

# MONTHLY MONITORING

OF MAIN INDICATORS  
OF THE BUDGET SYSTEM OF UKRAINE  
AS OF AUGUST 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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## 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 567.0bn in January-July 2017, which is UAH 178.0bn or 45.7% more year-on-year.
- **The state budget** received UAH 444.1bn in the same period, which is UAH 145.1bn or 48.5% more year-on-year. This amount equals 61.0% of the annual plan. This is significantly more than the share of revenues for the first six months of the year in the total annual revenues over the last ten years, which amounted to 53.0% on average. This signifies a high likelihood of plan overachievement in annual terms.

Compared to last year, growth is noted for all the key tax and non-tax revenue items, both by month and for the whole period of January through June. In particular, personal income tax grew by UAH 8.9bn (or by 27.4%); corporate profit tax by UAH 7.6bn (or 29.5%); VAT on domestically produced goods by UAH 23.4bn (or 30.1%); VAT on imported goods by UAH 39.2bn (or 41.1%); excise tax on domestically produced goods by UAH 6.4bn (or 21.2%); rent and fees for use of other natural resources by UAH 4.8bn (or 21.4%), and import duty by UAH 2.2bn (or 21.1%).

Non-tax revenues increased by UAH 44.9bn or nearly 2.5 times. This was mainly due to the transfer by the National Bank of Ukraine of UAH 25.0bn according to the Law of Ukraine "On the National Bank of Ukraine," as well as revenue from dividends accrued on shares (interest, stocks) of economic entities in which the state holds interest, which increased by UAH 9.1bn or 10 times.

- **Expenditures of the consolidated budget** totaled UAH 513.8bn in January-July 2017, which is 25.1% or UAH 103.2bn more year-on-year. The expenditures amounted to UAH 70.0bn in July 2017, which is 16.3% or UAH 9.8bn more year-on-year.

Compared to 2016, the amounts of consolidated budget expenditures increased for nearly all items under the functional classification of expenditures.

The highest growth (by 65.9% compared to July 2016) is in the expenditures for economic activity, which reached UAH 8.3bn. Significant growth occurred in the expenditures for general government functions (56.3%), spiritual and physical development (49.8%), housing and communal services (41.9%), public order, security, and the judiciary (38.3%), defense (35.0%), healthcare (27.3%), education (16.5%), and environmental protection (2.3%).

Expenditures for social protection and social security decreased by 16.5%.

- **The actual expenditures of the state budget of Ukraine** totaled UAH 420.5bn in January-July 2017, which is 20.1% or UAH 70.5bn more year-on-year. Expenditures amounted to UAH 54.5bn in July 2017, which is 9.8% more than in July 2016.

In terms of expenditures by **functional classification**, the following changes occurred compared to July 2016:

- expenditures for general government functions, without expenditures for state debt servicing, increased by 60.0% to UAH 2.7bn. Expenditures for state debt servicing amounted to UAH 5.7bn, up 6.2% year-on-year;
- expenditures for defense increased by 35.1% to UAH 5.6bn;
- expenditures for public order, security, and the judiciary increased by 37.9% to UAH 7.1bn;
- expenditures for economic activity increased by 70.8% to UAH 3.9bn;
- expenditures for environmental protection decreased by 13.3% to UAH 233.0mn;

- expenditures for housing and communal services increased 2.5 times to UAH 1.3mn;
- expenditures for healthcare increased by 26.3% to UAH 725.6mn;
- expenditures for spiritual and physical development increased by 75.6% to UAH 667.7mn;
- expenditures for education increased by 11.0% to UAH 2.8bn; and
- expenditures for social protection and social security decreased by 26.2% to UAH 9.2bn.

Expenditures for financing pensions, bonuses and extras to the pensions awarded under pension schemes, and for covering the deficit of the Pension Fund, amounted to UAH 8.6bn, which is 27.1% less year-on-year.

- The state budget proceeds from **repaid loans** totaled UAH 59.0mil in July of this year. In July 2017, the state budget **provided loans** for a total of UAH 438.7mn.

**The state budget deficit** totaled UAH 2.0bn this month.

**Repayment of the state budget debt principal** totaled UAH 18.1bn in July 2017, including internal debt repayment of UAH 16.9bn and external debt repayment of UAH 1.2mn.

**State borrowing** totaled UAH 28.2bn, with UAH 27.9bn borrowed on the internal market. External sources **provided loans** for a total of UAH 241.5mil credited to a special fund for financing joint development projects with international financial institutions.

The state budget received UAH 80.80mn from the **privatization of state property** in July 2017.

- **The total local budget revenues (without inter-budget transfers)** amounted to nearly UAH 123.0bn in January-July 2017, which is 36.5% more year-on-year.

Those revenues totaled UAH 18.7bn in July 2017, which is 31.1% more year-on-year. As usual, personal income tax was the single largest source of local budget revenues. It generated UAH 9.4bn in July. Local taxes and fees provided UAH 5.1bn.

The highest growth of revenues by region was in Zakarpattya Oblast, where it rose to 63.9% year-on-year. Revenue decreased in Luhansk Oblast (-4.7%).

- **The local budget expenditures (without inter-budget transfers)** totaled UAH 245.8bn in January-July 2017, which is 45.7% more year-on-year.

Expenditures grew by 23.7% in July 2017 against July of last year and amounted to nearly UAH 31.2bn. The largest amounts of local budget expenditures were allocated for social protection and social security, healthcare, and education. They amounted to UAH 7.5bn (or 23.9% of all local budget expenditures), UAH 6.9bn (22.3%), and UAH 6.8bn (21.7%), respectively.

The highest growth rate by region was in Vinnytsia Oblast, where expenditures rose 50.9% year-on-year. The lowest growth of expenditures (4.7%) was in Ivano-Frankivsk Oblast.

## State Budget Revenue

Graph 1

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

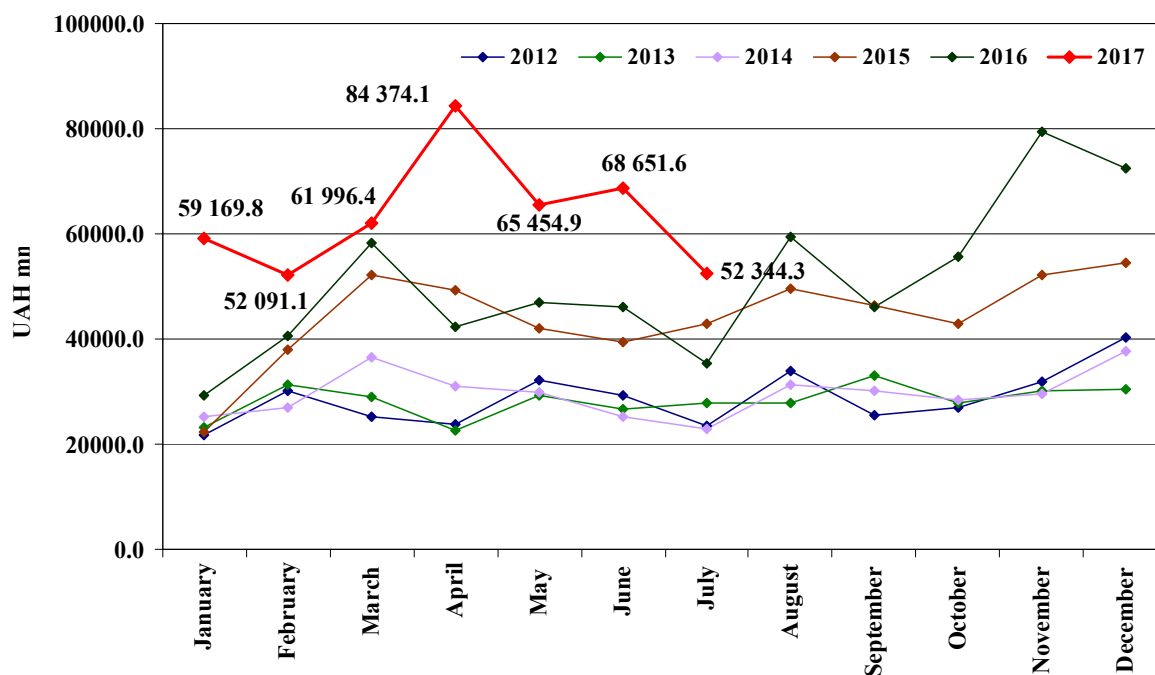
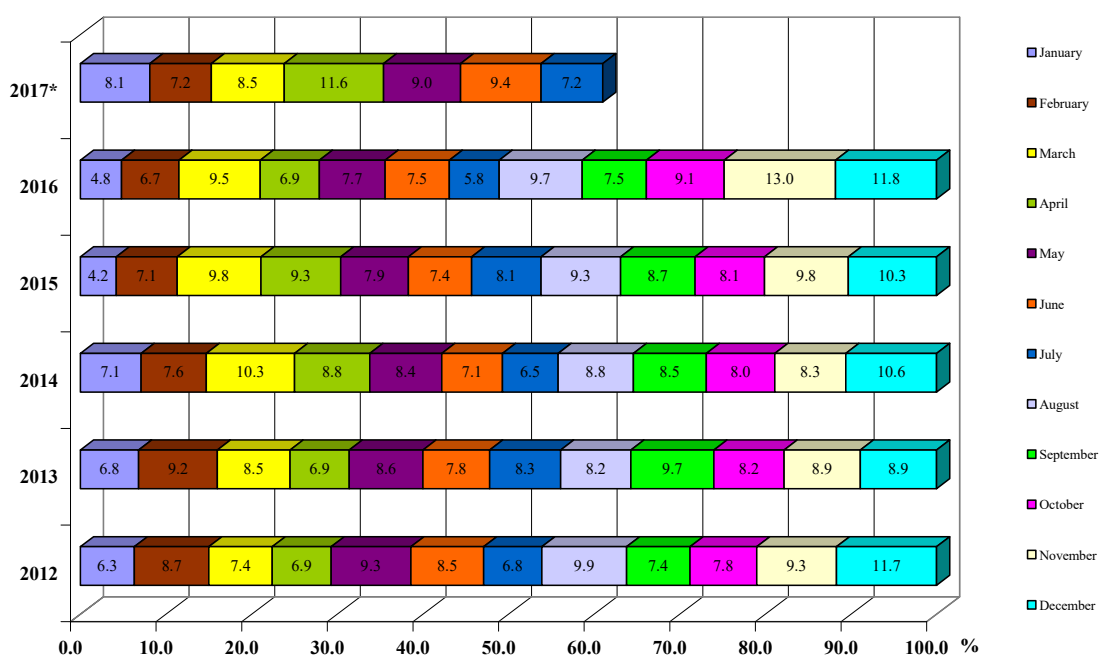


Diagram 1

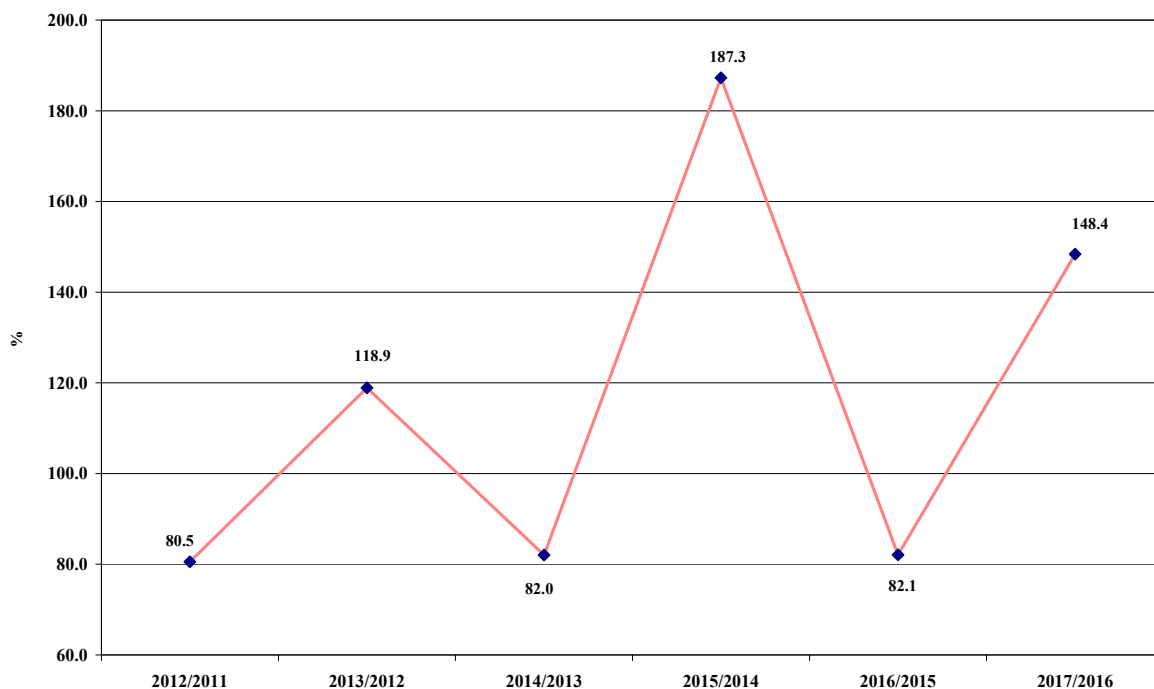
### Dynamics of the Share of Ukraine's State Budget Revenue in Annual Amounts in 2012–2017



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

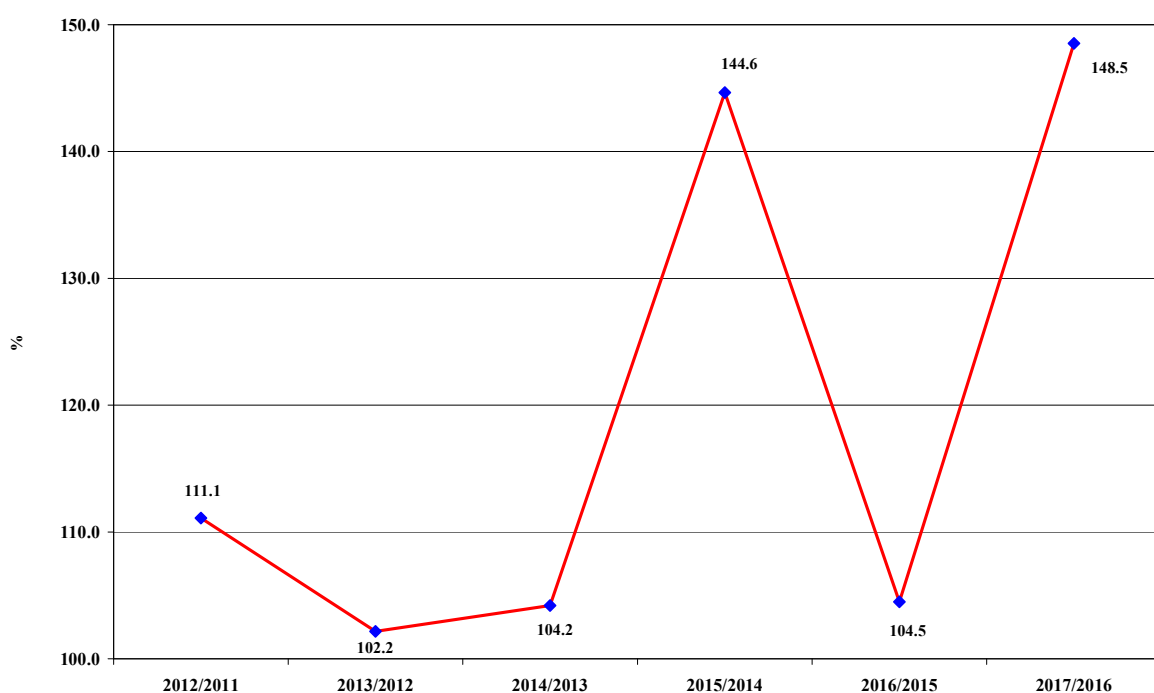
Graph 2

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



Graph 3

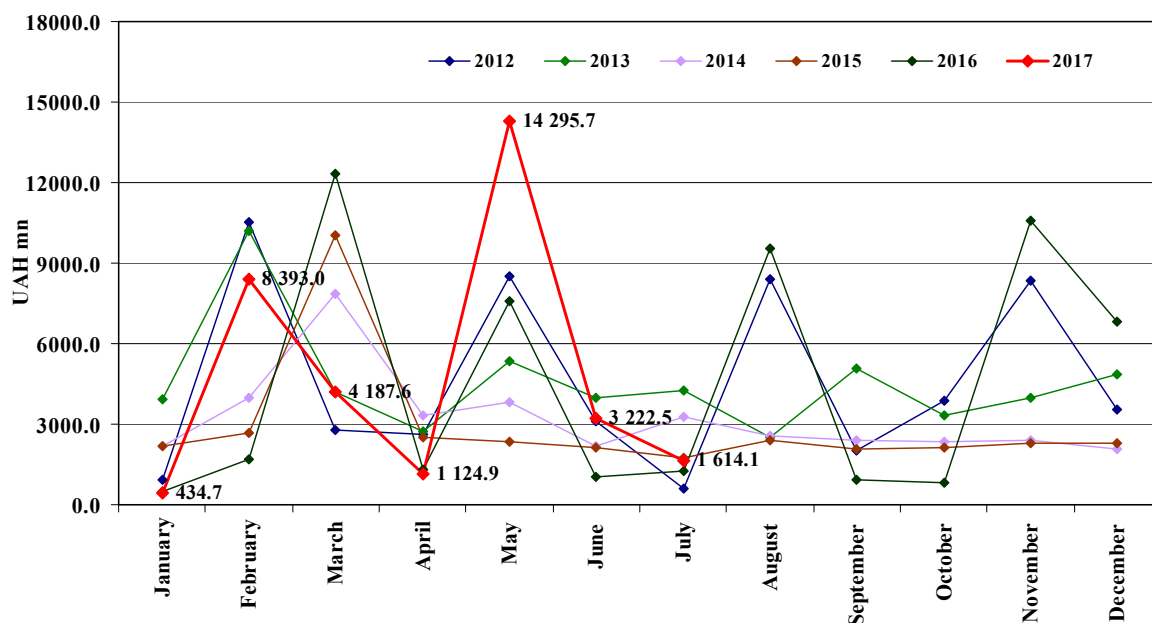
### Growth Rates of Ukraine's State Budget Revenue in January-July 2012–2017





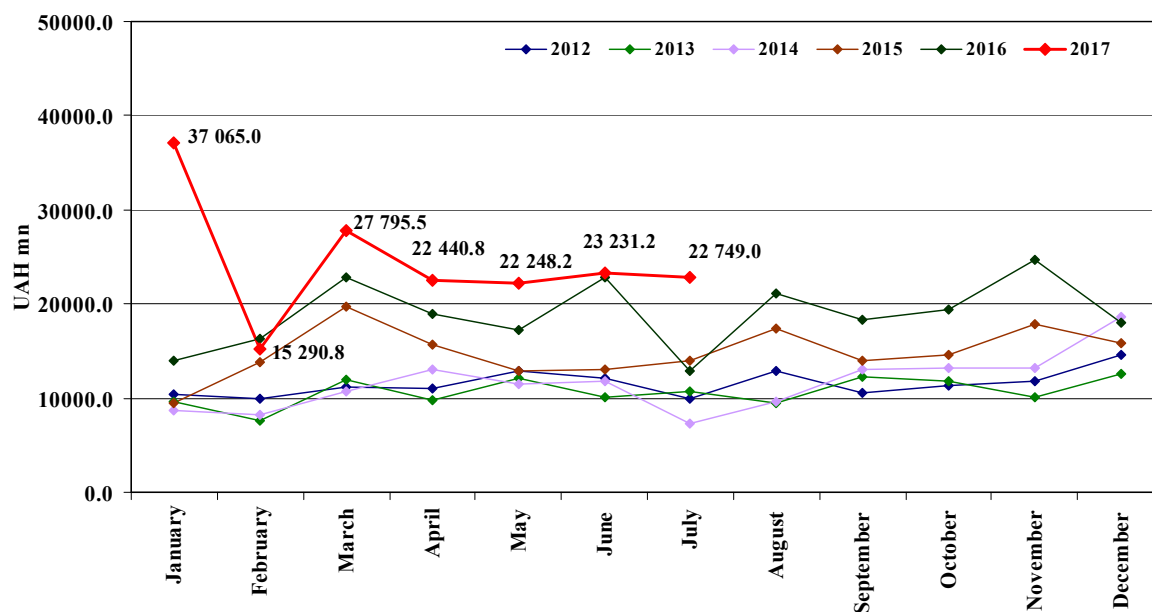
Graph 4

### State Budget Enterprise Profit Tax Monthly Trends in 2012–2017



Graph 5

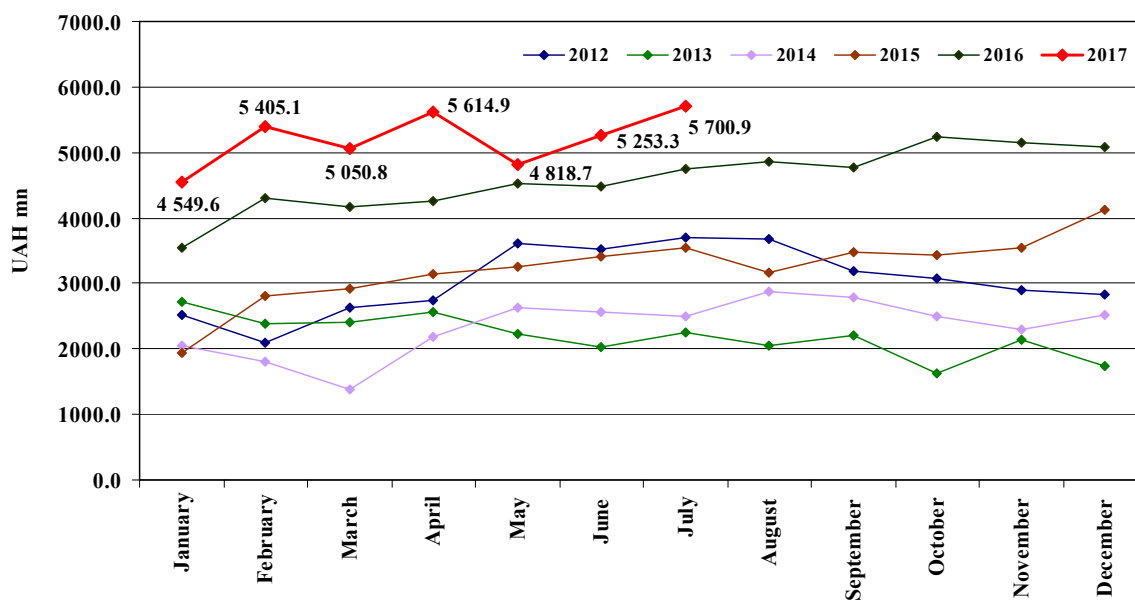
### State Budget Value Added Tax Monthly Trends in 2012–2017





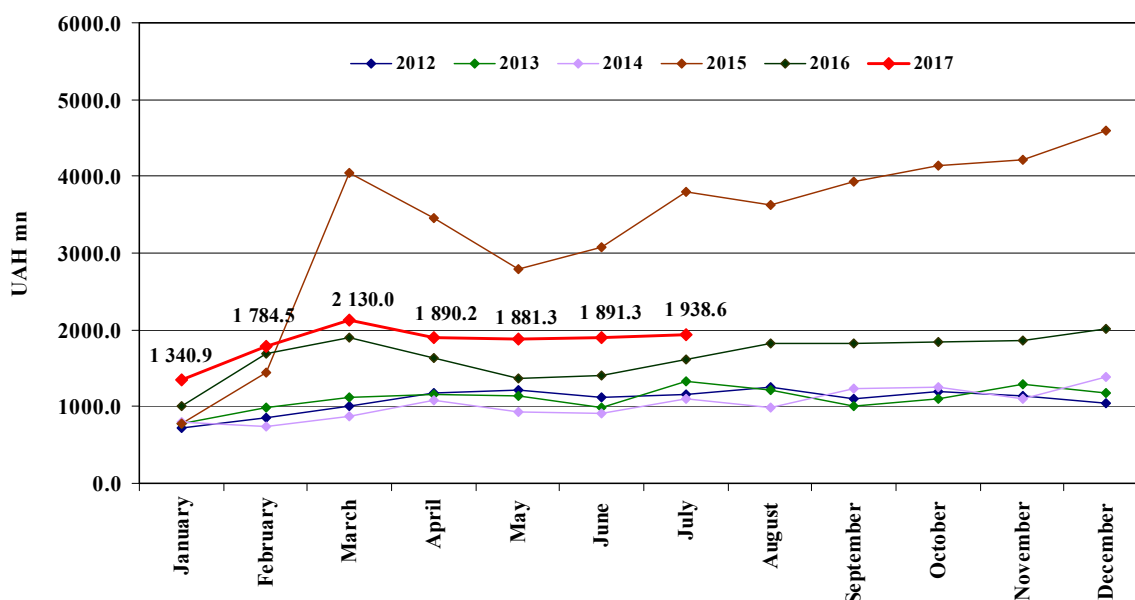
Graph 6

### 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

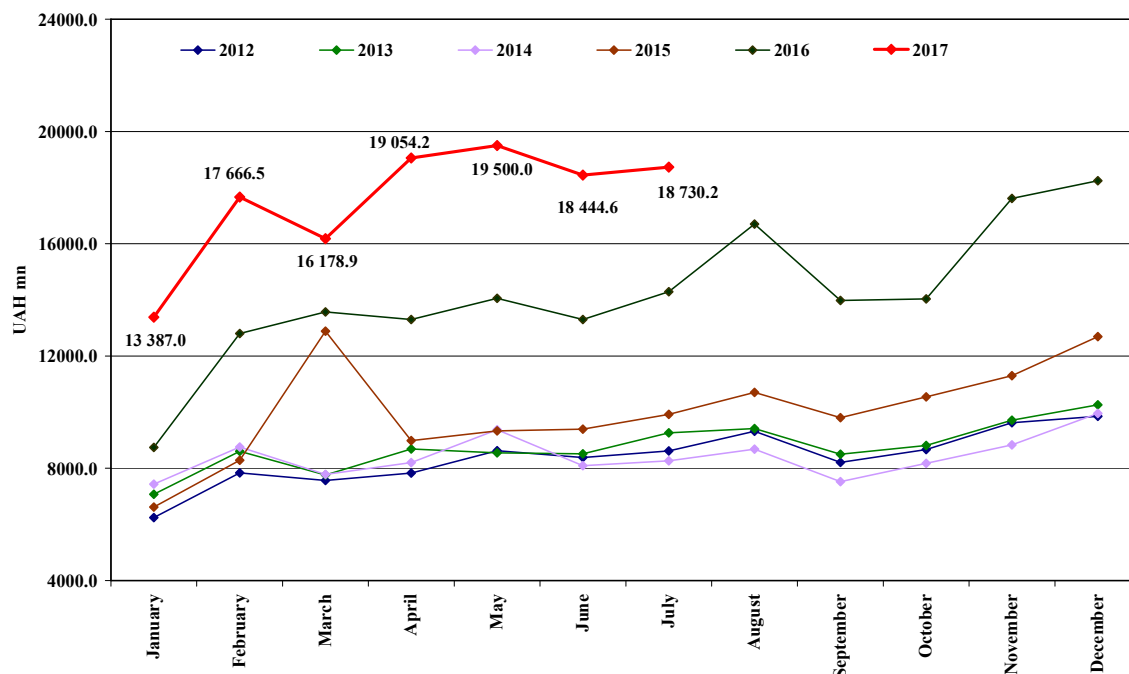
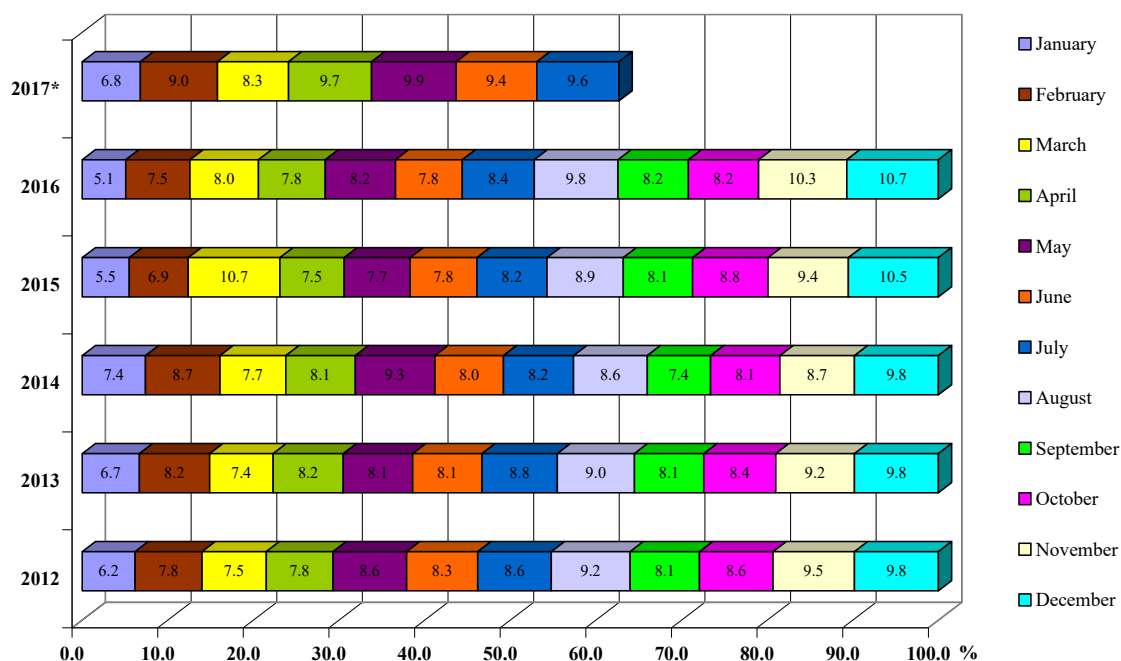


Diagram 2

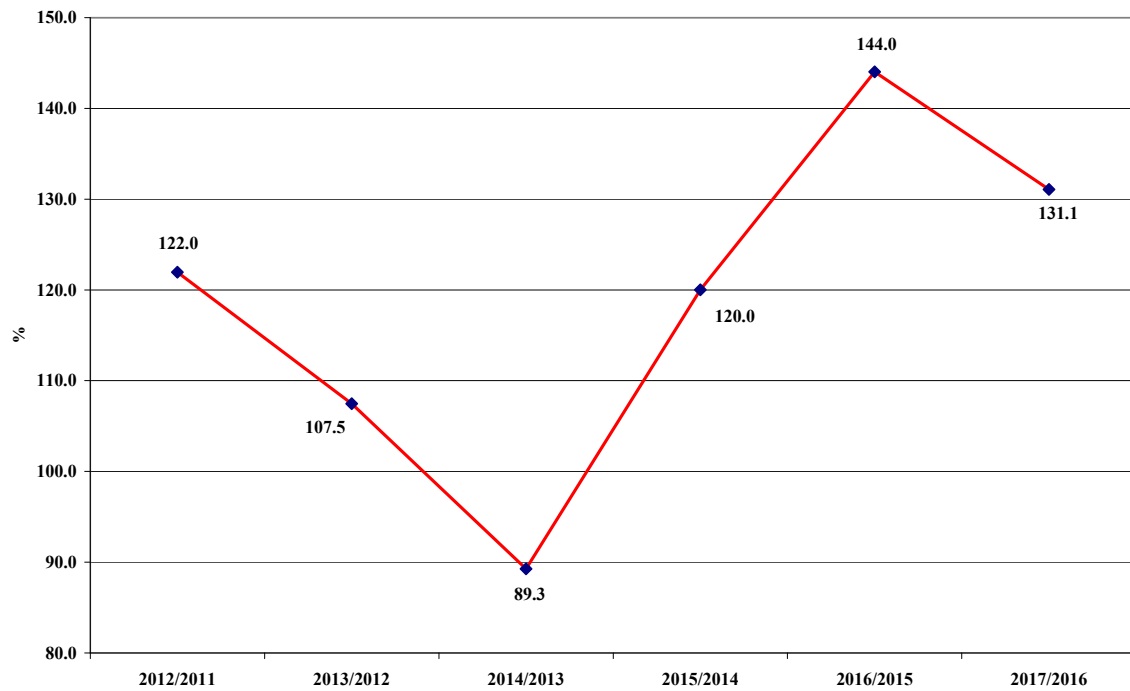
### Dynamics of the Share of Local Budget Revenue in Annual Amounts in 2012–2017



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

Graph 9

### Growth Rates of Local Budget Revenue in July 2012–2017



Graph 10

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

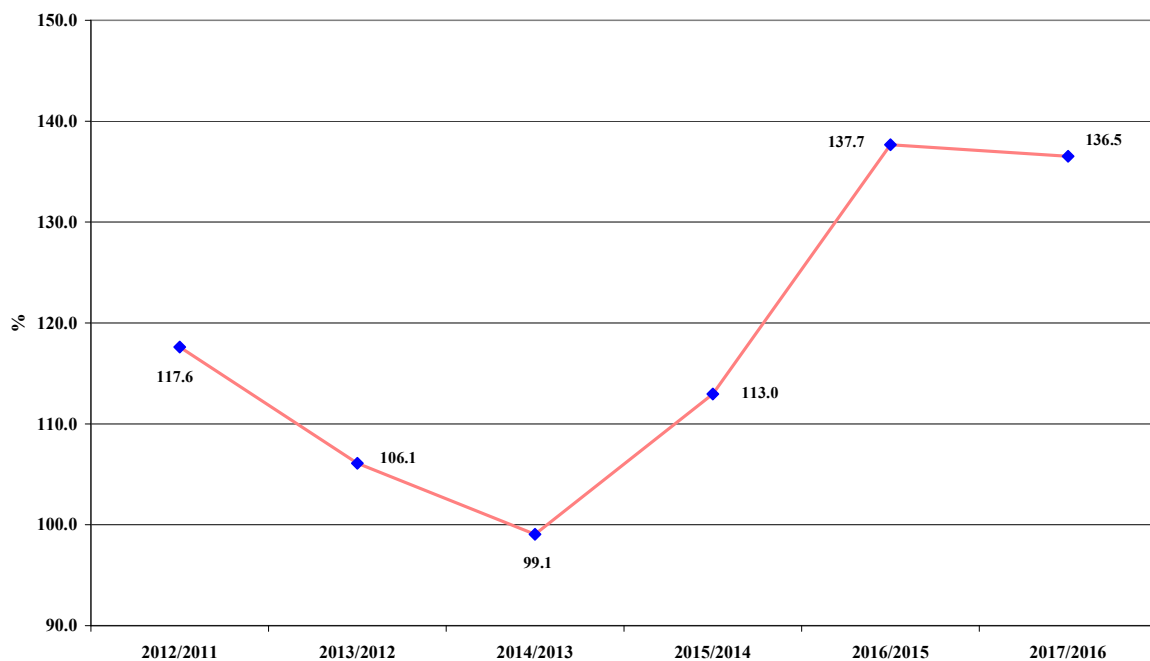


Diagram 3

### Local Budget Revenue in July 2017

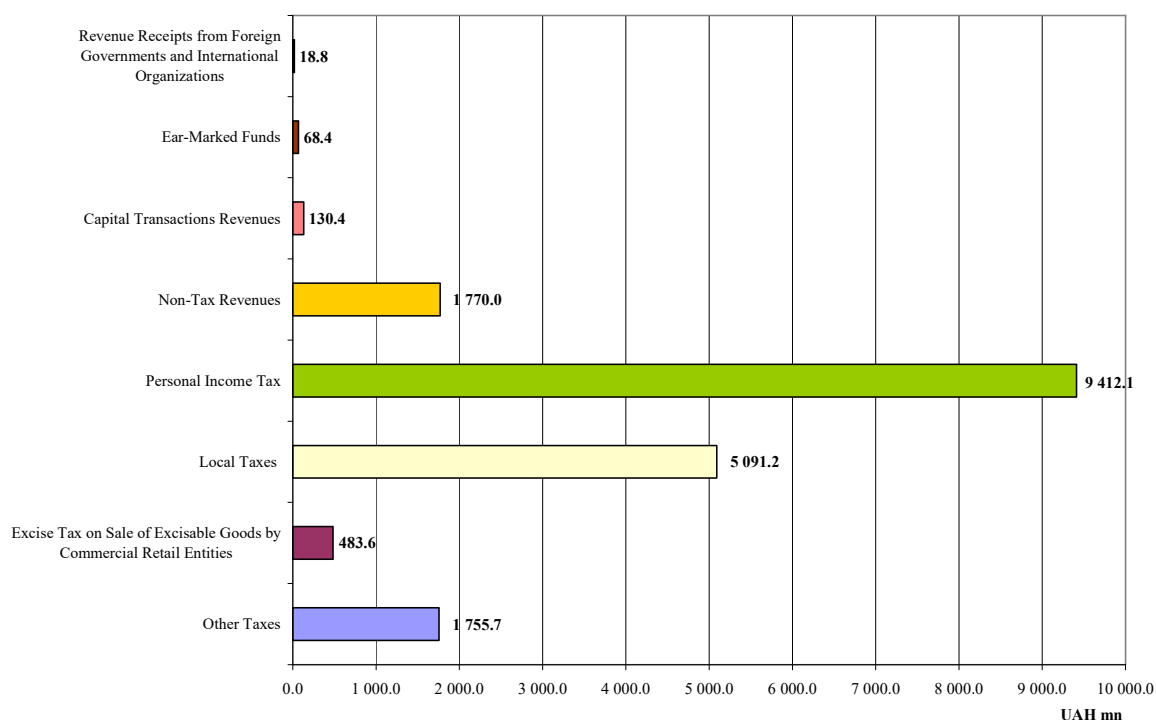


Diagram 4

### Structure of Local Budget Revenues in July y 2017

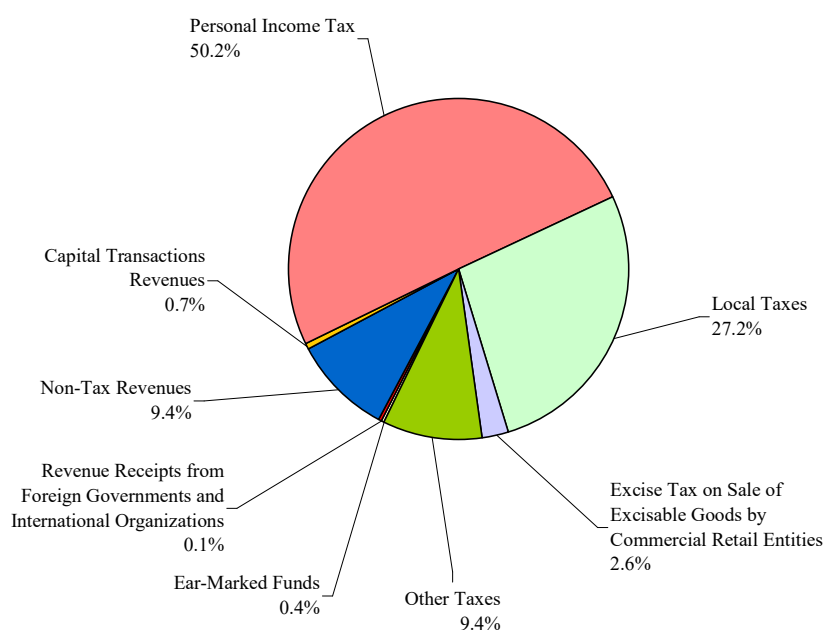
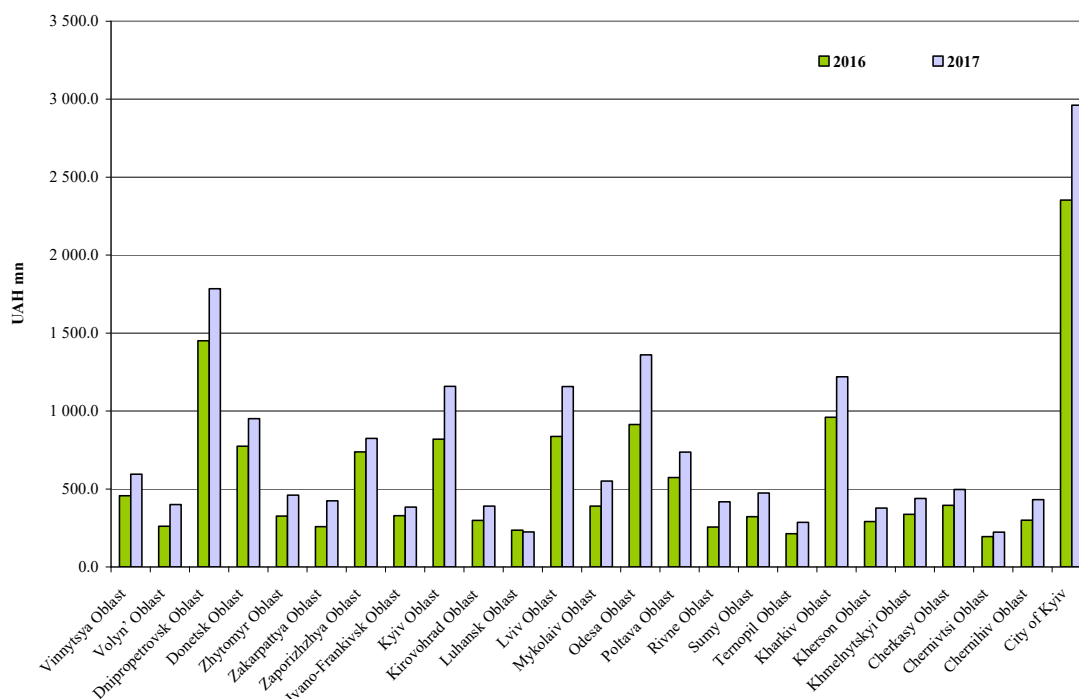


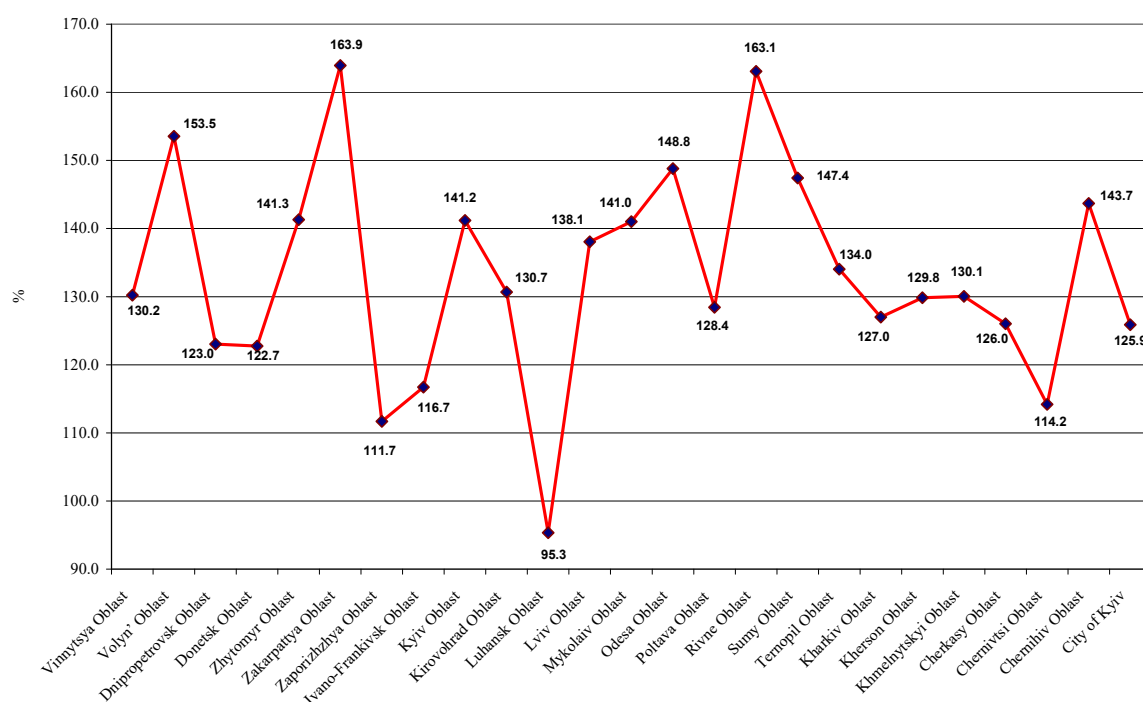
Diagram 5

### Regional Distribution of Local Budget Revenue in July 2016–2017



Graph 11

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



## State Budget Deficit

Diagram 6

### Budget Deficit/Surplus, Monthly Trends in 2012

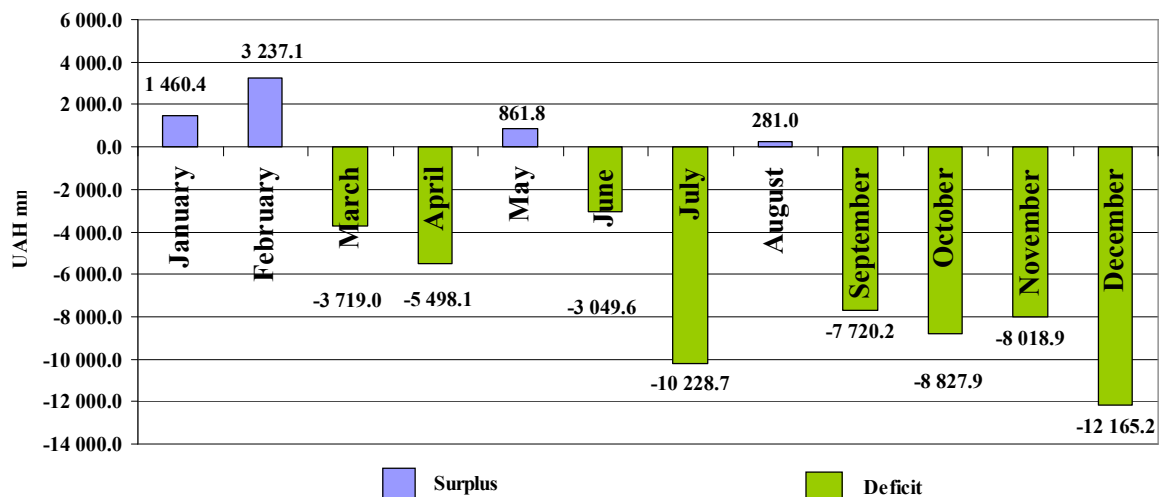


Diagram 7

### Budget Deficit/Surplus, Monthly Trends in 2013

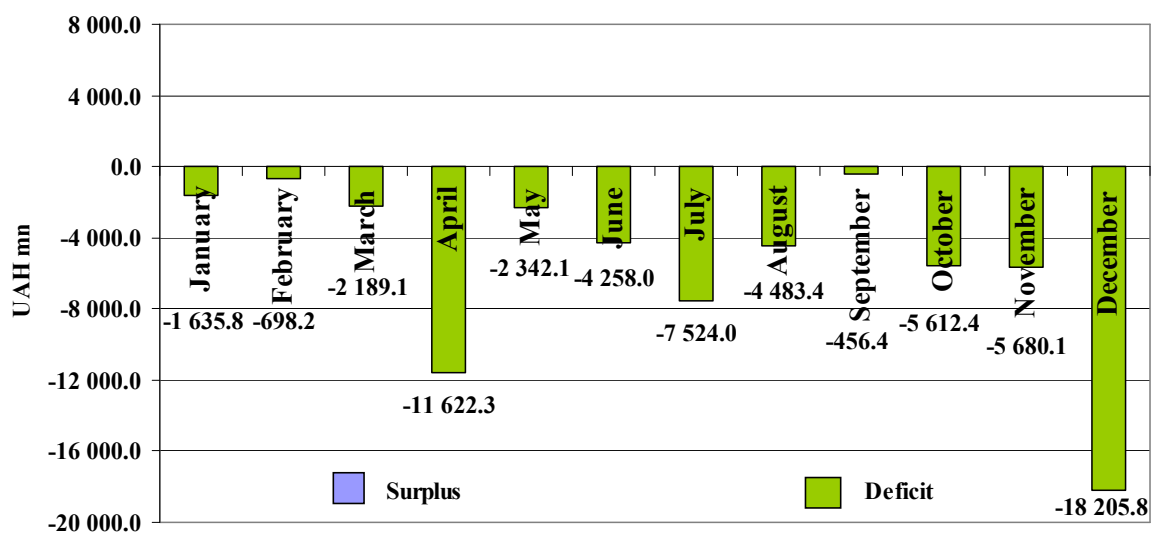


Diagram 8

### Budget Deficit/Surplus, Monthly Trends in 2014

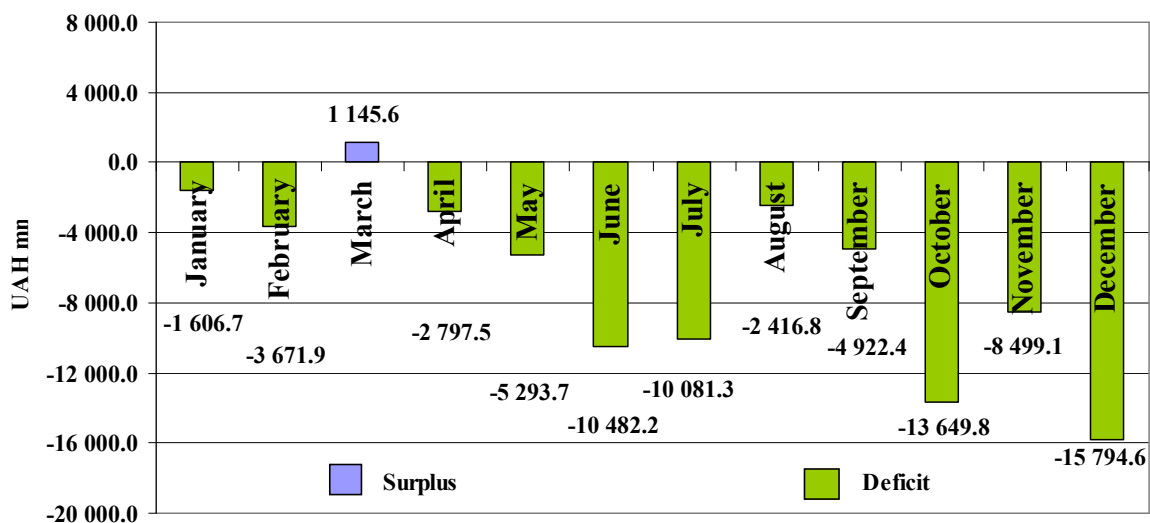


Diagram 9

### Budget Deficit/Surplus, Monthly Trends in 2015

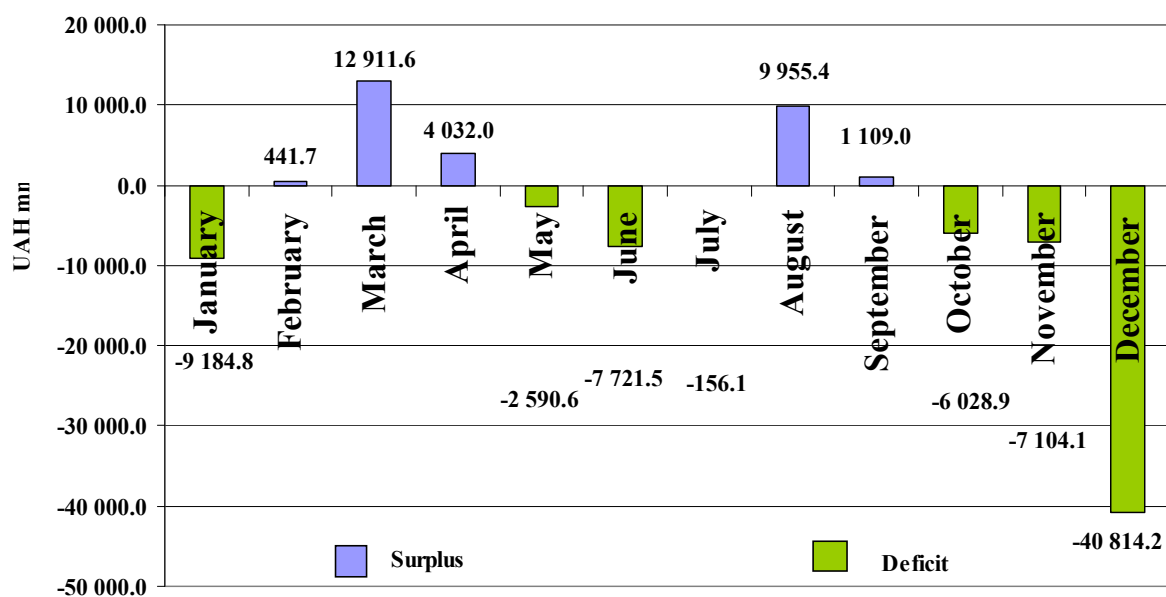




Diagram 10

### Budget Deficit/Surplus, Monthly Trends in 2016

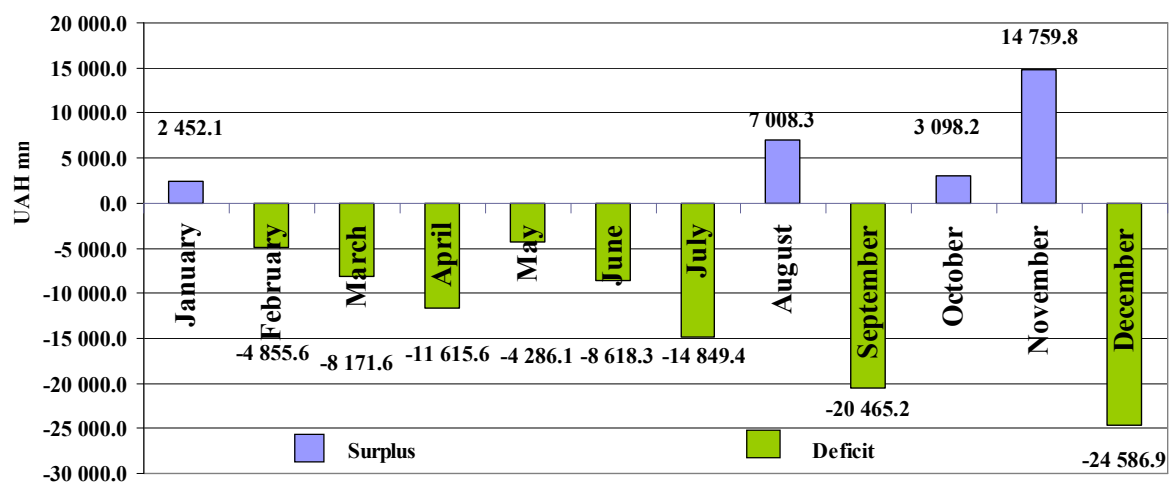
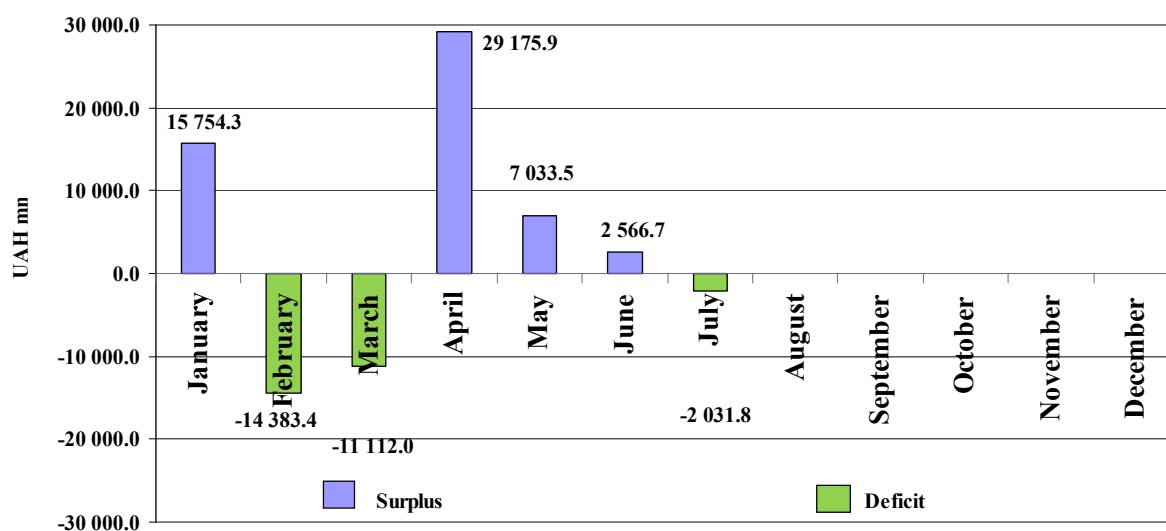


Diagram 11

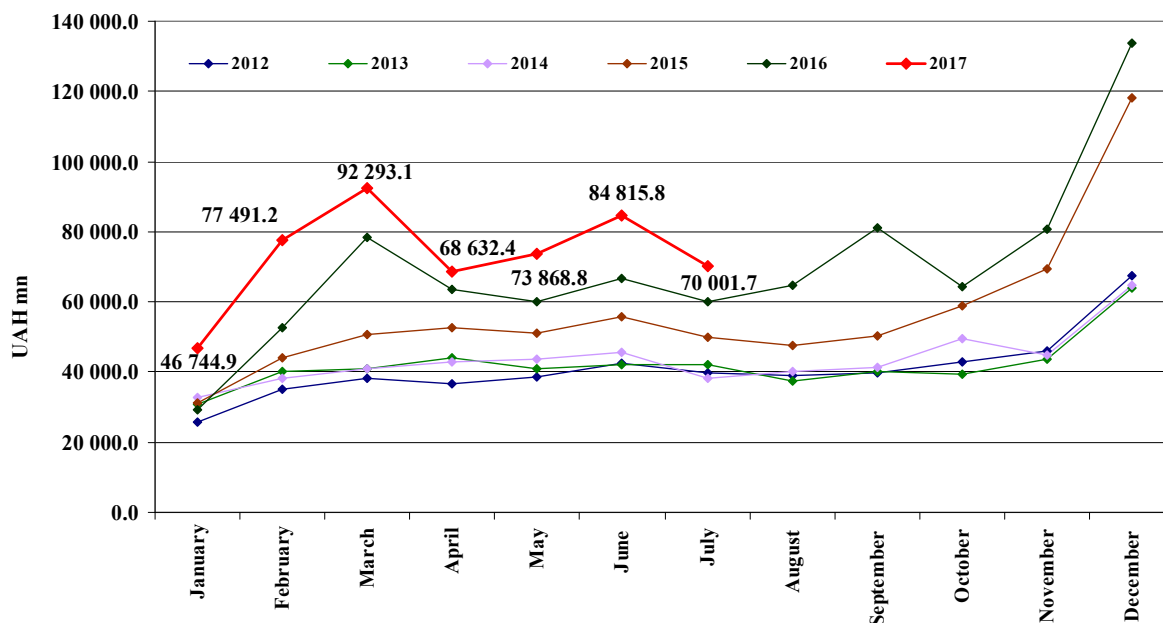
### Budget Deficit/Surplus, Monthly Trends in 2017



## Consolidated Budget Expenditures

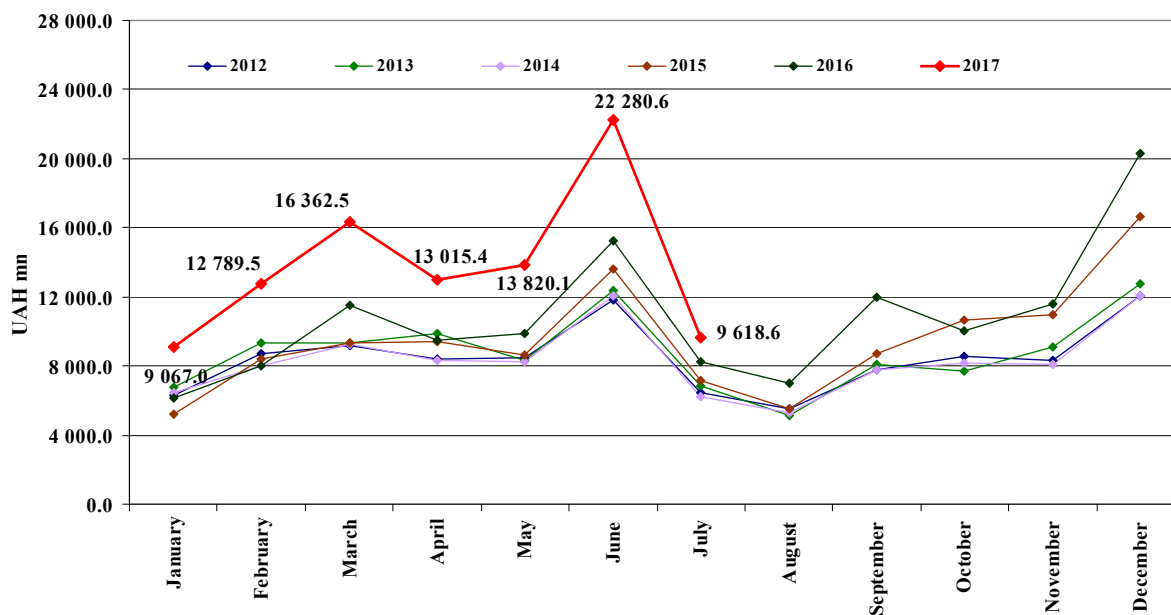
Graph 12

### Consolidated Budget Expenditures, Monthly Trends in 2012–2017



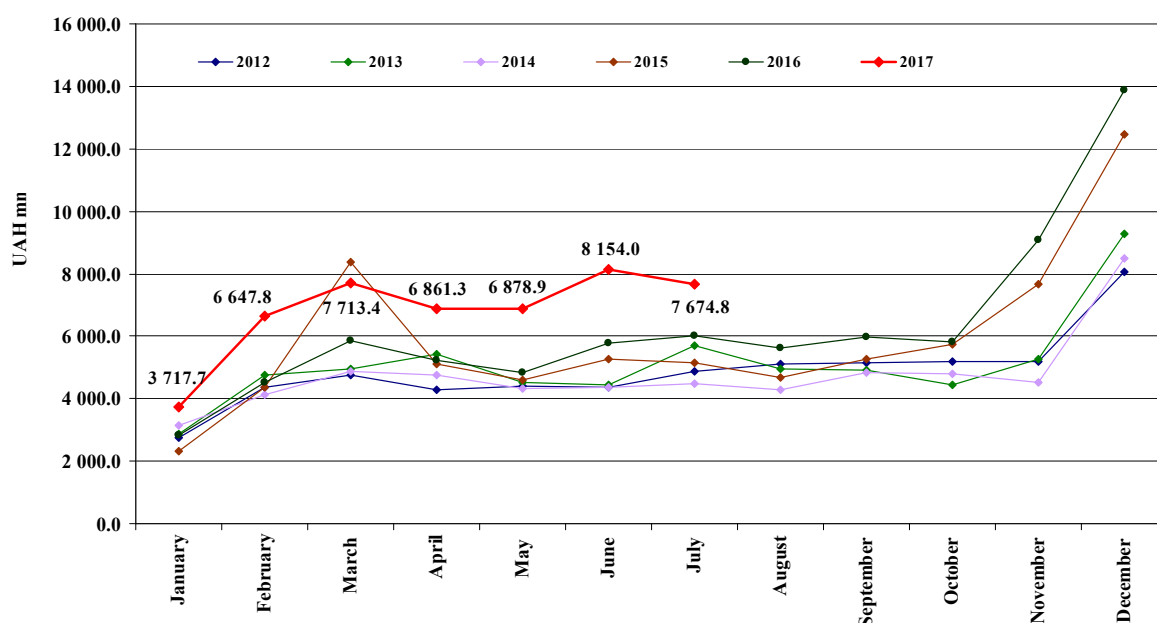
Graph 13

### Consolidated Budget Education Expenditures, Monthly Trends in 2012–2017



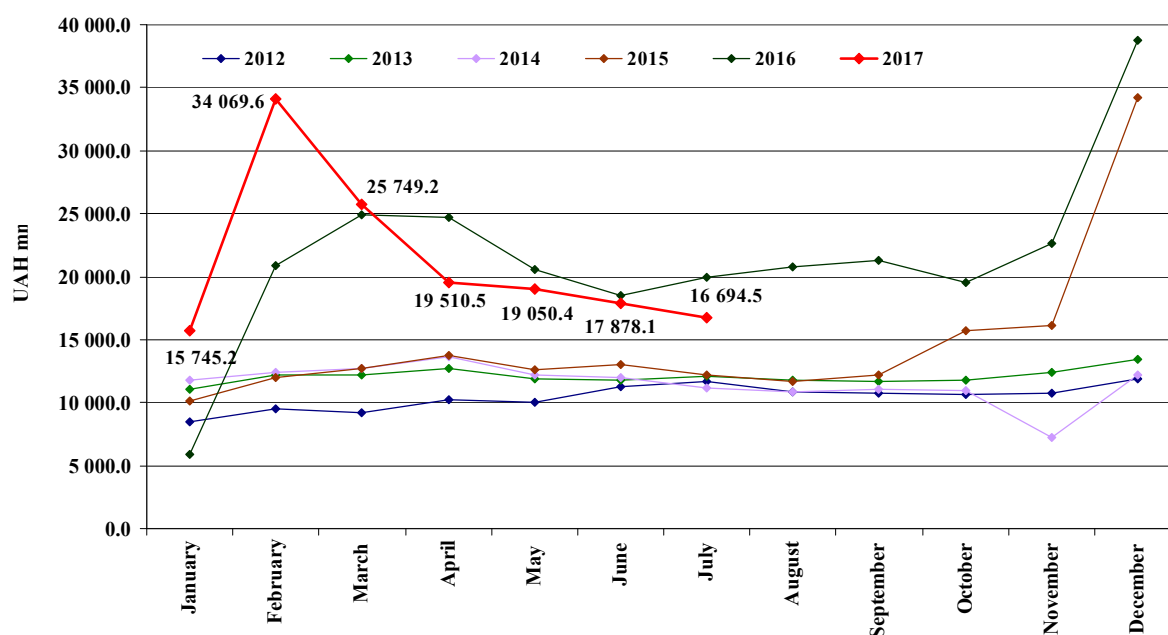
Graph 14

### 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

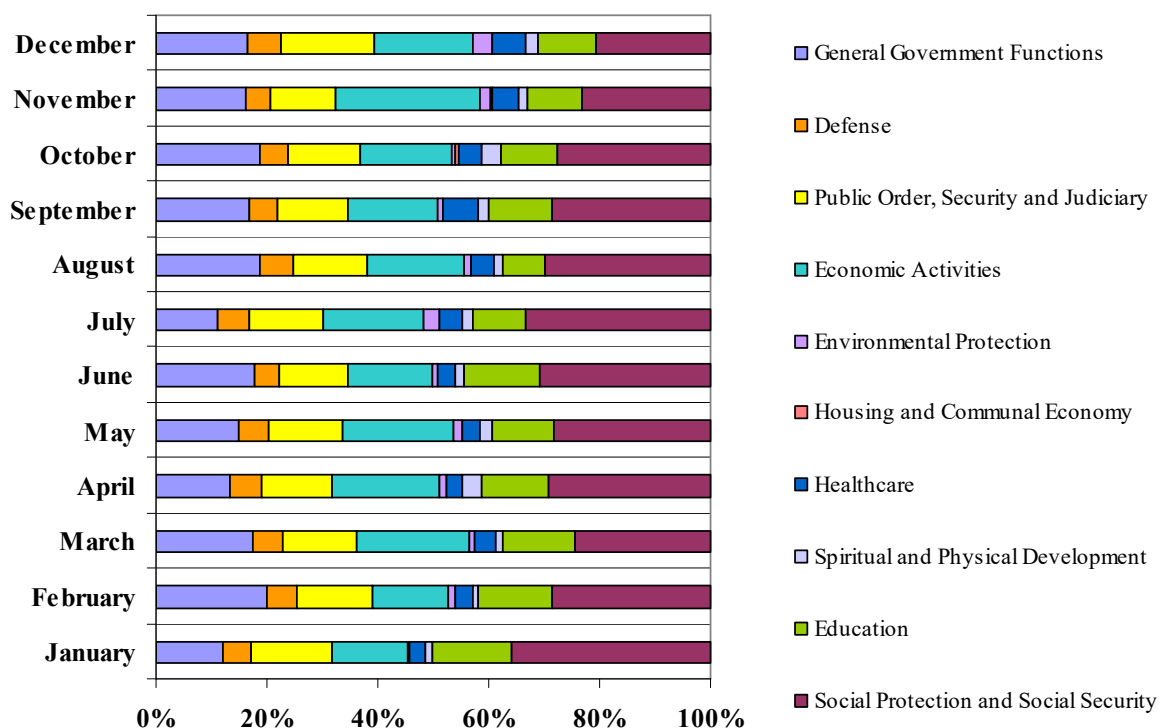


Diagram 13

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

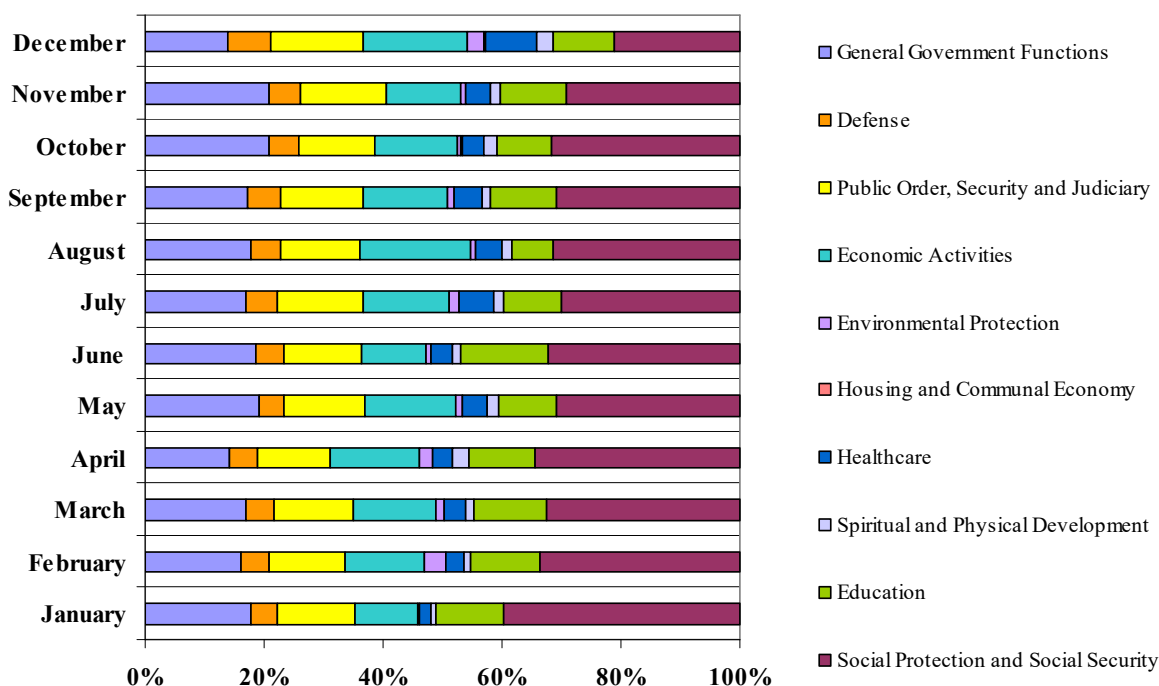


Diagram 14

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

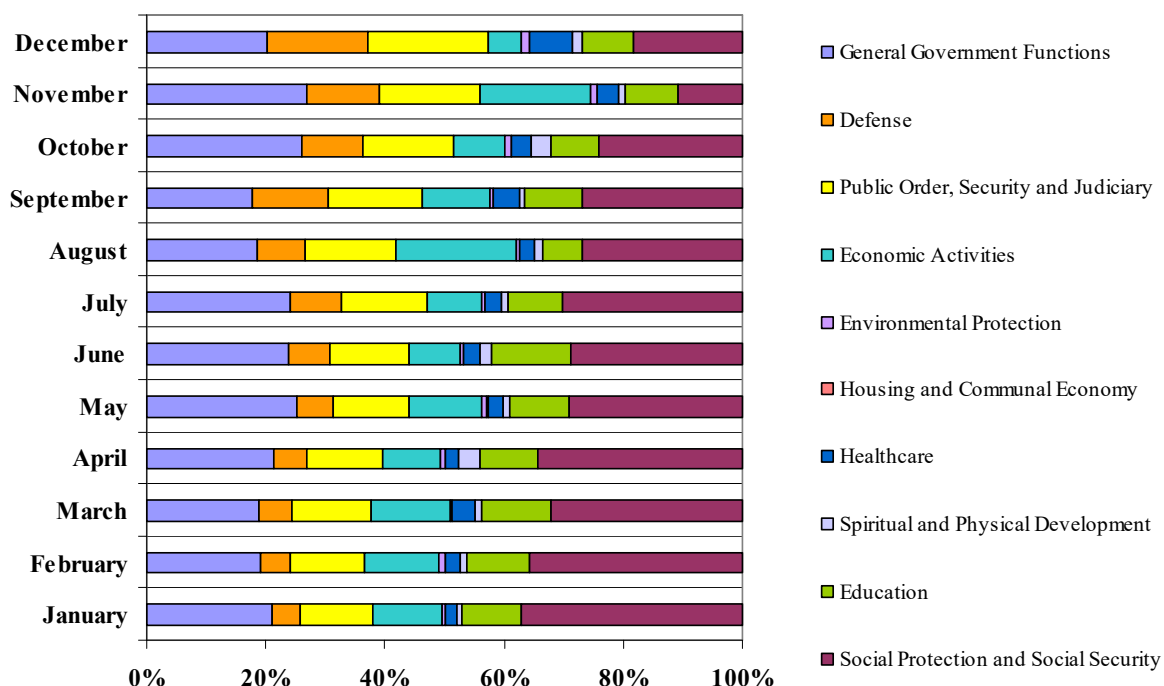


Diagram 15

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

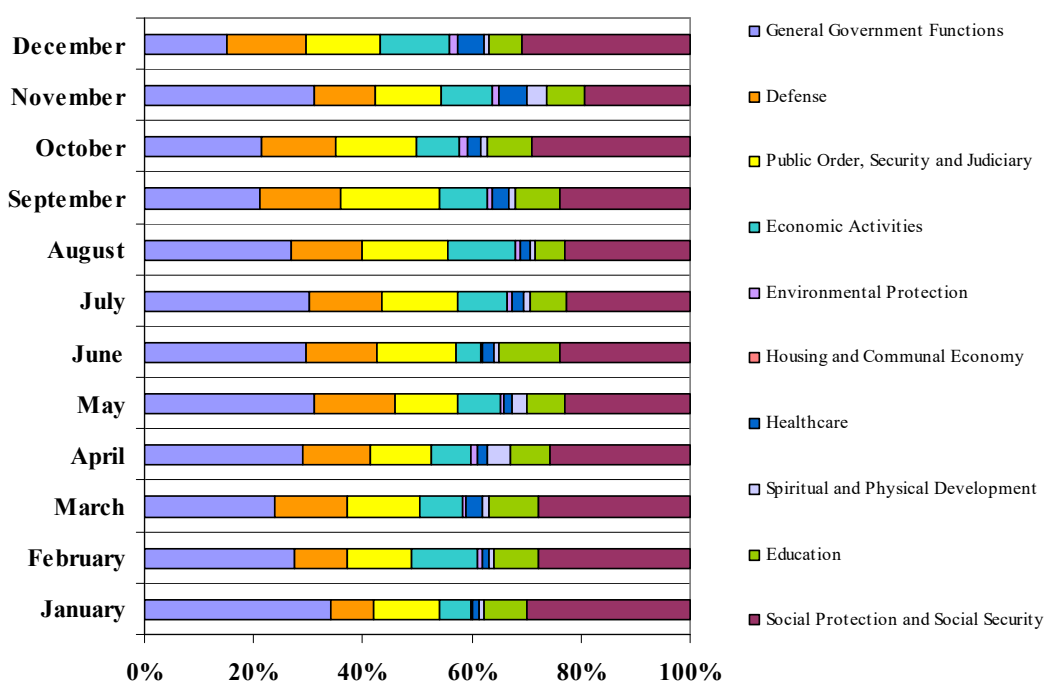


Diagram 16

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

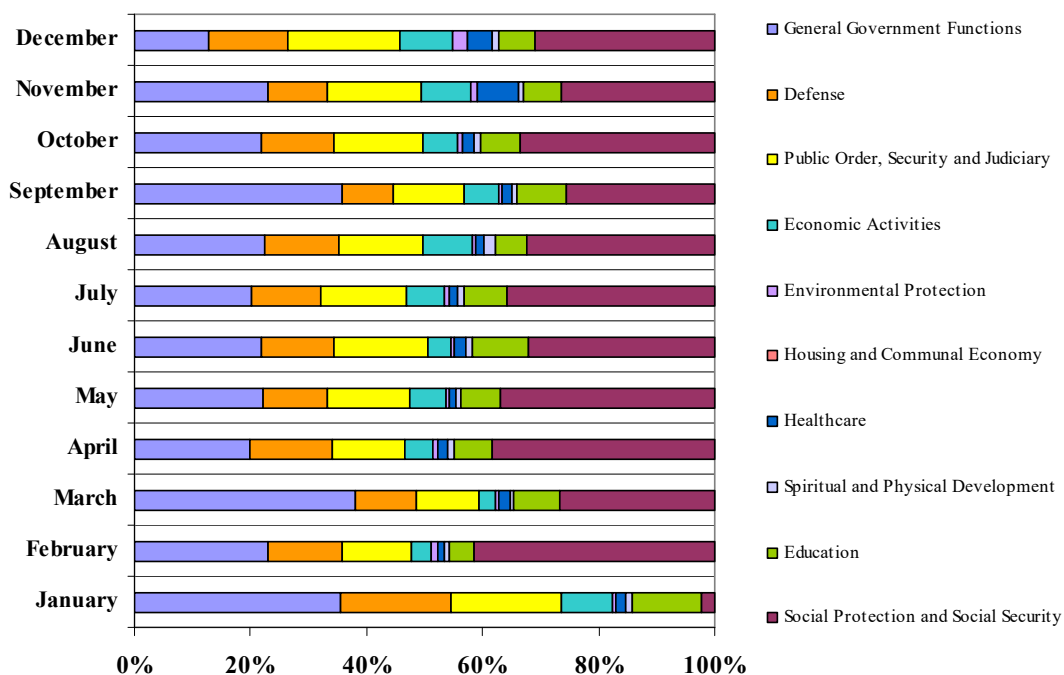
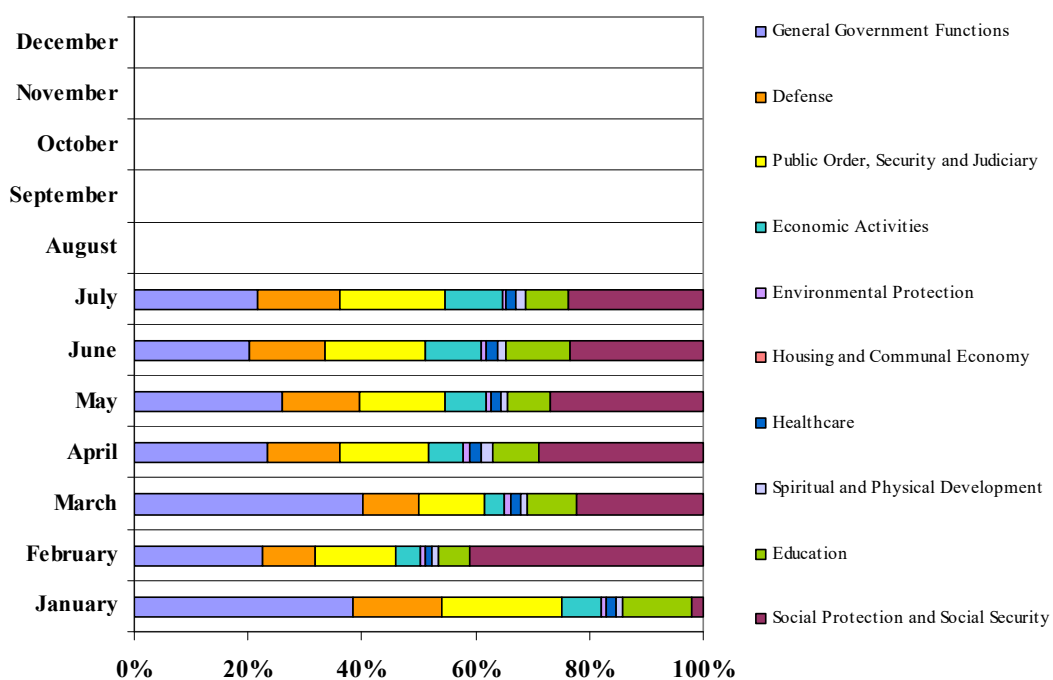


Diagram 17

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



Graph 16

## Monthly Trends of State Budget Expenditures in 2012–2017

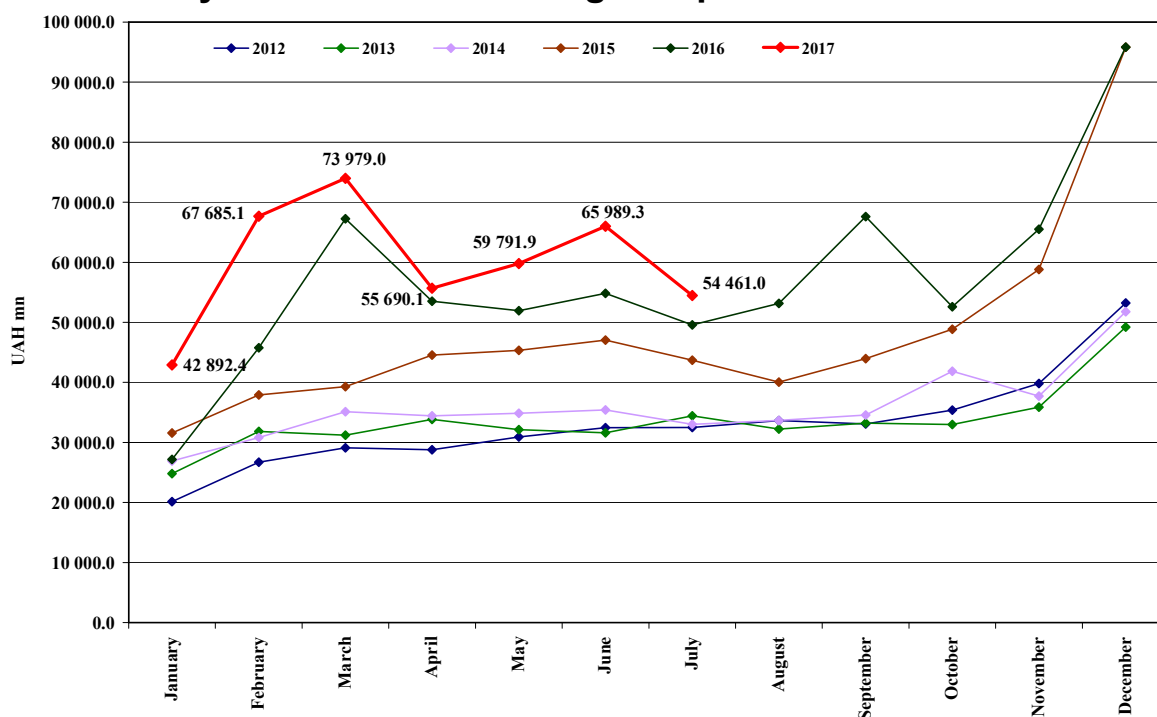
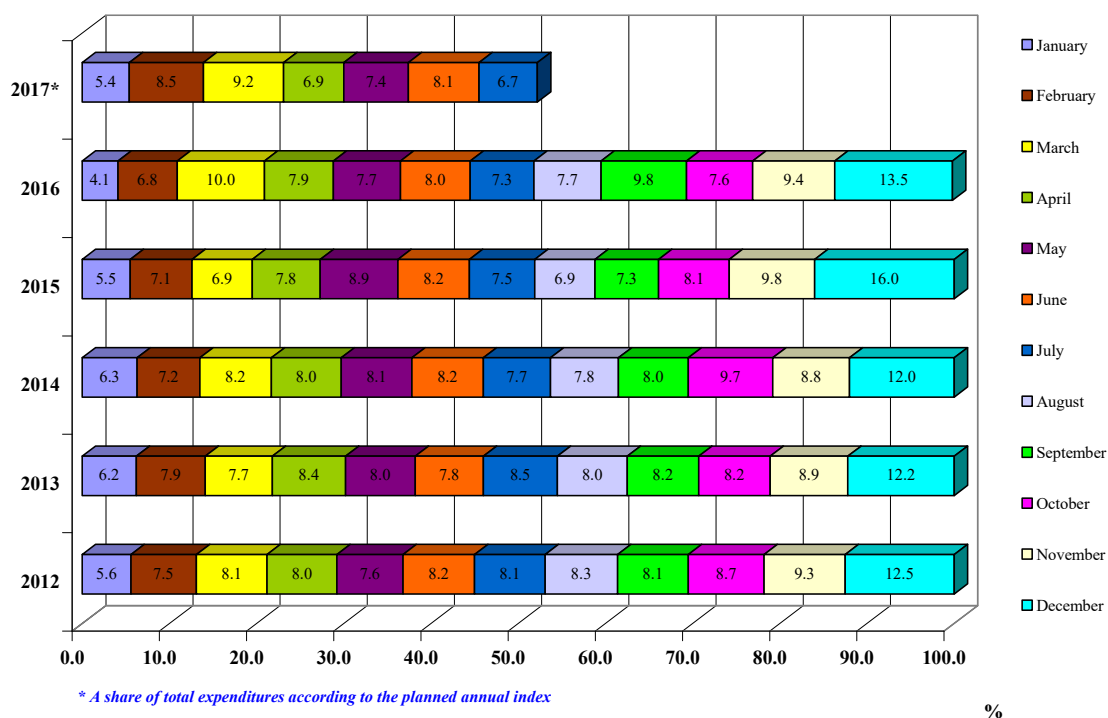


Diagram 18

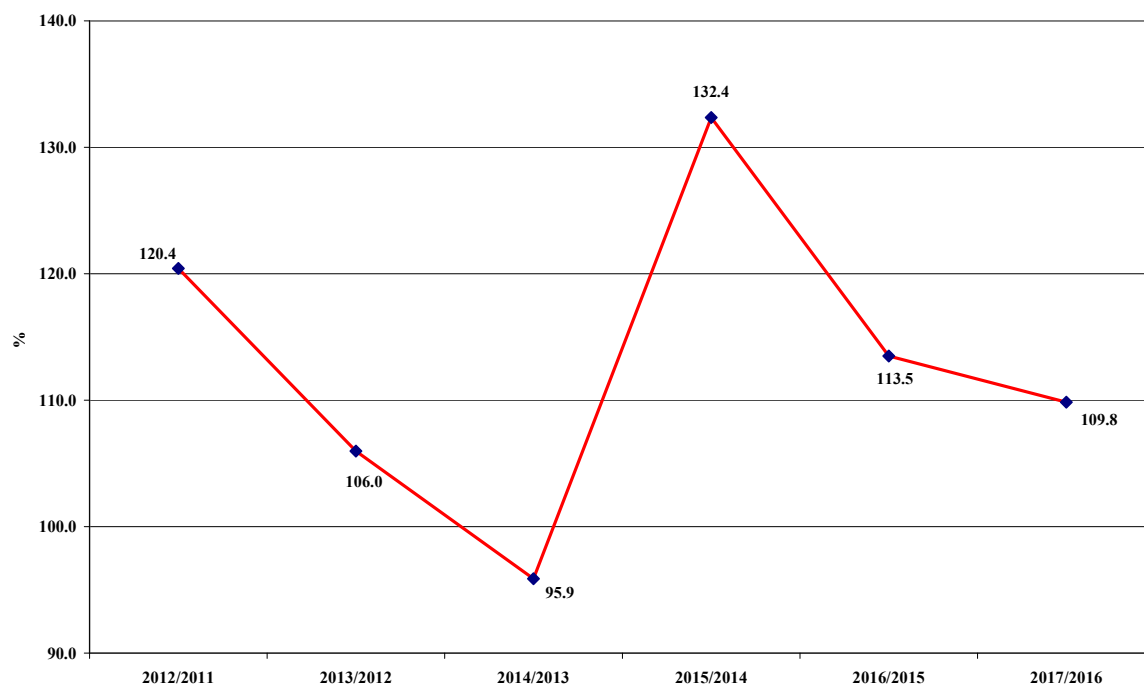
## Dynamics of the Share of Ukraine's State Budget Total Expenditures in Annual Amounts in 2012–2017





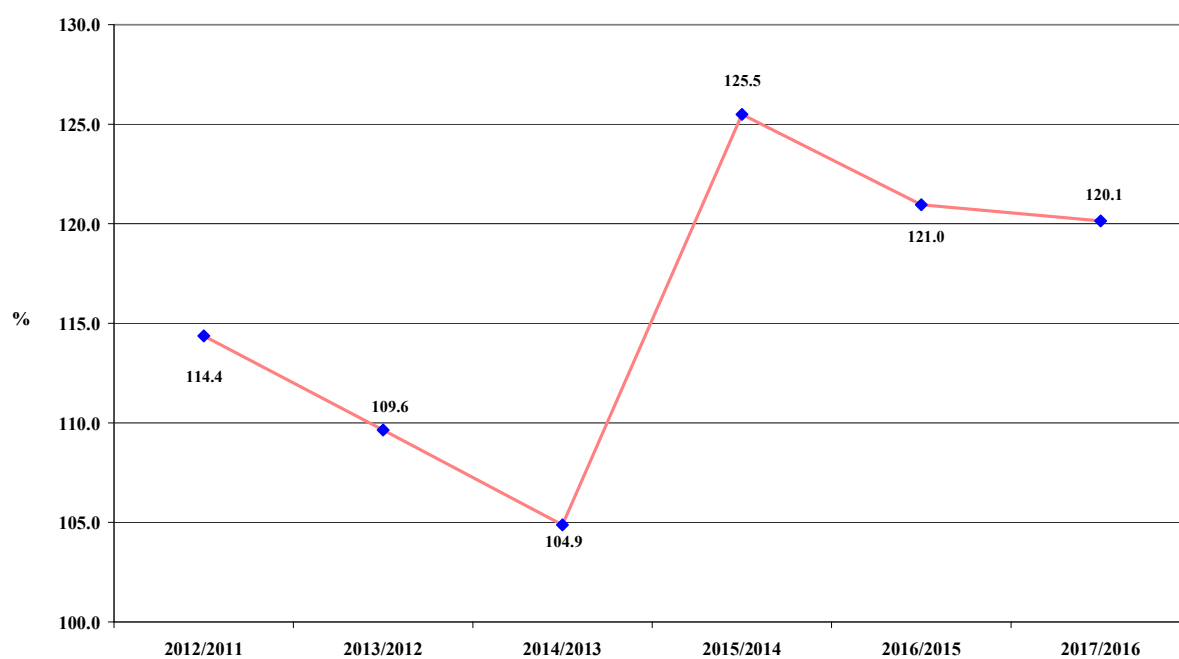
Graph 17

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



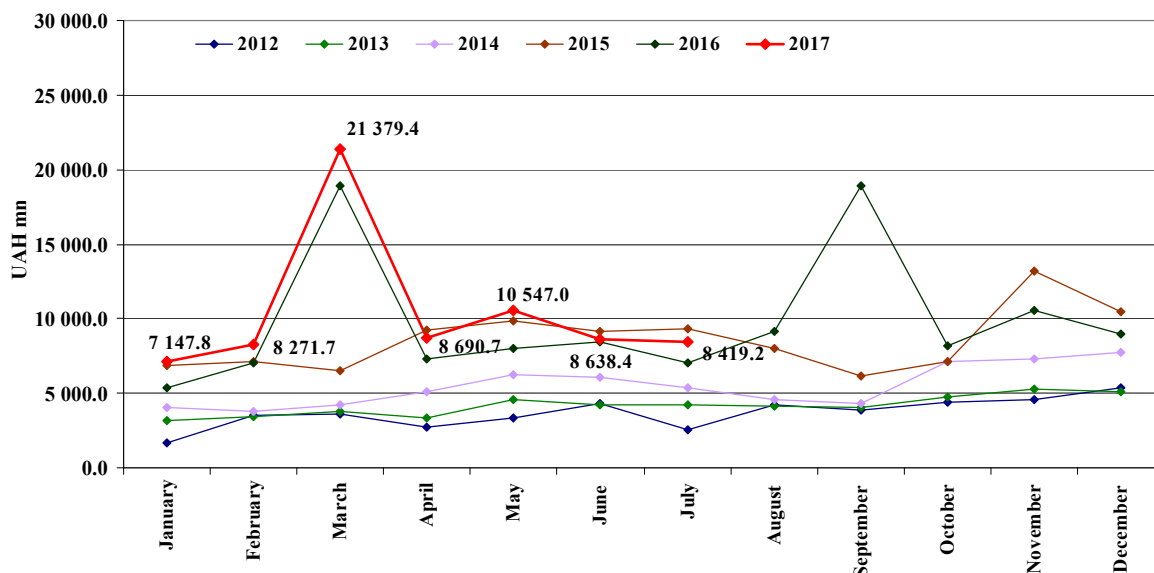
Graph 18

### Growth Rates of Ukraine's State Budget Expenditures in January–July 2012–2017



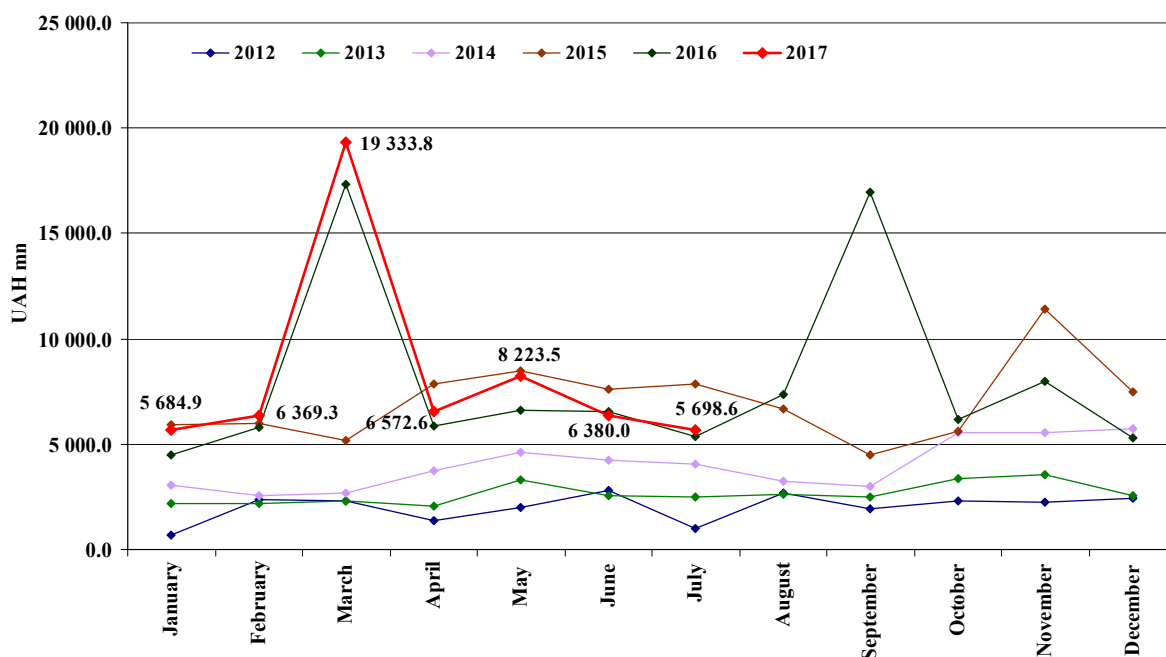
Graph 19

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



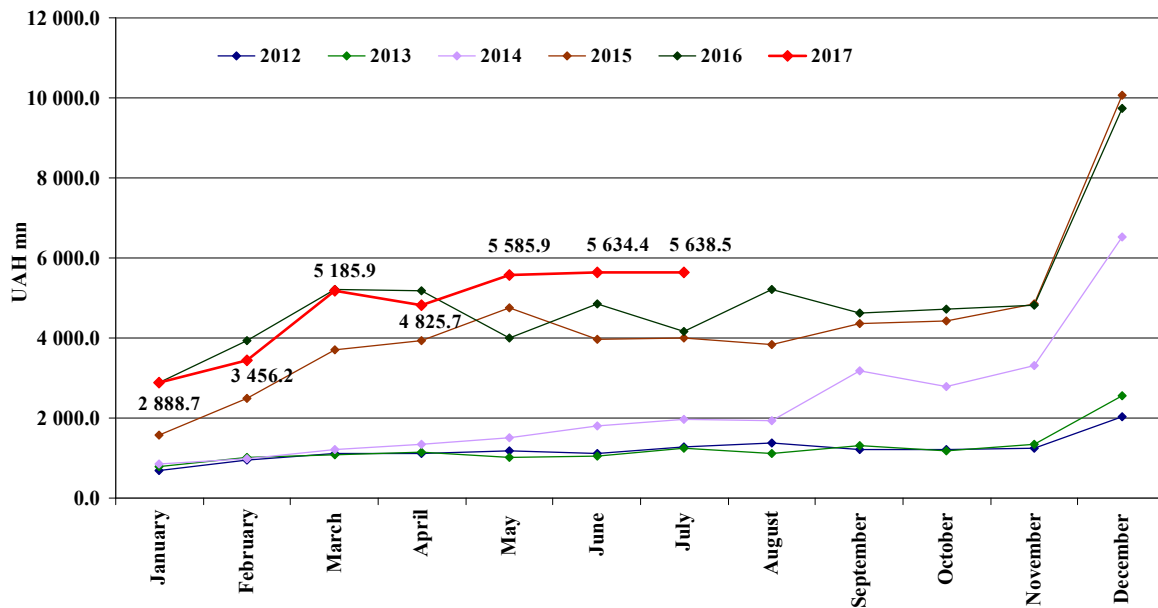
Graph 20

### State Budget Expenditures for Public Debt Servicing Monthly Trends in 2012–2017



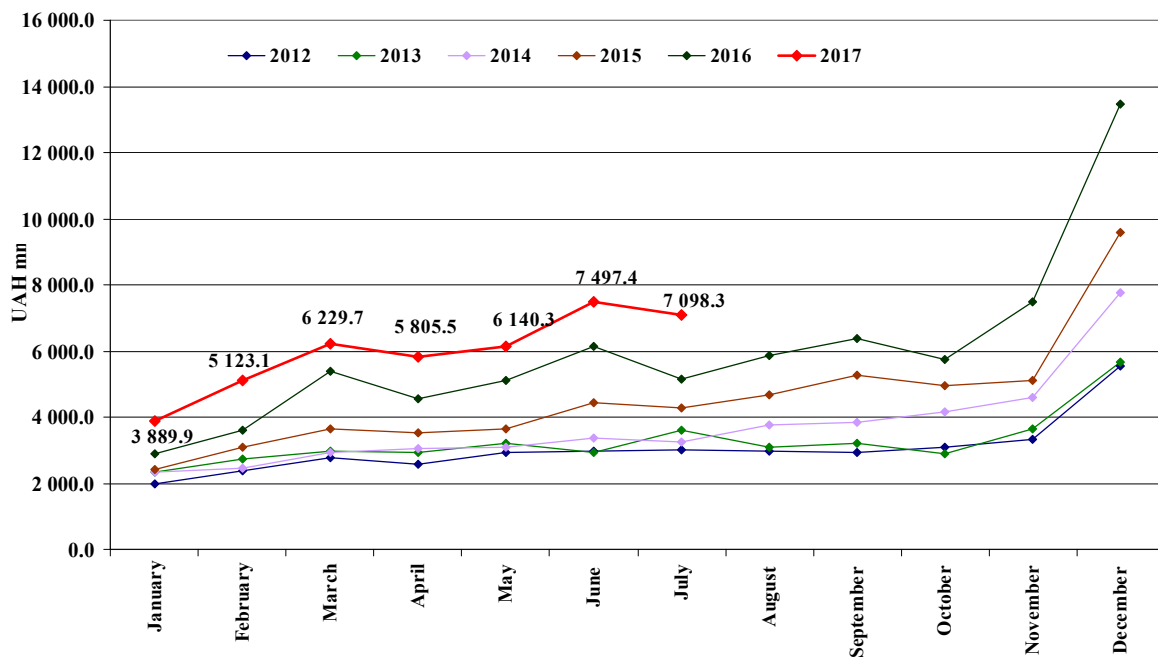
Graph 21

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



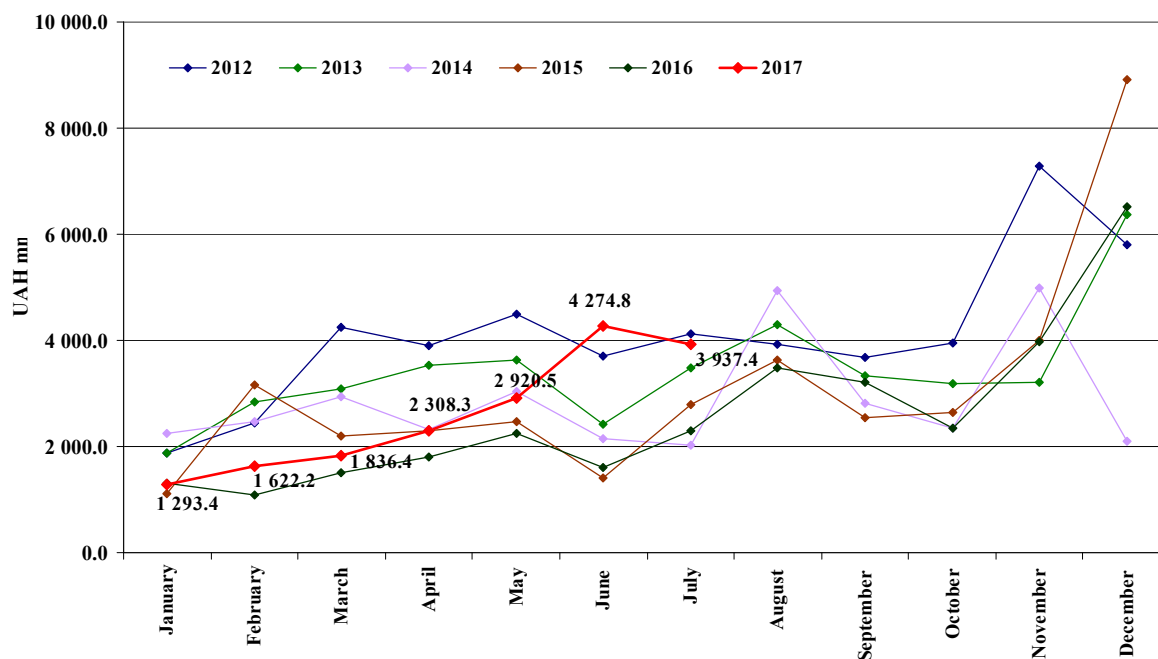
Graph 22

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



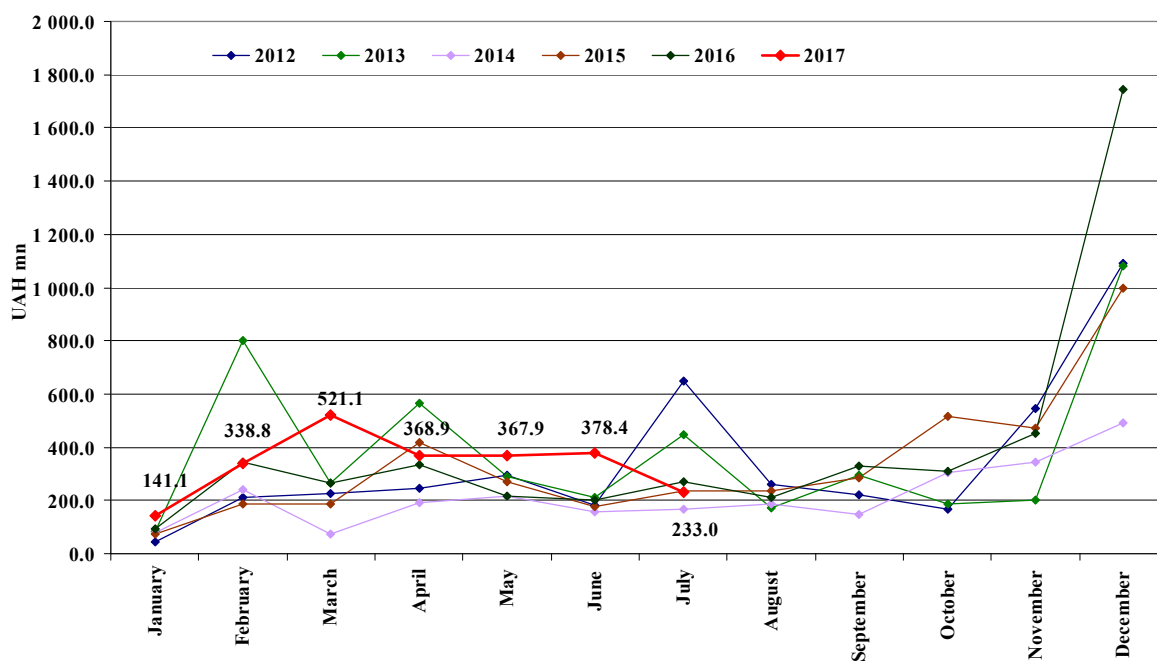
Graph 23

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



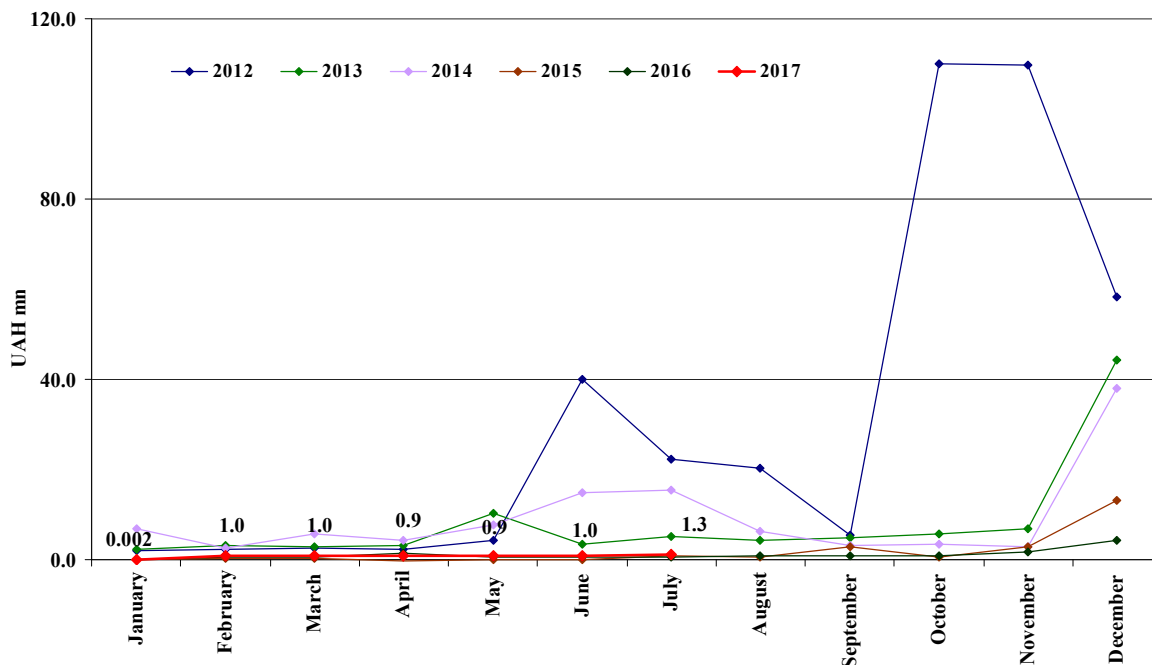
Graph 24

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



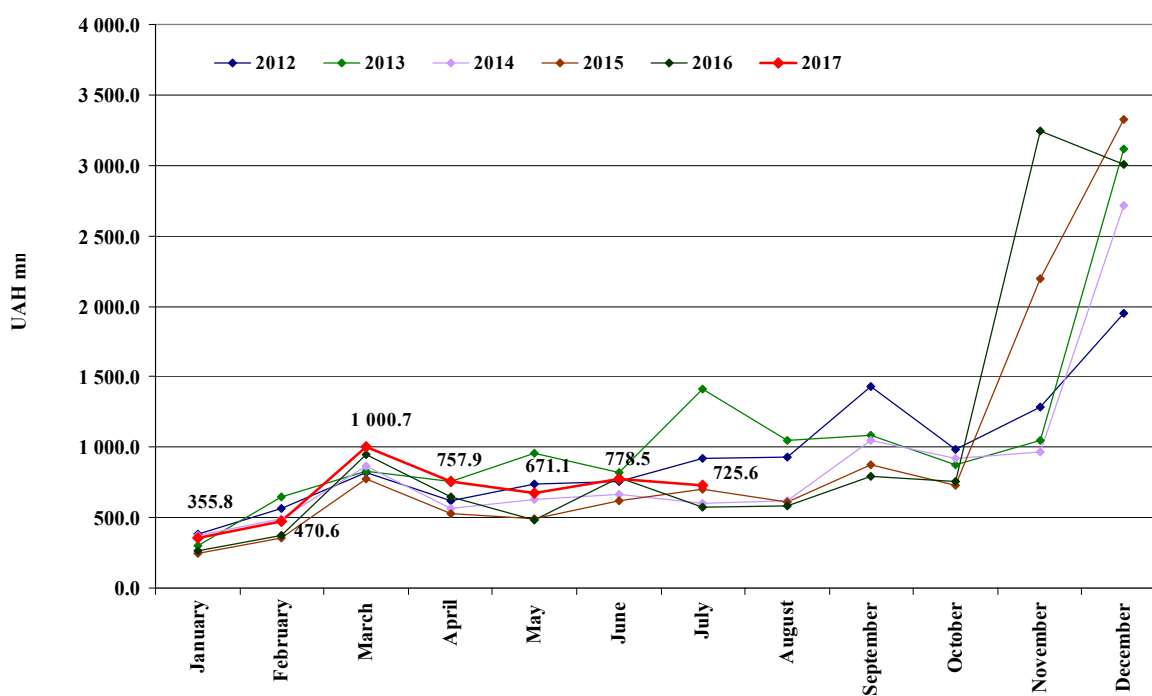
Graph 25

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



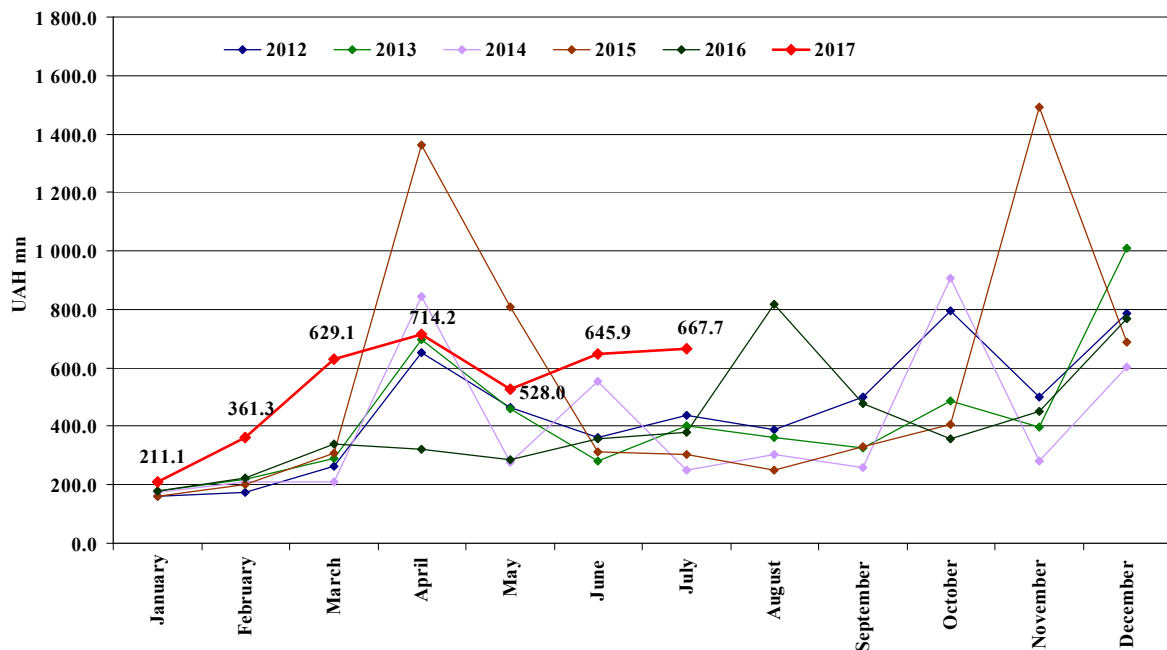
Graph 26

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



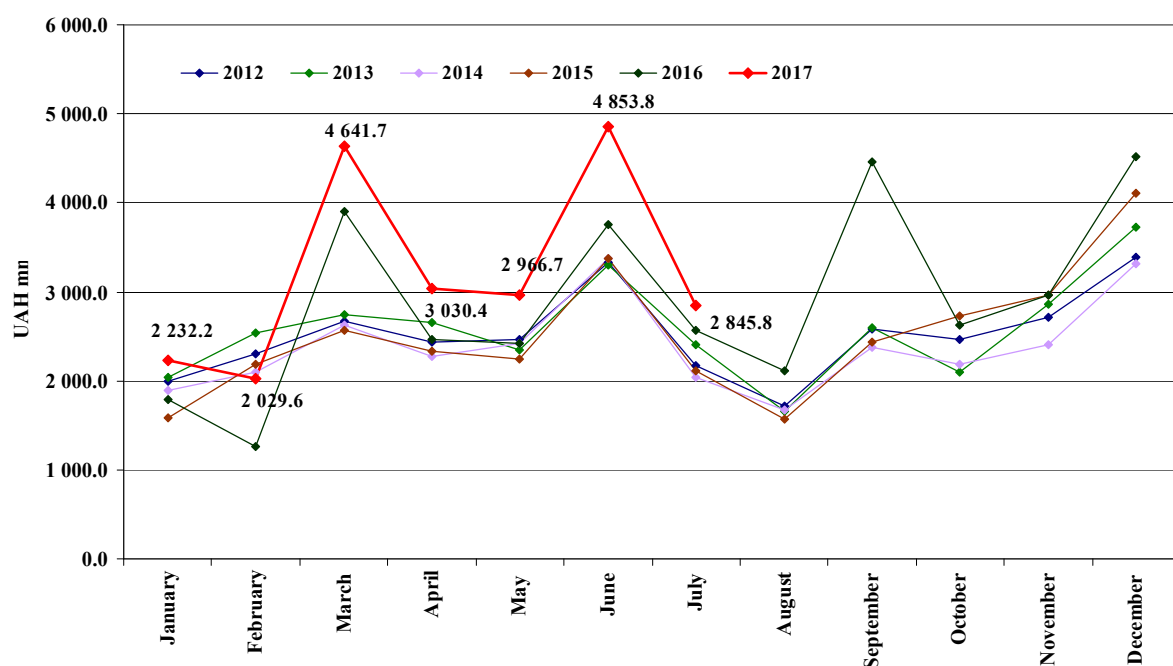
Graph 27

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



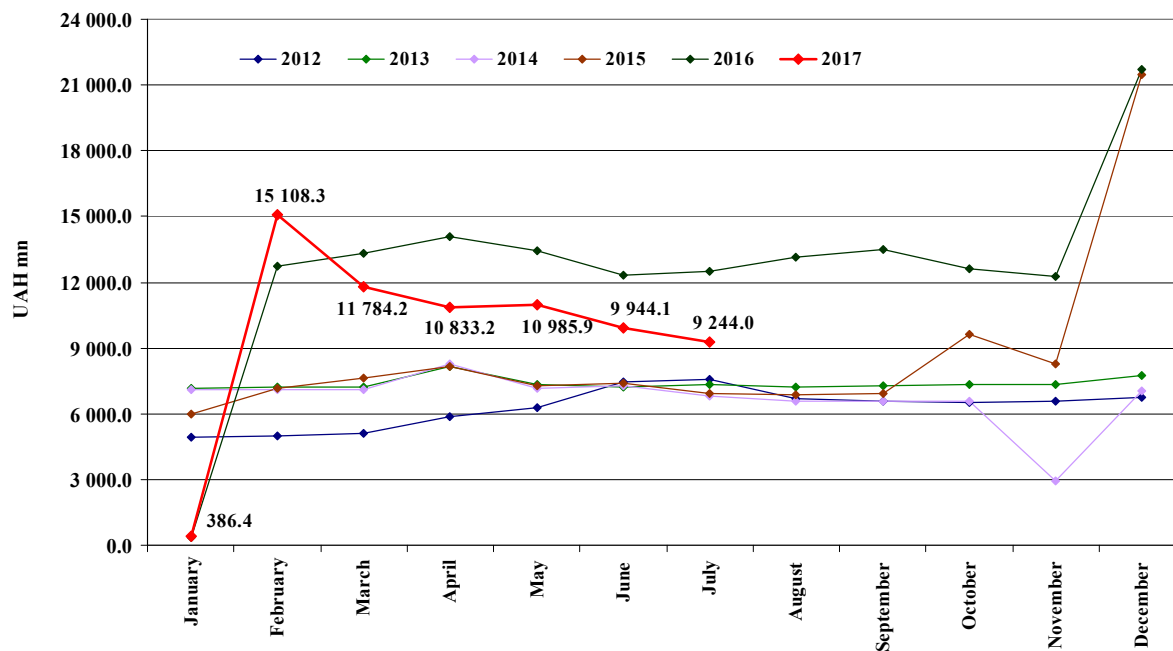
Graph 28

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



Graph 29

## 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

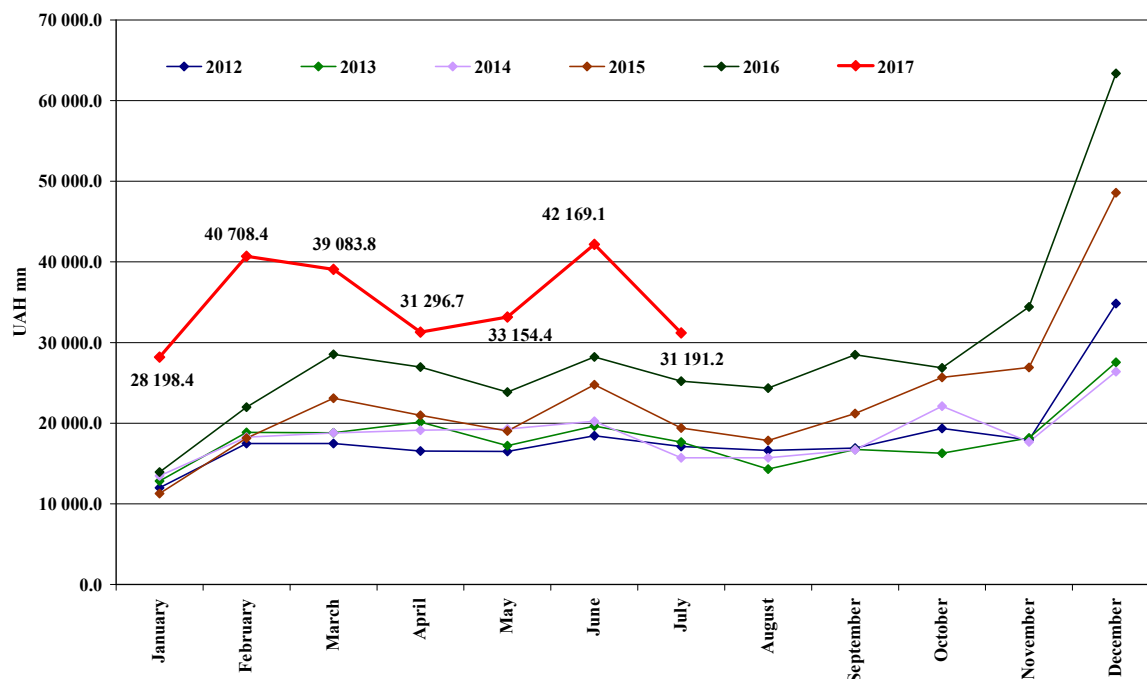
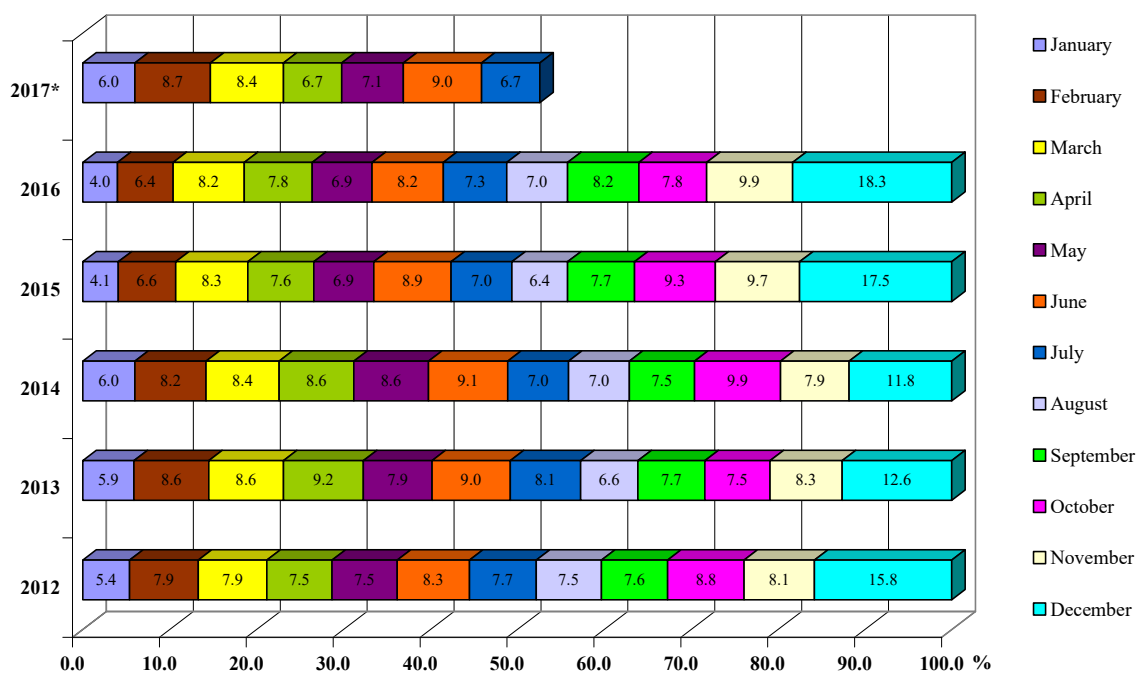


Diagram 19

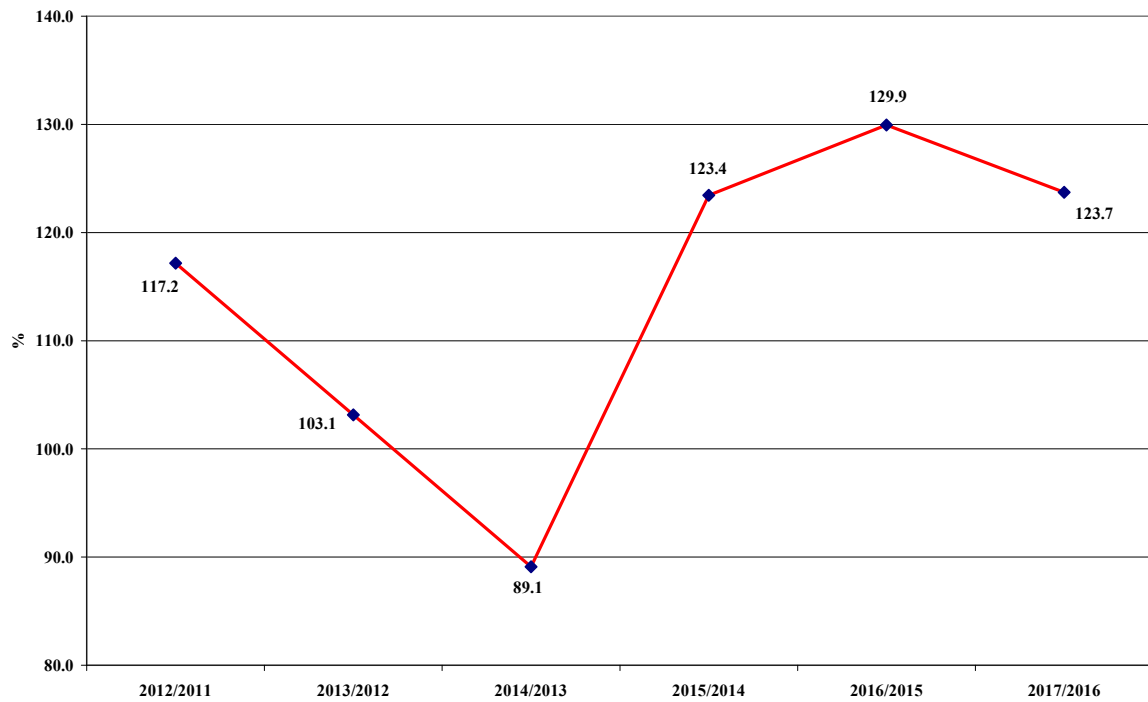
### Dynamics of the Share of Local Budget Expenditures in Annual Amounts in 2012–2017



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

Graph 31

### Growth Rates of Local Budget Expenditures in July 2012–2017



Graph 32

### Growth Rates of Local Budget Expenditures in January–July 2012–2017

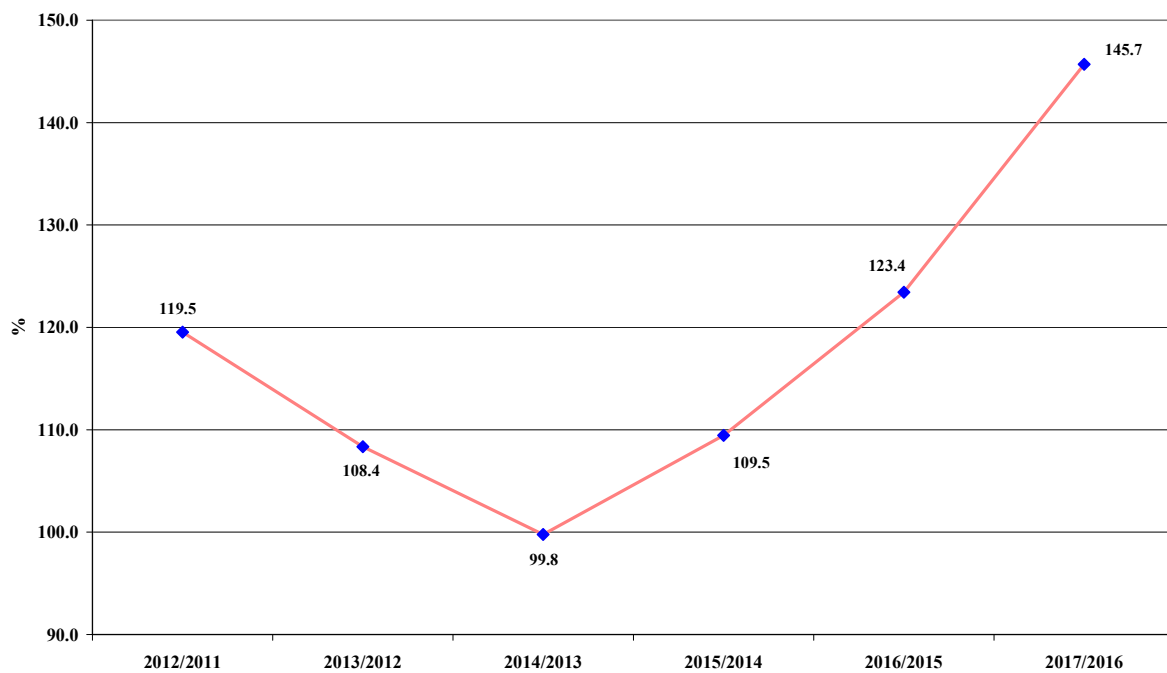


Diagram 20

## Local Budget Expenditures by Functional Classification in July 2017

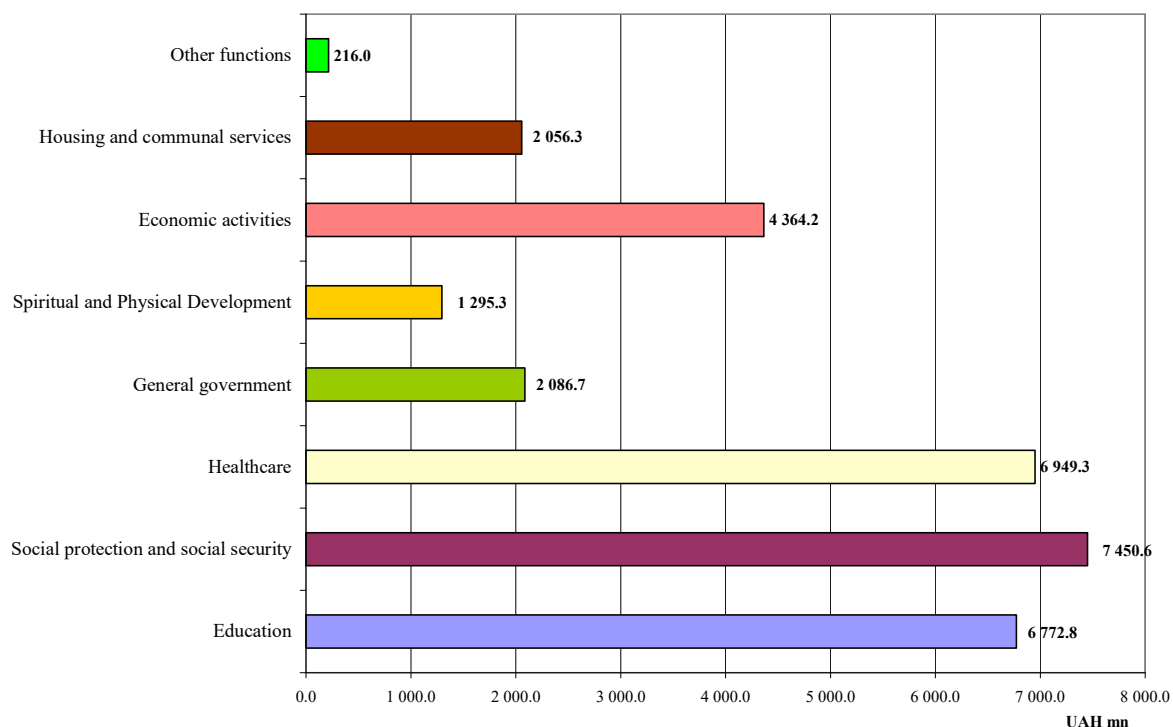
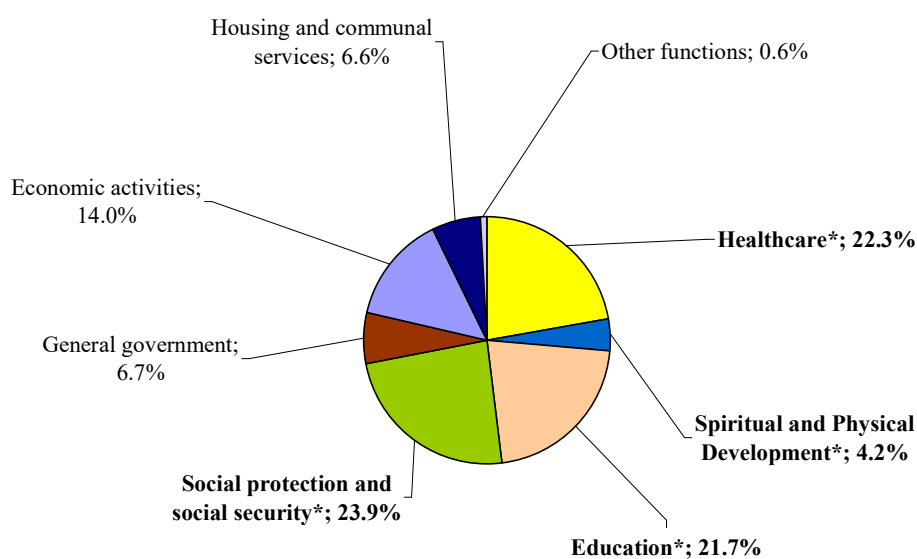


Diagram 21

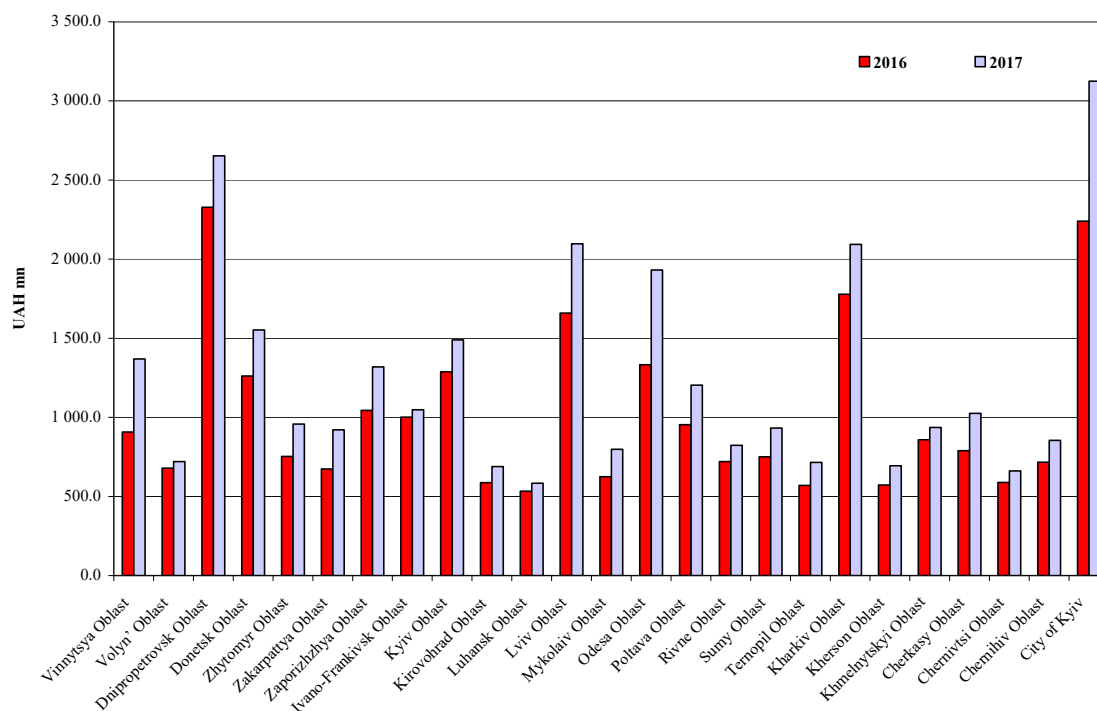
## Structure of Local Budget Expenditures by Functional Classification in July 2017



\* Expenditures for social and cultural sphere - 72.1%

Diagram 22

### Regional Distribution of Local Budget Expenditures in July 2016–2017



Graph 33

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

