

# MONTHLY MONITORING

OF MAIN INDICATORS  
OF THE BUDGET SYSTEM OF UKRAINE  
AS OF SEPTEMBER 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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## Contents

<b>Monitoring of the Execution of the Consolidated, State and Local Budgets in Ukraine.....</b>	<b>4</b>
State Budget Revenues .....	6
Local Budget Revenues .....	10
State Budget Deficit .....	14
Consolidated Budget Expenditures .....	17
State Budget Expenditures .....	19
Local Budget Expenditures .....	30

## 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 667.2bn in January-August 2017, which is UAH 201.9bn or 43.4% more year-on-year.
- **The state budget** received UAH 523.5bn in the same period, which is UAH 165.0bn or 46.0% more year-on-year. This amount equals 67.9% of the annual plan. Even with the increased annual target based on the results of state budget performance in the first six months of the year, this is significantly more than the period's share in the total annual revenues in the last ten years, which amounted to 62.6% on average. This continues to point to a high likelihood of the plan overachievement in annual terms.

All of the main items of both tax and non-tax revenues grew on a year-on-year basis both by month and for the period of January through August in general. Specific gains include: the personal income tax by UAH 10.2bn (or 27.5%); corporate profit tax by UAH 12.1bn (or 34.4%); VAT on goods made in Ukraine by UAH 27.4bn (or 31.0%); VAT on goods imported in Ukraine by UAH 43.6bn (or 38.9%); excise tax on goods made in Ukraine by UAH 7.2bn (or 20.7%); rent and fees for use of other natural resources by UAH 8.9bn (or 33.7%); and import duty by UAH 2.4bn (or 19.5%).

Non-tax revenues also increased (by UAH 49.4bn or nearly 2.3 times). This occurred mainly due to the transfer by the National Bank of Ukraine of UAH 30.0bn according to the Law of Ukraine "On the National Bank of Ukraine," and also due to an increase in revenues from dividends accrued on shares (stock, interest) of economic entities, which have state property in their statutory capital, by UAH 13.8bn or more than ten times.

- **Expenditures of the consolidated budget** totaled UAH 598.3bn, which is 25.8% or UAH 122.8bn more than the respective indicator of 2016. In August 2017, the expenditures totaled UAH 84.4bn, which is 30.1% or UAH 19.6bn more than in August 2016.

The amounts of consolidated budget expenditures increased for all items under functional classification of expenditures compared to respective 2016 indicators.

The highest growth (up 56.7% against August 2016) is noted in expenditures for healthcare, which reached UAH 8.8bn. Considerable increase is recorded in the expenditures for economic activity (51.1%), general government functions (50.0%), education (29.2%), social protection and social security (27.1%), public order, security, and the judiciary (23.3%), housing and communal services (21.1%), protection of natural environment (19.5%), spiritual and physical development (7.9%), and defense (7.9%).

- **The actual expenditures of the state budget of Ukraine** totaled UAH 489.1bn in January-August 2017, which is 21.3% or UAH 95.9bn more year-on-year. In August 2017, expenditures totaled UAH 68.6bn or 29.0% more than in August 2016.

The following changes were observed according to the **functional classification** compared to August 2016:

- expenditures for general government functions (without expenditures for state debt servicing) increased by 45.4% to UAH 2.5bn. The expenditures for state debt servicing totaled UAH 9.0bn, up 22.1% year-on-year;
- defense spending increased by 7.9% to UAH 5.6bn;
- expenditures for public order, security, and the judiciary increased by 22.9% to UAH 7.2bn;
- expenditures for economic activity increased by 29.5% to UAH 4.5bn;

- expenditures for environmental protection increased by 2.0% to UAH 214.6mn;
- expenditures for housing and communal services increased by 42.4% to UAH 1.1mn;
- expenditures for healthcare increased 3.5 times to UAH 2.1bn;
- expenditures for spiritual and physical development decreased by 14.2% to UAH 699.6mn;
- expenditures for education increased by 4.4% to UAH 2.2bn; and
- expenditures for social protection and social security decreased by 14.2% to UAH 11.3bn.

Expenditures for financing the disbursement of pensions, bonuses, and extras to the pensions awarded under pensions programs, and for covering the deficit of the Pension Fund totaled UAH 10.5bn, which is 15.5% less year-on-year.

- The state budget receipts from **repaid loans** totaled UAH 703.0mn in August 2017.

The state budget **provided loans** for the total of UAH 521.2mn in August 2017.

**The state budget surplus** amounted to UAH 11.5bn this month.

**Repayment of the state debt principal** totaled UAH 11.3bn in August 2017, including internal debt repayment of UAH 4.5bn and external debt repayment of UAH 6.8bn.

**State borrowing** totaled UAH 11.5bn, with UAH 11.0bn mobilized on the internal market. External sources **provided loans** totaling UAH 417.1mn, which were remitted to a special fund for financing joint development projects with international finance institutions.

The state budget received UAH 1.3bn from **privatization of state property** in August 2017.

- **The total local budget revenues (without inter-budget transfers)** amounted to nearly UAH 143.7bn in January-August 2017, which is 34.6% more year-on-year.

In August 2017, these revenues totaled UAH 20.7bn, which is 24.2% more than the respective last year's indicator. As usual, the personal income tax was the single largest source of local budget revenues, which generated UAH 9.3bn in August. Local taxes and fees provided UAH 5.7bn.

The highest growth rate by region was in Volyn Oblast, where it amounted to 49.6% year-on-year. The lowest growth in revenues was in Luhansk Oblast (0.8%).

- **The local budget expenditures (without inter-budget transfers)** totaled over UAH 284.9bn in January-August 2017, which is 47.6% more year-on-year.

In August 2017, expenditures grew by 60.7% year-on-year and amounted to more than UAH 39.1bn. The largest proportions of local budgets were allocated for social protection and social security, education, and healthcare. They amounted to UAH 15.1bn (or 38.5% of all local budget expenditures), UAH 6.8bn (or 17.4%), and UAH 6.7bn (17.3%), respectively.

The highest growth rate by region was in Donetsk Oblast, where the expenditures more than doubled year-on-year. The lowest growth in expenditures (30.8%) was in Kherson Oblast.

## State Budget Revenue

Graph 1

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

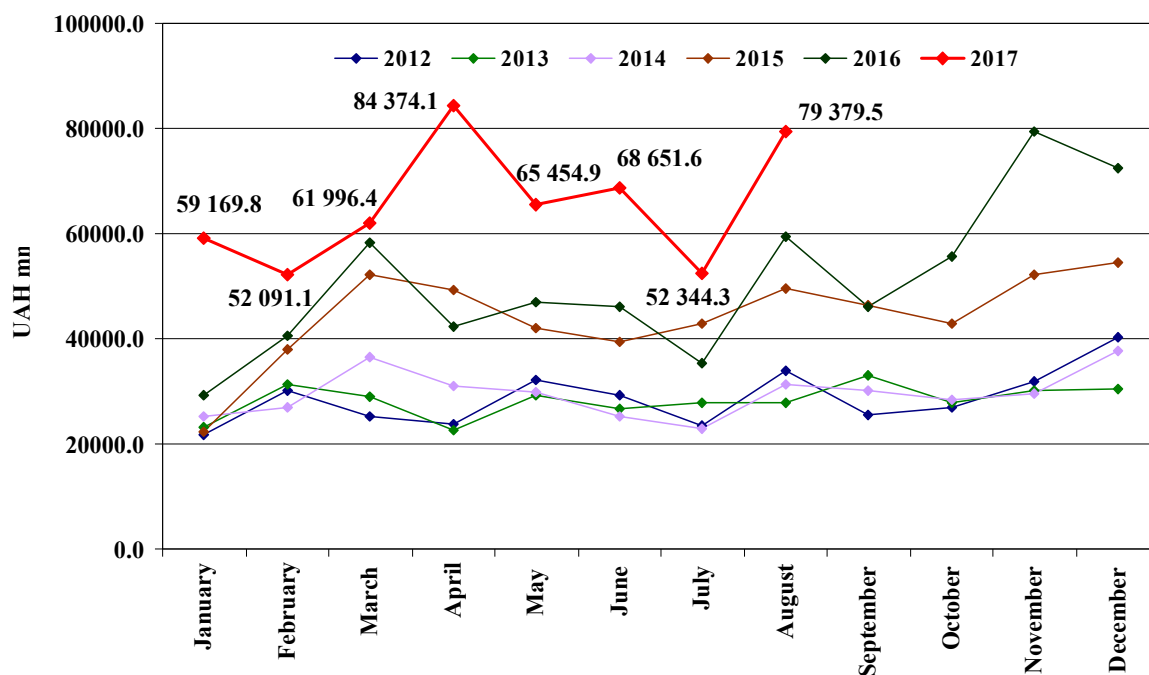
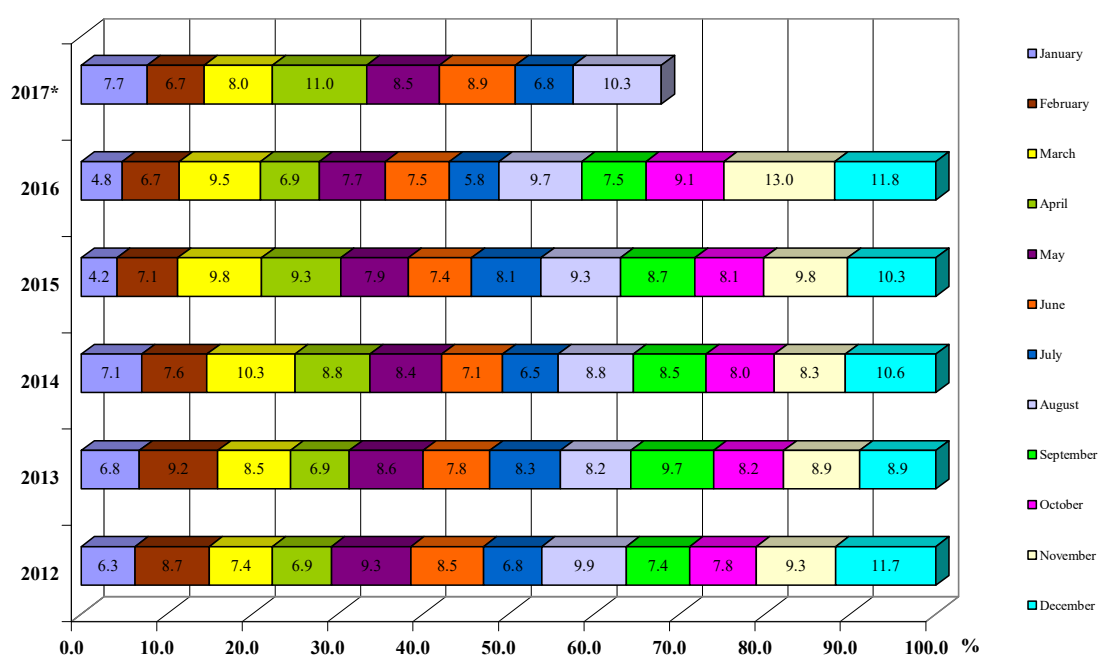


Diagram 1

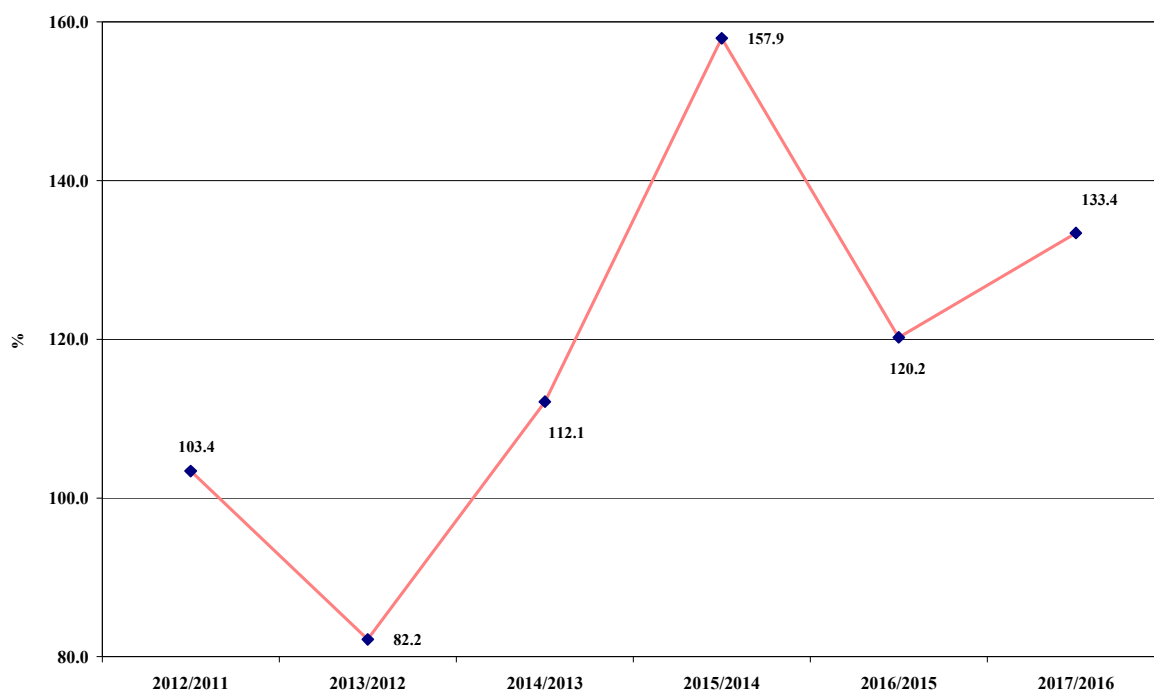
**Dynamics of the Share of Ukraine's State Budget Revenue in  
Annual Amounts in 2012–2017**



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

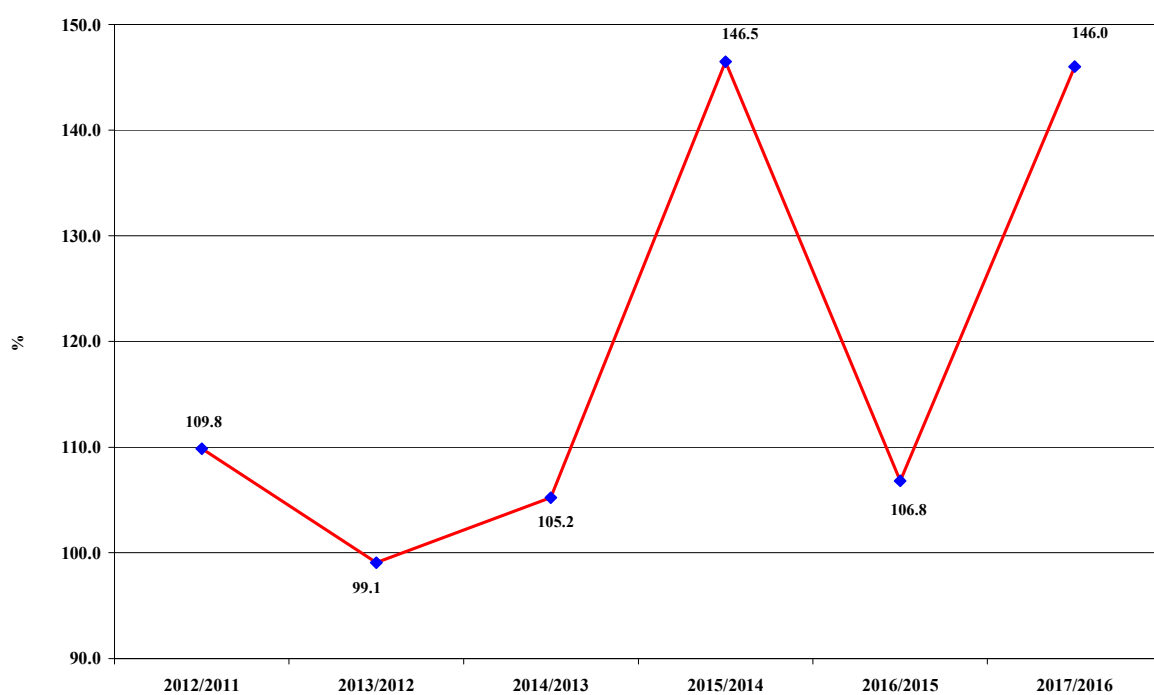
Graph 2

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



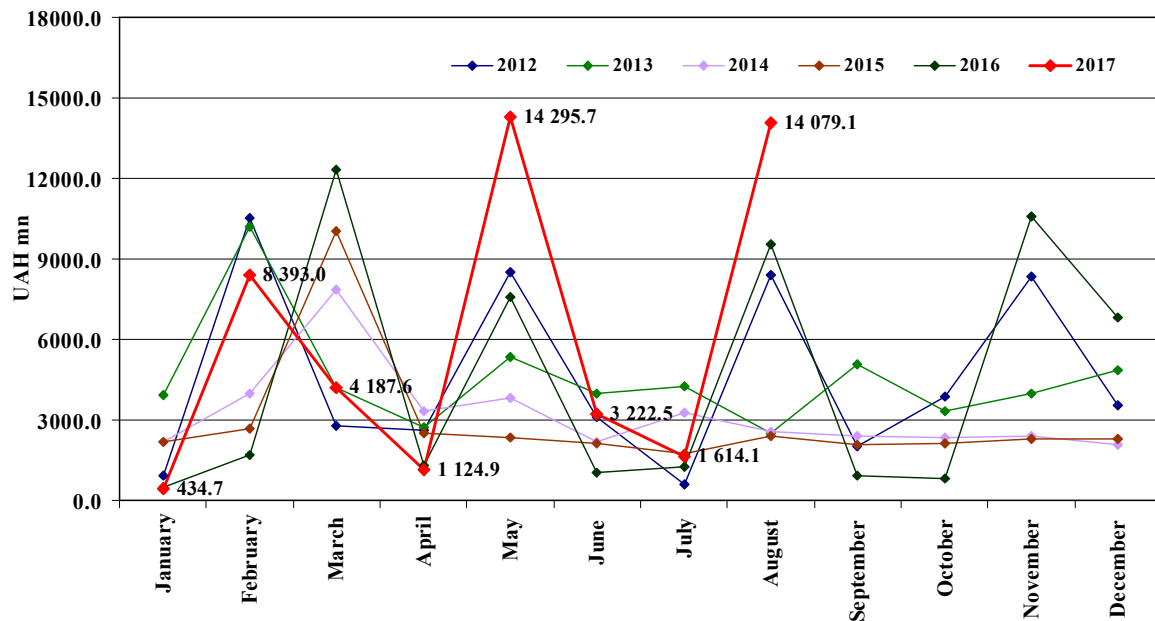
Graph 3

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



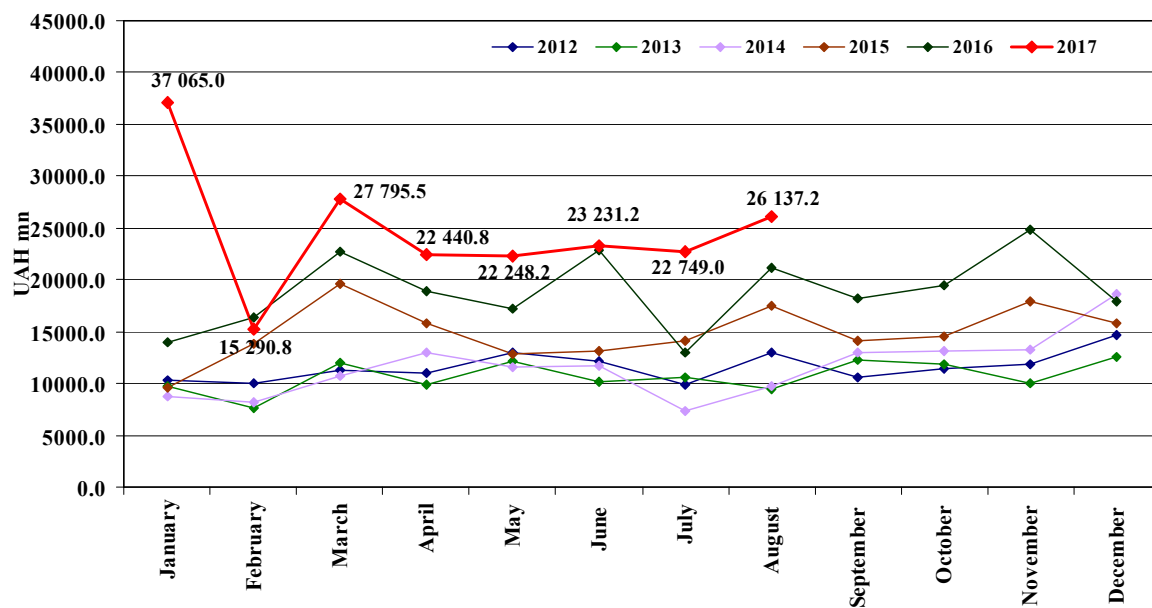
Graph 4

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



Graph 5

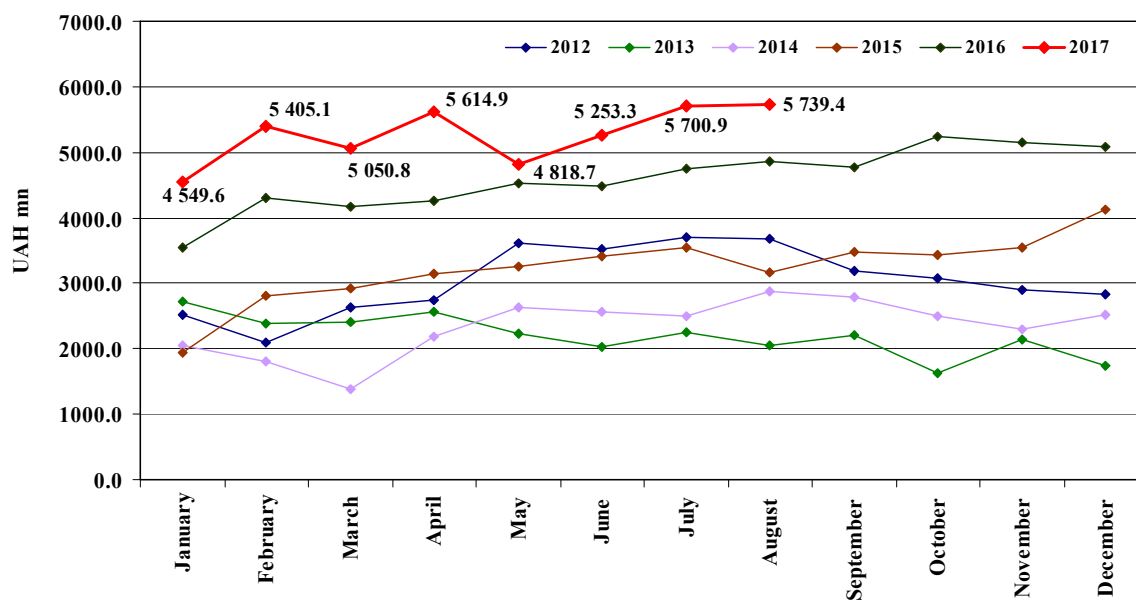
### State Budget Value Added Tax Monthly Trends in 2012–2017





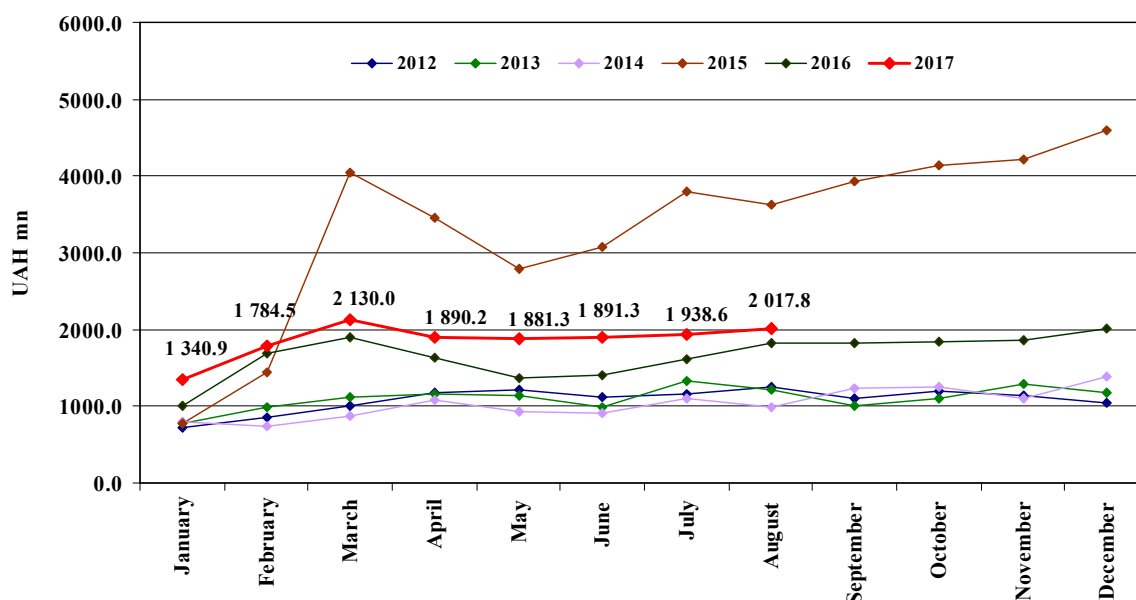
Graph 6

### 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

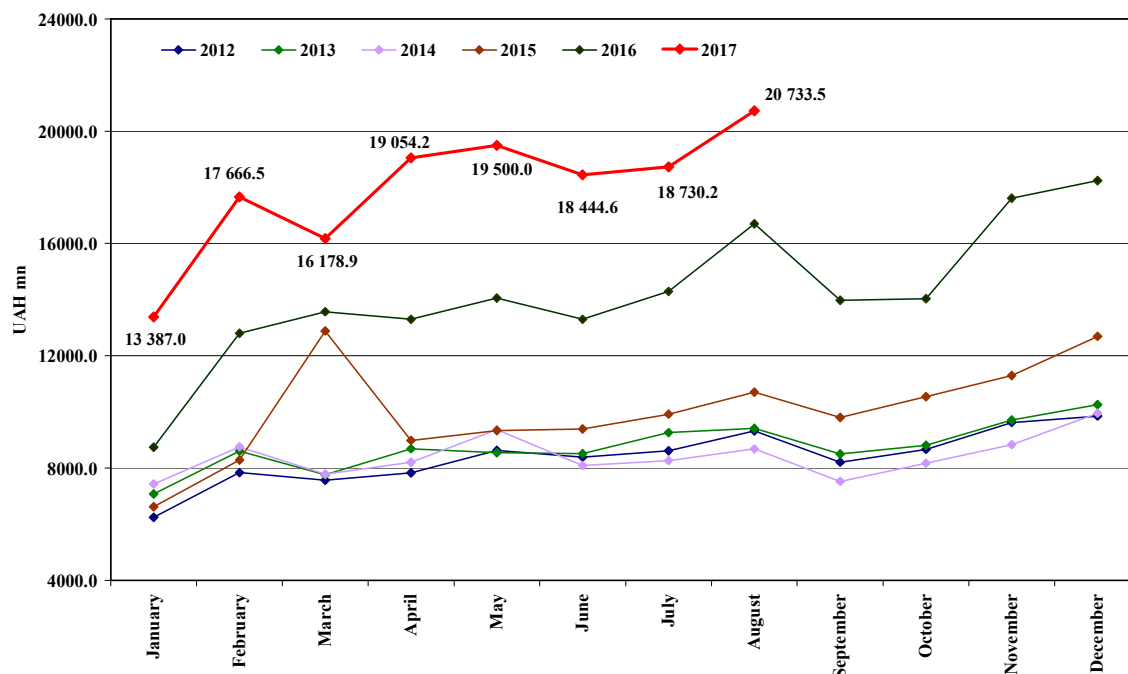
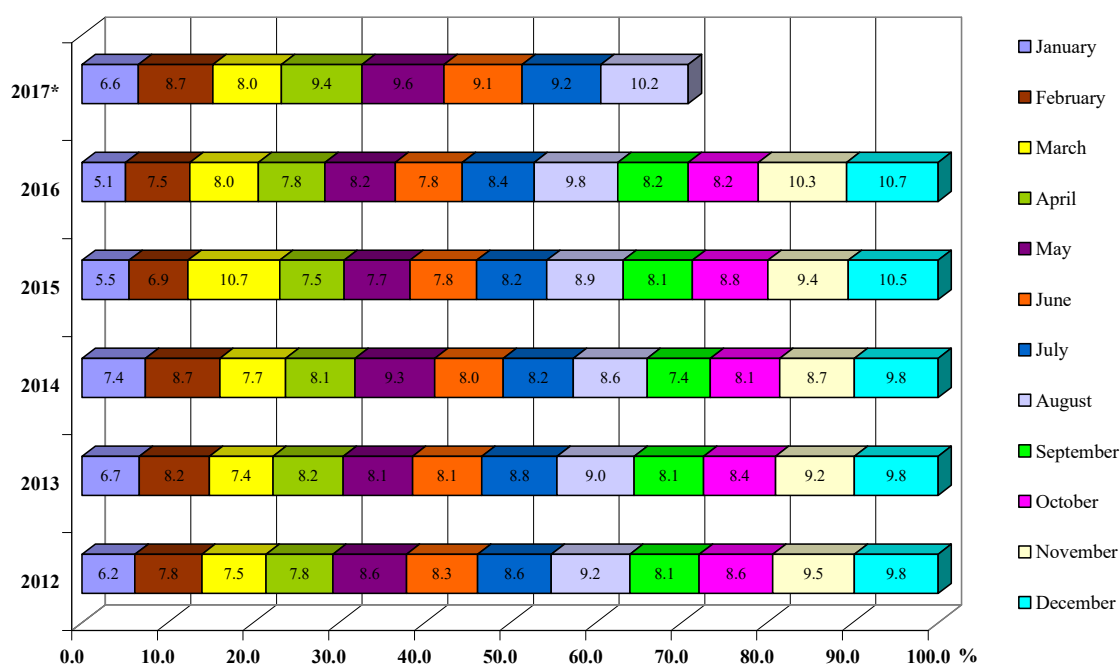


Diagram 2

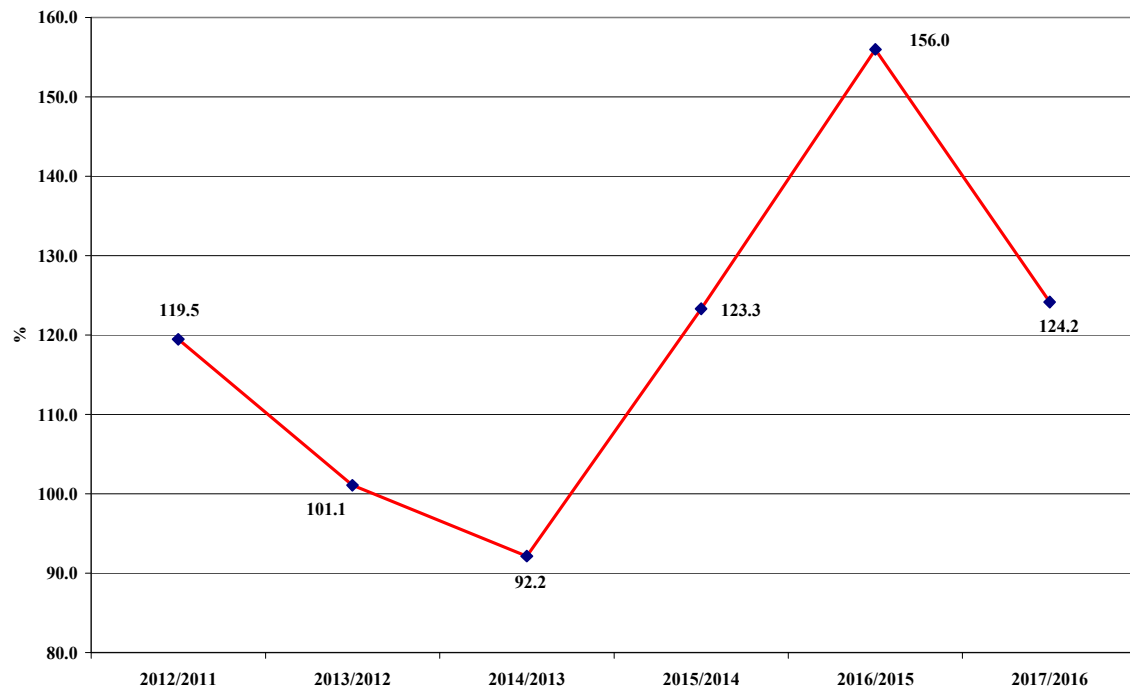
### Dynamics of the Share of Local Budget Revenue in Annual Amounts in 2012–2017



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

Graph 9

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



Graph 10

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

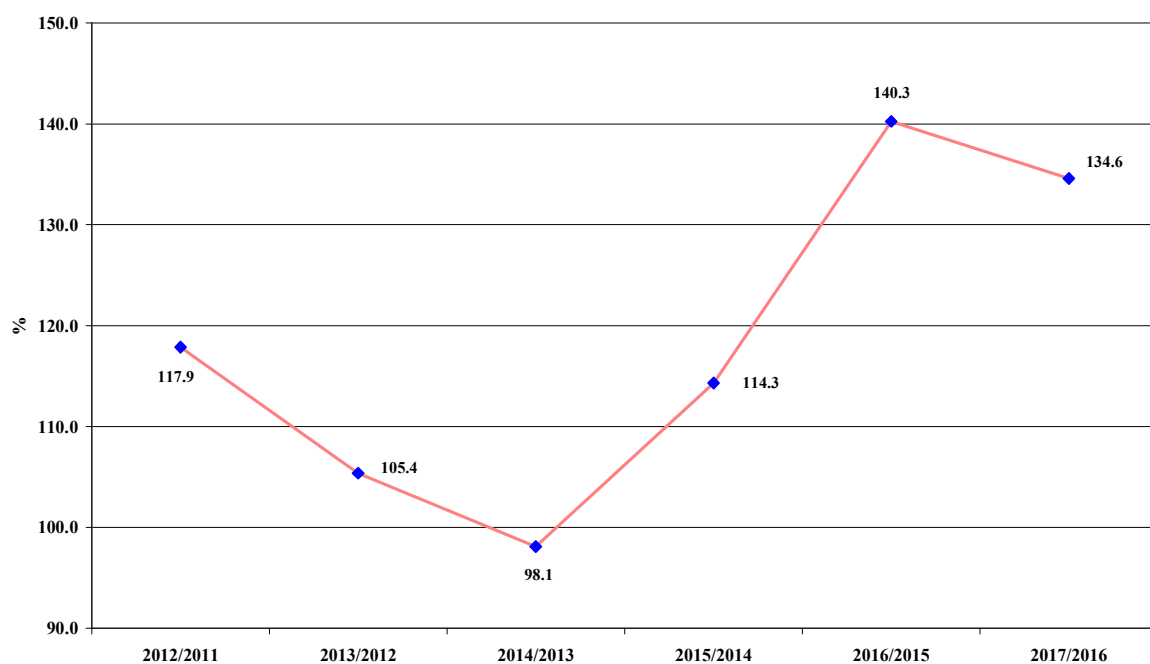


Diagram 3

### Local Budget Revenue in August 2017

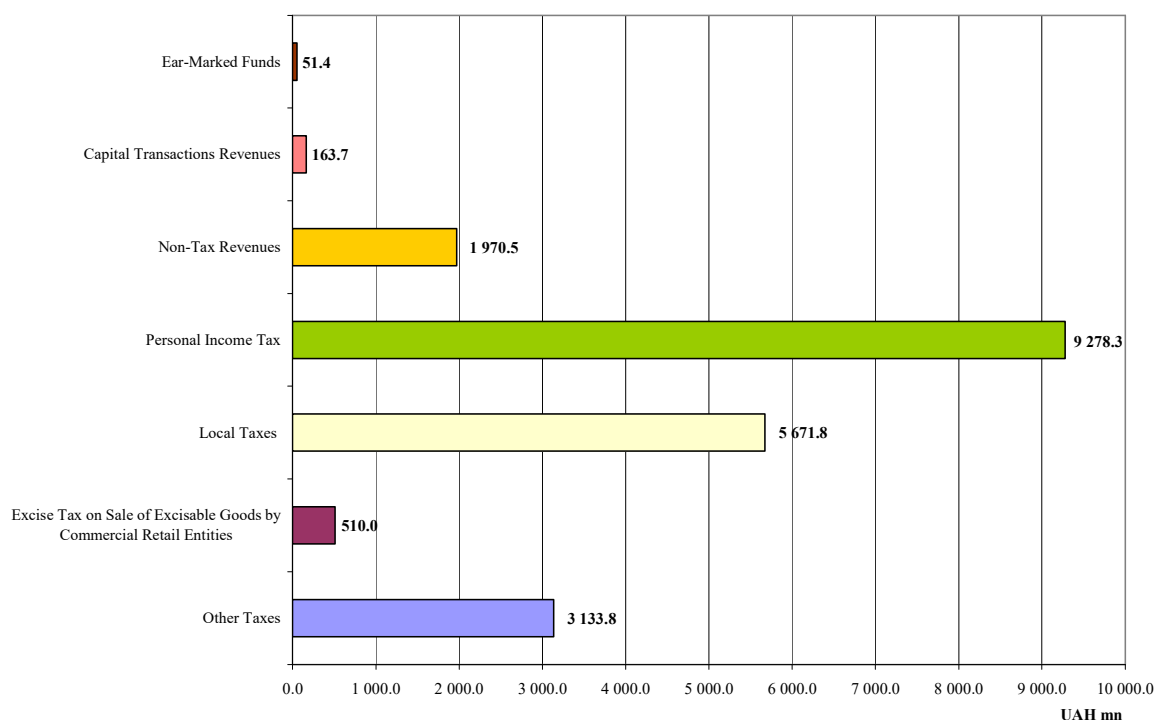


Diagram 4

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

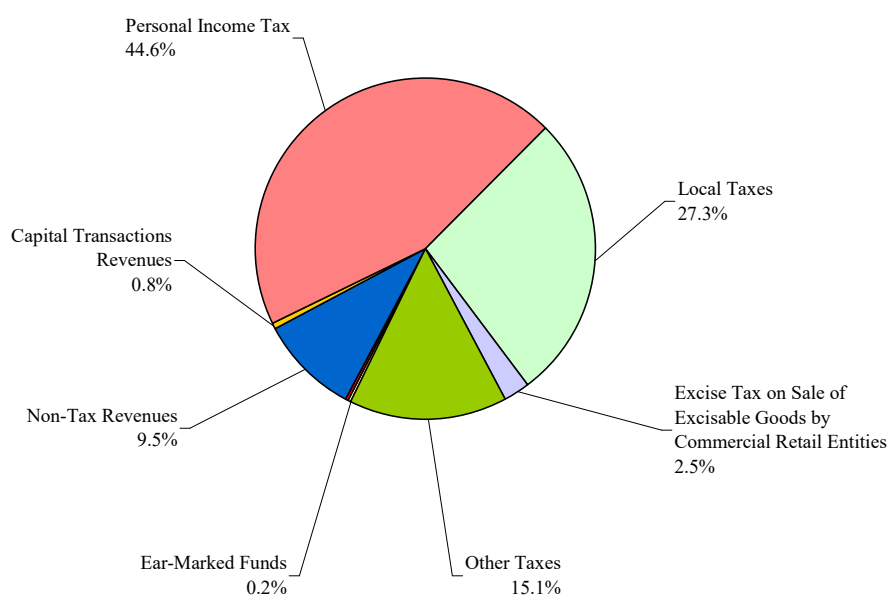
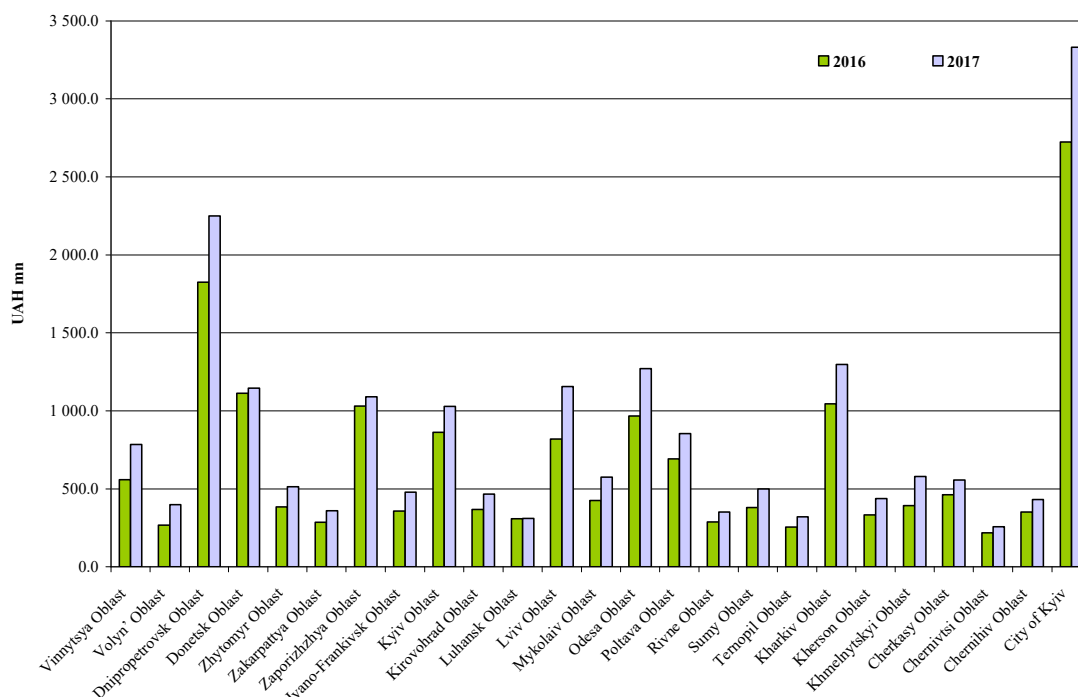


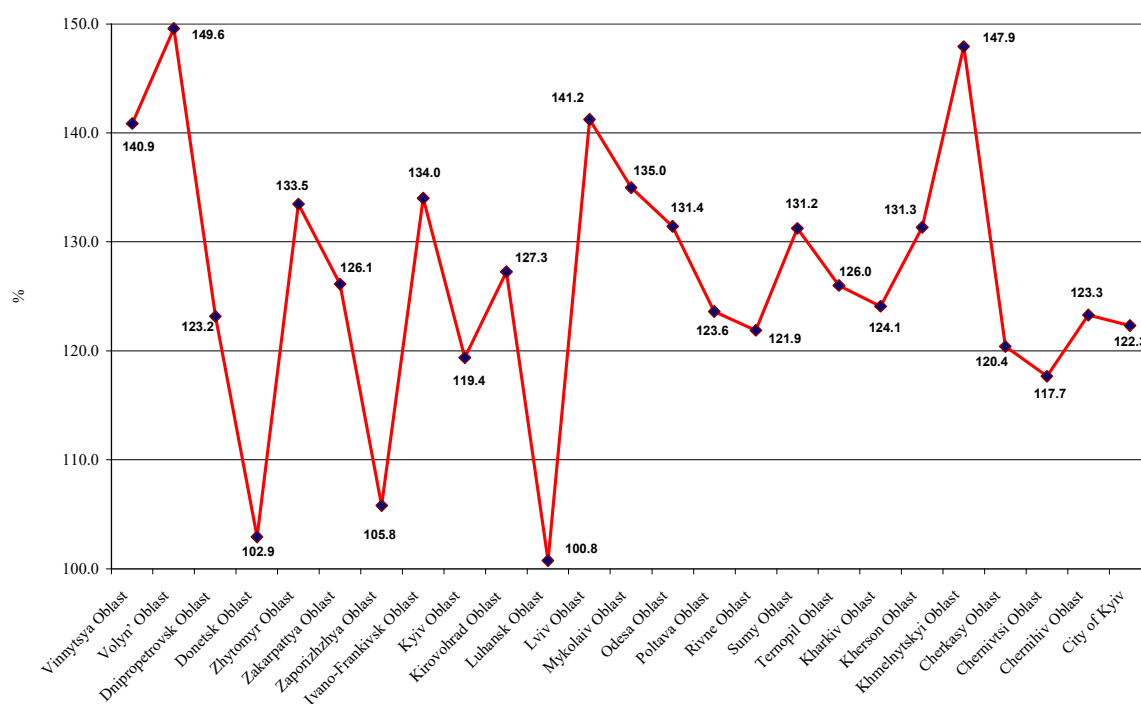
Diagram 5

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



Graph 11

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





## State Budget Deficit

Diagram 6

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

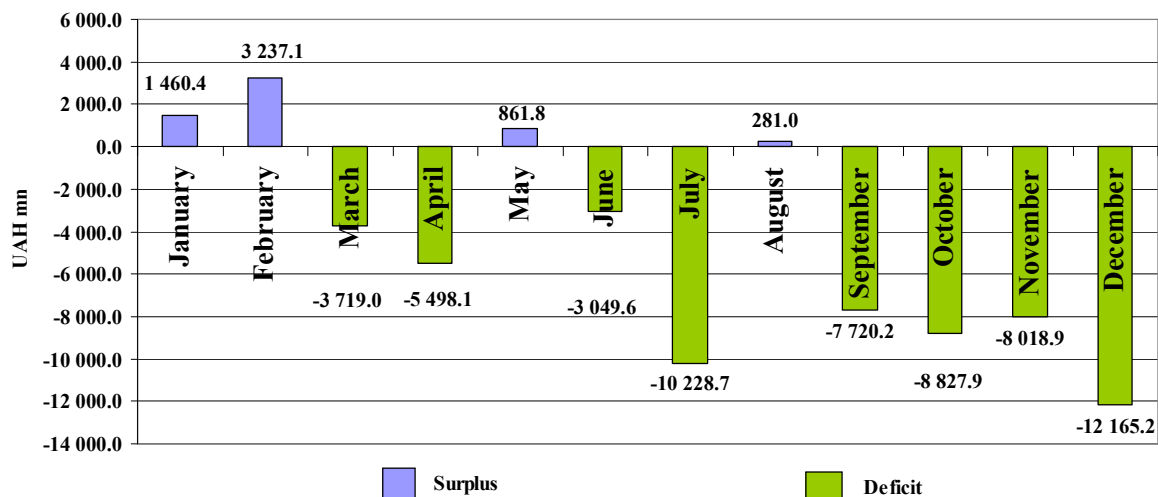


Diagram 7

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

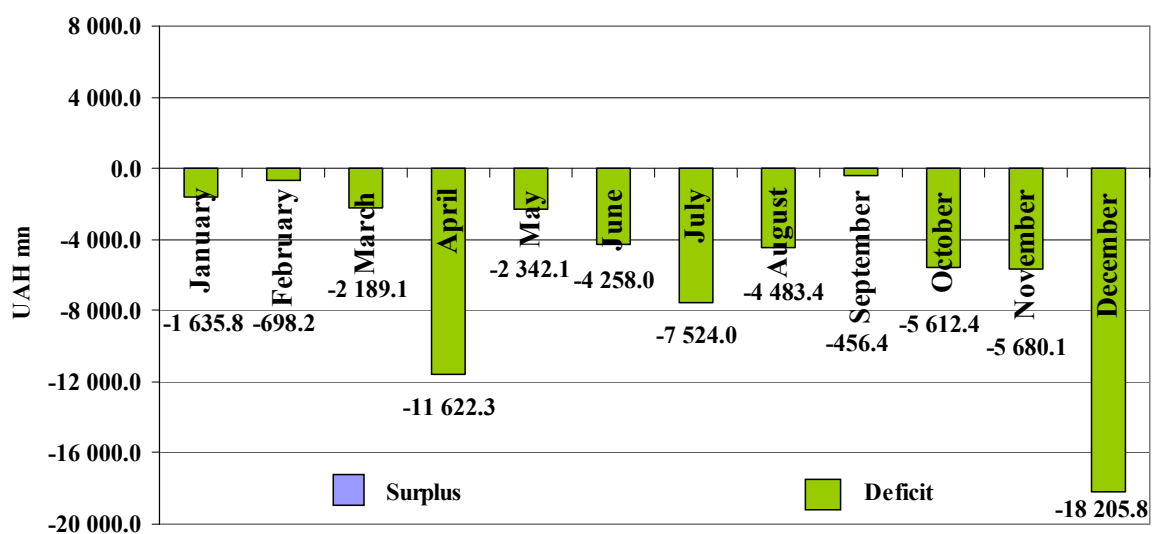


Diagram 8

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

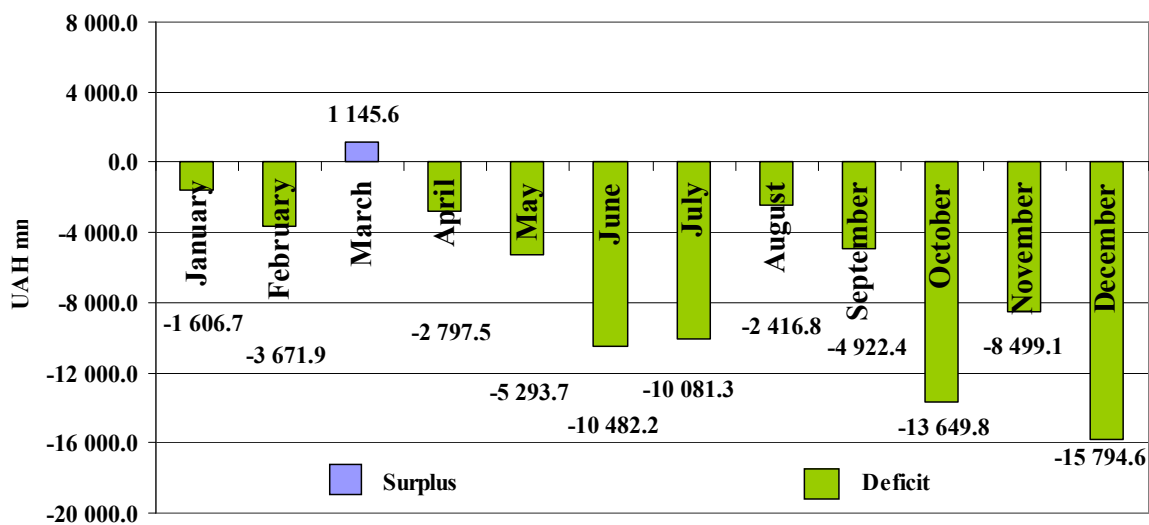


Diagram 9

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

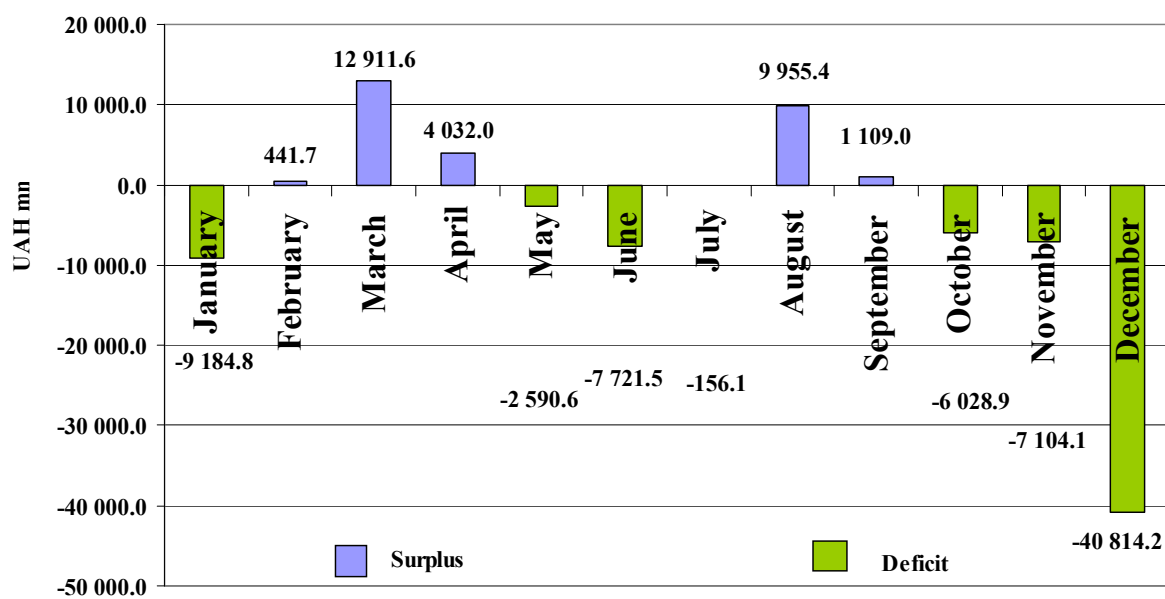


Diagram 10

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

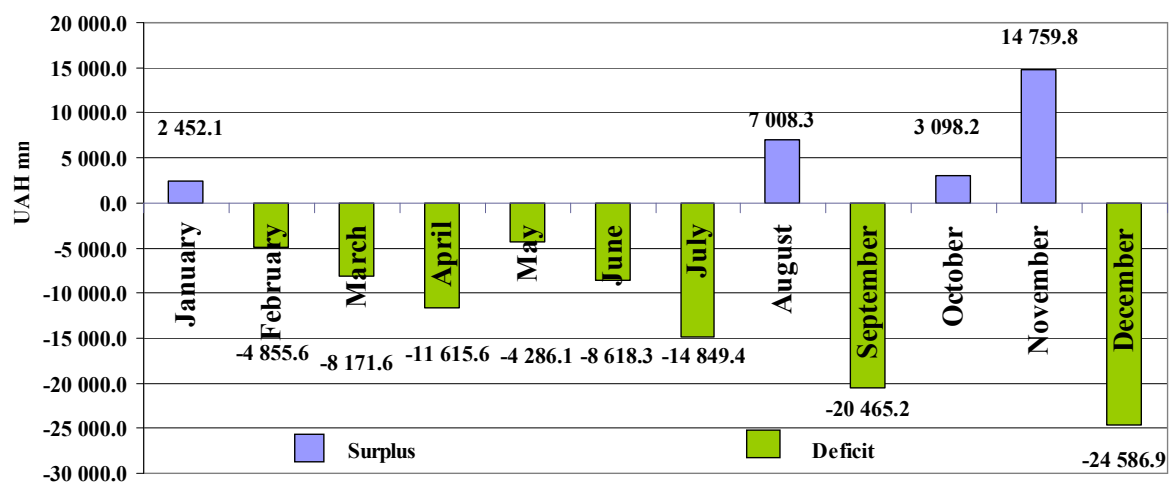
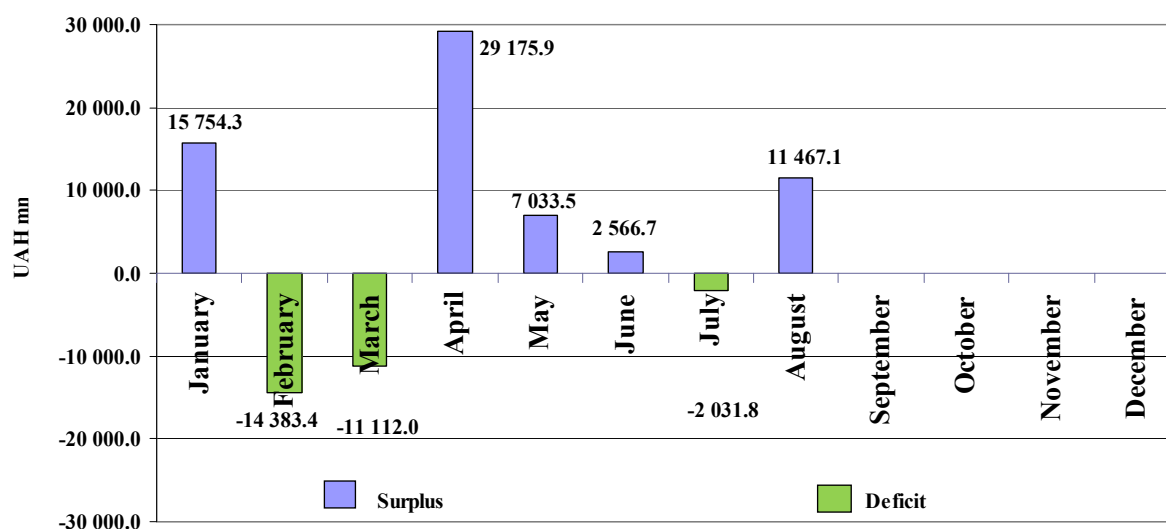


Diagram 11

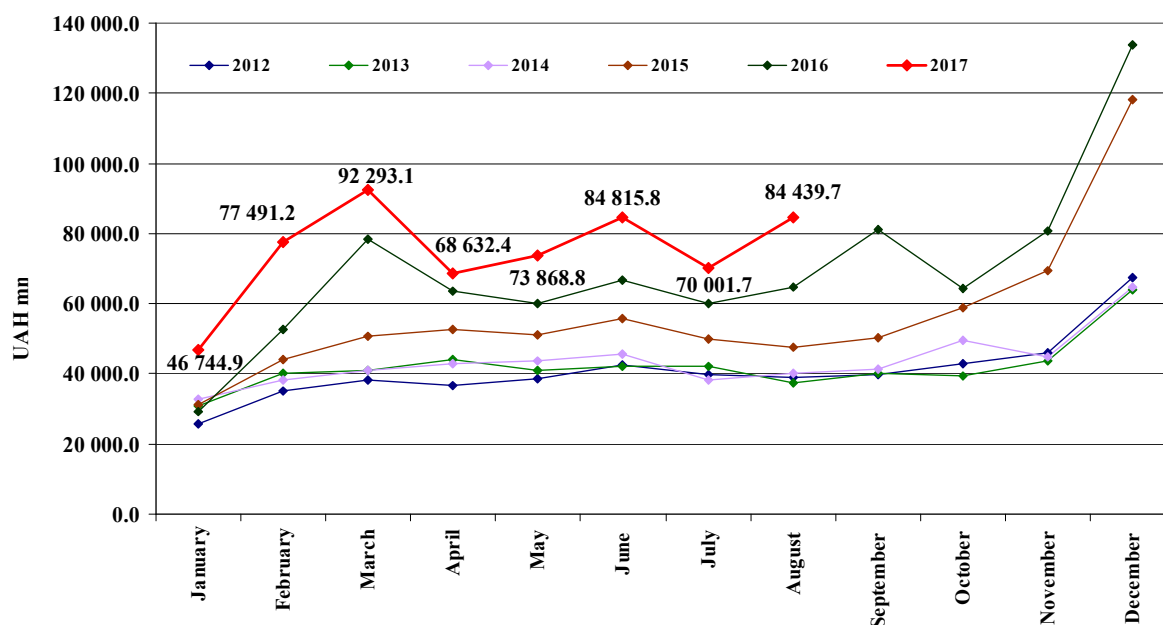
### Budget Deficit/Surplus, Monthly Trends in 2017



## Consolidated Budget Expenditures

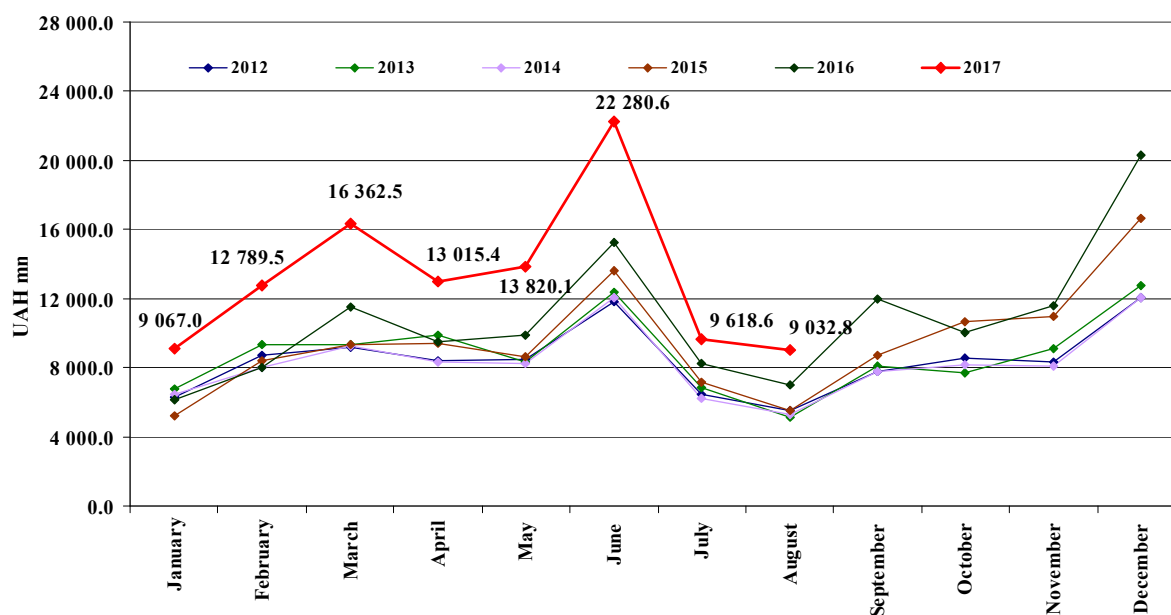
Graph 12

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



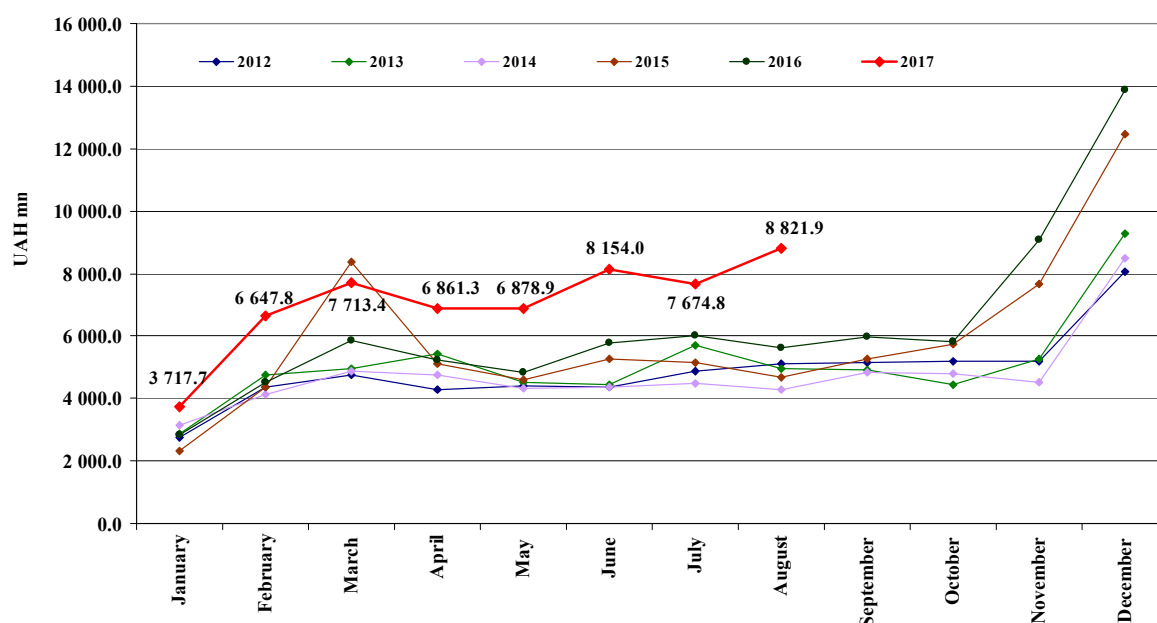
Graph 13

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



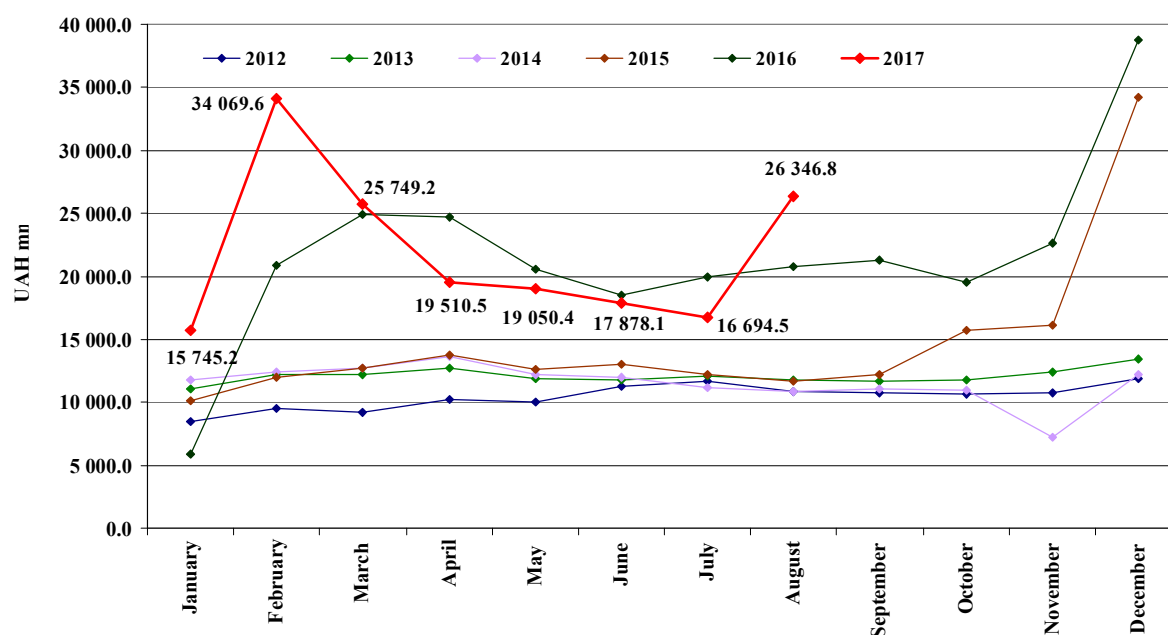
Graph 14

### 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

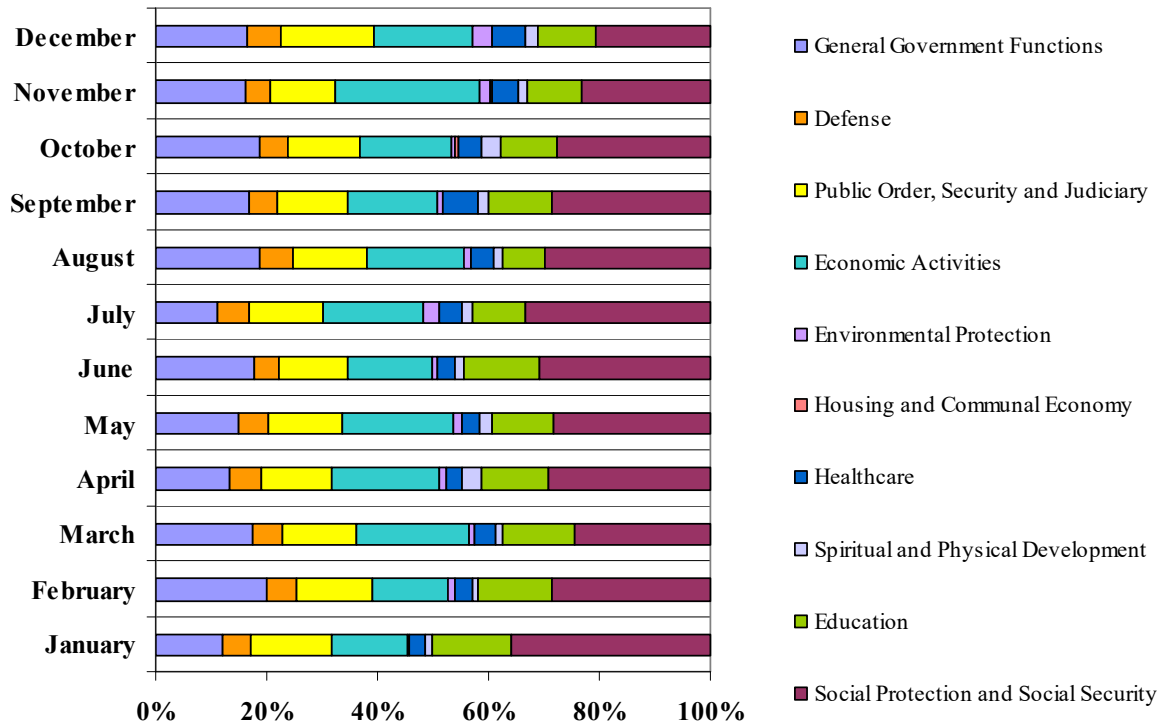


Diagram 13

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

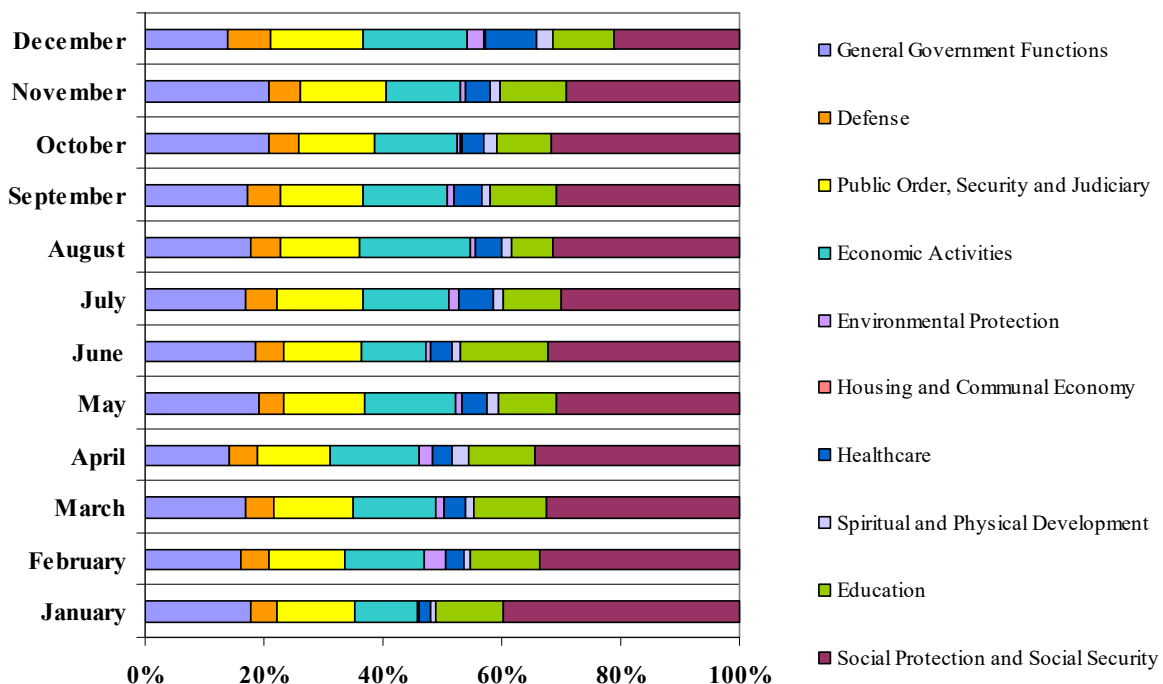


Diagram 14

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

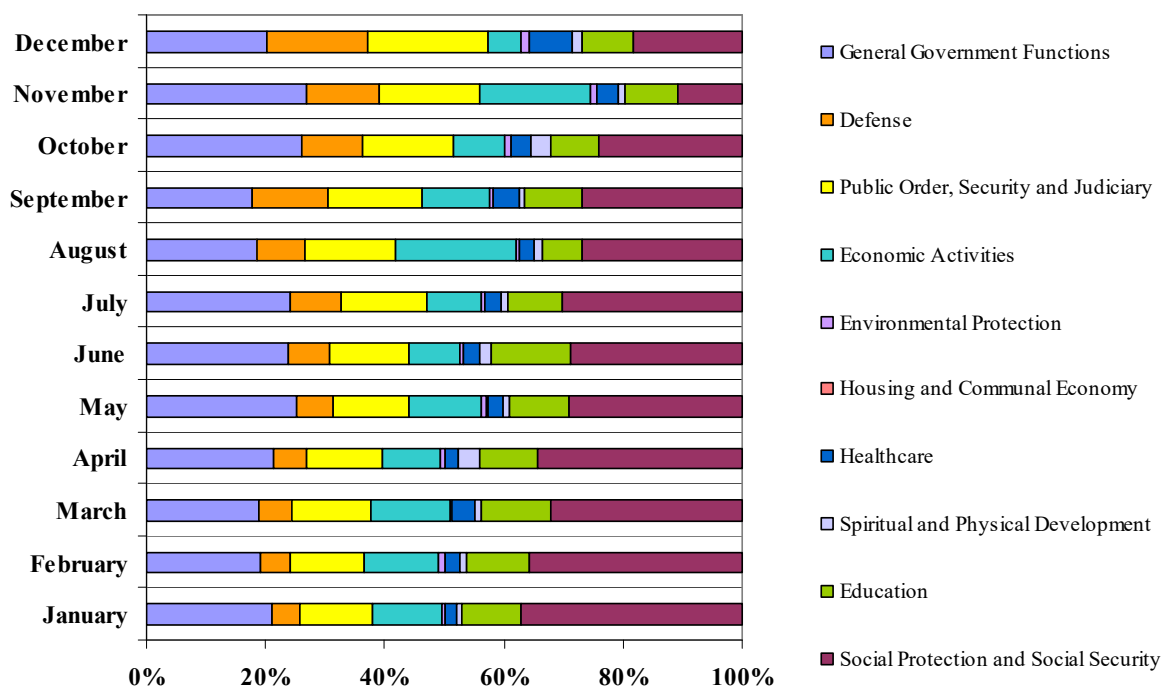


Diagram 15

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

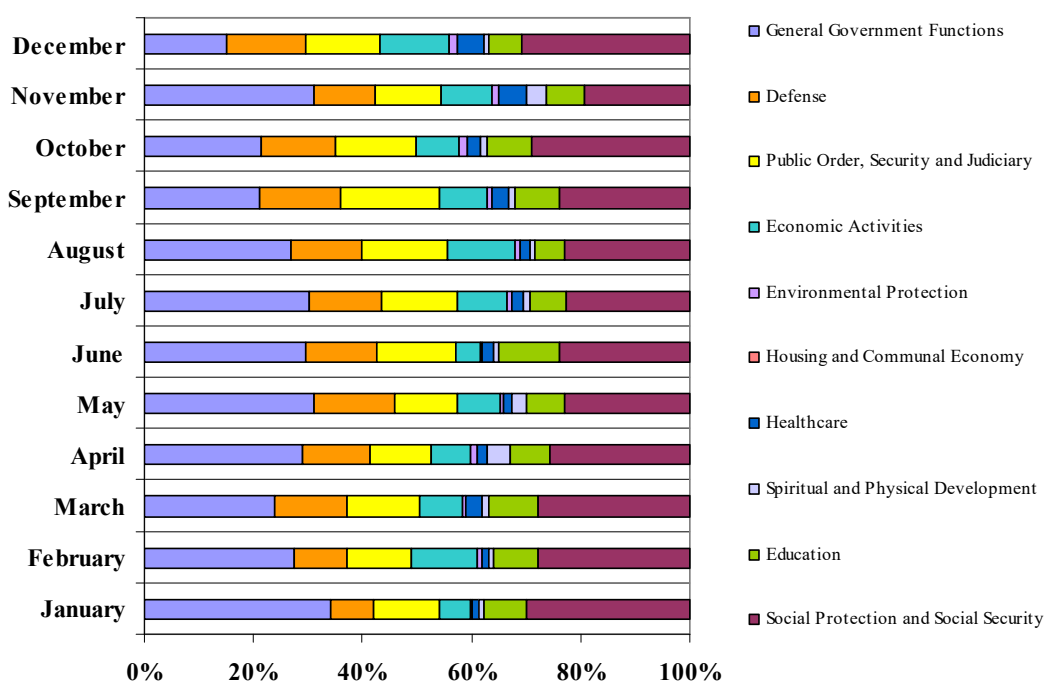


Diagram 16

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

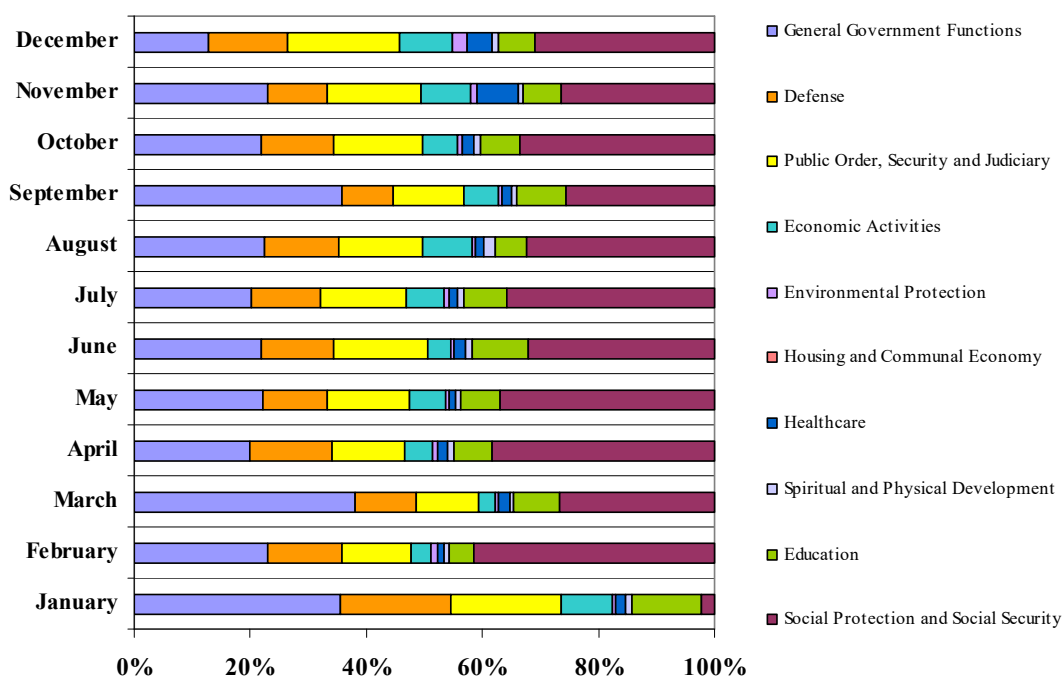
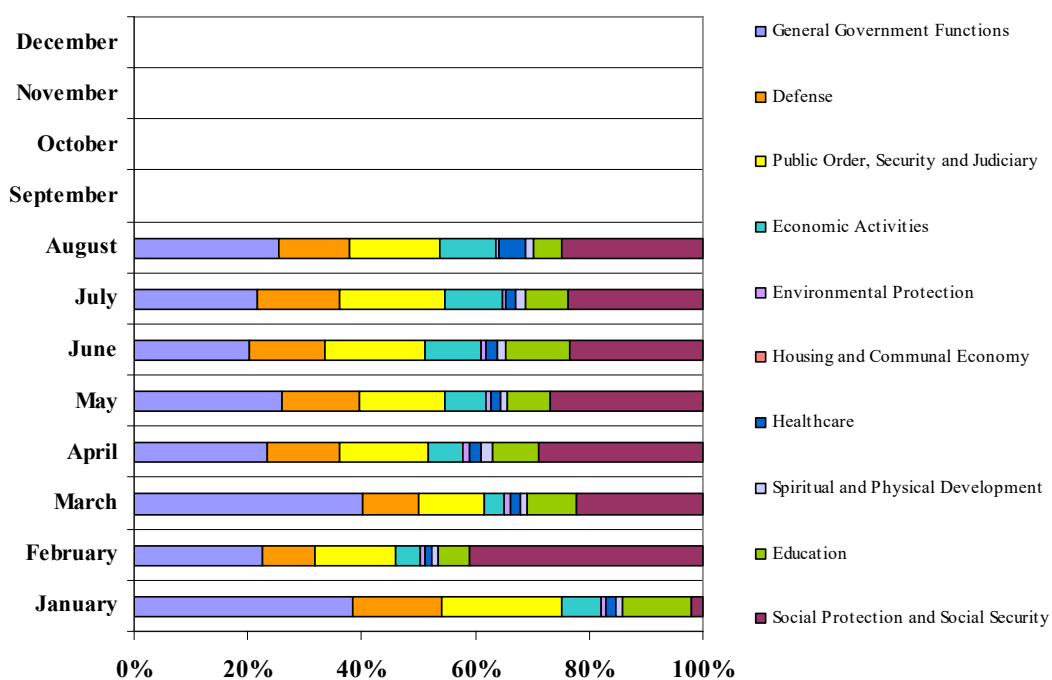


Diagram 17

### 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

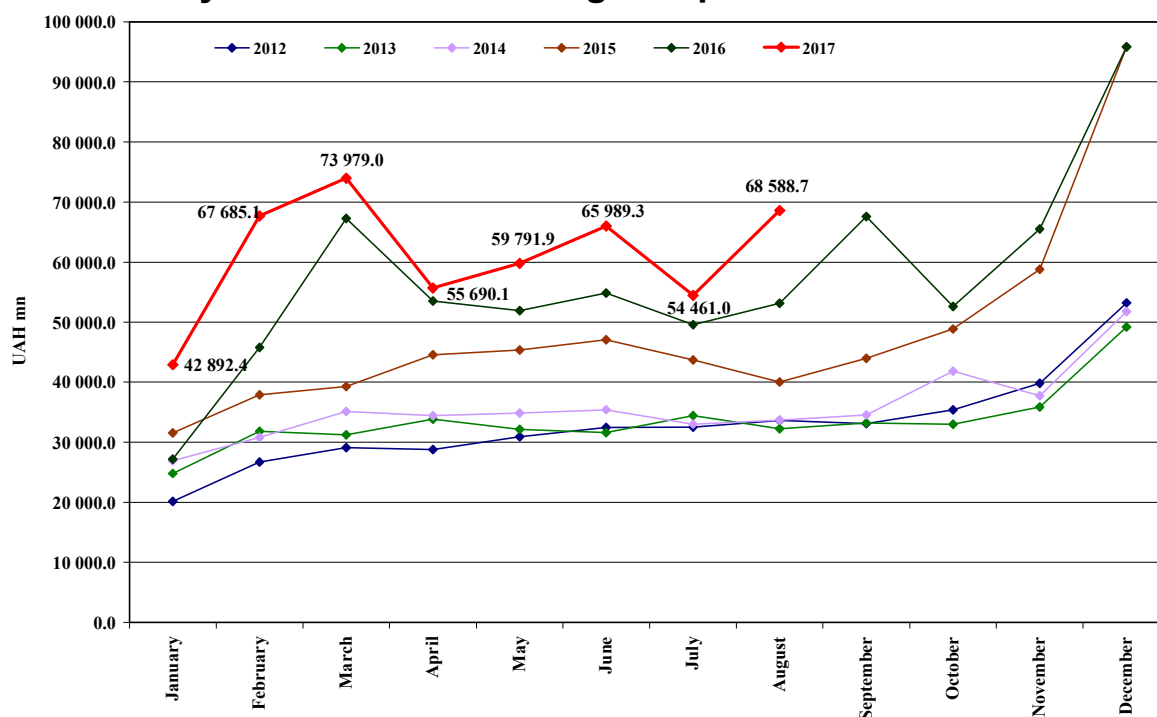
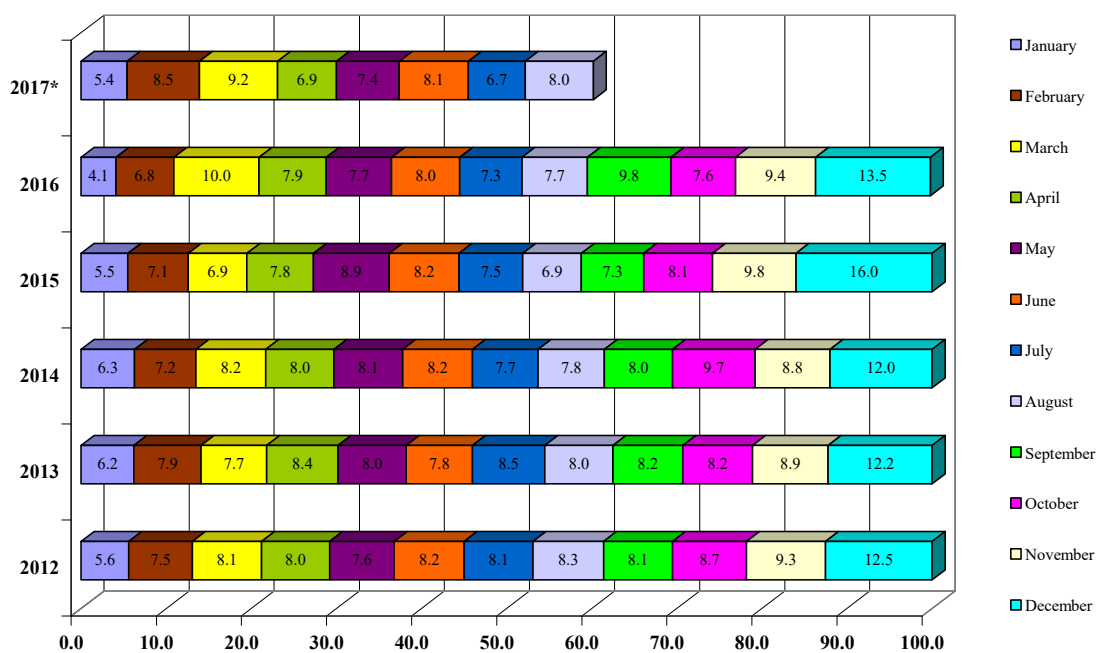


Diagram 18

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

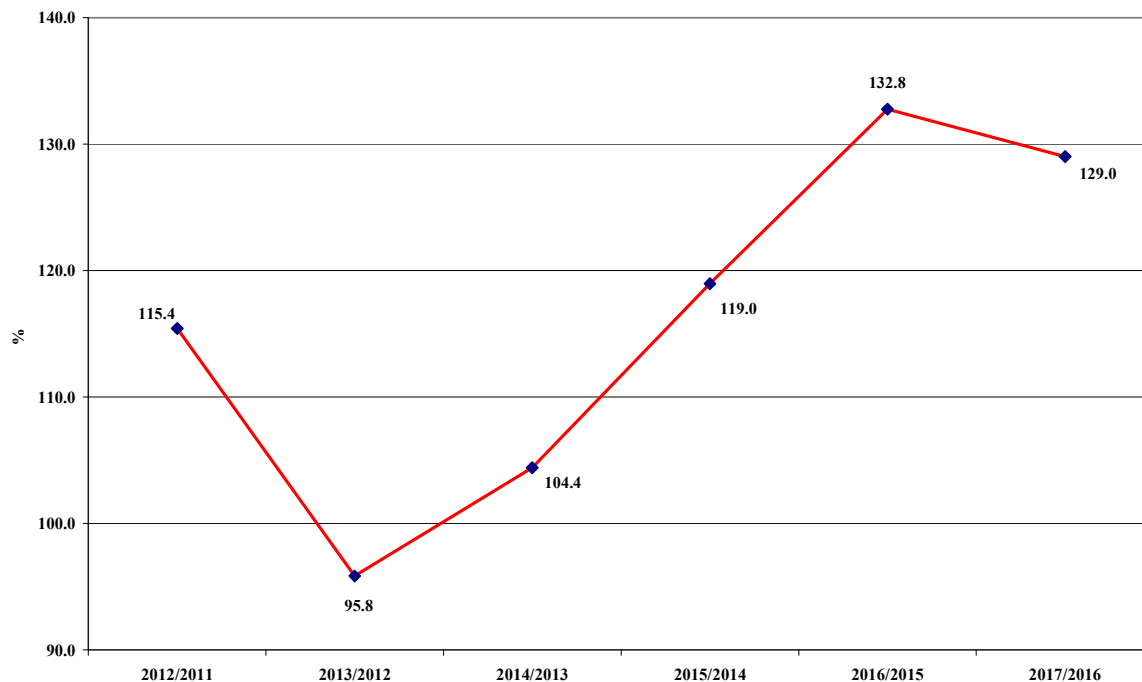


\* A share of total expenditures according to the planned annual index

%

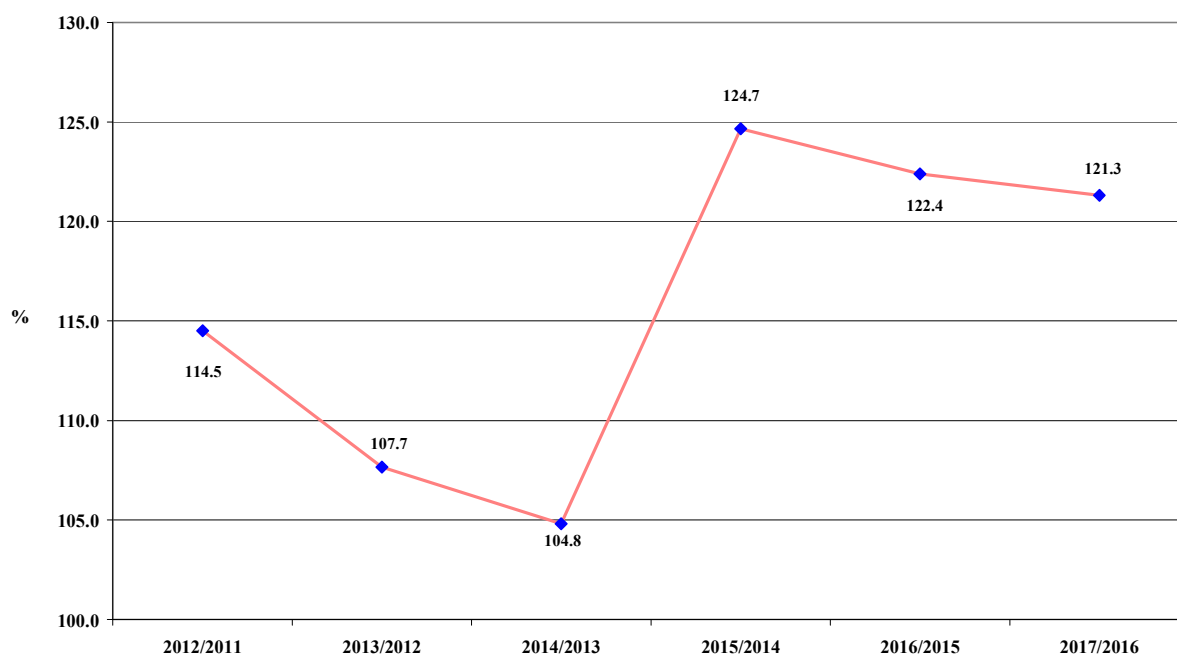
Graph 17

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



Graph 18

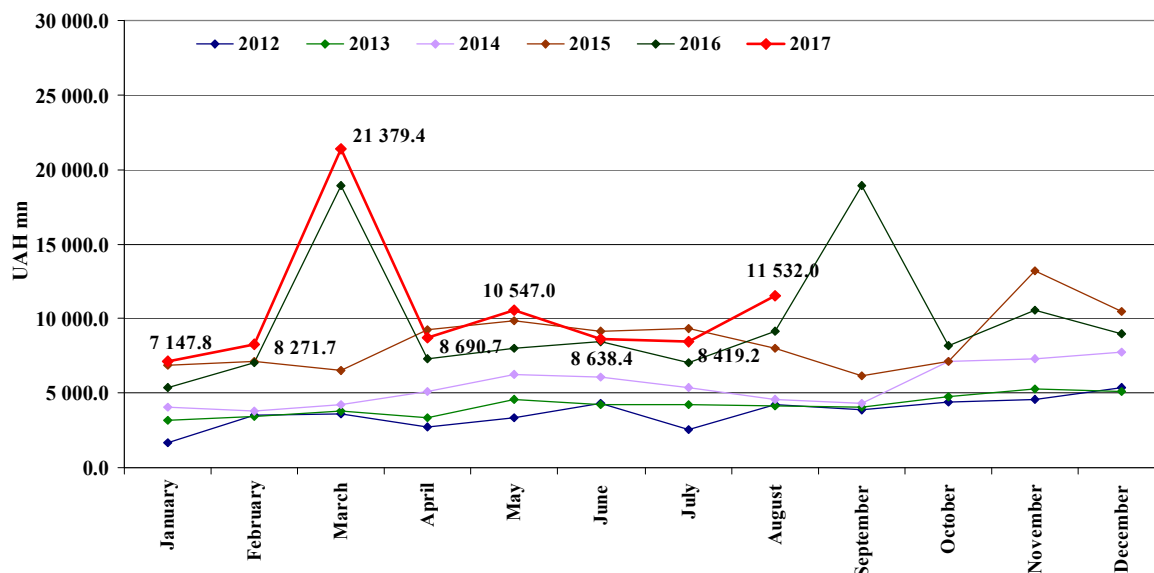
### Growth Rates of Ukraine's State Budget Expenditures in January-August 2012–2017





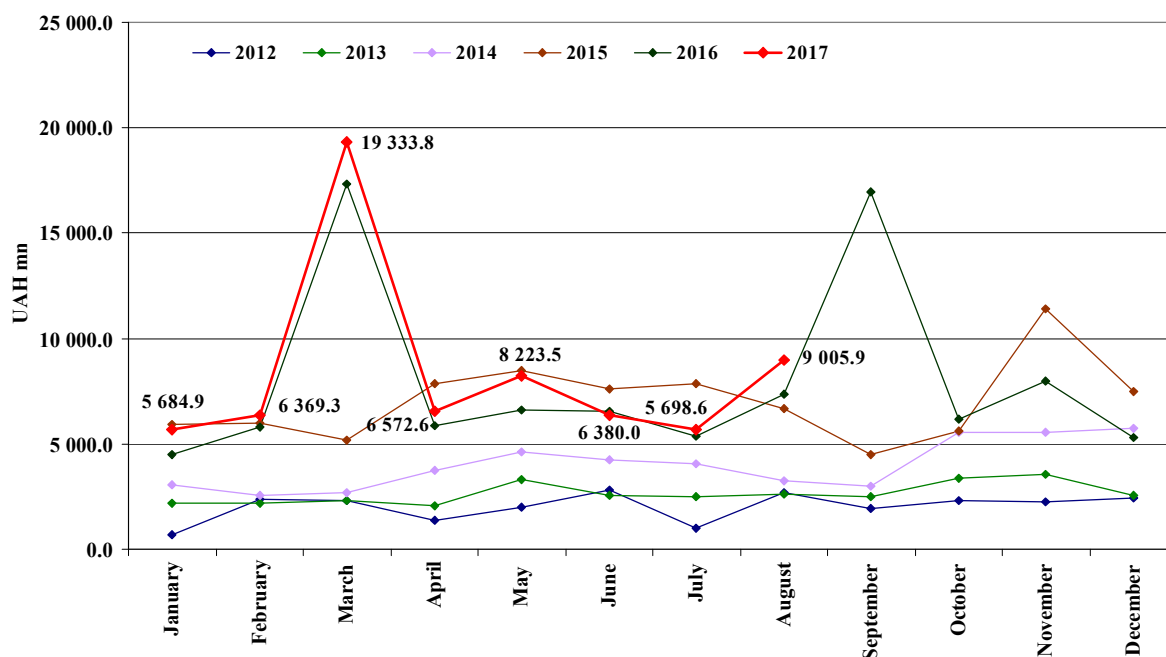
Graph 19

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



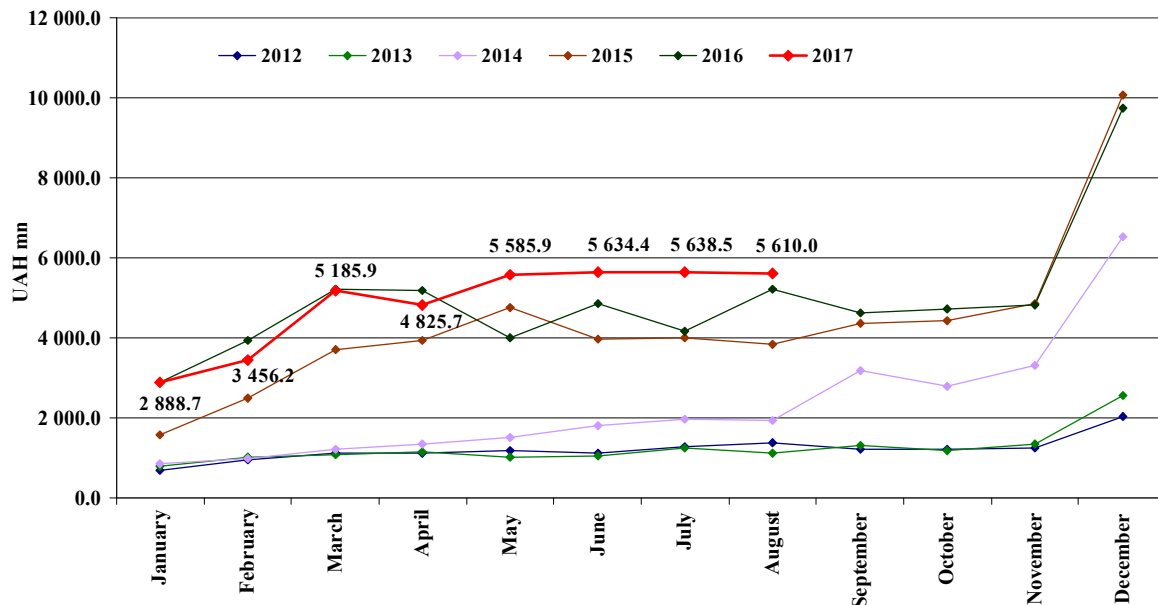
Graph 20

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



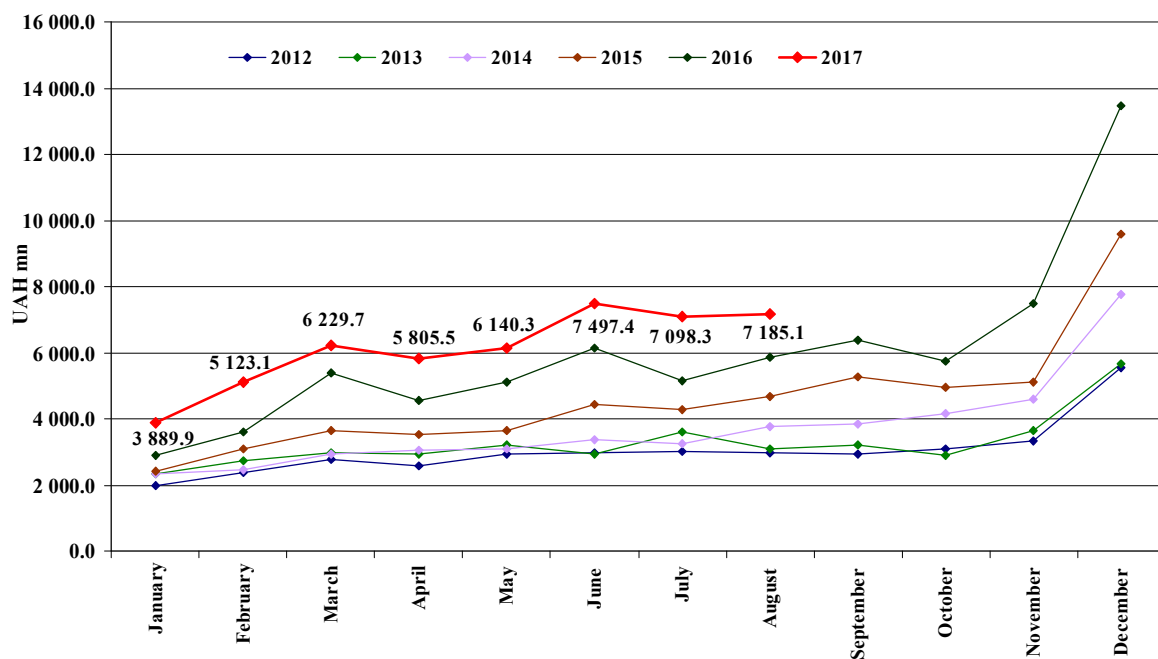
Graph 21

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



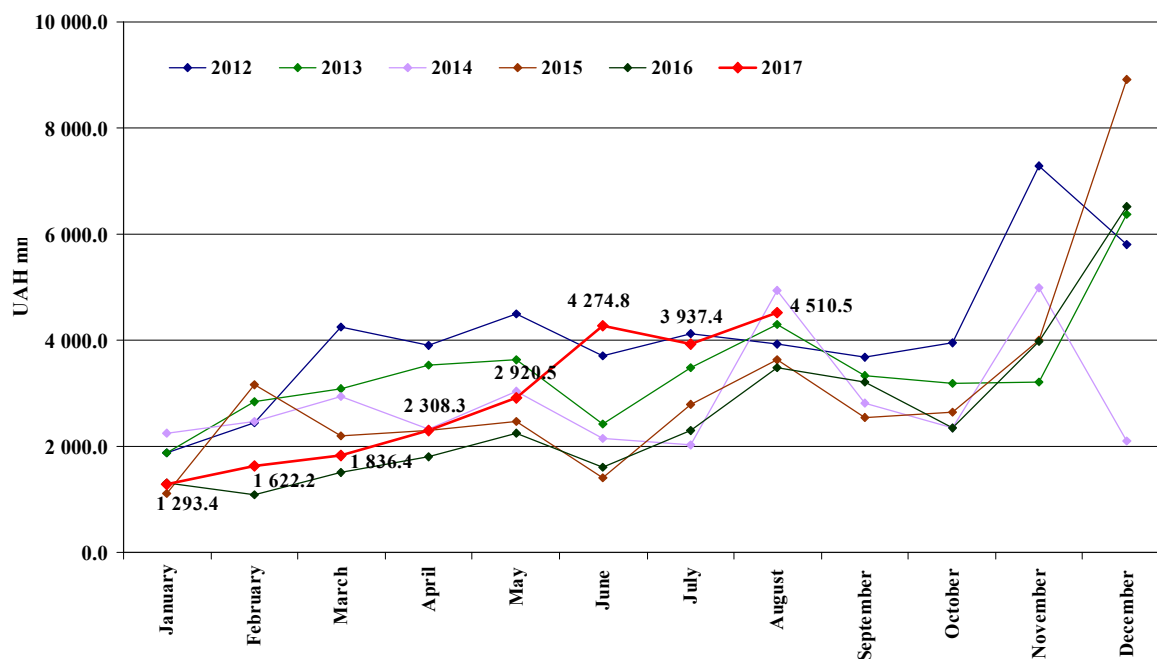
Graph 22

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



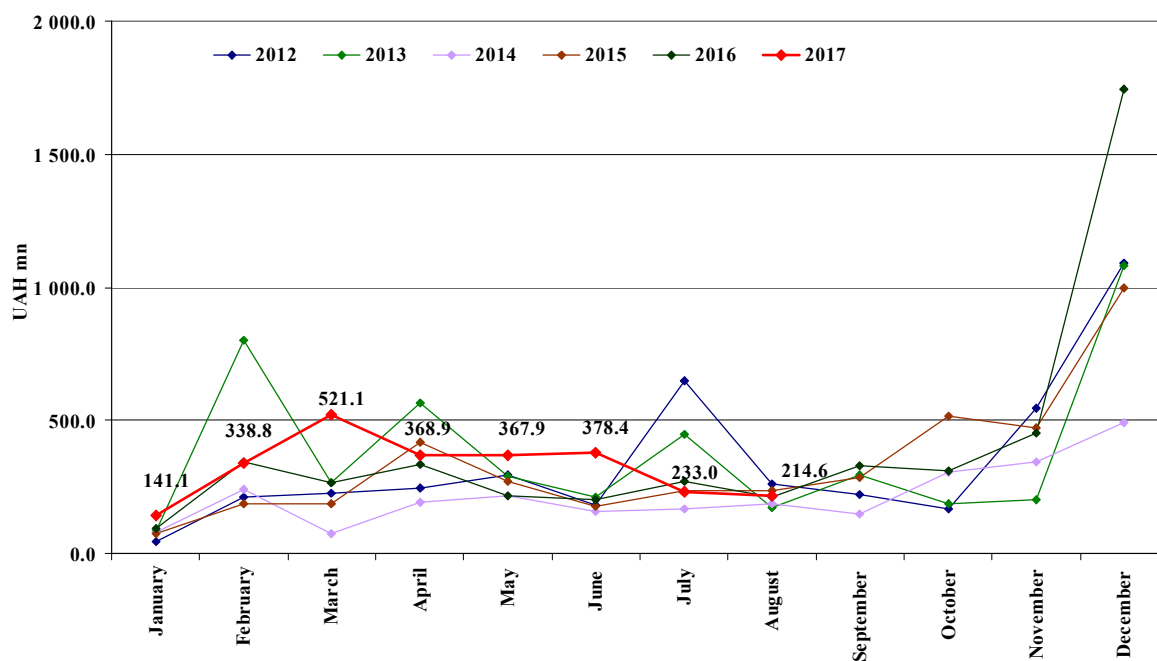
Graph 23

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



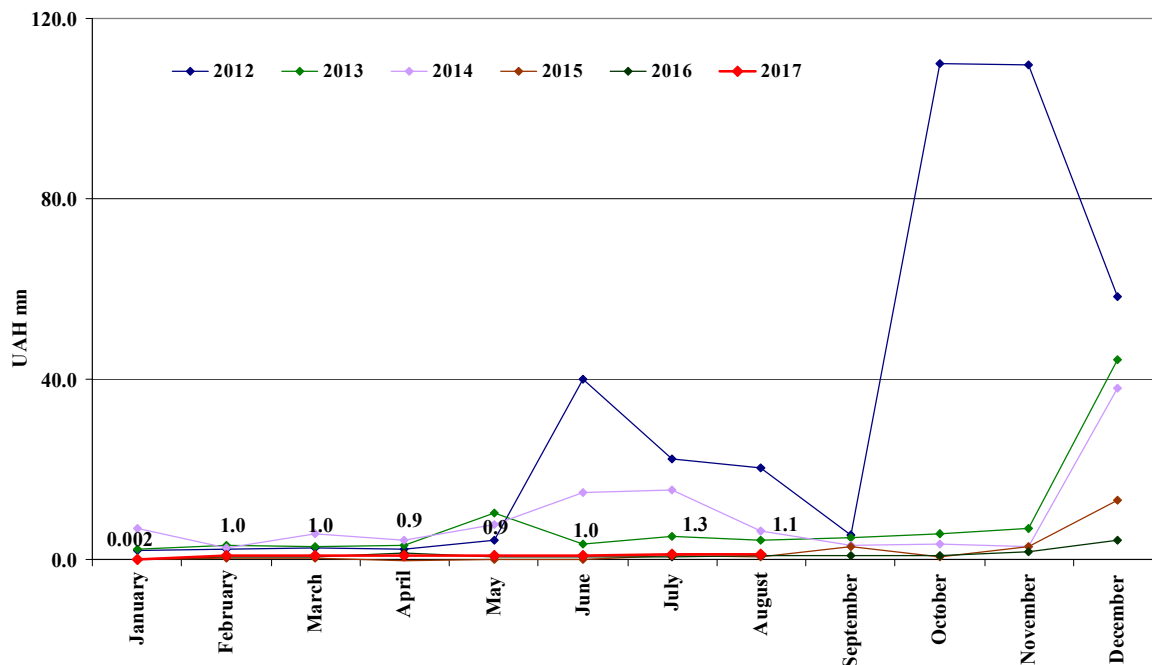
Graph 24

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



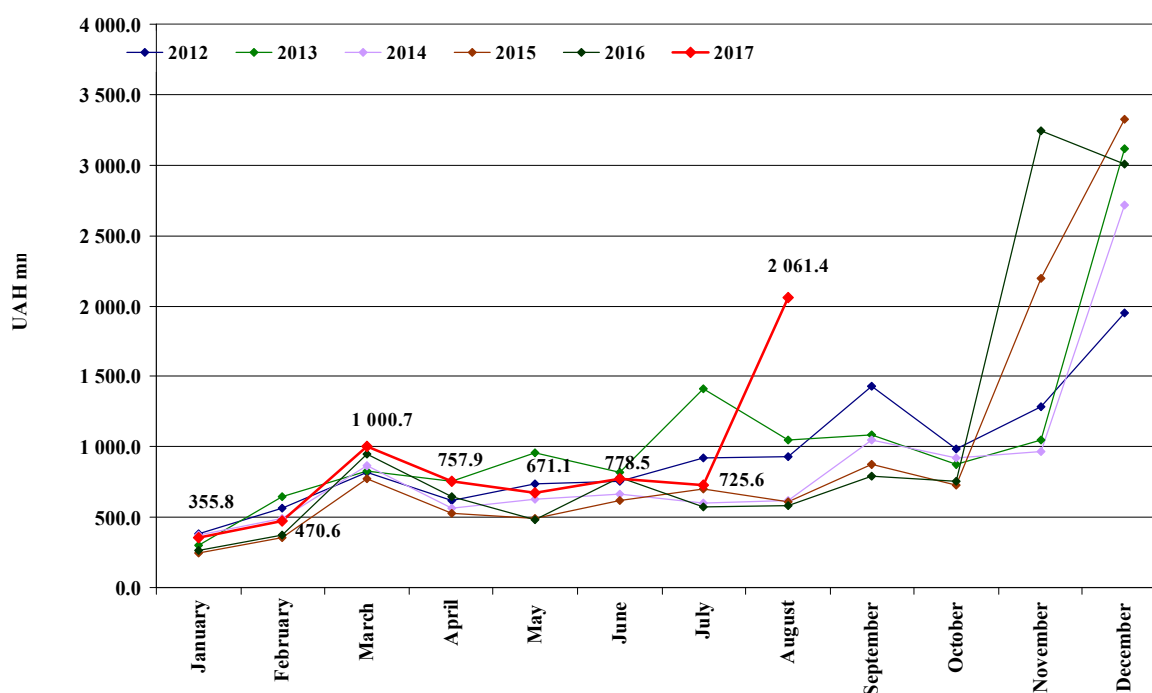
Graph 25

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



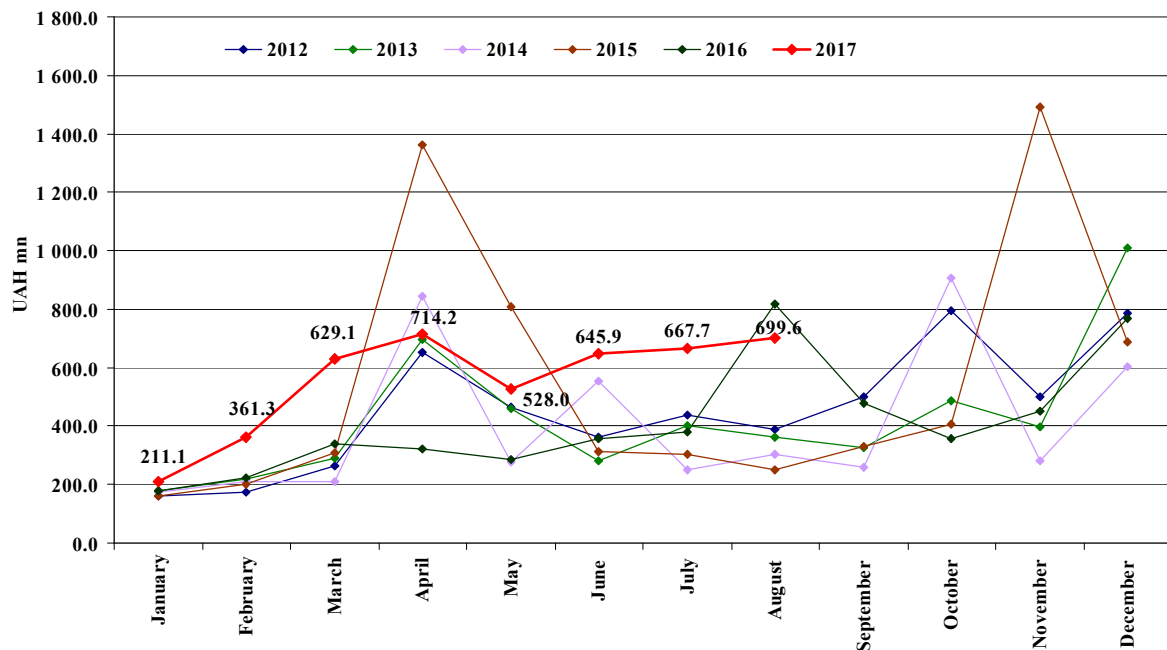
Graph 26

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



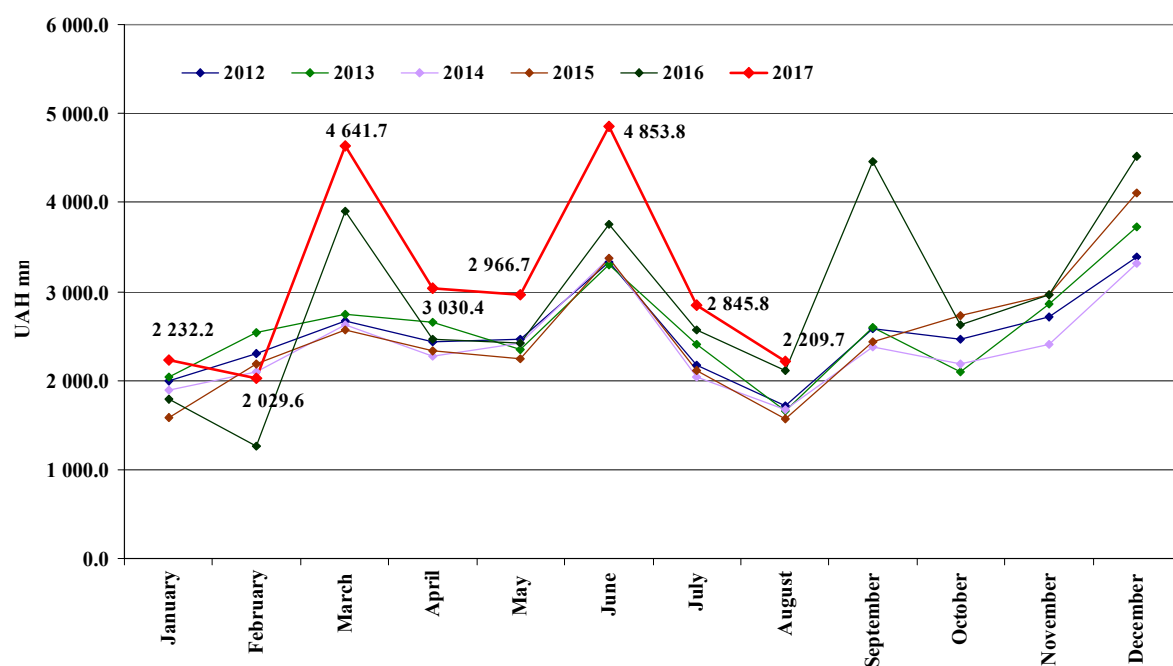
Graph 27

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



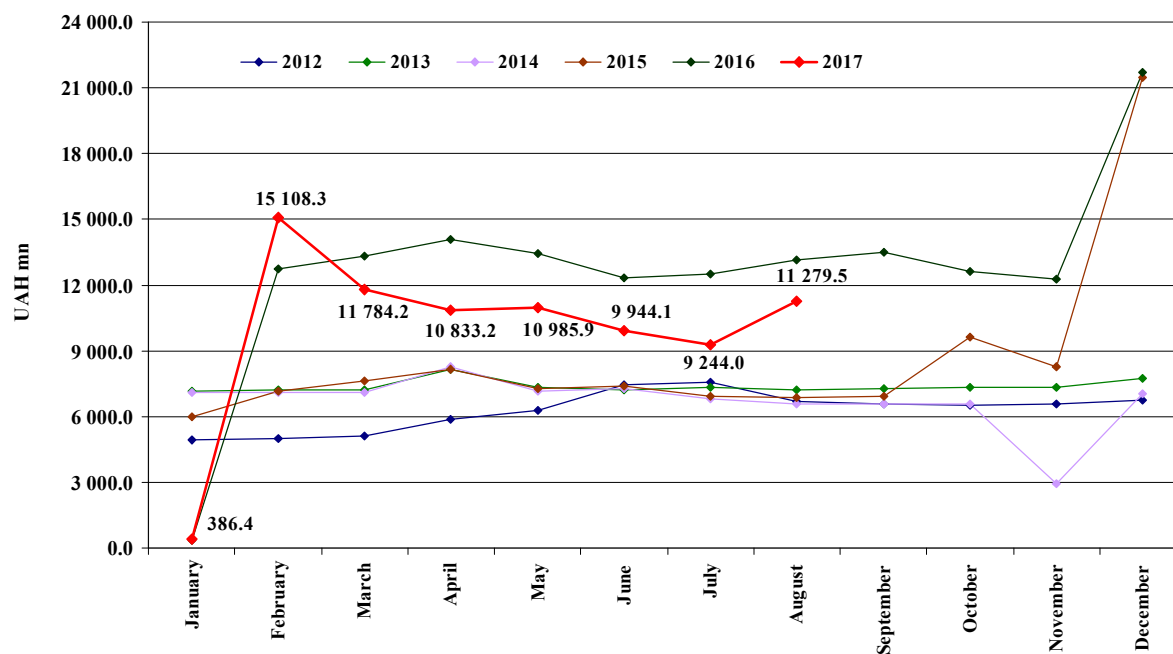
Graph 28

## 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

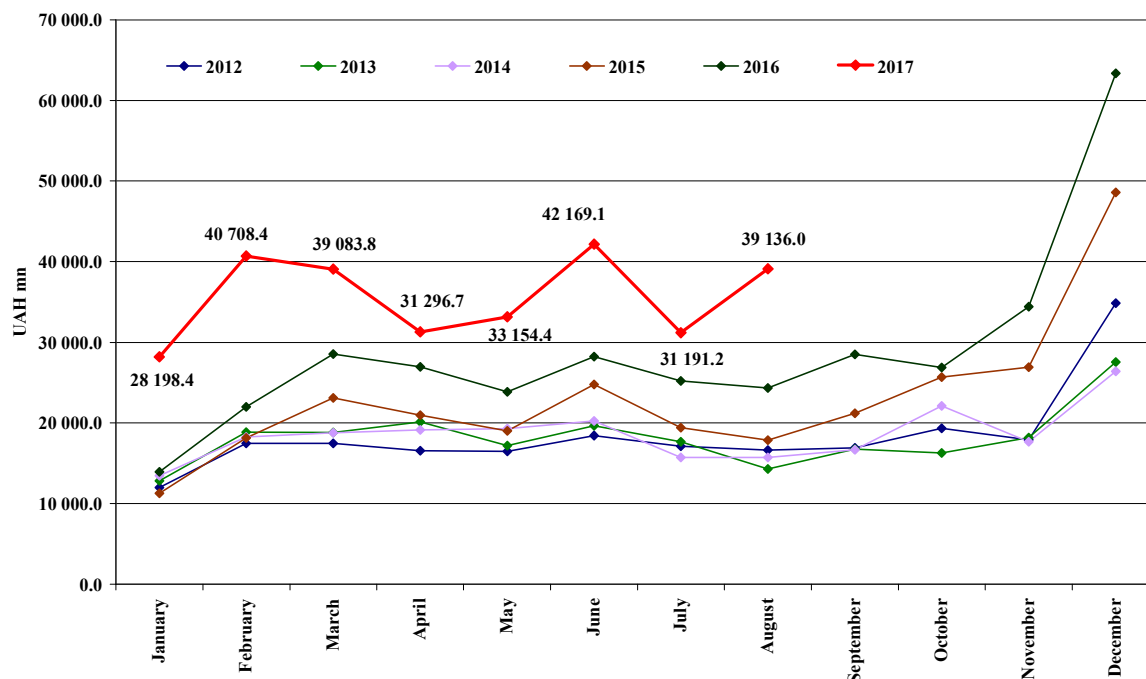
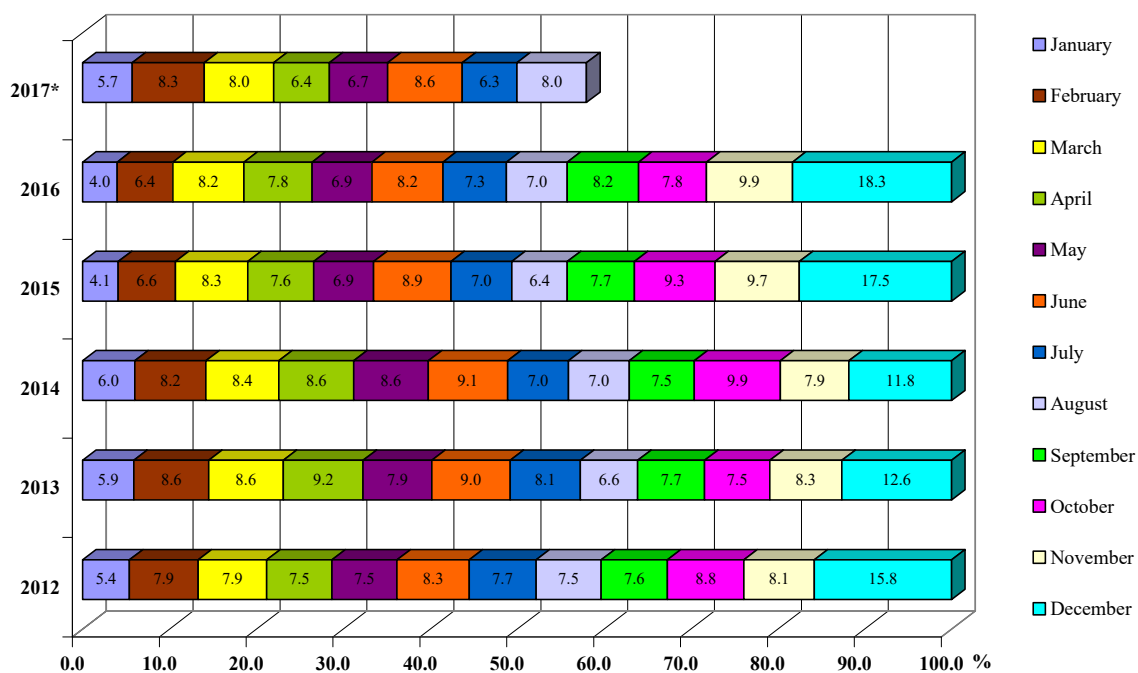


Diagram 19

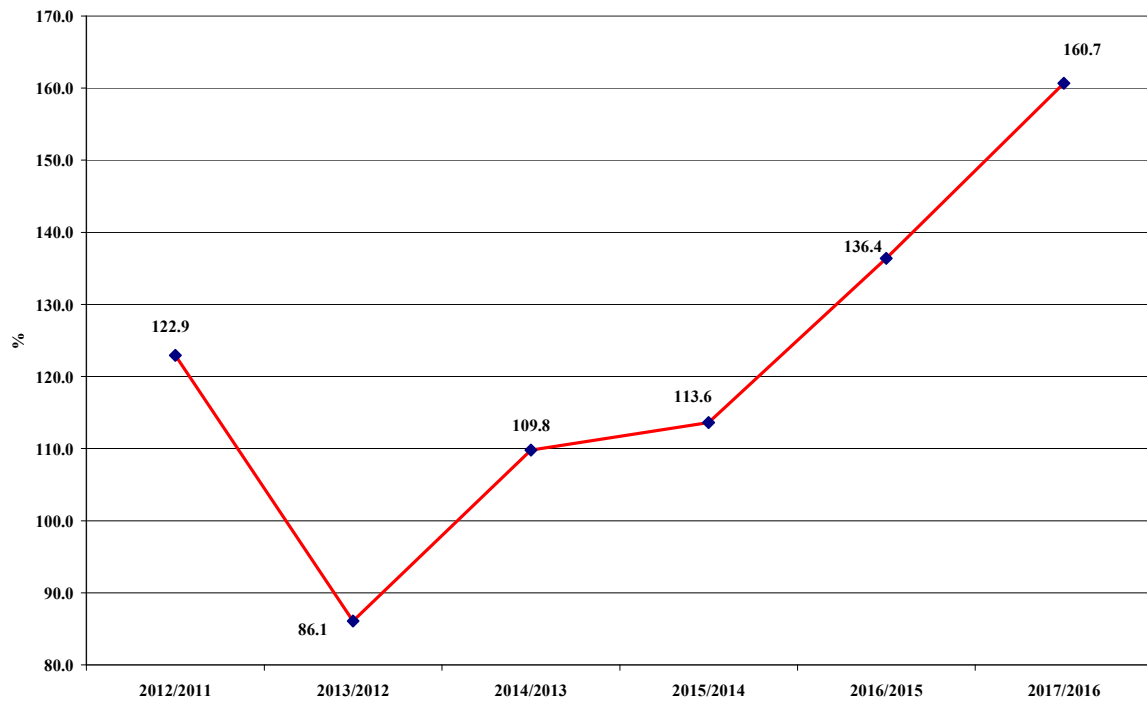
### Dynamics of the Share of Local Budget Expenditures in Annual Amounts in 2012–2017



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

Graph 31

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



Graph 32

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

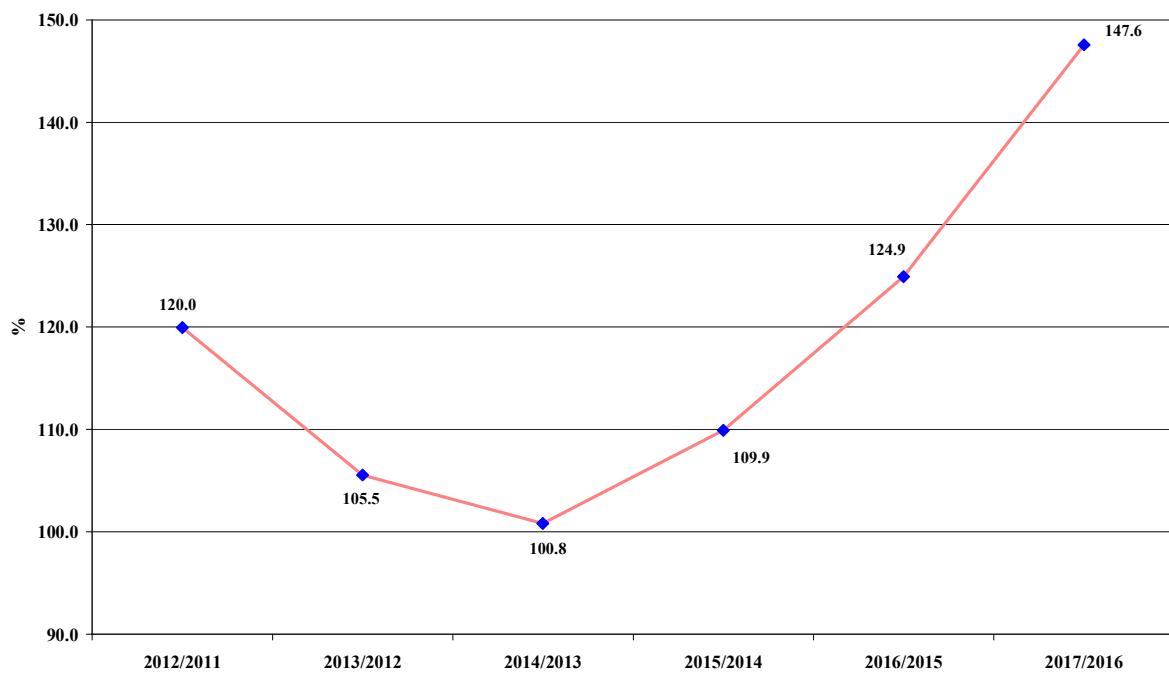




Diagram 20

## Local Budget Expenditures by Functional Classification in August 2017

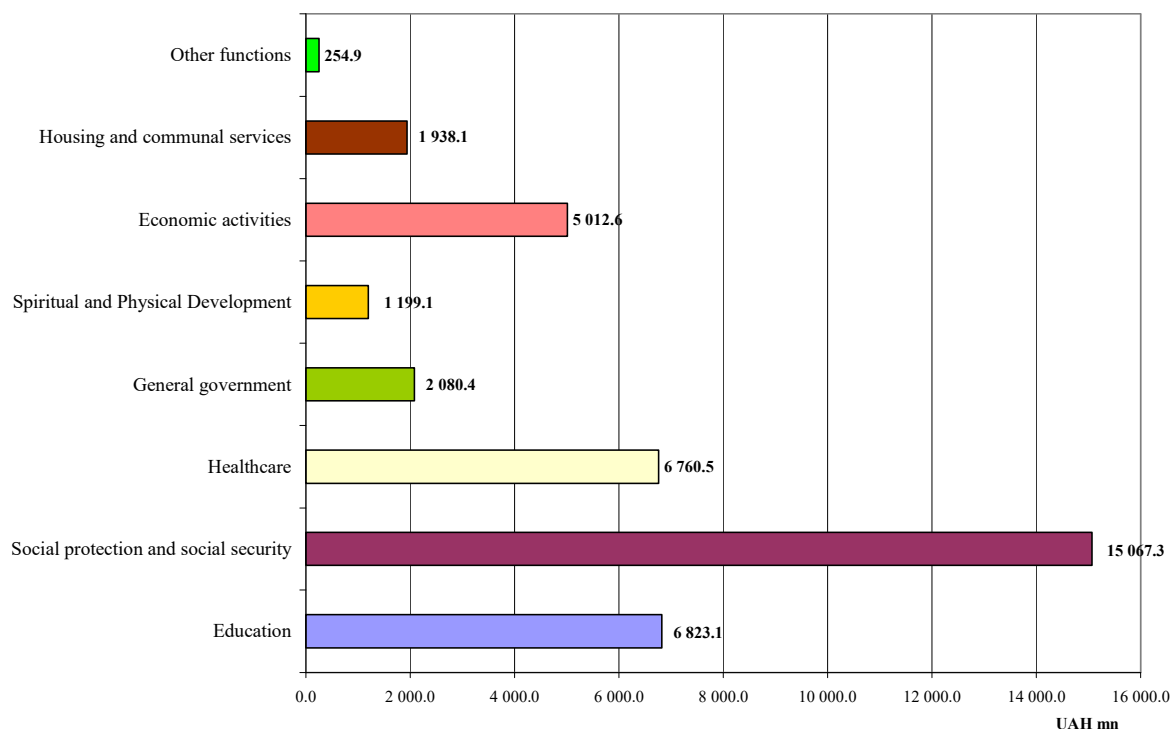
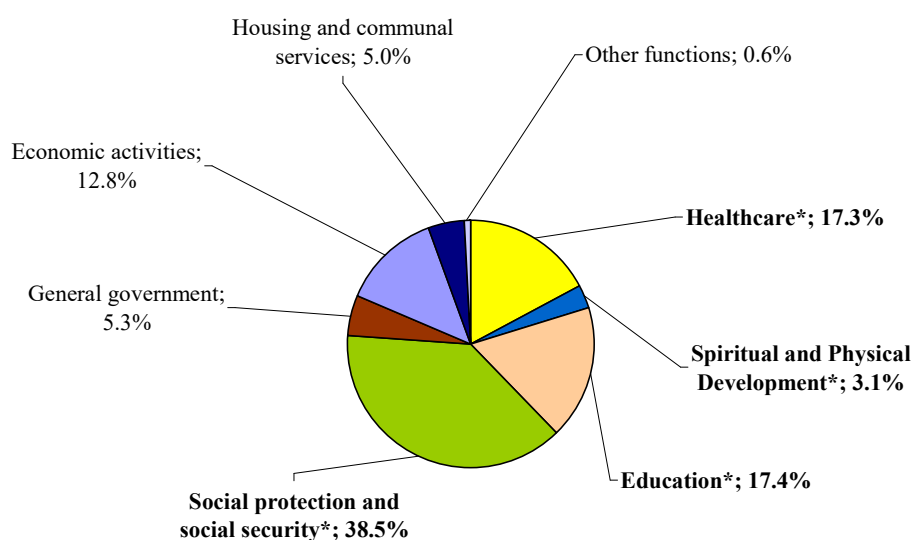


Diagram 21

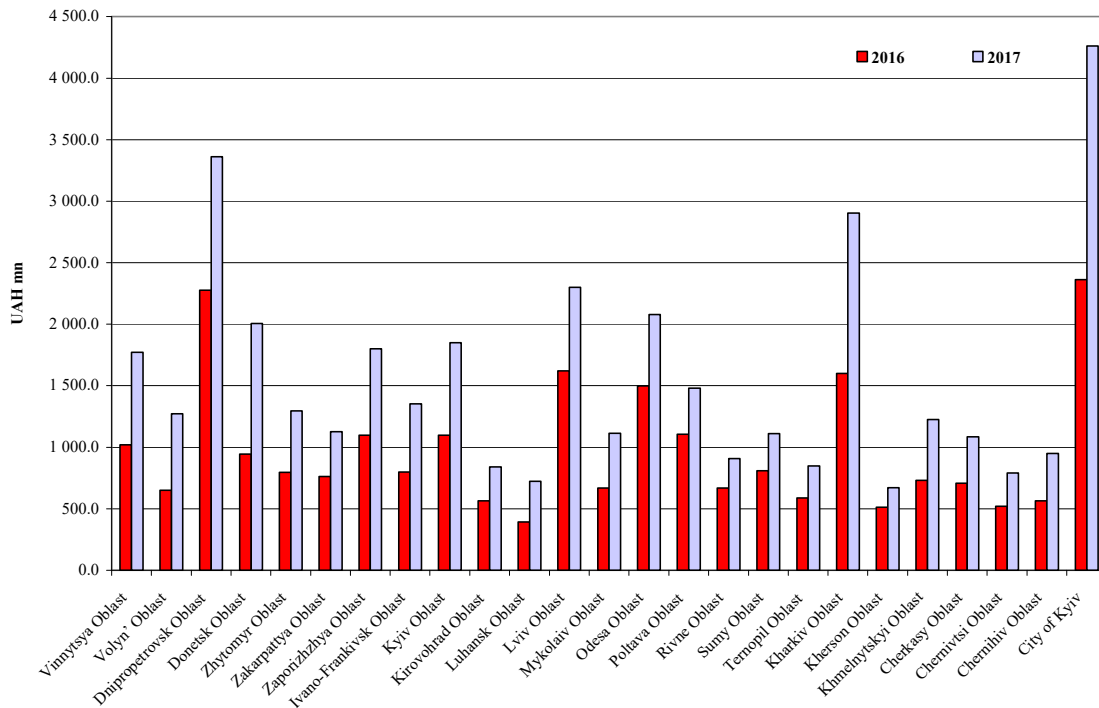
## Structure of Local Budget Expenditures by Functional Classification in August 2017



\* Expenditures for social and cultural sphere - 76.3%

Diagram 22

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



Graph 33

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

