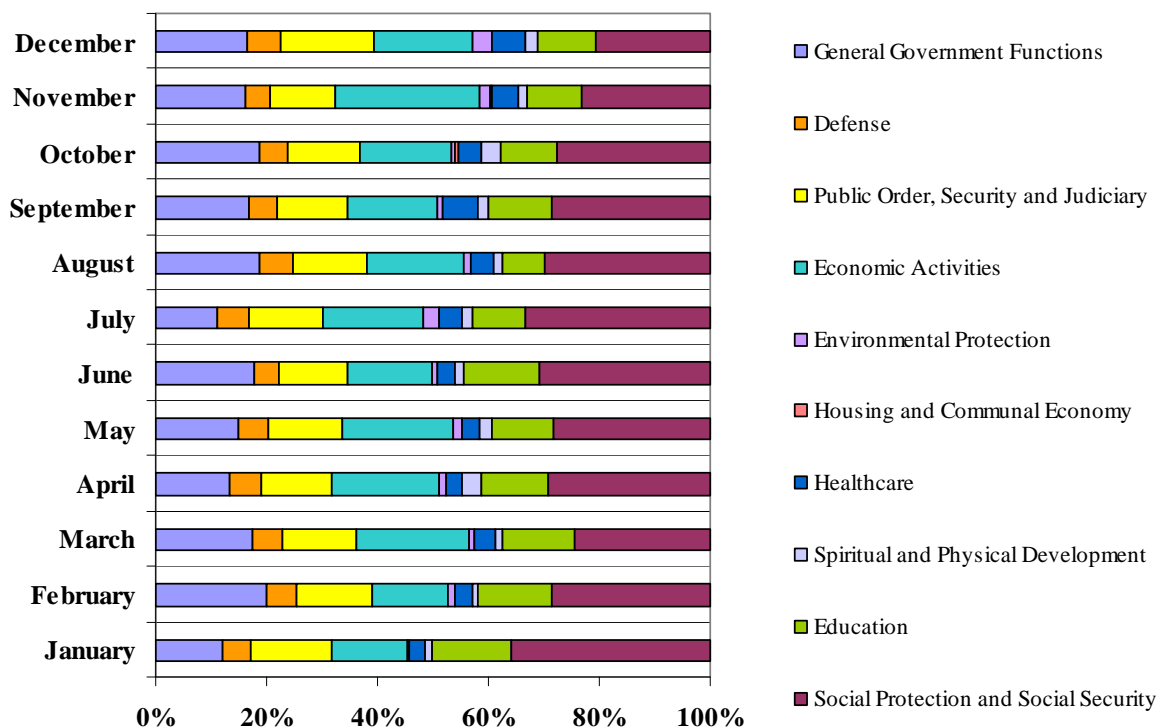


Diagram 13

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2013

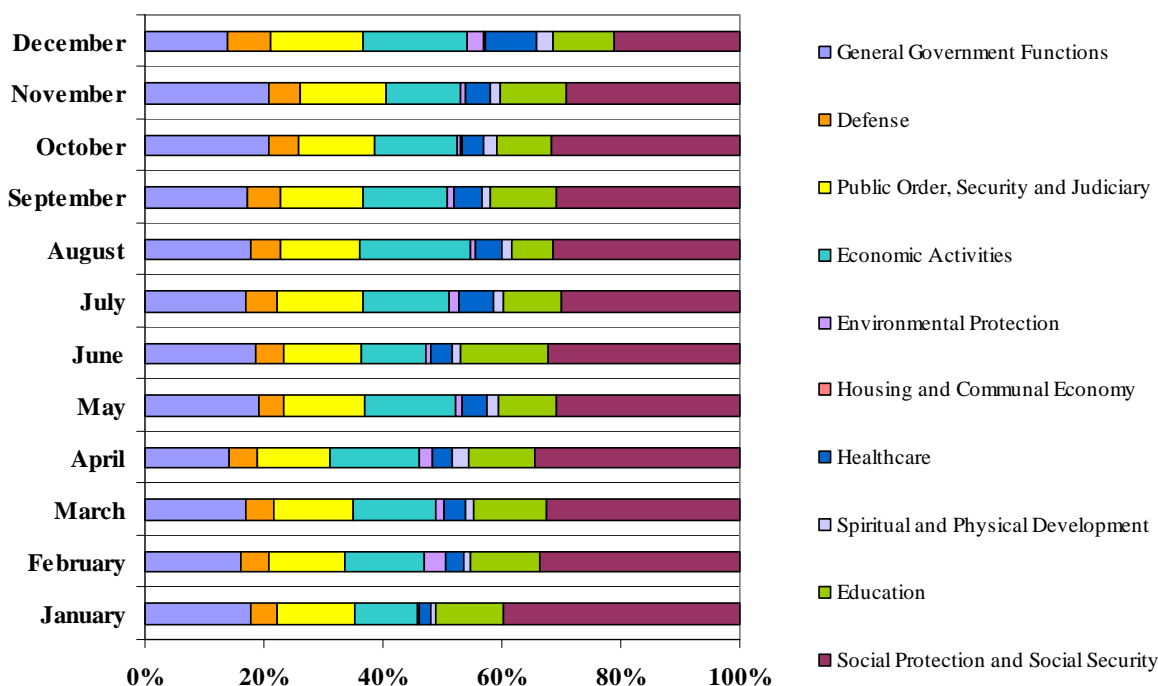


Diagram 14

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2014

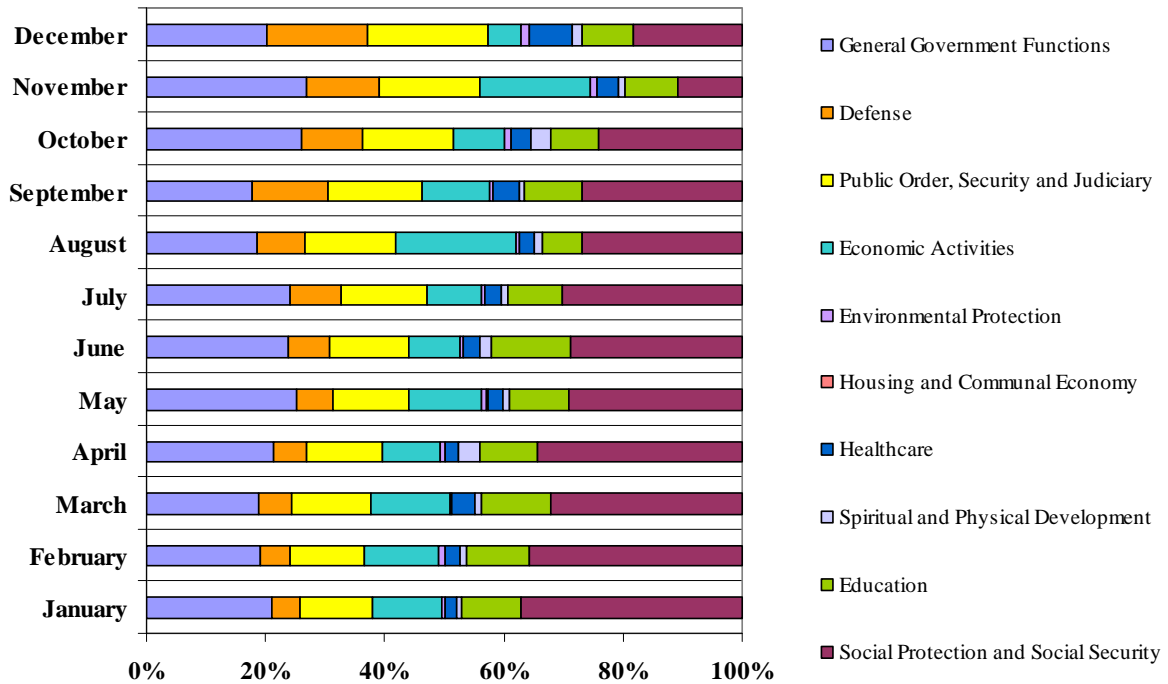


Diagram 15

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2015

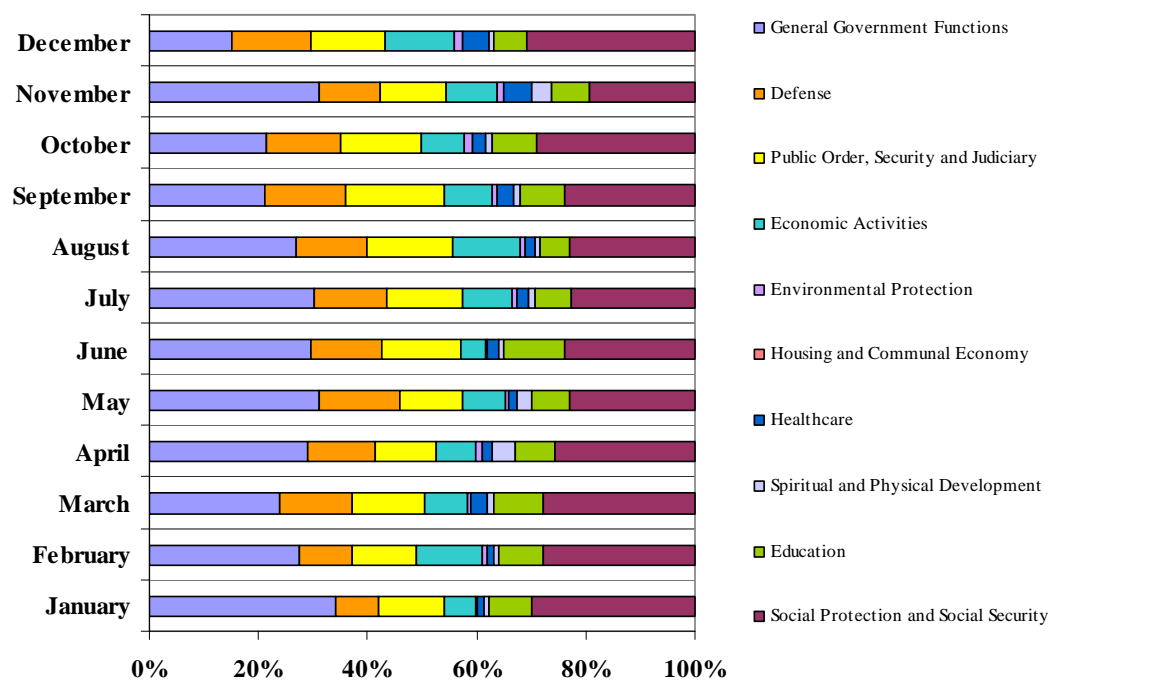


Diagram 16

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2016

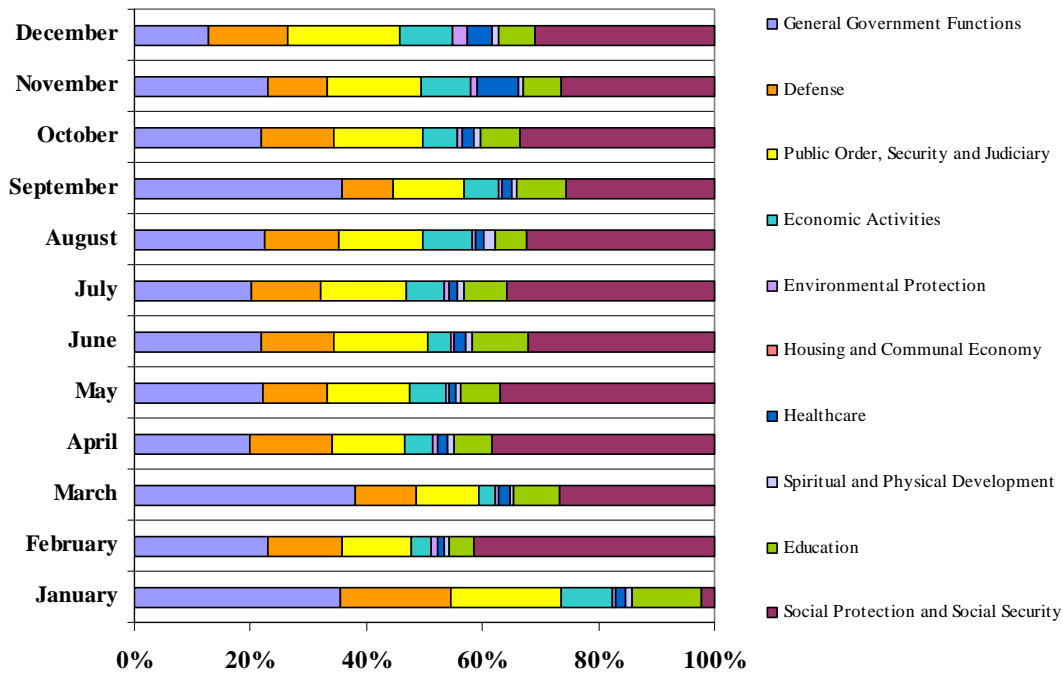
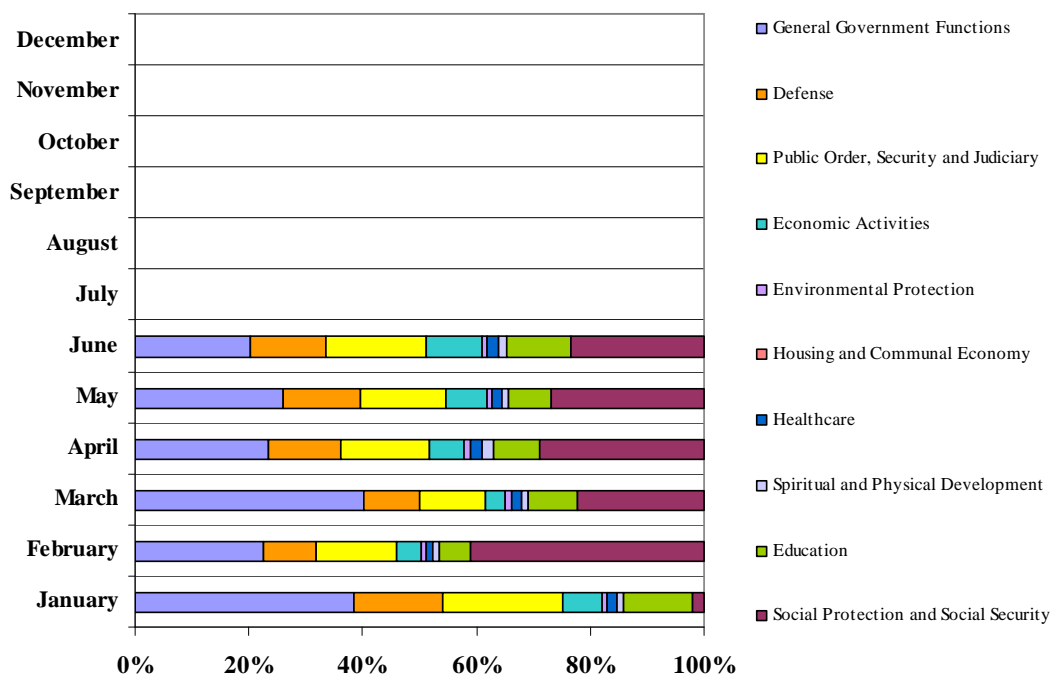


Diagram 17

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2017



Monthly Trends of State Budget Expenditures in 2012–2017

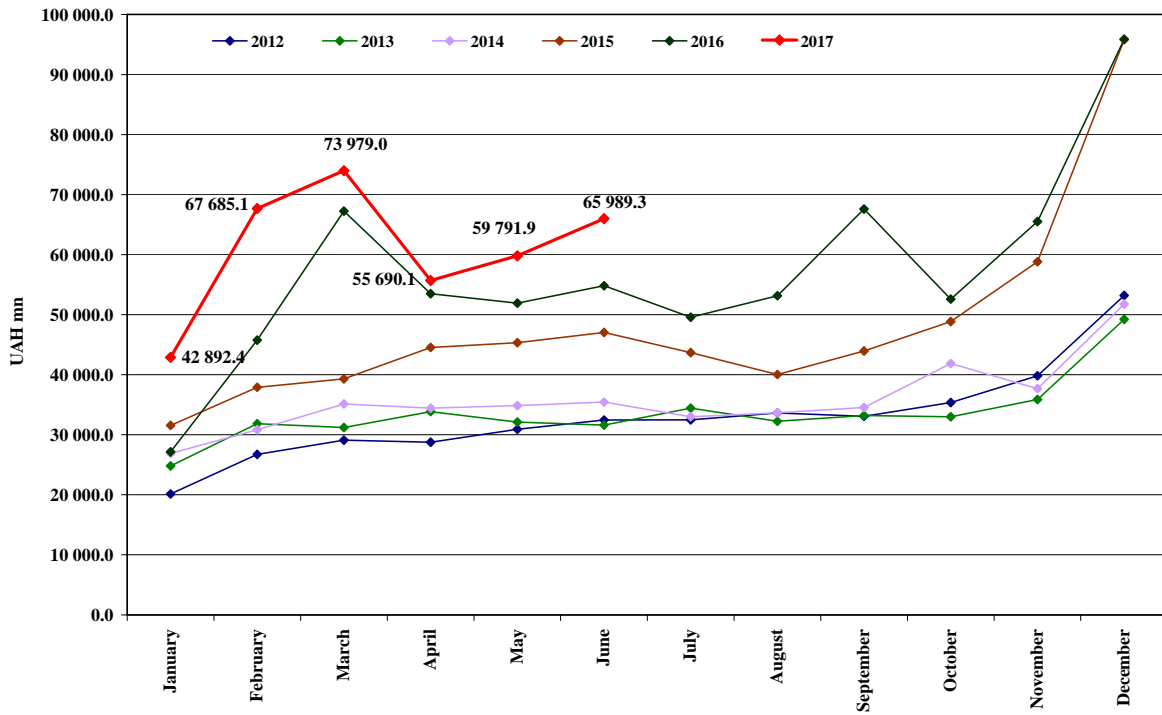
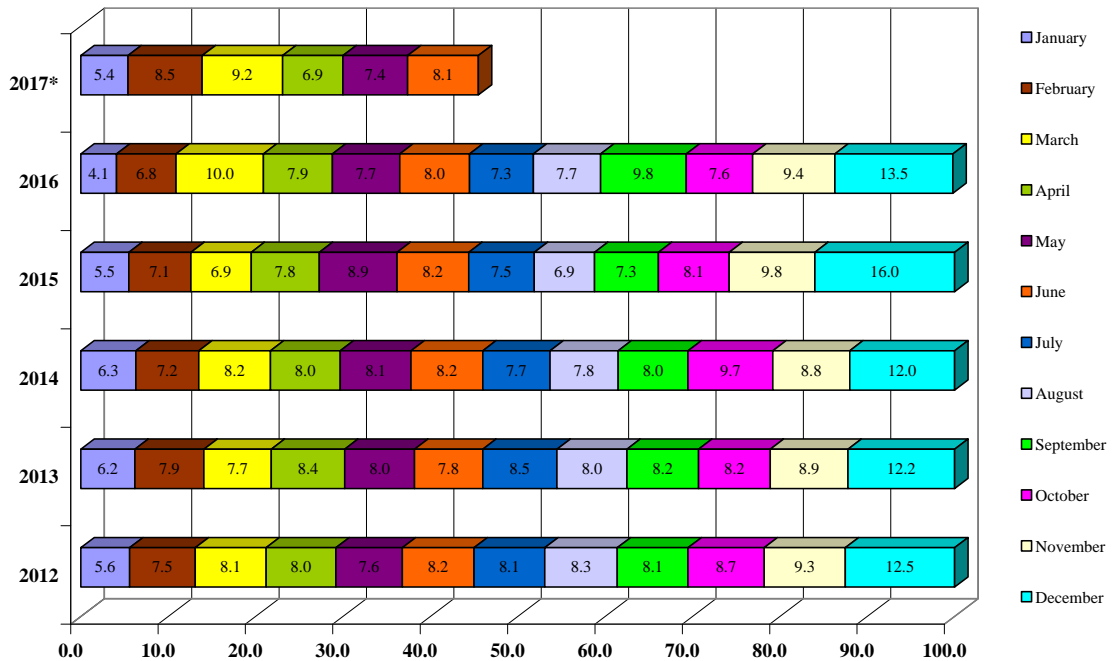


Diagram 18

Dynamics of the Share of Ukraine's State Budget Total Expenditures in Annual Amounts in 2012–2017

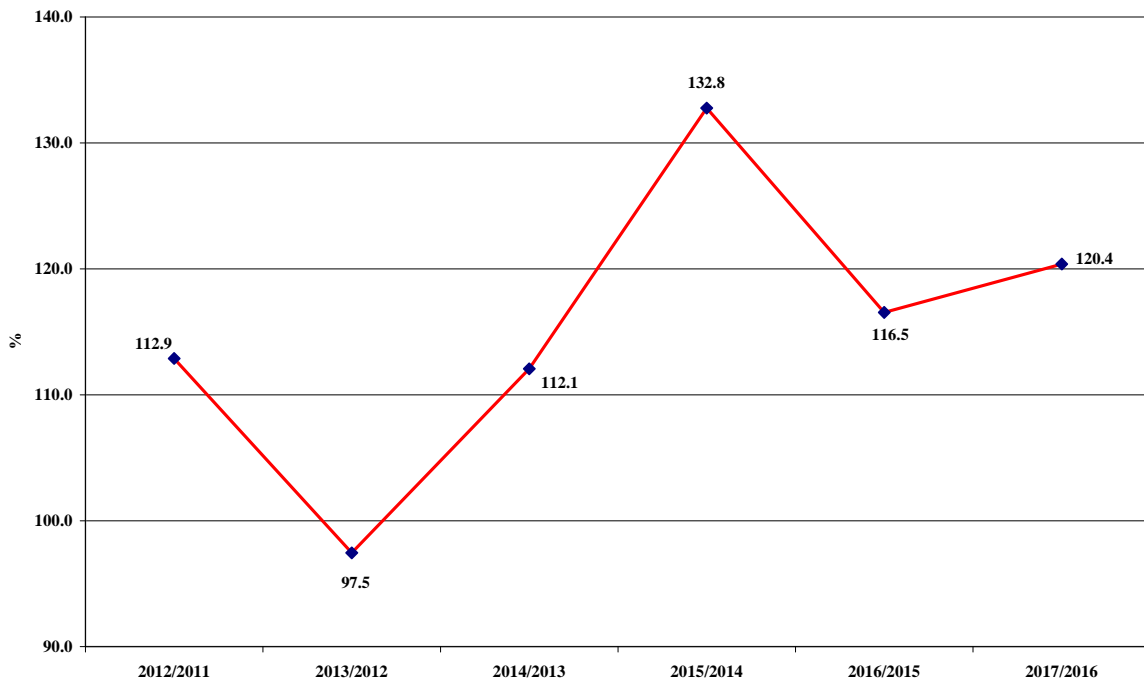


* A share of total expenditures according to the planned annual index

%

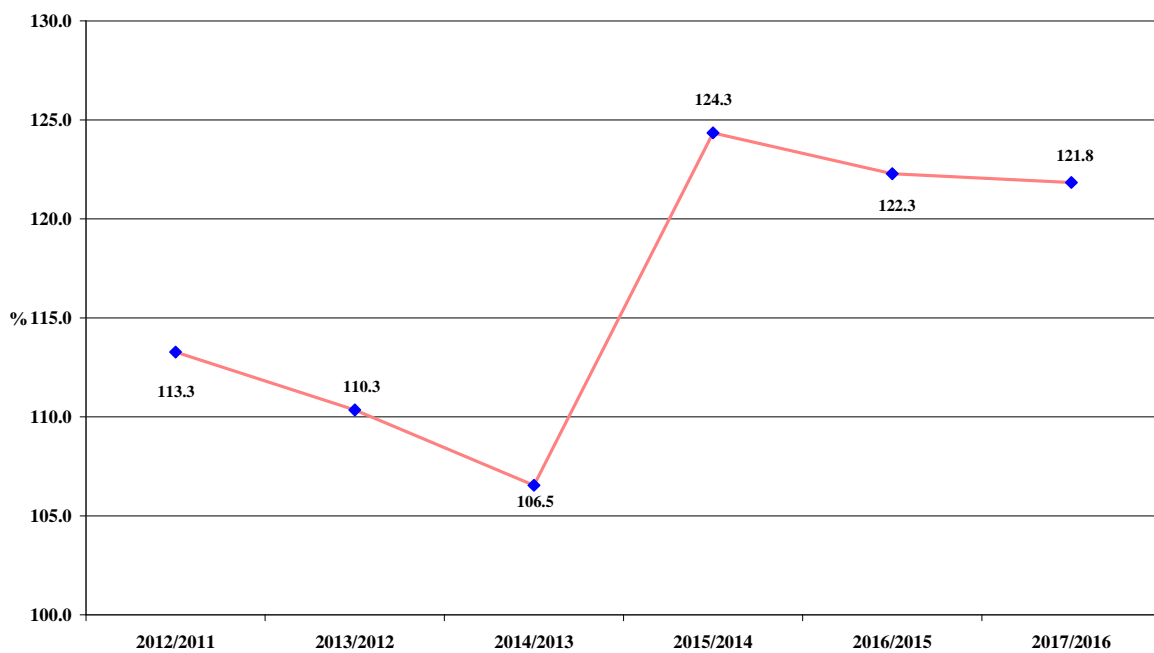
Graph 17

Growth Rates of Ukraine's State Budget Expenditures in June 2012–2017



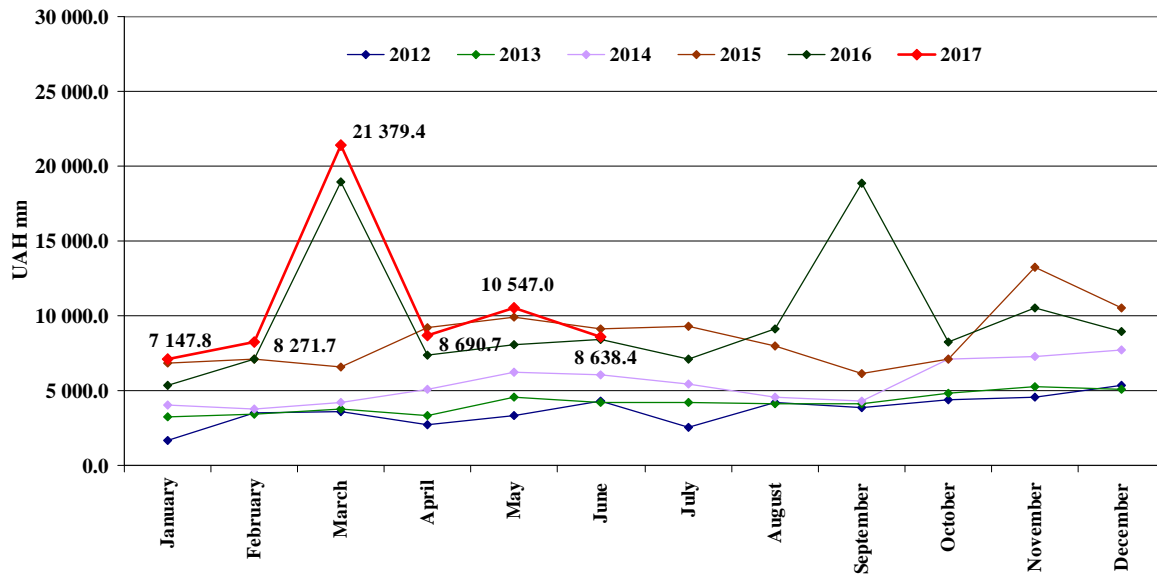
Graph 18

Growth Rates of Ukraine's State Budget Expenditures in January-June 2012–2017



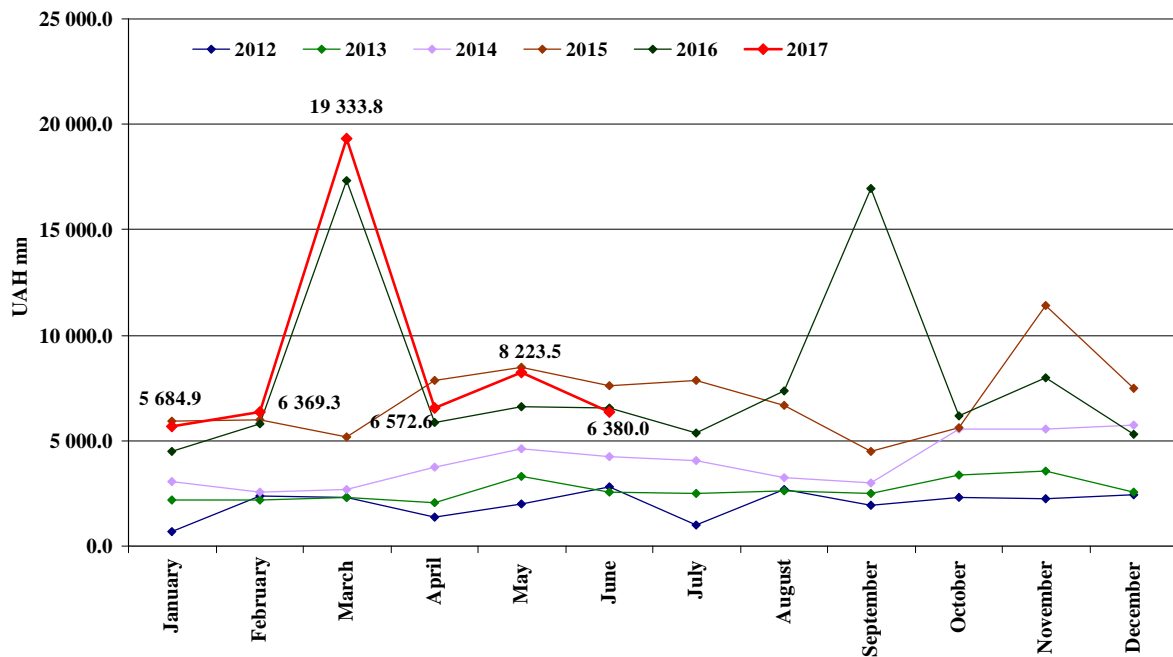
Graph 19

State Budget Expenditures for General Government Functions, Monthly Trends in 2012–2017



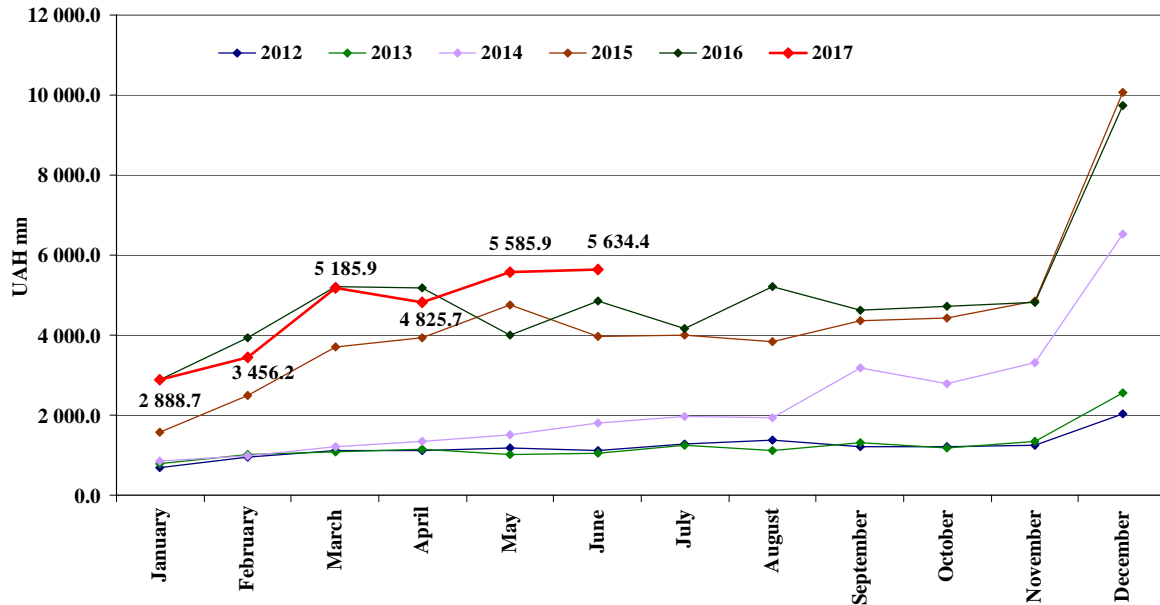
Graph 20

State Budget Expenditures for Public Debt Servicing, Monthly Trends in 2012-2017



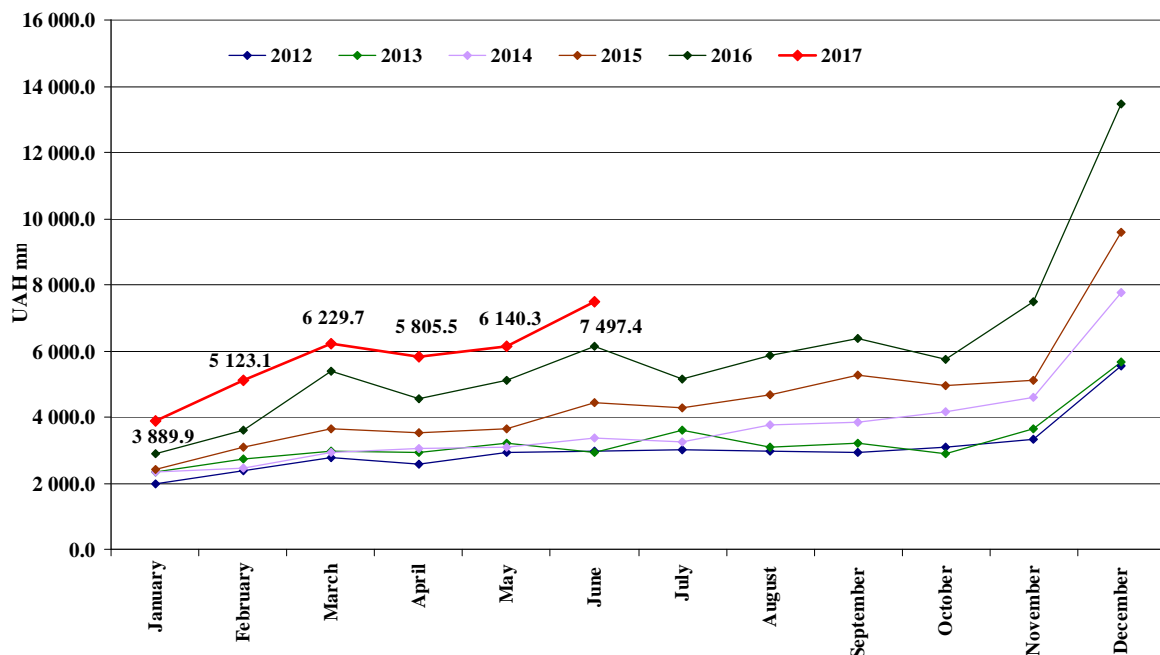
Graph 21

State Budget Expenditures for Defense, Monthly Trends in 2012–2017



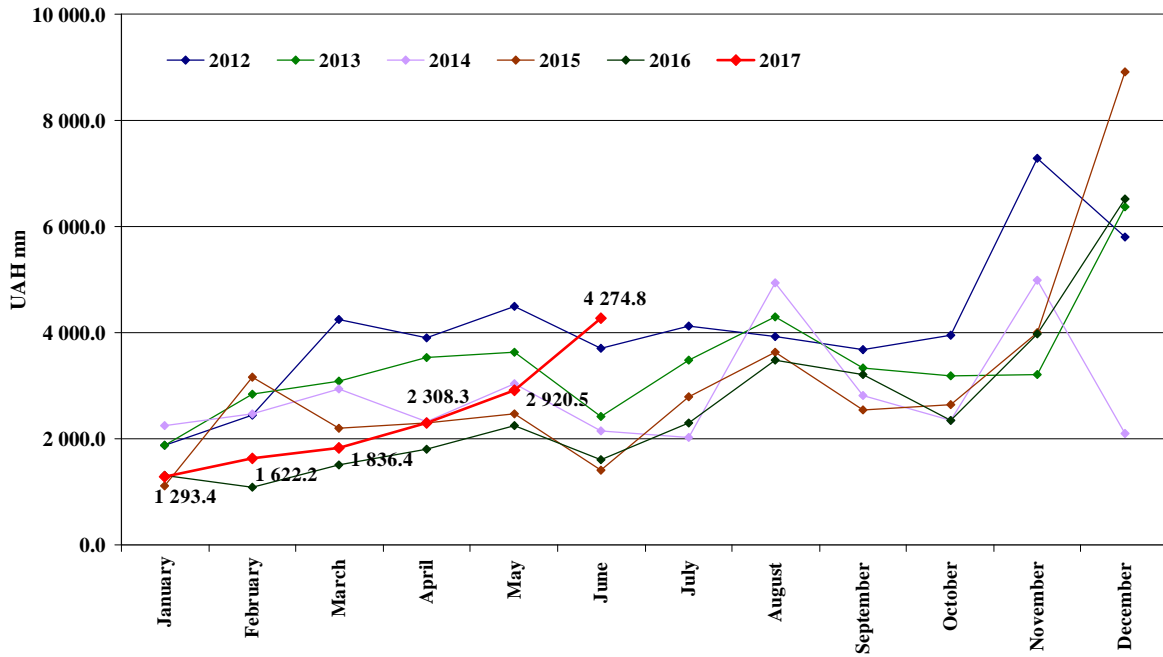
Graph 22

State Budget Expenditures for Public Order, Security, and the Judiciary, Monthly Trends in 2012–2017



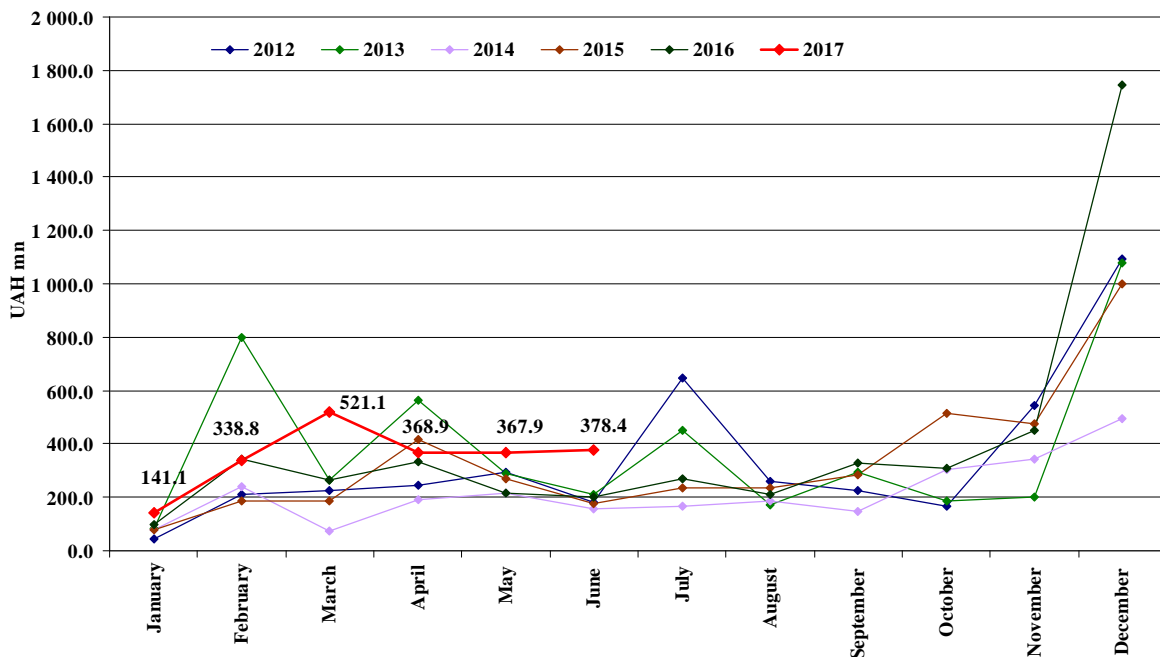
Graph 23

State Budget Expenditures for Economic Activities, Monthly Trends in 2012–2017



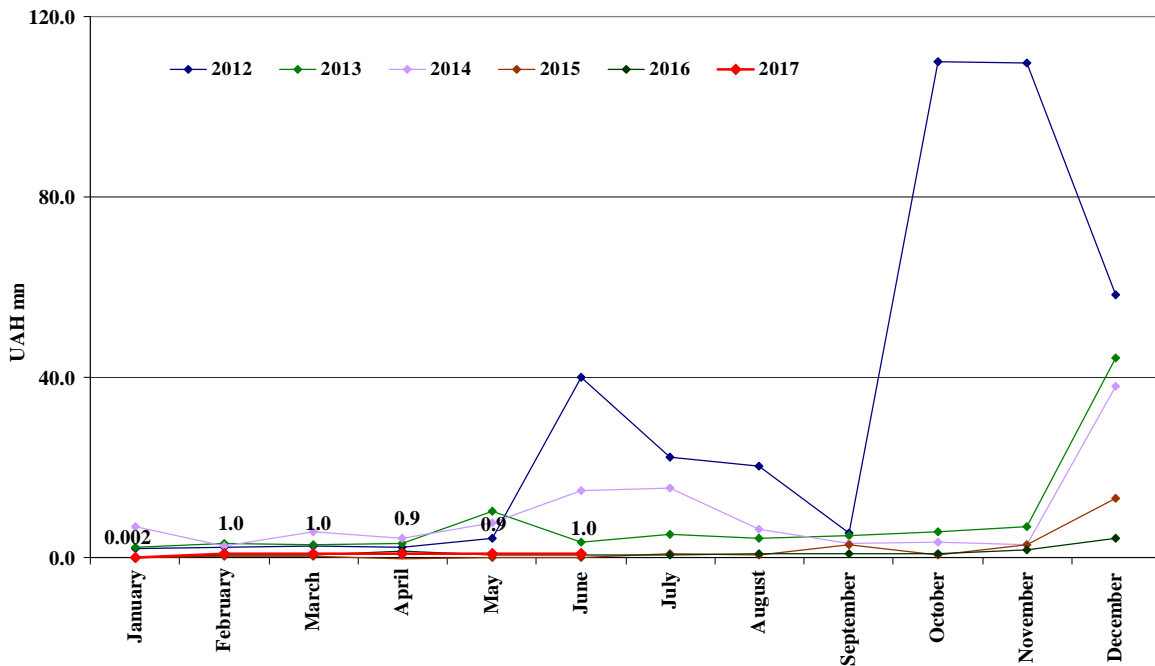
Graph 24

State Budget Expenditures for Environmental Protection, Monthly Trends in 2012–2017



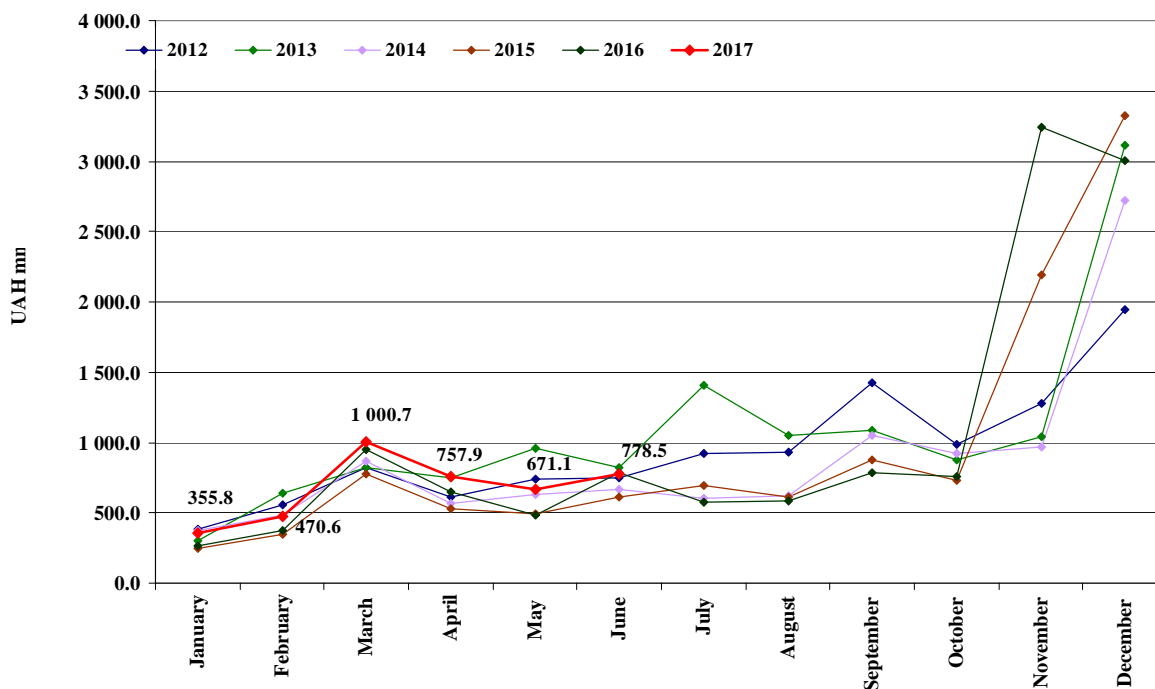
Graph 25

State Budget Expenditures for the Housing and Communal Sector, Monthly Trends in 2012–2017



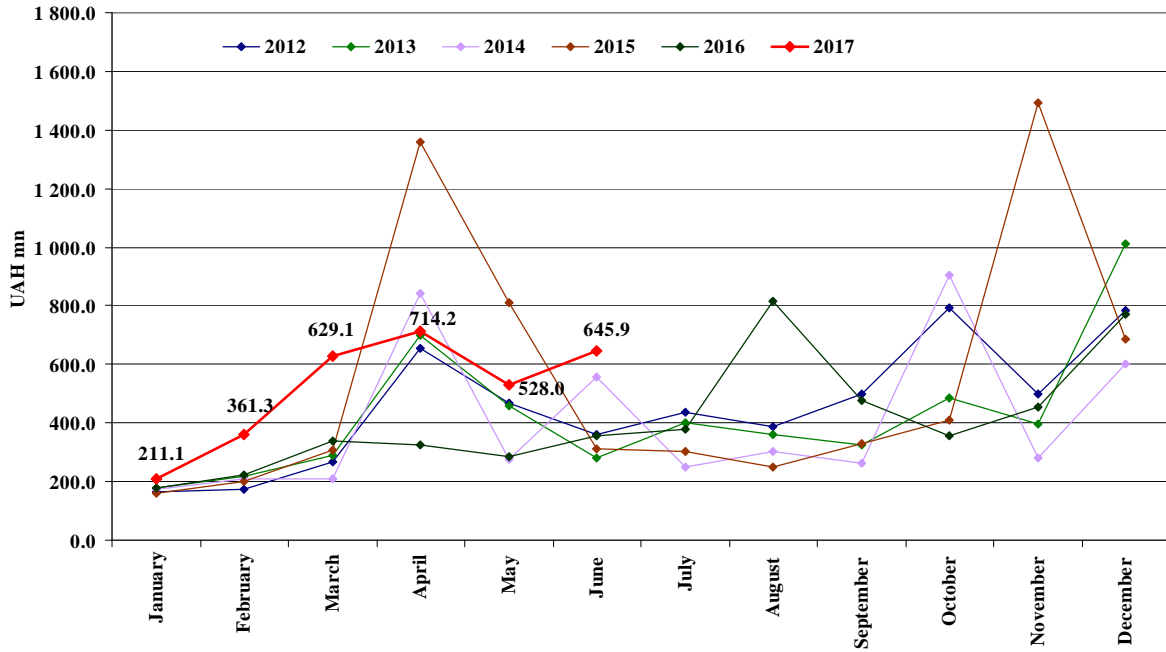
Graph 26

State Budget Expenditures for Healthcare, Monthly Trends in 2012–2017



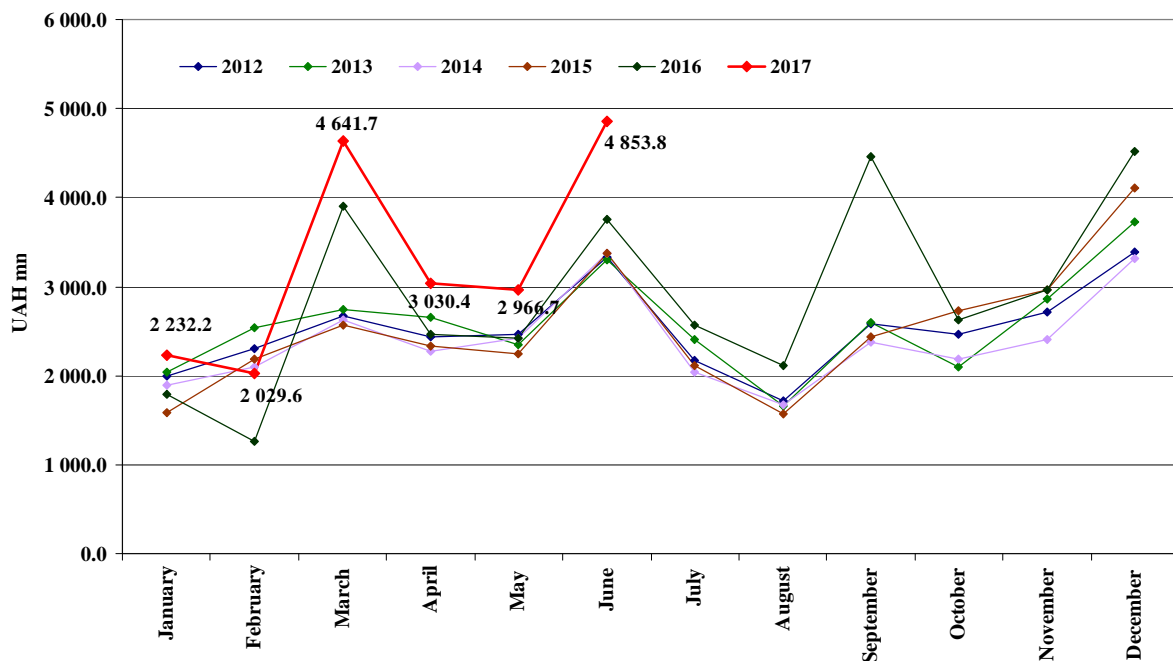
Graph 27

State Budget Expenditures for Spiritual and Physical Development, Monthly Trends in 2012–2017

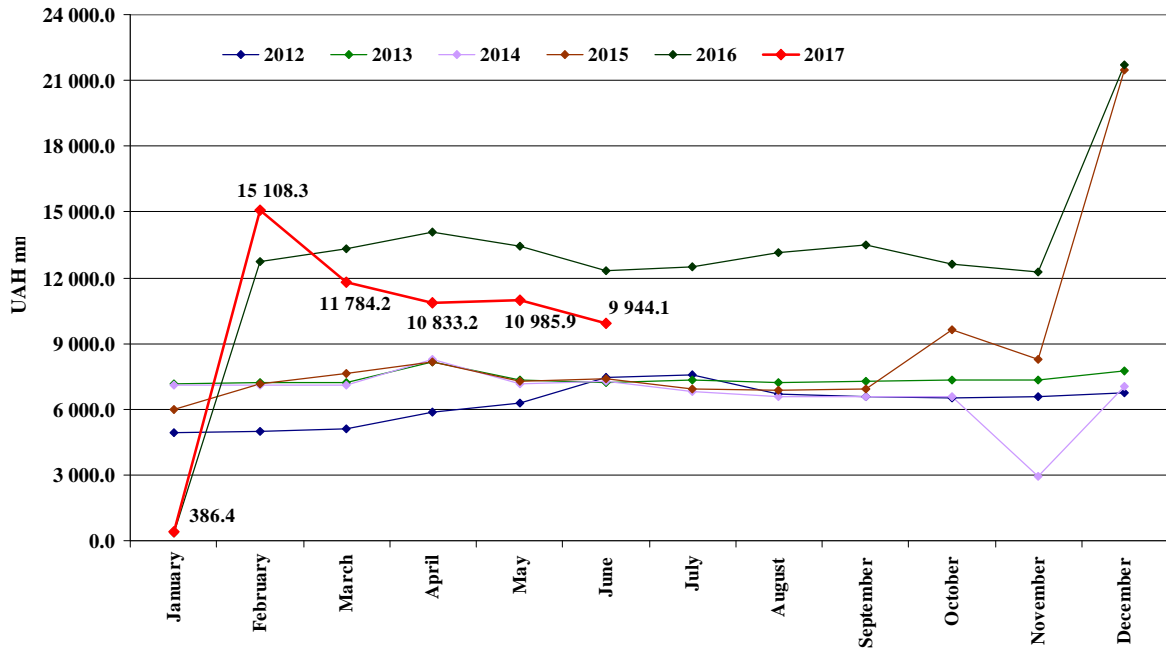


Graph 28

State Budget Expenditures for Education, Monthly Trends in 2012–2017



State Budget Expenditures for Social Protection and Social Security, Monthly Trends in 2012–2017



Local Budget Expenditures

Graph 30

Total Local Budget Expenditures (Less Intergovernmental Transfers), Monthly Trends in 2012–2017

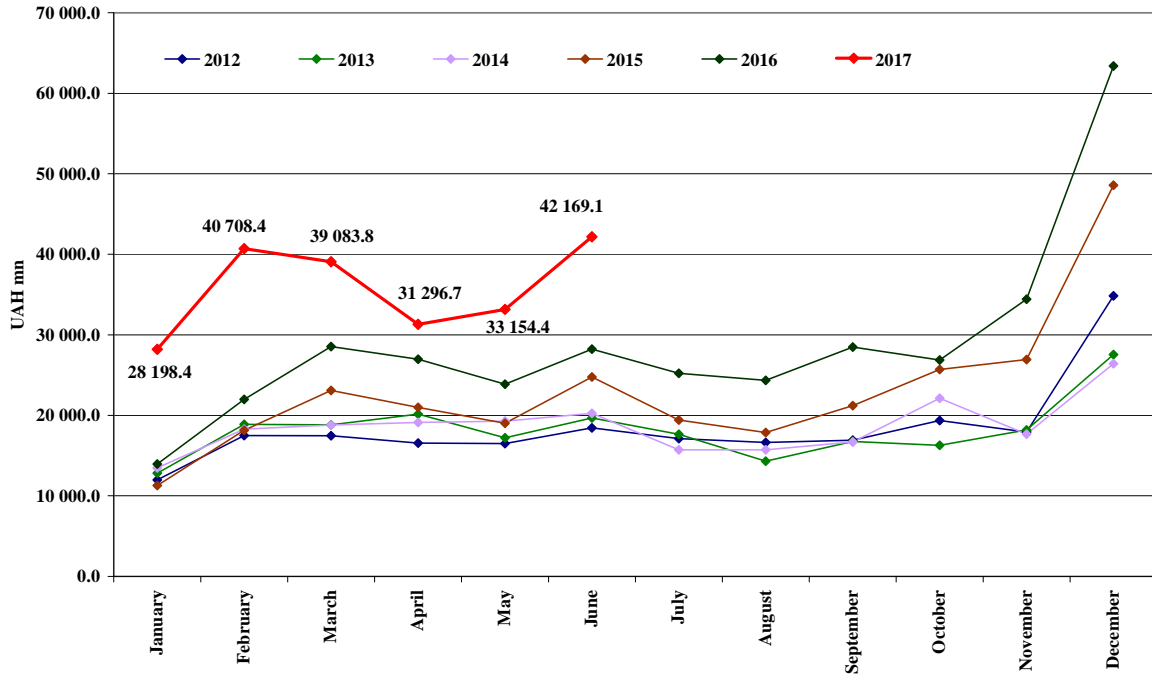
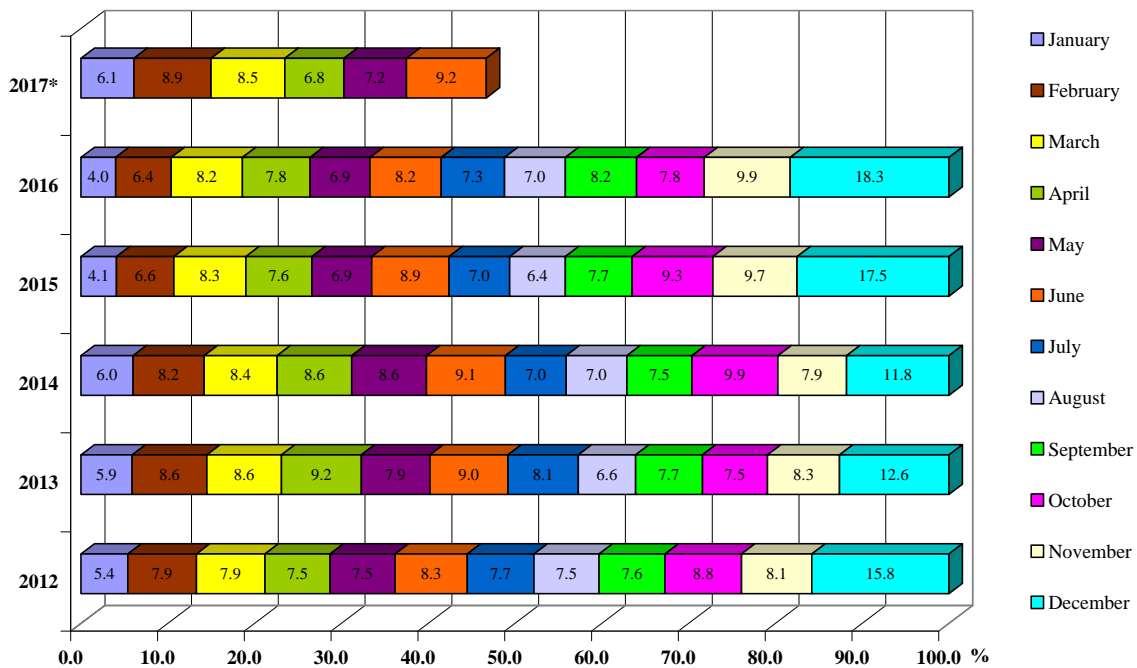


Diagram 19

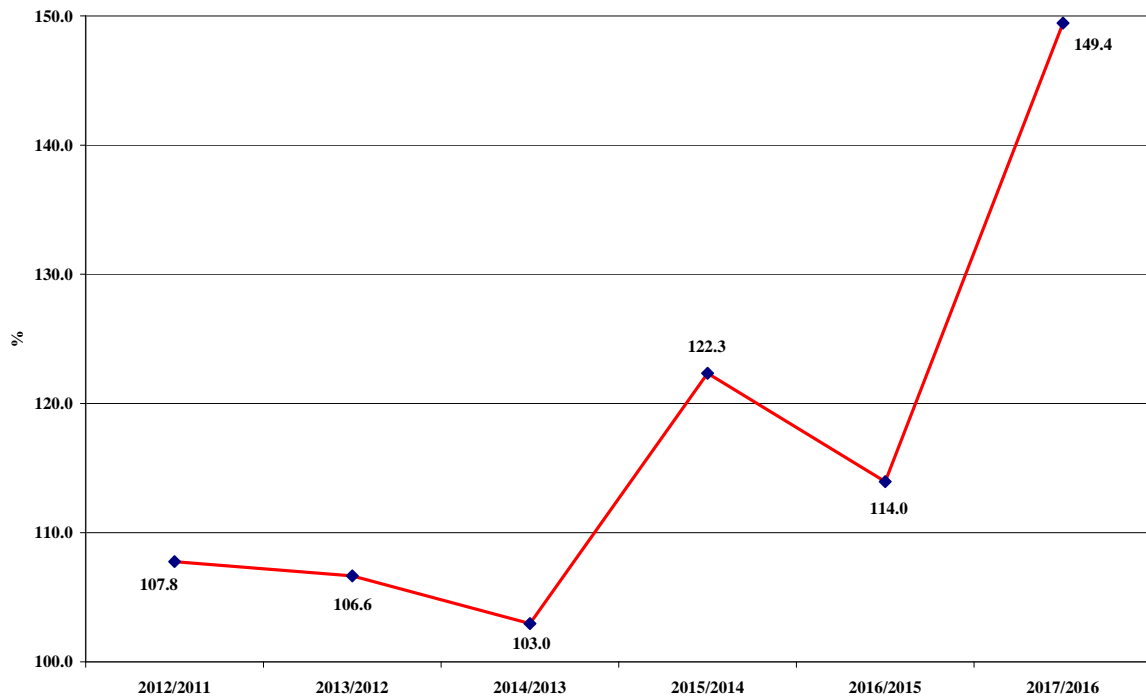
Dynamics of the Share of Local Budget Expenditures in Annual Amounts in 2012–2017



* A share of total expenditures according to the planned annual index

Graph 31

Growth Rates of Local Budget Expenditures in June 2012–2017



Graph 32

Growth Rates of Local Budget Expenditures in January-June 2012–2017

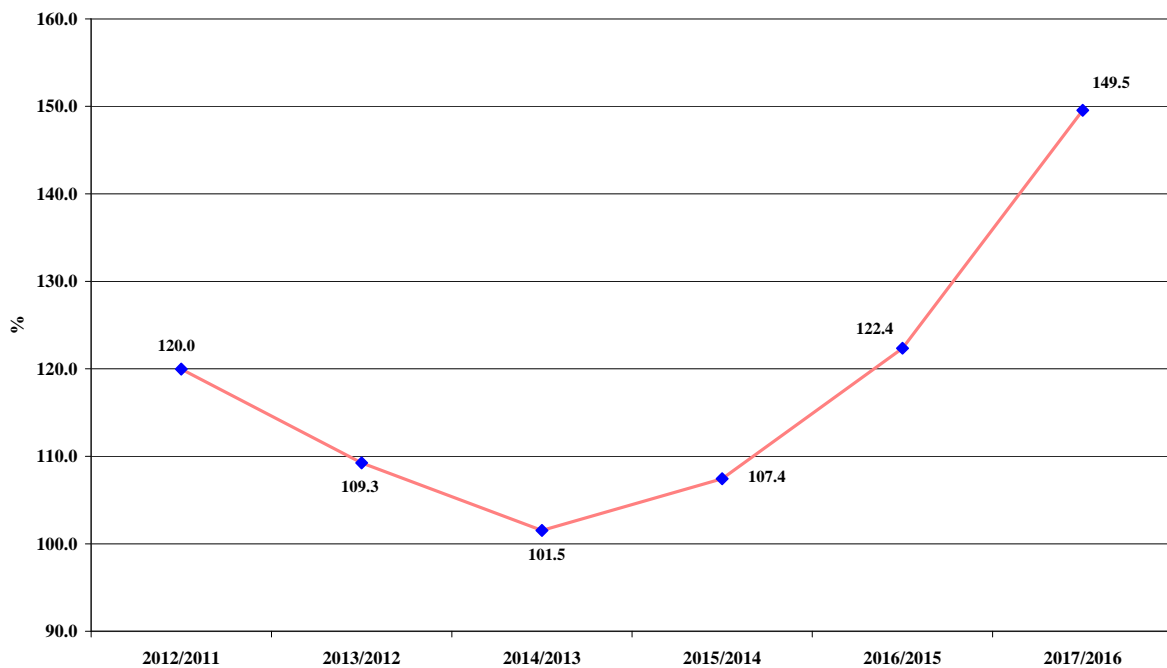


Diagram 20

Local Budget Expenditures by Functional Classification in June 2017

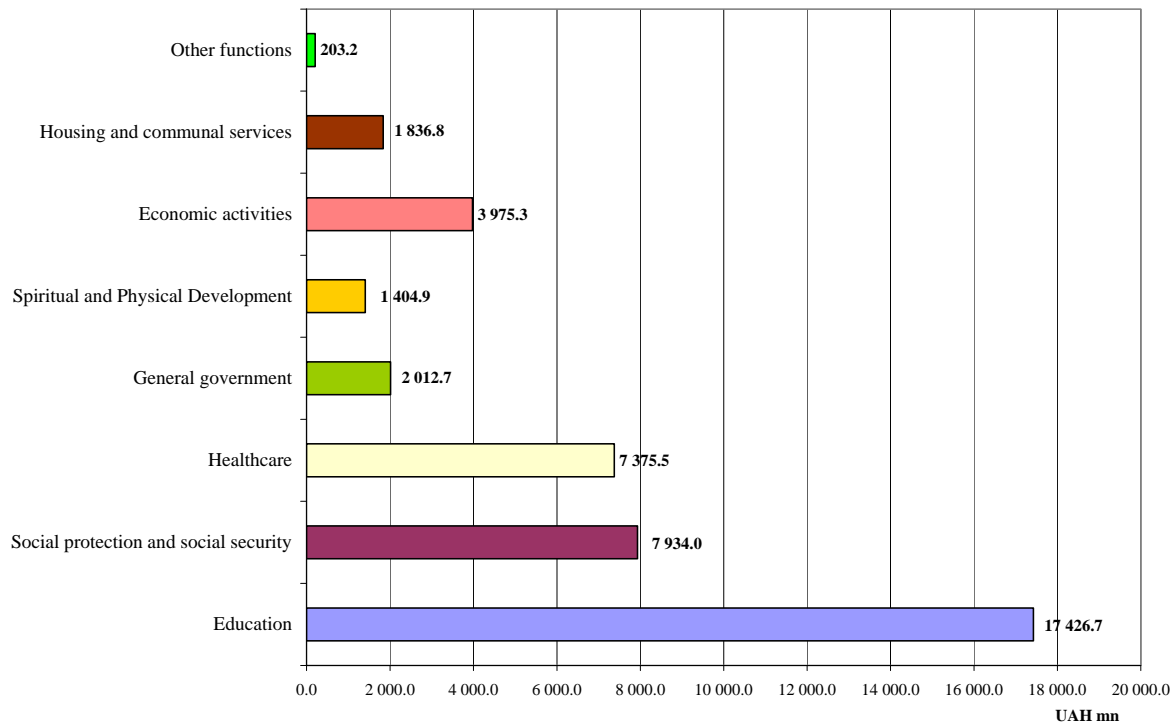
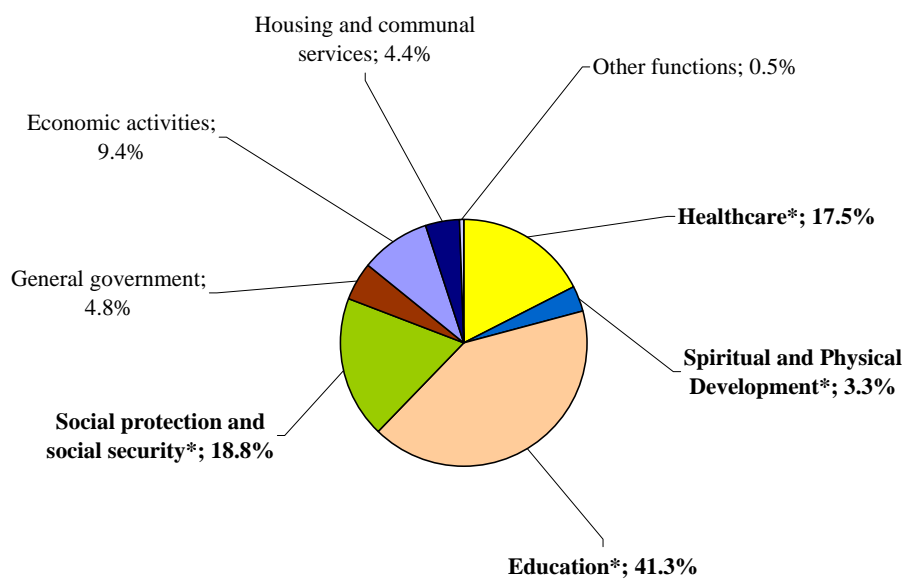


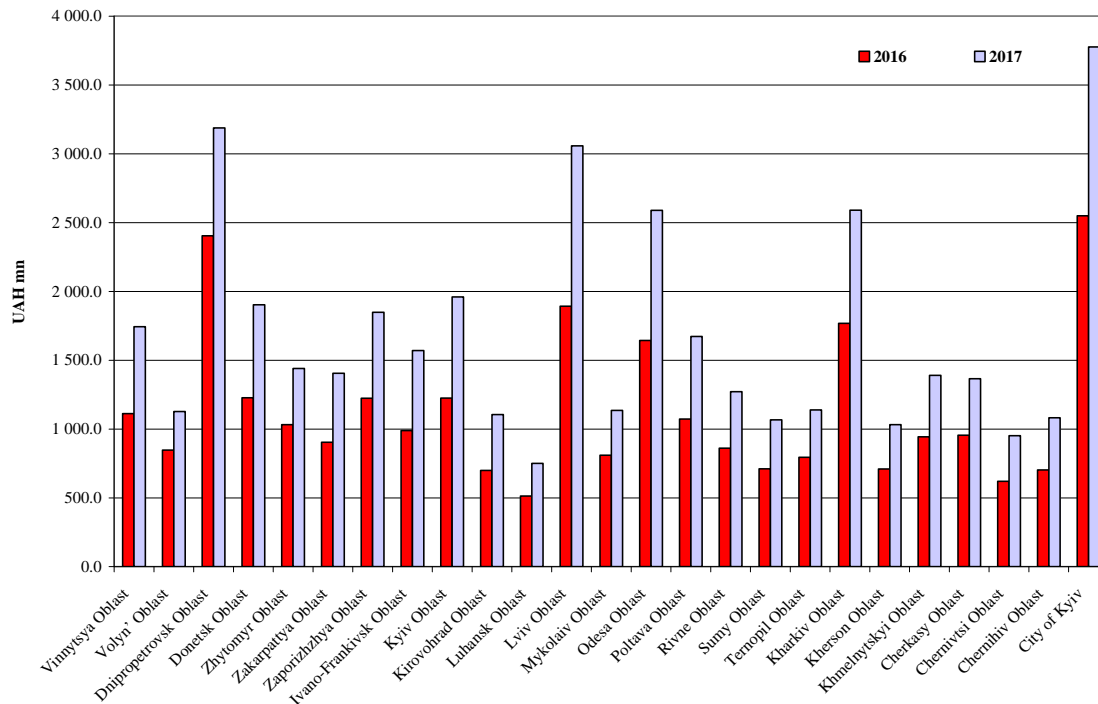
Diagram 21

Structure of Local Budget Expenditures by Functional Classification in June 2017



* Expenditures for social and cultural sphere - 80.9%

Regional Distribution of Local Budget Expenditures in June 2016–2017



Local Budget Expenditures, Growth Rate by Region in June 2017 (% vs. previous year)

